

**MINUTES OF THE WOODHALL SPA EXTRAORDINARY PARISH COUNCIL  
MEETING HELD ON TUESDAY 20<sup>th</sup> AUGUST 2019 AT 7.15 PM IN THE COUNCIL  
CHAMBER STANHOPE AVENUE**

**PRESENT**

Councillors: D Clarke (Chairman), J Frost, I Clarke, M Williams, T Handley, P Jennings and C Marrs

**IN ATTENDANCE**

ELDC Councillor T Kemp and J Greer (Parish Clerk).

**EXFC/1/08/19**

**CHAIRMAN'S REMARKS**

The Chairman welcomed everyone to the meeting and informed them of the sad news of ex Councillor Terry Clapton's death. The Chairman went on to say Councillor Clapton was a very reliable councillor and that he always attended meetings, was always willing to take part in surgeries and other additional councillor duties, he was also never shy at getting his point across. He was a larger than life character who definitely made an impact at Council meetings. Councillors were asked if they could confirm their attendance at the funeral.

**EXFC/2/08/19**

**APOLOGIES FOR ABSENCE WITH REASON GIVEN**

Apologies were received and accepted from Councillors Ayling and Huskisson. Apologies from Councillor Ford had not been received.

**EXFC/3/08/19**

**DECLARATION OF MEMBERS' INTERESTS IN ACCORDANCE WITH THE  
LOCALISM ACT 2011**

There were no declarations of interest.

**EXFC/4/08/19**

**REQUESTS FROM MEMBERS FOR A DISPENSATION ON ANY ITEMS ON THE  
AGENDA**

There were no requests for a dispensation on any items on the agenda.

**EXFC/5/08/19**

**TO RECEIVE LEGAL ADVICE REGARDING THE CHANGES TO THE LEASE  
AGREEMENT BETWEEN WSPC AND JPWS TO SUPPORT THE ADVANCE OF  
THE PWLB LOAN APPLICATION AND RESOLVE DETAILS**

The Chairman firstly informed the Council that borrowing approval for the PWLB loan of £350,000 had been approved.

The Chairman then provided an in depth report from the meeting with the solicitor earlier that day pertaining to the lease amendment for JPWS.

The solicitor's advice was that a lease variation as proposed by JPWS' solicitors was inappropriate for the circumstances and that a separate loan agreement coupled with a mortgage over the leasehold interest was recommended. The Chairman reported that the Trustees of JPWS had been informed of this likelihood and accepted the change, including the additional legal costs.

It was proposed, seconded and unanimously resolved to instruct the solicitor to proceed with the separate loan agreement and mortgage over the leasehold interest.

The solicitor did not feel that the information provided by LALC on 5<sup>th</sup> June 2019 which stated the Local Government Act (LGA) 2003, sch 1, para 4 identified the power by which the Parish Council could loan the money to JPWS could be used as the information provided by LALC could not be found in the referenced LGA. The Chairman reported that that he undertook to inform the solicitor if the Council were able to source an acceptable statutory reference for the LALC advice.

Pending resolution of the status of the LALC advice, the solicitor stated that LGA 1972 s111 was the appropriate power for the Parish Council to proceed, however there were some areas that would need to be addressed to comply.

The solicitor stated that LGA 2003 s15 and 19 would require the Parish Council to have regard to government guidance, specifically in this case the Statutory Guidance on Local Government Investments (3<sup>rd</sup> Edition). With regard to local authority loans, the guidance at paragraph 33 and 34 required the authority to have regard to 4 conditions. The Parish Council proposed, seconded and unanimously resolved the following responses to the 4 conditions.

- Total financial exposure to the loan was proportionate in the Council is not dependent on profit from the loan to achieve a balance budget, supports the Council's power to provide recreational facilities in the community and that contingencies are in place in case of a loan default.
- The Council has assessed the credit risk during the due diligence of the Business Plan and is satisfied that the risk of default is low. The Council assessed that further regard to the International Financial Reporting Standard 9 Financial Instruments was not required as this loan was the only loan the Council were prepared to enter into.
- The Council's financial systems and regulations were appropriate to identify and recover overdue repayments. The Council's financial systems and processes are subject to both statutory internal and external audit and no relevant deviations have been identified.
- The Council has determined that the total level of secured loan to local charities and enterprises is £360,000. Unsecured loans will not be entered into. The Council's loan book (consisting solely of the proposed loan to JPWS) is within the self-assessed limit.

It was proposed, seconded and unanimously resolved to provide the solicitor with the Council's responses to the 4 conditions for confirmation of the appropriate legal power to make the loan to JPWS.

#### **EXFC/6/08/19**

#### **TO RESOLVE THE SIGNATORIES FOR ANY LEGAL DOCUMENTS RELATING TO THE ADVANCE OF THE PWLB LOAN TO JPWS**

It was proposed, seconded and unanimously resolved to authorise the Chairman and Vice Chairman to sign legal documents in this matter.

#### **EXFC/7/8/19**

#### **TO AGREE THAT ON RECEIPT OF THE BORROWING APPROVAL AND THE SIGNING OF THE REQUIRED LEGAL DOCUMENTS TO INSTRUCT THE CLERK TO DRAW DOWN THE FUNDS**

It was proposed, seconded and unanimously resolved to authorise the Chairman and the Clerk to draw down the funds once all legal documents were in place and duly signed.

The Chairman closed the meeting at 8.00pm

No members of the public were present during the public forum, or throughout the rest of the meeting.

*\*Confirmation from Sills & Betteridge acknowledging LALC's advice and statutory power to lend the money to JPWS was received on Wednesday 22<sup>nd</sup> August. This supersedes the resolutions with regard to the LGA 1972 and LGA 2003 at minute reference **EXFC/5/08/19**.*

*The Parish Council do not need to provide the information to the solicitor. There will be a separate loan agreement and a charge put on the lease in favour of the PC.\**