



30th July 2025

Members are summoned to attend the meeting of the **FINANCE AND OVERVIEW COMMITTEE** which will be held in the **KIDDERMINSTER ROOM, WYRE FOREST HOUSE** at **6:00 PM** on **4th AUGUST 2025**.

Hugh Peacocke

Chief Executive

Membership: Councillors Steve Hollands (Chair), John Beckingham, Ben Brookes, Liam Carroll, Bernadette Connor, Helen Dyke (Vice Chair), Doug Hine, Fran Oborski, Mary Rayner.

AGENDA

1. Apologies for absence

2. Declarations of interest

To receive declarations for items under consideration on this agenda in accordance with the Localism Act 2011 s32 and The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012.

Members are reminded that should you declare a pecuniary interest at a meeting, it is your responsibility to inform the Monitoring officer.

3. Public Question Time

In accordance with Standing Order 3(c), to allow members of the public to make representations, ask questions, and give evidence at a meeting which they are entitled to attend in respect of the business on the agenda.

4. Minutes (Appendix 1)

To receive and approve the minutes of the meeting of Finance and Overview Committee on held on 7th July 2025.

5. The Town Hall Transformation Project (To follow)

To approve arrangements for an interim loan towards the completion of the project.

**KIDDERMINSTER TOWN COUNCIL
FINANCE AND OVERVIEW COMMITTEE**

**Minutes of the meeting held on Monday 7th July 2025 in the
Kidderminster Room, Wyre Forest House**

Present: Councillors: Steve Hollands (Chair), Liam Carroll, John Beckingham, Ben Brookes, Bernadette Connor, Helen Dyke (Vice Chair), Doug Hine, Fran Oborski, Mary Rayner.

In Attendance: Mr H. Peacocke, Chief Executive
Mr. Chris Pugh, Corporate Services Manager.

APOLOGIES FOR ABSENCE

None- all present

19. DECLARATIONS OF INTEREST

Cllrs. Carroll, Dyke, Oborski and Rayner declared their interests in items 6 (Provision of IT infrastructure and Services) and 7 (The Town Hall Transformation Project) on the Agenda, as members of Wyre Forest District Council. Their dispensations in this regard were noted.

Cllr. Brookes declared that as he was a member of the District Council's Executive, that he would not participate in the consideration of item 7, nor would he vote in the matter.

20. PUBLIC QUESTION TIME

Nil

21. MINUTES

RESOLVED: That the minutes of the previous meeting held on 11th June 2025 be approved as a true record and signed by the Chair.

22. STRATEGIC RISK REGISTER

The CEO told the meeting that the Council formally adopted the attached Strategic Risk Register at the meeting of Full Council on 16th of April 2025 and asked the Committee to carry out a quarterly review of the Register, to include an annual report to the April meeting of Full Council. The risks around supplier fraud had been added to this review, as an item identified by the internal auditor.

The meeting noted that the mitigation measures for some of the risks included training for officers and/or members but there were no plans or schedules for the completion of the training required. The CEO said that he would require officers to be trained regarding the risks of supplier fraud and data protection before the next committee meeting.

It was noted that town councillors are volunteers and that there are no mandatory training requirements. The CEO would discuss this matter with group leaders and advise Members accordingly.

RESOLVED: To add the risk of Supplier Fraud to the Council's Strategic Risk Register and to approve the review at 30th June 2025, subject to the requirements for training for officers and members, as above.

23. PROVISION OF IT INFRASTRUCTURE AND SERVICES

The Corporate Services Manager updated the Committee on the transition of ICT infrastructure services, including developments since the previous meeting, progress with a new provider, and the current position regarding the potential early exit from the existing Service Level Agreement (SLA) with Wyre Forest District Council (WFDC).

RESOLVED: To note:

- A) The progress made with Cloudy IT and the current installation timeline.
- B) The unresolved matter of financial implications relating to early exit from the SLA with WFDC.
- C) The continued development of the exit strategy, subject to receipt of outstanding information from WFDC.

24. THE TOWN HALL TRANSFORMATION PROJECT

The CEO advised the meeting that the Council had sought authority from the Ministry of Housing, Communities and Local Government to borrow up to £1.25M to complete the Town Hall Transformation project.

The Dept. was looking at issues around the LUF funding and also the level of borrowings on this project. The expectation was that at some stage, that the Council would get approval.

It was noted that the Council can borrow for up to 12 months, without approval. The District Council was seeking approval from their Cabinet to make a short-term loan to see the Town Council through until the loan was received from the Public Works Loan Board. This still required WFDC cabinet approval. It was also conditional on the Town Council repaying the District Council from the PWLB loan.

The CEO presented to the meeting the proposal by the District Council to utilise the Capital Projects fund to grant a Development Loan to Kidderminster Town Council. The loan would be drawn down to fund the construction costs and associated professional fees in delivering the final phase of the project – completion of the podium and final fit out.

The CEO presented cash flow projections for 2025-26, 2026-27 and 2027-28 based on anticipated expenditure and income arising from these arrangements.

The CEO also advised the meeting of the update received from the Department of Housing, Communities and Local Government on the afternoon of 7th July, which said that their preferred position at that time was that MHCLG would approve Kidderminster taking out the loan from Wyre Forest DC instead of the PWLB directly. It was pointed out that the Department's general position was that it was in everyone's interest to see this project finished and they were looking for a way forward where Kidderminster can access the necessary funding while allowing MHCLG to fulfil its duties to HMT, DMO, and the PWLB.

RESOLVED: To approve the arrangements for a short-term loan from Wyre Forest District Council towards the completion of the Town Hall Transformation project.

Meeting closed at 7.00 pm

Signed: _____
Chairman

Date: _____

Kidderminster Town Council

Report Title: Agreement for a bridging Loan from Wyre Forest District Council (WFDC)

- **Meeting:** Finance and Overview Committee
- **Date of Meeting:** 4th August 2025
- **Author(s):** Hugh Peacocke, Chief Executive Officer
- **Date of report:** 1st August 2025

1. Summary:

To consider the terms and conditions of the agreement from WFDC to provide a bridging loan to Kidderminster Town Council for the completion of the Town Hall transformation Project, including the podium and final fit out of the Town Hall.

2. Background:

On 16th April 2025 the Town Council resolved to seek authority to borrow up to £1.25M to complete the Town Hall Transformation project. The Town Council may borrow for up to 12 months without such approval and WFDC has agreed to provide bridging finance while the Ministry for Communities, Housing and Local considers the council's request. This Committee resolved on 7th July to approve the arrangements for a short-term loan from Wyre Forest District Council towards the completion of the Town Hall Transformation project. The terms and conditions for the arrangement have now been received (Appendix 2.1) and the Committee is asked to approve these for implementation.

3. Current Situation:

The Council continues to incur expenditure against the completion of the Town Hall transformation project, the podium and the final fit out of the Town Hall. This includes bringing to an acceptable standard, parts of the Town Hall which were outside the scope of the project. It also covers essential infrastructure for the re-opening of the Town Hall, such as sound and lighting, stage curtains, etc.

WFDC is aware of the council's financial challenges and has allowed the Council credit against payroll and SLA's, which is supporting our current financial position at the moment, but is not sustainable in the longer term.

4. Expected Outcomes:

The bridging finance will enable the council to complete the project and re-open the town Hall, by the scheduled formal re-opening date on 7th November

2025. It will also enable the Council to continue to provide the other services and facilities for which it is responsible.

The financial projections attached show the Council drawing down £809, 058 and £248,120 to the end of August, a total of £1,057,178. Since these projections, the Council has received increased insurance costs, £51,834, partly arising from the ongoing construction works. In the circumstances, it is recommended that the Council draws down the full amount of £1,250,000 in order to meet ongoing costs and maintain services.

5. Consultation:

Public consultations have shown overwhelming support for the Town Hall transformation project. The proposed bridging finance arrangements have been considered and approved by a Scrutiny Subcommittee and a Cabinet Subcommittee of WFDC.

6. Risk Assessment: Identifies potential risks and mitigation strategies.

6.1- Legal:

Local Councils can borrow for capital purposes, subject to approval from the Ministry for Communities, housing and Local Government. Short-term borrowing (up to 12 months) does not require such approval. The council applied for approval to borrow on 17th April 2025 and awaits a response.

6.2- Financial and Resources:

The bridging finance would put the Town Council back on a sound financial footing and enable the Town Council to complete the Town Hall transformation project, while awaiting approval to borrow from the Department of local Government.

The increased cost, over and above the borrowing rate from the Public Works Loan Board are marginal, at 0.4%.

Under the proposed arrangements, the council would repay all amounts due when a loan is received from the Public Works Loan Board.

Otherwise, outstanding amounts would have to be charged on the precept in the future.

6.3- Environmental/ Climate

An important element of the design brief for the transformation project was to reduce the carbon footprint of the Town Hall. More efficient heating and lighting systems will contribute to this aim.

6.4- Equality & Diversity

Improved access for all was a key consideration of the project and the podium is vital to ensuring this.

The Council will encourage all sectors of the community to enjoy the events and opportunities, cultural, educational, arts and leisure which the transformed Town Hall will deliver.

6.5- Crime and Disorder:

Not applicable

6.6- Health & Safety

Thorough fire risk assessments have been carried and considerable extra costs incurred in order to ensure public safety at events.

The Health and Safety management plan will be reviewed after any incident and at least once per year.

7. Action Plan

- i. Approve the arrangements
- ii. Authorise the CEO to sign the agreement and any other documents required to deliver the bridging finance for the Council.
- iii. Set up payments of interest to WFDC
- iv. Repay WFDC when loan is received from the Public Works Loan Board

8. Follow-up

The Council will continue to monitor its finances to ensure sustainable delivery of all of its services.

This Committee will be updated on a regular basis, and at least once per quarter.

9. Conclusion and Recommendation(s)

As required in Schedule 1 of the agreement, the Committee is recommended to:

- (a) Approve the entry into, and terms of, and transactions contemplated by, this agreement and resolve that the Council executes, delivers and performs this agreement;
- (b) Authorises the CEO to execute this agreement on its behalf, to give notices and take all other action in connection with this agreement; and
- (c) confirms that entry into this agreement is in the commercial interests of the Council, in order to successfully complete the town Hall Transformation Project.
- (d) Resolve to draw down £1,200,000 of the bridging Finance.

DATED

FACILITY AGREEMENT

between

Kidderminster Town Council

and

Wyre Forest District Council

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This agreement is dated [DATE]

Parties

- (1) Kidderminster Town Council of Town Hall, Vicar Street, Kidderminster, DY10 1DA
(Borrower)
- (2) Wyre Forest District Council of Wyre Forest House, Finepoint Way, Kidderminster, DY11 7WF
(Lender)

BACKGROUND

- (A) The Lender holds a Capital Projects Fund for the purpose of encouraging development within the Wyre Forest area. The Borrower is undertaking the Town Hall regeneration project which is supported by the Levelling Up Fund which is delivered in partnership with the Lender. The Borrower requires the temporary loan from the Capital Projects Fund to bridge finances to complete the project.
- (B) The Lender has agreed to provide the Borrower with an unsecured term loan facility of up to £1,250,000 (one million, two hundred and fifty pounds).

Agreed terms

1. Definitions and Interpretation

1.1 Definitions

The following definitions apply in this agreement.

Availability Period: the period from and including the date of this agreement of 364 days.

Borrowed Money: any indebtedness of the Borrower for or in respect of:

- a) borrowing or raising money (with or without security), including any premium and any capitalised interest on that money;
- b) any bond, note, loan stock, debenture, commercial paper or similar instrument;
- c) any acceptances under any acceptance credit facility (or dematerialised equivalent) or any note purchase or documentary credit facilities;
- d) monies raised by selling, assigning or discounting receivables or other financial assets on terms that recourse may be had to the Borrower if those receivables or financial assets are not paid when due;

- e) any deferred payment for assets or services acquired, other than trade credit that is given in the ordinary course of trading and which does not involve any deferred payment of any amount for more than 60 days;
- f) any rental or hire charges under finance leases (whether for land, machinery, equipment or otherwise);
- g) any counter-indemnity obligation in respect of any guarantee, bond, indemnity, standby letter of credit or other instrument issued by a third party in connection with the Borrower's performance of contracts;
- h) any other transaction that has the commercial effect of borrowing (including any forward sale or purchase agreement and any liabilities which are not shown as borrowed money on the Borrower's balance sheet because they are contingent, conditional or otherwise);
- i) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and when calculating the value of any derivative transaction, only the mark to market value shall be taken into account); and
- j) any guarantee, counter-indemnity or other assurances against financial loss that the Borrower has given for any of the items referred to in paragraphs (a) to (i) of this definition incurred by any person.

When calculating Borrowed Money, no liability shall be taken into account more than once.

Business Day: a day, other than a Saturday, Sunday or public holiday in England, when banks in London are open for business.

Event of Default: any event or circumstance listed in clause 12.1 to clause 12.16.

Facility: the term loan facility made available under this agreement.

Final Repayment Date: The date which is 364 days from (and including) the date of this Agreement.

Loan: the principal amount of the loan made or to be made by the Lender to the Borrower under this agreement or (as the context requires) the principal amount outstanding for the time being of that loan.

Potential Event of Default: any event or circumstance specified in clause 12.1 to clause 12.16 that would, on the giving of notice, expiry of any grace period or making of any determination under this agreement, or satisfaction of any other condition (or any combination thereof), become an Event of Default.

Security: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

Sterling and £: the lawful currency of the UK.

Total Facility Amount: the maximum principal amount of the Facility referred to in clause 2.

1.2 Interpretation

In this agreement:

- (a) headings shall not affect the interpretation of this agreement;
- (b) a person includes an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium or other entity (whether or not having separate legal personality);
- (c) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- (d) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- (e) a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this deed shall be binding on, and enure to the benefit of, the parties to this deed and their respective successors, permitted assigns and permitted transferees;
- (f) a reference to legislation or a legislative provision is a reference to it as amended, extended or re-enacted from time to time;
- (g) a reference to legislation or a legislative provision shall include all subordinate legislation made from time to time under that legislation or legislative provision;
- (h) a reference to a time of day is to London time;
- (i) a reference to **writing** or **written** includes email;
- (j) an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- (k) a reference to **this agreement** (or any provision of it) or to any other agreement or document referred to in this agreement is a reference to this agreement that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this agreement) from time to time;
- (l) unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this deed;
- (m) any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be interpreted as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;

- (n) a reference to an **amendment** includes a novation, supplement or variation (and **amend** and **amended** shall be construed accordingly);
- (o) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (p) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration or resolution;
- (q) a reference to a **certified copy** of a document means a copy certified to be a true, complete and up-to-date copy of the original document, in writing and signed by a director or the secretary of the party delivering the document;
- (r) a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been waived;
- (s) a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it;
- (t) a reference to a **disposal** of any asset, undertaking or business includes a sale, lease, licence, transfer, loan or other disposal by a person of that asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions); and
- (u) a reference to a regulation includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 **Schedule**

The Schedule forms part of this agreement and shall have effect as if set out in full in the body of this agreement. Any reference to this agreement includes the Schedule.

2. **The Facility**

The Lender grants to the Borrower an unsecured temporary term loan facility of a total principal amount not exceeding £1,250,000 on the terms, and subject to the conditions, of this agreement.

3. **Purpose**

- 3.1 The Borrower shall use all money borrowed under this agreement for bridging finance relating to works associated with the installation of the podium and final fit out of Kidderminster Town Hall works and refurbishment.

- 3.2 The Lender is not obliged to monitor or verify how any amount advanced under this agreement is used.

4. Conditions precedent

- 4.1 The Borrower may not give notice to draw the Loan unless the Lender has received all the documents and evidence specified in Schedule 1 in form and substance satisfactory to the Lender.
- 4.2 The Lender's obligation to make the Loan is subject to the further conditions precedent that, on both the date of the notice to draw down the Loan and the proposed drawdown date of the Loan (specified in the notice referred to in clause 4.1):
- (a) the representations and warranties in clause 10 are true and correct and will be true and correct immediately after the Lender has made the proposed Loan; and
 - (b) no Event of Default or Potential Event of Default is continuing or would result from the proposed Loan.
- 4.3 The conditions specified in this clause 4 are inserted solely for the Lender's benefit. The Lender may waive them, in whole or in part and with or without conditions, without prejudicing the Lender's right to require subsequent fulfilment of such conditions.

5. Drawing

- 5.1 Subject to clause 4, the Borrower may utilise the Facility by drawing down on a monthly basis with costs incurred to be certified by an independent monitoring surveyor. The amount of the Loan shall not exceed the Total Facility Amount.
- 5.2 Any notice given under clause 5.1 will be irrevocable.
- 5.3 Any amount of the Facility not drawn down during the Availability Period will automatically be cancelled at the end of the Availability Period.

6. Interest

- 6.1 The Borrower shall pay interest on the Loan at the rate of 40 basis points above the Debt Management office's (PWLb) 12 month rate at the date of the first drawdown.
- 6.2 Interest shall accrue daily and shall be payable quarterly in arrear on the last Business Day of March, June, September and December and the Final Repayment Date.
- 6.3 If the Borrower fails to make any payment due under this agreement on the due date for payment, interest on the unpaid amount shall accrue daily, from the date of non-payment to the date of actual payment (both before and after judgment), at 1% above the rate

specified in clause 6.1. Interest accrued under this clause 6.3 shall be immediately payable by the Borrower on demand by the Lender.

7. Repayment

The Borrower shall repay the Loan in full within 3 days of the receipt of funds secured by the Borrower following sign off of the borrowing approval by the Minster or, if approval is not secured on the Final Repayment Date.

8. Payments

- 8.1 All payments made by the Borrower under this agreement shall be in Sterling and in immediately available cleared funds to the Lender at its account number 02032407 SORT CODE 30-94-70 with Lloyds Bank or such other account as the Lender may notify the Borrower.
- 8.2 If any payment becomes due on a day that is not a Business Day, the due date of such payment will be extended to the next succeeding Business Day, or, if that Business Day falls in the following calendar month, such due date shall be the immediately preceding Business Day.
- 8.3 All payments made by the Borrower under this agreement shall be made in full, without set-off, counterclaim or condition, and free and clear of, and without any deduction or withholding, provided that, if the Borrower is required by law or regulation to make such deduction or withholding, it shall:
- (a) ensure that the deduction or withholding does not exceed the minimum amount legally required;
 - (b) pay to the relevant taxation or other authorities, as appropriate, the full amount of the deduction or withholding;
 - (c) furnish to the Lender, within the period for payment permitted by the relevant law, either:
 - (i) an official receipt of the relevant taxation authorities concerned on payment to them of amounts so deducted or withheld; or
 - (ii) if such receipts are not issued by the taxation authorities concerned on payment to them of amounts so deducted or withheld, a certificate of deduction or equivalent evidence of the relevant deduction or withholding; and
 - (d) pay to the Lender such additional amount as is necessary to ensure that the net full amount received by the Lender after the required deduction or withholding is equal to the amount that the Lender would have received had no such deduction or withholding been made.

9. Representations and warranties

The Borrower represents and warrants to the Lender on the date of this agreement:

- 9.1 It:
- (a) has the power to own its assets and carry on its business as it is being conducted.
 - (b) It has the power to enter into, deliver and perform, and has taken all necessary action to authorise its entry into, delivery and performance of, this agreement and the transactions contemplated by it.
 - (c) No limit on its powers will be exceeded as a result of the borrowing contemplated by this agreement.
- 9.2 The entry into and performance by it of, and the transactions contemplated by, this agreement, do not and will not contravene or conflict with:
- (a) its constitutional documents;
 - (b) any agreement or instrument binding on it or its assets or constitute a default or termination event (however described) under any such agreement or instrument; or
 - (c) any law or regulation or judicial or official order, applicable to it.
- 9.3 It has obtained all required authorisations to enable it to enter into, exercise its rights and comply with its obligations in this agreement and to make it admissible in evidence in its jurisdiction of incorporation. All such authorisations are in full force and effect.
- 9.4 Its obligations under this agreement are legal, valid, binding and enforceable in accordance with its terms.
- 9.5 No Event of Default or Potential Event of Default has occurred or is continuing, or is reasonably likely to result from making the Loan or the entry into, the performance of, or any transaction contemplated by this agreement.
- 9.6 No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination thereof, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on the Borrower or to which any of its assets is subject which has or is likely to have a material adverse effect on its business, assets or condition or ability to perform its obligations under this agreement.
- 9.7 No litigation, arbitration or administrative proceedings are taking place or pending, or, to the best of the Borrower's knowledge and belief (after due and careful enquiry), have been threatened against it, any of its directors or any of its assets, which might reasonably be

expected to have a material adverse effect on its business, assets or condition, or its ability to perform its obligations under this agreement.

9.8 There has been no material adverse change in the business, assets, financial condition, trading position or prospects of the Borrower since the publication of its most recent financial statements.

9.9 The information, in written or electronic format, supplied by, or on its behalf, to the Lender in connection with the Facility and this agreement was, at the time it was supplied or at the date it was stated to be given (as the case may be), to the best of its knowledge and belief having made all due enquiry:

- (a) if it was factual information, complete, true and accurate in all material respects;
- (b) if it was a financial projection or forecast, prepared on the basis of recent historical information and on the basis of reasonable assumptions and was fair and made on reasonable grounds; and
- (c) if it was an opinion or intention, made after careful consideration and was fair and made on reasonable grounds; and
- (d) not misleading in any material respect, nor rendered misleading by a failure to disclose other information,

except to the extent that it was amended, superseded or updated by more recent information supplied by, or on behalf of, the Borrower to the Lender.

9.10 Each of the representations and warranties in this clause 10 is deemed to be repeated by the Borrower on:

- (a) the date of the request to draw down the Loan;
- (b) the date that the Loan is actually drawn down; and
- (c) each date immediately succeeding the date on which interest is paid under this agreement in accordance with clause 6.2,

by reference to the facts and circumstances existing on each such date.

10. Covenants

The Borrower covenants with the Lender that, as from the date of this agreement until all its liabilities under this agreement have been discharged:

10.1 It will deliver to the Lender:

- (a) within 180 days after the end of each of its financial years, its audited accounts;
- (b) within 30 days after the end of each month, its monthly management accounts and cash flow forecast;

- (c) promptly, all notices or other documents dispatched by the Borrower to its creditors generally; and
 - (d) promptly such financial or other information as the Lender may, from time to time, request relating to the Borrower or its business.
- 10.2 It will promptly, after becoming aware of them, notify the Lender of any litigation, arbitration or administrative proceedings or claim of the kind described in clause 10.8.
- 10.3 It will promptly obtain all consents or authorisations under any law or regulation (and do all that is needed to maintain them in full force and effect) to enable it to perform its obligations under this agreement and to ensure the legality, validity, enforceability and admissibility in evidence of this agreement in its jurisdiction of incorporation.
- 10.4 It will procure that any of its unsecured and unsubordinated obligations and liabilities under this agreement rank, and will rank, at least pari passu in right and priority of payments with all its other unsecured and unsubordinated obligations and liabilities, present or future, actual or contingent, except for those obligations and liabilities mandatorily preferred by law of general application to companies.
- 10.5 It will comply, in all respect, with all laws, if failure to do so has or is reasonably likely to have a material adverse effect on its business, assets or condition, or its ability to perform its obligations under this agreement.
- 10.6 It will notify the Lender of any Potential Event of Default or Event of Default (and the steps, if any, being taken to remedy it) promptly on becoming aware of its occurrence.
- 10.7 If the Lender is obliged for any reason to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Borrower will, promptly on the request of the Lender, supply (or procure the supply of) such documentation and other evidence as is reasonably requested in order for the Lender to be able to carry out, and be satisfied that it has complied with, all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in this agreement.
- 10.8 It will carry on and conduct its business in a proper and efficient manner and will not make any change to the general nature or scope of its business as carried on at the date of this agreement.
- 10.9 It will not:
 - (a) create, or permit to subsist, any Security on or over any of its assets;
 - (b) sell, transfer or otherwise dispose of any of its assets on terms whereby such assets are or may be leased to or re-acquired or acquired by it; or

- (c) sell, transfer or otherwise dispose of any of its receivables on recourse terms; or
- (d) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (e) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Borrowed Money or of financing the acquisition of an asset.

10.10 It will not sell, assign, lease, transfer or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, its assets.

10.11 It will not incur or permit to subsist, any obligation for Borrowed Money.

11. Events of Default

Each of the events or circumstances set out in this clause 12 (other than clause 12.17) is an Event of Default.

11.1 The Borrower fails to pay any sum payable by it under this agreement, unless its failure to pay is caused solely by an administrative error or technical problem and payment is made within three Business Days of its due date.

11.2 The Borrower fails (other than by failing to pay), to comply with any provision of this agreement and (if the Lender considers, acting reasonably, that the default is capable of remedy), such default is not remedied within 14 Business Days of the earlier of:

- (a) the Lender notifying the Borrower of the default and the remedy required;
- (b) the Borrower becoming aware of the default.

11.3 Any representation, warranty or statement made, repeated or deemed made by the Borrower in, or pursuant to, this agreement is (or proves to have been) incomplete, untrue, incorrect or misleading when made, repeated or deemed made.

11.4 If:

- (a) any Borrowed Money is not paid when due or within any originally applicable grace period; or
- (b) any Borrowed Money becomes due, or is declared due and payable, prior to its stated maturity by reason of an event of default (howsoever described);
- (c) any commitment for Borrowed Money is cancelled or suspended by a creditor of the Borrower by reason of an event of default (howsoever described); or

- (d) any creditor of the Borrower becomes entitled to declare any Borrowed Money due and payable prior to its stated maturity by reason of an event of default (howsoever described).
- 11.5 The Borrower stops or suspends payment of any of its debts, or is unable to, or admits its inability to, pay its debts as they fall due.
- 11.6 The value of the Borrower's assets is less than its liabilities (taking into account contingent and prospective liabilities).
- 11.7 A moratorium is declared in respect of any indebtedness of the Borrower.
- 11.8 Any action, proceedings, procedure or step is taken for:
 - (a) the suspension of payments, a moratorium in respect of any indebtedness, winding up, dissolution, administration or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise) of the Borrower; or
 - (b) the composition, compromise, assignment or arrangement with any creditor; or
 - (c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Borrower or any of its assets; or
 - (d) the enforcement of any Security over any assets of the Borrower.
- 11.9 The Borrower commences negotiations, or enters into any composition, compromise, assignment or arrangement, with one or more of its creditors with a view to rescheduling any of its indebtedness (because of actual or anticipated financial difficulties).
- 11.10 Any event occurs in relation to the Borrower similar to those in clause 12.6 to clause 12.9 (inclusive) under the laws of any applicable jurisdiction.
- 11.11 A winding-up petition that is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement or, if earlier, the date on which it is advertised shall be excluded from clause 12.5 to clause 12.10. The ending of any moratorium referred to in clause 12.7 shall not remedy any Event of Default caused by that moratorium.
- 11.12 A distress, attachment, execution, expropriation, sequestration or another analogous legal process is levied, enforced or sued out on, or against, the Borrower's assets (or its equivalent in other currencies) and is not discharged or stayed within 30 days.
- 11.13 Any provision of this agreement is or becomes, for any reason, invalid, unlawful, unenforceable, terminated, disputed or ceases to be effective or to have full force and effect.

- 11.14 The Borrower repudiates or rescinds or shows an intention to repudiate or rescind this agreement.
- 11.15 The Borrower suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a substantial part of its business.
- 11.16 Any event occurs (or circumstances exist) which, in the opinion of the Lender, has or is likely to materially and adversely affect the Borrower's ability to perform all or any of its obligations under, or otherwise comply with the terms of, this agreement.
- 11.17 On and at any time after the occurrence of an Event of Default the Lender may:
- (a) by notice to the Borrower:
 - (i) cancel all outstanding obligations of the Lender under this agreement whereupon they shall immediately be cancelled; and/or
 - (ii) declare that the Loan (and all accrued interest and all other amounts outstanding under this agreement) is immediately due and payable, whereupon they shall become immediately due and payable; and/or
 - (iii) declare that the Loan be payable on demand, whereupon it shall become immediately payable on demand by the Lender.

12. Set-off

- 12.1 The Lender may at any time set off any liability of the Borrower to the Lender against any liability of the Lender to the Borrower, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this agreement. If the liabilities to be set off are expressed in different currencies, the Lender may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Lender of its rights under this clause 12.1 shall not limit or affect any other rights or remedies available to it under this agreement or otherwise.
- 12.2 The Lender is not obliged to exercise any of its rights under clause 12.1. If it does exercise those rights it must promptly notify the Borrower of the set-off that has been made.

13. Calculations, accounts and certificates

- 13.1 Any interest, commission or fee under this agreement shall accrue on a day-to-day basis, calculated according to the number of actual days elapsed and a year of 365 days.
- 13.2 The Lender shall maintain accounts evidencing the amounts owed to it by the Borrower, in accordance with its usual practice. Entries in those accounts shall be prima facie evidence of the existence and amount of the Borrower's obligations as recorded in them.

- 13.3 Any certification or determination by the Lender of a rate or amount under this agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

14. Amendments, Waivers and Consents and Remedies

- 14.1 No amendment of this agreement shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).
- 14.2 A waiver of any right or remedy under this agreement or by law, or any consent given under this agreement, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any subsequent right or remedy. It only applies to the circumstances in relation to which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
- 14.3 A failure by the Lender to exercise, or delay by it in exercising, any right or remedy provided under this agreement or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this agreement. No single or partial exercise of any right or remedy provided under this agreement or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this agreement by the Lender shall be effective unless it is in writing.
- 14.4 The rights and remedies provided under this agreement are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

15. Partial invalidity

If, at any time, any provision of this agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

16. Assignment and transfer

- 16.1 At any time, without the consent of the Borrower, the Lender may assign any of its rights or transfer any of its rights and obligations under this agreement.
- 16.2 The Lender may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Borrower, this agreement and the transactions contemplated by them.

- 16.3 The Borrower may not assign any of its rights or transfer any of its rights or obligations under this agreement or enter into any transaction which would result in any of those rights or obligations passing to another person.

17. Counterparts

- 17.1 This agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one agreement.
- 17.2 No counterpart shall be effective until each party has executed at least one counterpart.

18. Third party rights

- 18.1 Except as expressly provided elsewhere in this agreement, a person who is not a party to this agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this agreement.

19. Notices

- 19.1 Any notice or other communication given to a party under or in connection with, this agreement shall be:

- (a) in writing;
- (b) delivered by hand, by pre-paid first-class post or other next working day delivery service; and

- (c) sent to:

- (i) the Borrower at:

[ADDRESS]

Attention: [NAME]

- (ii) the Lender at:

Wyre Forest District Council, Wyre Forest House, Kidderminster, DY11 7WF

Attention: Caroline Newlands

or to any other address notified in writing by one party to the other from time to time.

- 19.2 Any notice or other communication that the Lender gives to the Borrower under or in connection with, this agreement shall be deemed to have been received:

- (a) if delivered by hand, at the time it is left at the relevant address; and

- (b) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting.

A notice or other communication given as described in this clause (other than as described in clause 20.2(b)) on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed instead to have been received on the next Business Day.

- 19.3 Any notice or other communication given to the Lender shall be deemed to have been received only on actual receipt.
- 19.4 This clause 20 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

20. Governing law and jurisdiction

- 20.1 This agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

This agreement has been entered into on the date stated at the beginning of it.

Schedule 1 Conditions precedent

1. Constitutional Documents

- 1.1 A copy of the Standing Orders and Financial Regulations of the Borrower.
- 1.2 A copy of the reports and minutes of decisions made by Kidderminster Town Council:
 - (a) approving the entry into, and terms of, and transactions contemplated by, this agreement and resolving that it execute, deliver and perform this agreement;
 - (b) authorising a specified person or persons to execute this agreement on its behalf, to give notices and take all other action in connection with this agreement; and
 - (c) confirming that entry into this agreement is in the commercial interests of the Borrower (stating the reasons for such conclusion).
- 1.3 A specimen of the signature of each person authorised under paragraph 1.2 of this Schedule 1.
- 1.4 A certificate of the Borrower :
 - (a) confirming that borrowing the Loan would not mean any borrowing) (or similar limit binding on the Borrower) would be exceeded; and
 - (b) certifying that each copy document relating to it that it has provided under this paragraph 1 of Schedule 1, is correct, complete and in full force and effect at a date no earlier than the date of this agreement.

2. Finance Documents

- 2.1 This agreement, duly executed by the Borrower.

3. Financial Information

- 3.1 A copy of Borrower's audited or unaudited financial statements for the trading period ended 31st March 2025.
- 3.2 A pro forma opening balance sheet of the Borrower at the date on which the Loan is drawn down.

4. Reports

- 4.1 The latest project update report from the contractor and cost consultant Artelia

5. Other documents and evidence

- 5.1 A copy of any other authorisation, document, opinion or assurance that the Lender considers necessary or desirable for the entry into, and performance of, the transactions contemplated by this agreement, or for this agreement to be valid and enforceable.

THE COMMON SEAL of WYRE

FOREST DISTRICT COUNCIL

was hereunto authenticated in the
presence of:

.....
Authorised Signatory

**THE COMMON SEAL of
KIDDERMINSTER TOWN COUNCIL**

was hereunto authenticated in the
presence of:

Chairman

Authorised Signatory

In relation to the Facility Agreement entered into by Wyre Forest District Council and Kidderminster Town Council on 2025

On behalf of Kidderminster Town Council I confirm

- (a) that borrowing the Loan would not mean any borrowing) (or similar limit binding on the Borrower) would be exceeded; and
- (b) that each copy document relating to it that it has provided under this paragraph 1 of Schedule 1, is correct, complete and in full force and effect at a date no earlier than the date of this agreement.

Hugh Peacocke

Chief Executive Officer

Date

Cash Flow projections 2025/26

	June	July	August	September	October	Nov	Dec	Jan	Feb	March	25/26 TOTAL
KTC Salaries - paid to WFDC		31,526	71,472	80,000	40,000	40,000	40,000	40,000	40,000	40,000	422,998
SLA - paid to WFDC		35,330	0	0	35,330	0	35,330	0	0	35,330	141,320
KTC loan charges		0	0	0	30,688	47,784	0	0	0	0	78,471
Elections invoice		0	0	0	0	0	31,772	0	0	0	31,772
KTC Exp		152,020	88,520	91,091	55,591	56,591	51,091	81,791	51,091	51,091	678,877
KTC inc		(1,042)	(4,042)	(10,917)	(6,708)	(6,708)	(8,583)	(6,708)	(6,708)	(13,583)	(65,000)
KTC inc - precept		0	0	0	(612,143)	0	0	0	0	0	(612,143)
WFDC Short term loan		(809,058)	(248,120)	0	0	0	1,057,178	0	0	0	(0)
Potential WFDC loan charges		0	3,438	4,493	4,493	4,493	4,493	0	0	0	21,410
PWLB Loan		0	0	0	0	0	(1,250,000)	0	0	0	(1,250,000)
Potential PWLB loan charges		0	0	0	0	0	0	0	0	0	0
Podium		50,948	138,000	140,000	41,640	0	0	0	0	0	370,588
TH Exp		245,036	536,215	66,767	0	0	0	0	0	0	848,018
LUF income		0	0	0	0	0	0	0	0	0	0
Retention		0	0	0	0	0	0	0	0	0	0
Vat Expenditure		96,667	152,547	59,572	26,512	11,318	17,284	16,358	10,218	17,284	407,761
Vat repayment (income)		0	0	(351,914)	0	0	(97,402)	0	0	(43,861)	(493,176)
Total Inc/Exp		(198,573)	738,029	79,092	(384,597)	153,478	(118,837)	131,441	94,601	86,261	580,895
KTC Balance	927,438	1,126,012	387,982	308,890	693,487	540,010	658,847	527,406	432,805	346,544	346,544

	Cash Flow Projections 2026/27												
	April	May	June	July	August	Sept	October	Nov	Dec	Jan	Feb	March	26/27 TOTAL
KTC Salaries	46,560	46,560	46,560	46,560	46,560	46,560	46,560	46,560	46,560	46,560	46,560	46,560	558,717
SLA's paid to WFDC	37,030	0	0	37,030	0	0	37,030	0	0	37,030	0	0	148,120
Loan Charges	30,688	47,784	0	0	0	0		78,471	0	0	0	0	156,943
Elections Invoice	0	0	0	0	0	0	0	0	0	0	0	0	0
KTC Exp	75,620	51,620	51,620	51,620	51,620	51,620	56,820	57,420	51,620	83,420	51,620	51,620	686,236
KTC Income	(12,733)	(12,733)	(15,233)	(12,733)	(12,733)	(20,733)	(12,733)	(12,733)	(15,233)	(12,733)	(12,733)	(20,733)	(173,800)
KTC precept	0	(795,786)	0	0	0	0	(795,786)	0	0	0	0	0	(1,591,572)
WFDC Short term loan	0	0	0	0	0	0	0	0	0	0	0	0	0
WFDC loan charges	0	0	0	0	0	0	0	0	0	0	0	0	0
PWLB Loan	0	0	0	0	0	0	0	0	0	0	0	0	0
PWLB Loan Charges	0	48,000	0	0	0	0	48,000	0	0	0	0	0	96,000
Podium	0	0	0	0	0	0	0	0	0	0	0	0	0
Town Hall Project Exp.	0	0	0	0	0	0	0	0	0	0	0	0	0
LUF Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Retention	0	0	153,845	0	0	0	5,238	0	0	0	0	0	159,083
VAT Exp	22,530	10,324	41,093	17,730	10,324	10,324	19,818	11,484	10,324	24,090	10,324	10,324	198,688
VAT income	0	0	(50,138)	0	0	(69,147)	0	0	(41,625)	0	0	(44,738)	(205,648)
Total Inc/exp	199,694	(604,232)	227,746	140,206	95,770	18,623	(595,054)	181,201	51,645	178,366	95,770	43,032	32,767
KTC Balance	151,342	755,575	527,829	387,623	291,853	273,230	868,284	687,083	635,438	457,072	361,302	318,270	318,270

	Cash Flow Projections 2027/28												
	April	May	June	July	August	Sept	October	Nov	Dec	Jan	Feb	March	27/28 TOTAL
Salaries	47,957	47,957	47,957	47,957	47,957	47,957	47,957	47,957	47,957	47,957	47,957	47,957	575,479
SLA's	38,840	0	0	38,840	0	0	38,840	0	0	38,840	0	0	155,360
Loan Charges	30,688	95,784	0	0	0	0	48,000	78,471	0	0	0	0	156,943
KTC Exp	75,828	51,536	51,536	51,536	51,536	51,536	57,036	57,836	51,536	84,436	51,536	51,536	687,428
KTC income	(13,583)	(13,583)	(16,083)	(13,583)	(13,583)	(21,583)	(13,583)	(13,583)	(16,083)	(13,583)	(13,583)	(21,583)	(184,000)
Precept	0	(835,575)	0	0	0	0	(835,575)	0	0	0	0	0	(1,671,150)
VAT Exp	22,934	10,307	10,307	18,075	10,307	10,307	19,175	11,567	10,307	24,655	10,307	10,307	168,558
VAT income	0	0	(43,565)	0	0	(38,690)	0	0	(41,050)	0	0	(45,270)	(168,574)
Total Inc/exp	202,663	(643,575)	50,152	142,825	96,217	49,527	(638,150)	182,248	52,667	182,305	96,217	42,947	(183,958)
KTC Balance	115,607	759,182	709,030	566,205	469,988	420,461	1,058,611	876,363	823,696	641,391	545,174	502,227	502,227