



Office of the Deputy Prime Minister

Creating sustainable communities

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Our Ref: FLA 3/10/27 Pt5

1 October 2004

Mr W Richards
Clerk to the Council
Chesham Town Council
Town Hall, Chesham
Buckinghamshire
HP5 1DS



Dear Mr Richards

BORROWING APPROVAL

1. I am directed by the First 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 demolishing and rebuilding of public conveniences in the main park and the re-siting of CCTV, are approved as a purpose for which Chesham Town Council, "the Council" may borrow an amount not exceeding £120,000.
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 commencing any works.
3. This approval is given subject to the following conditions, and any borrowing by the Council in breach 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 1st April and on or before 30th 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 the approval;
 - (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, they will**

notify the Office of the Deputy Prime Minister (ODPM), as soon as reasonably practicable, of the date of the loan and the amount borrowed;

(f) where the Council decide that they will not borrow the full amount specified in paragraph 1, they will notify the ODPM, as soon as reasonably practicable, of the amount they do intend to borrow in reliance on this approval.

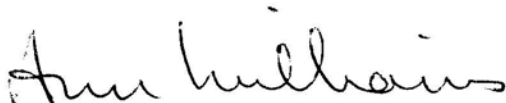
4. The Council is requested to notify the ODPM, as soon as reasonably practicable after the end of the period of the approval, if they have not undertaken any borrowing in reliance on this approval.

5. In exercise of his powers under paragraph 5 of Schedule 1 to the Local Government Act 2003, the First 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 30 years, starting on the date on which the money is borrowed.

6. The contact at the ODPM is Mr Solomon whose details are shown at the top of this letter.

7. Advice on the sources and methods of finance available, and a guidance leaflet about the borrowing system, may be obtained from local county associations. Councils intending to borrow from the Public Works Loan Board (PWLB) may contact them on 020 7862 6610, or if preferred, at their e-mail address of pwlb@dmo.gov.uk. The website address is www.pwlb.gov.uk. **I am copying this letter to your local county association.**

Yours sincerely



ANN WILLIAMS
Capital Finance & Accountancy Advice