

Credit control

Notice to banks and deposit-taking finance houses, issued by the Bank of England on 11 August 1977.

Supplementary special deposits

The Bank of England, with the approval of the Chancellor of the Exchequer, announce the suspension for the time being of the operation of the supplementary special deposits scheme. The scheme remains in being and may be reactivated by the Bank without notice. If the scheme is reactivated, the base date to which limits will relate may be before the date of the announcement.

The Bank of England's guidance on the direction of lending, set out in their notice of 22nd July 1976, remains in force, and banks and finance houses are asked to continue:

- 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 future ability to meet the requirements in (1) above, 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.