



C10 110 (b) (ii)



SUSSEX & SURREY ASSOCIATIONS OF LOCAL COUNCILS LIMITED
AFFILIATED TO THE NATIONAL ASSOCIATION OF LOCAL COUNCILS

President
Rt. Hon Earl of Lytton DL

Director
Trevor Leggo

President
Dame Sarah Goad DCVO JP H.M Lord-Lieutenant

BORROWING APPROVAL PROTOCOL

Before a local council can take out a loan (unless a small loan repayable in less than one year) they must obtain borrowing approval from the Government. This document sets out the procedure for this.

Step 1

Read through the Borrowing Approval guide in full – This can be found on the Finance page of our website.

Step 2

The council must be open and transparent with their residents and taxpayers in all their dealings. The council must show that residents and taxpayers have been included in the decision to go ahead with the project that requires borrowing. The council must show that any increase in tax is agreeable with residents and taxpayers.

Step 3

The Full Council instructs the clerk to apply for borrowing approval, this is minuted. A copy of the Council minute instructing the clerk to apply for borrowing approval and details of why the borrowing approval is required is sent to either Jacqui Simes or Isabelle Swan, email addresses below.

Step 4

On receipt of the minute we will send the borrowing application form to the clerk.

Step 5

The clerk will ensure that the application complies with the requirements and that all of the necessary reports and records have been approved by the council.

Step 6

The application form is completed and signed as required; all the supporting documents are collated.

Step 7

2 copies of each of the documents are sent to Isabelle Swan.

Step 8

The County Office will check the documents and confirm that the request is complete and valid. If further information is required you will be contacted. If the application is complete you will be advised and it will be sent on to The Department of Communities and Local Government. If the DCLG require further information you will be contacted.

Step 8

A letter will be sent from the DCLG either declining or giving approval (the County Office is also sent a copy).

Sussex House, 212 High Street, Lewes, East Sussex, BN7 2NH (Registered Office)

Tel: (01273) 476342

Company No. 8512101 Registered in England

Email - jacqui.simes@ruralsussex.org.uk

Website - www.sussexalc.org.uk / www.surreyalc.org.uk



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Step 9

Once approval has been received you now have 12 months to obtain the loan. Should the council not take up the entire loan they must advise the DCLG of the value of the loan taken out. Should the council decide not take up the loan at all they must advise the DCLG.

Step 10

The Full Council instructs the clerk to apply for the loan. This minute will be required when taking out the loan.

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