

6 September 2010

Mrs Judy Morris  
Clerk to the Council  
Cullompton Town Council  
The Town Hall  
1 High Street  
Cullompton  
Devon  
EX15 1AB

Our Ref: SRP 5/23/04  
ApplicationNo87

Your Ref:



Dear Mrs Morris

#### BORROWING APPROVAL

1. I am directed by the Secretary of State to notify you that, in pursuance of his powers under paragraph 2(2) of Schedule 1 to the Local Government Act 2003, the extension to the Cemetery and works associated with the improvement of the Car Park, are approved by him as a purpose for which Cullompton Town Council, "the Council", may borrow an amount not exceeding £250,000.

2. Please note that this borrowing approval authorises the Council to borrow funds up to a specified amount. However, the Council should note that this borrowing approval does not itself confer power on the Council to incur the planned expenditure. **The Council will need to satisfy itself that it does have the appropriate power before the expenditure is incurred.**

3. This approval is given subject to the following conditions, and any borrowing by the Council in breach of any of these conditions will not be authorised by this approval:

- (a) the Council may borrow only for the purpose specified in paragraph 1 above;
- (b) borrowing under the authority of this approval must be undertaken within the period of the approval. If the date of the approval (given above) is on or after 1 April and on or before 30 September, the period of the approval is a period of six months starting on the date of the approval. Otherwise the period of the approval is a period starting on the date of the approval and ending on the last day of the financial year within which the approval is given;
- (c) any borrowing by the Council after the end of the period of the approval will not be authorised by this approval;

Department for Communities and Local Government  
Strategy, Revenue and Capital Division  
Zone 5/J3  
Eland House  
Bressenden Place  
London  
SW1E 5DU

Tel 0303 4442086  
Fax 0303 4443294

- (d) in a case where a loan agreement imposes on the Council an immediately binding obligation to borrow money at some future date, the Council will draw down the borrowed funds before the end of the period of the approval;
- (e) where the Council borrows any money in reliance on this approval, it will notify Communities and Local Government (CLG) of the date of the loan and the amount borrowed, as soon as is reasonably practicable;
- (f) where the Council has not undertaken any borrowing and does not intend to undertake any borrowing, in reliance on this approval, the Council is requested to notify CLG as soon as is reasonably practicable.

4. In exercise of his powers under paragraph 5 of Schedule 1 to the Local Government Act 2003, the Secretary of State consents to any period determined by the Council as the period within which the money borrowed in reliance on this approval is to be repaid, provided that the period is not greater than **50 years**, starting on the date on which the money is borrowed.

5. The contact at the department for any enquiries is Cliff Lambert on **0303 4442086** or e-mail to **[cliff.lambert@communities.gsi.gov.uk](mailto:cliff.lambert@communities.gsi.gov.uk)**

6. Advice on the sources and methods of finance available, and a guidance leaflet about the borrowing approval system, may be obtained from your local County Association. Councils intending to borrow from the Public Works Loan Board (PWLB) may contact them on 020 7862 6610 or e-mail to [pwlb@dmo.gov.uk](mailto:pwlb@dmo.gov.uk). Their website address is [www.pwlb.gov.uk](http://www.pwlb.gov.uk). **I am copying this letter to your local County Association.**

Yours sincerely

NIKKI HINDE  
Strategy, Revenue and Capital Division



The Clerk  
Cullompton Town Council  
Town Hall  
1 High Street  
CULLOMPTON  
EX15 1AB



Borrower Ref: 07305

Loan Number: 498166

24 November 2010

**Confirmation of a fixed loan authorised by the Public Works Loan Commissioners**

Following your Authority's loan application on ~~28 October 2010~~ <sup>November 2010</sup>, the Public Works Loan Commissioners have authorised the loan specified in the Schedule below, for which the fee indicated has been paid. The loan will automatically be secured by Statute on all the revenues of your Authority and is made on the basis of the terms and conditions of the Board's Circular(s) described in the Schedule.

The loan will carry interest at the appropriate annual rate. The rate of interest will remain unchanged throughout the period of the loan.

The principal specified in item 1 of the Schedule is repayable with interest at the rate specified in item 3 by the payments specified in item 4, calculated by way of annuity (combining principal and interest) to repay the principal throughout the period specified in item 2 on the days specified in item 5, beginning on 30 April 2011.

Mark Frankel, Secretary

THE SCHEDULE

Authority receiving loan:	CULLOMPTON TOWN COUNCIL (DEVON)
Date of advance (from which interest will accrue):	24 November 2010
Fee paid:	£87.50
Agreed Terms of Loan:	made under the terms and conditions of the Board's Circular(s) No. 144, 145 and 147.
1. Principal:	£250,000 repayable by half yearly annuity
2. Period for repayment:	25 Years 0 Month
3. Annual rate of interest:	5.01 %
4. Amount of half-yearly annuity:	£ 8,823.32
5. Days in each year for payment:	30 April 30 October