

Credit control

Notice to banks and deposit-taking finance houses, issued by the Bank of England on 22 July 1976.

In his Parliamentary statement today, the Chancellor of the Exchequer reaffirmed his intention to restrain the growth of the money supply while ensuring that industry is not denied essential finance. In this context, banks and finance houses are asked:

- 1 to provide, within the bounds of banking prudence, finance required for both working capital and fixed investment by manufacturing industry and for the expansion of exports and the saving of imports;
- 2 in order to ensure their ability to meet the requirements in (1) above during the next two years, to exercise strict restraint on lending or provision of facilities for other purposes;
- 3 in particular, to maintain existing restraint on lending and the granting of facilities to persons, property companies and for purely financial transactions, and to continue to observe the existing request on terms of personal loans.