



Access to Grants and Funds: Parish & Town Council Borrowing

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**Local Government Funding Policy Team
Department for Communities and Local Government**



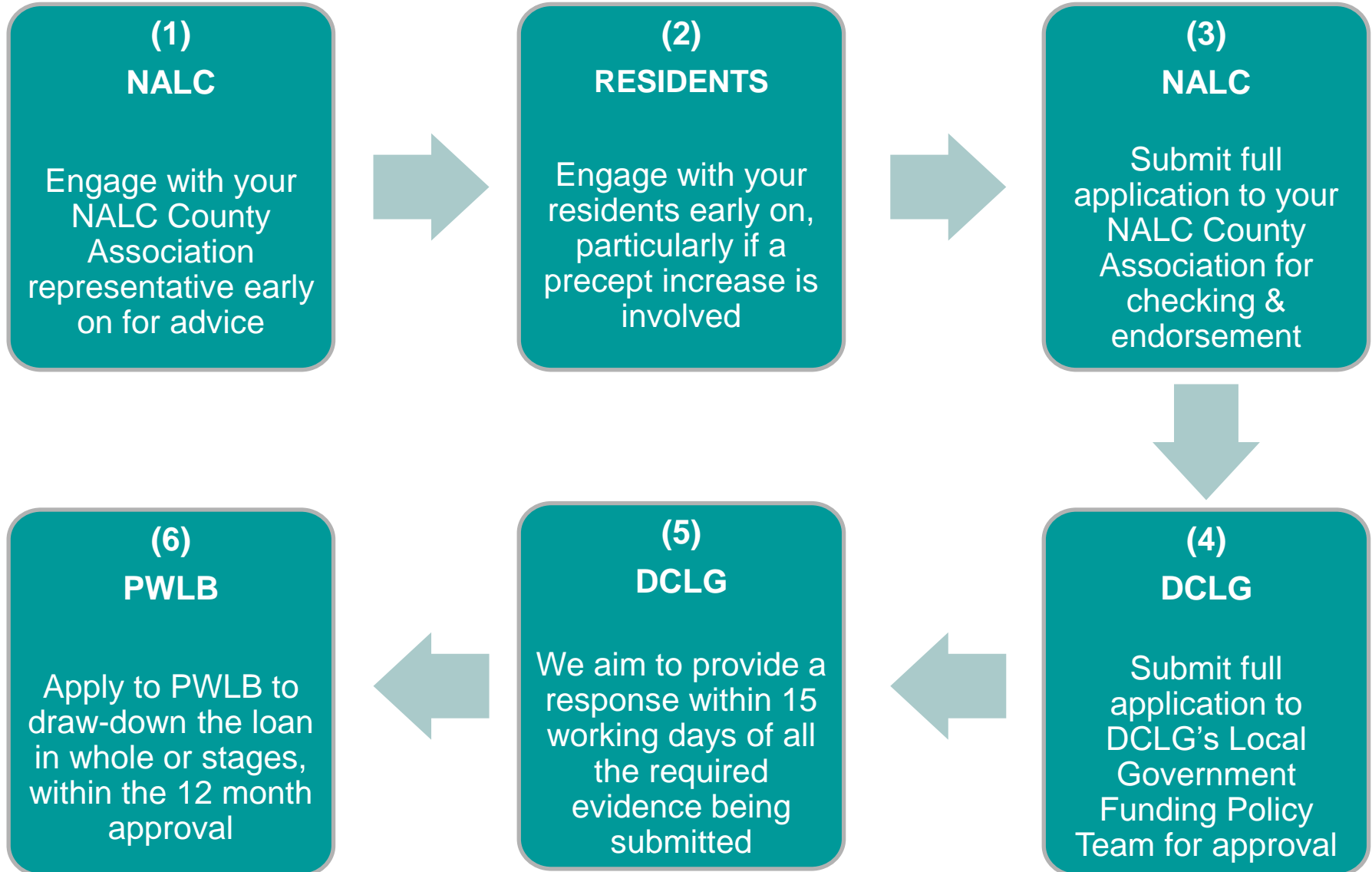
What is parish and town council borrowing?

- The Local Government Act 2003 enables parish councils to borrow capital monies to fund infrastructure and capital projects
- All applications to borrow must first be approved by the Secretary of State for the Department for Communities and Local Government
- We check all applications to ensure councils have appropriate public support and robust plans to pay off the loan
- Important to be transparent when planning to take out a loan





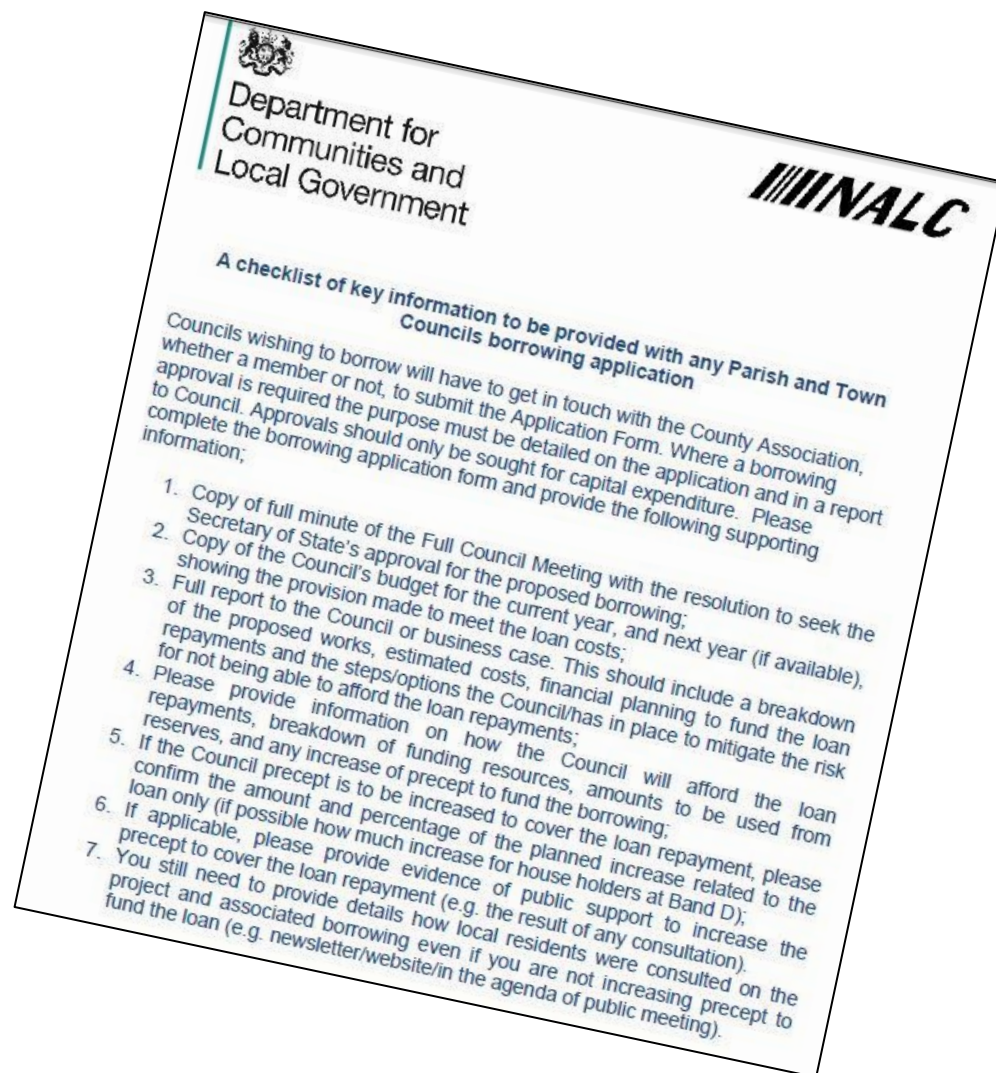
What is the borrowing process?





What do we look for in a borrowing application?

1. Resolution to borrow
2. Budget
3. Report to Council / business case
4. Loan affordability
5. Precept increase
6. Precept increase survey / public support
7. General project consultation





1. Resolution to borrow

- Must be clear and well drafted
- Must be taken at full council meeting
- Should ideally be published on your website.





- Loan repayment provision
- Draft budget for next financial year, if applicable
- Access PWLB website for repayment calculation table





3. Report to Council / Business Case

- Short report / multiple documents
- Must be shared with residents
- Each project is different





4. Loan affordability

- Existing loan repayments
- Reserves / Other Income / Grants
- Efficiency Savings





5. Precept increase

- Percentage and Monetary Amount
- 2%? / 5%? / 10%?
- £5? / £10? / £20?





6. Precept increase survey / public support

- Online / Paper Survey / Flyers / Public Presentation
- Preferably a minimum of one month and must include a deadline
- Materials & results must carefully documented and submitted





7. General project consultation

- Put all the information out there and seek views/opinions/feedback
- No specific minimum period
- All materials / survey results / views / opinions / feedback to be collated with your application





- Government policy: <https://www.gov.uk/government/publications/2010-to-2015-government-policy-local-government-spending/2010-to-2015-government-policy-local-government-spending#appendix-2-parish-and-town-council-borrowing-approval>
- Contact your local NALC County Association representative in the first instance, who will be able to send you the official application form and guidance including the *Guide to Parish & Town Council Borrowing in England* document.
- Contact the Local Government Funding Policy Team:
Parish.Borrowing@communities.gsi.gov.uk or 0303 444 3132 (Shafi Khan)

Seek advice early!



Any questions?

