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United Kingdom: HM Treasury

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2008 Credit Guarantee Scheme

The Treasury is publishing this report following the closure of the drawdown window to provide additional background information about the initial drawdown phase¹.

The Credit Guarantee Scheme was put in place as part of the financial support to the banking sector announced on 8 October 2008. It provides a Government guarantee for new short and medium term debt issuance to institutions eligible under the scheme (**Eligible Institutions**). The scheme became operational on 13 October 2008 and closed to new issuance on 28 February 2010. HM Treasury acts as guarantor for debt covered by the scheme, while the Debt Management Office handles the operational aspects.

The scheme has two main stages. During the initial drawdown window, Eligible Institutions were able to refinance maturing liabilities under the scheme. Following closure of the drawdown window on 28 February 2010, Eligible Institutions are able to refinance debt already guaranteed under the scheme, but they cannot issue new debt.

Issuance under the scheme

The scheme was open for refinancing of maturing liabilities through debt guaranteed under the scheme from 13 October 2008 until the closure of the drawdown window on 28 February 2010.

The majority of issuance was carried out in the first three months of the scheme. By the end of 2008 around £100 billion had been issued by Eligible Institutions. By the summer of 2009 outstanding issuance had risen further to over £125 billion. At the time of the Pre-Budget Report in 2009 issuance was reported as £134 billion.

¹ More general information relating to rules and operation of the scheme is published on the UK Debt Management Office website at [UK Debt Management Office](#).

Since then, overall outstanding issuance has decreased as debt issued in the early stages of the scheme matured without being refinanced. As of 24 March 2010, issuance stood at £125 billion.

Currencies

Issuance in the following currencies is eligible for a guarantee under the scheme: Sterling, US dollars, Euros, Japanese yen, Swiss francs, Australian dollars and Canadian dollars. A breakdown of currencies as at 24 March 2010 is set out below in sterling equivalent millions:

Sterling (£mn)	Euros (£mn)	US Dollars (£mn)	Australian Dollars (£mn)	Swiss Francs (£mn)	Japanese Yen (£mn)	Canadian Dollars (£mn)
48,763	19,747	45,522	1,952	207	8,742	-

Maturities

Under the scheme, Eligible Institutions were able to issue instruments between 1 month and 3 years in maturity. The table below provides a high-level breakdown of the maturity profile of outstanding issuance.

Liabilities maturing in 12 months or less (£million)	Liabilities maturing between 1-3 years (£million) ²
1,230	123,703

² Figure relates to the original date of issuance

A Eligible Institutions

A.1

Eligible Institutions making use of the scheme

The following Eligible Institutions have issued debt under the scheme since its inception in October 2008.

Bank of Scotland plc
Barclays Bank plc
Clydesdale Bank plc
Coventry Building Society
Investec Bank plc
Lloyds TSB Bank plc
Nationwide Building Society
Rothschilds Continuation Finance plc
Skipton Building Society
Standard Life Bank plc
Tesco Personal Finance plc
The Royal Bank of Scotland plc
West Bromwich Building Society
Yorkshire Building Society

A.2

Eligible Institutions that have not issued under the scheme

Since 13 October 2008, each of the following Eligible Institutions has received an Institution Certificate but have not issued debt under the scheme.

Bath Investment & Building Society
Beverley Building Society
Buckinghamshire Building Society
Cambridge Building Society
Chelsea Building Society
Chesham Building Society
Chorley Building Society
Close Brothers Finance plc
Co-operative Bank plc
Cumberland Building Society
Darlington Building Society
Dudley Building Society
Earl Shilton Building Society
Ecology Building Society
Furness Building Society
Hanley Economic Building Society
Hinckley and Rugby Building Society
HSBC Bank plc
Ipswich Building Society
Kent Reliance Building Society
Leeds Building Society
Leek United Building Society
The Loughborough Building Society
Manchester Building Society

The Mansfield Building Society
Market Harborough Building Society
Marsden Building Society
Melton Mowbray Building Society
Monmouthshire Building Society
National Counties Building Society
Newbury Building Society
Newcastle Building Society
Norwich and Peterborough Building Society
Nottingham Building Society
Penrith Building Society
Principality Building Society
Progressive Building Society
Saffron Building Society
Santander UK plc (formerly Abbey National plc)
Scottish Building Society
Shepshed Building Society
Standard Chartered Bank
Stroud and Swindon Building Society
Sumitomo Mitsui Banking Corporation Europe Limited
Teachers Building Society
Tipton & Coseley Building Society
Vernon Building Society