



Ministry of Housing,
Communities &
Local Government

Suzie Clarke
*Deputy Director
Local Government
Finance Directorate*

**Ministry of Housing,
Communities &
Local Government**
*Fry Building
2 Marsham Street
London SW1P 4DF*

Catherine Bell
Chief Finance Officer
*Cumberland Council
Allerdale House
Workington
CA14 3YJ*

3 December 2024

LOCAL GOVERNMENT ACT 2003 SECTIONS 16(2)(B) AND 20: TREATMENT OF COSTS AS CAPITAL EXPENDITURE

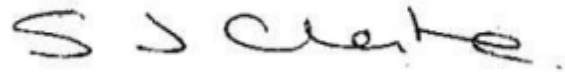
Dear Catherine Bell,

1. I refer to the capitalisation direction issued to Copeland Borough Council (“the Council”) for the financial year 2021/22 in exercise of the Secretary of State’s powers under sections 16(2)(b) and 20 of the Local Government Act 2003 (“the Act”).
2. I can confirm that in exercise of her powers under section 20 of the Act, the Secretary of State directs that the following condition within your capitalisation direction will no longer apply to any future borrowing undertaken by the Council from the 3 December 2024:

“where the Council’s capital financing requirement is increased as a result of the capitalisation of expenditure under this direction: any further borrowing from the date of the capitalisation letter up to and including, but not exceeding, the increase in the financing requirement must be obtained from the Public Works Loan Board and must be subject to an additional 1 percentage point premium on the interest rate above the rate the loan would otherwise be subject to. This requirement does not apply to borrowing in relation to your Housing Revenue

Account. Where any borrowing to which these conditions initially apply is refinanced, the conditions must continue to apply to the resulting borrowing.”

Yours sincerely,

A handwritten signature in black ink that reads "Suzie Clarke". The signature is written in a cursive style with a period at the end.

Suzie Clarke

**Deputy Director
Local Government Finance Directorate**