



Department for
Communities and
Local Government

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13 JAN 2014

Sarah O'Callaghan
9 Court Lodge Cottages
Lower Road
East Farleigh
Maidstone
Kent ME15 0JL

Our Ref:
SRP 5/23/05 Application 2013-14 (102)

Your Ref:

10 January 2014

Dear Ms O'Callaghan

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 construction works for the village car park, is approved by him as a purpose for which East Farleigh Parish Council, "the Council", may borrow an amount not exceeding £32,223.

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. When deciding whether to apply for borrowing in line with this approval, the council should be aware that Ministers have decided that council tax referendum principles will not be set in respect of parish councils for 2013-14. However, they have made it clear that the decision in respect of council tax referendum principles for local councils in 2014-15 will take account of the extent to which councils' restraint in relation to council tax in 2013-14 has been exercised.

4. If council tax referendum principles were to be applied to parish councils for 2014-15, all council tax precepts would be considered against the "excessiveness principles" determined by the Secretary of State. Councils with precept increases which exceeded the principles would be required to hold a referendum to seek the approval of local electors; the result of the referendum would be binding. Councils would be responsible for meeting the costs of any referendum.

5. It should be noted that a precept increase which was attributable to this borrowing approval would not be excluded from consideration under council tax referendum principles.

