

Dear Resident,

IMPACT OF FUNDING OF NEW COMMUNITY PAVILION

You will remember that for the last three years Walton Community Council (WCC) has been consulting with residents over the intention to build a pavilion at Browns Wood Sports Ground. In December 2017, WCC applied for planning permission for this development. This project has been the subject of displays at local events, community drop-ins, regular reports to WCC, regular updates in our Community Magazine, 'Walton Matters', on the Council's Website and social media.

WCC is now writing to every household about the project and its impact on WCC's budget and the amount which you pay in MK Council Tax to WCC (the precept). **This is your final opportunity to comment on WCC's decision to commit to a Public Works Loan, at preferential rates, to cover the cost of this major new multi-purpose venue in our local community.** Please take the time to read the information in this letter and Appendix.

To proceed with the development WCC intends to borrow £1.492 million to fund the construction. The loan will be repayable over 50-years, however it is WCC's intention to repay the loan within 10 years, when WCC disposes of land it owns at Bergamot Gardens (see *Appendix*). The portion of the precept allocated as a result of this development is detailed in the *Appendix*. This takes account of both loan repayments and total net cost.

Feedback from residents over several years has been considered by WCC resulting in its decision to provide this new purpose-built facility with dedicated parking, open for the whole community to enjoy seven days per week. WCC has many exciting plans for the use of the new community pavilion from creating a space for sports, to a cafe that will provide a meeting place and opportunities for a lunch club, a hall and meeting room that can be hired by local community groups and the opportunity to provide permanent office space for the WCC team. It is intended that the pavilion build will commence towards the end of 2018 and will be ready for use in Autumn/Winter 2019.

For further information visit the WCC website: www.waltoncommunitycouncil.gov.uk.

Please send your comments by email to:

consultation@waltoncommunitycouncil.gov.uk

or by post to the address at the top of this letter.

Please ensure you send your comments by **Friday 16th February 2018**.

Yours faithfully,



Terry Reynolds,
Chairman, Walton Community Council

Appendix.

WCC will borrow £1.492m, repayable over 50 years to fund the construction of the Pavilion. However, it is intended to repay the loan in full within 10 years, when WCC sells the land it owns at Bergamot Gardens. The original plan was to fund the Pavilion construction from the sale of this land, and in accordance with policy set out in the Walton Neighbourhood Plan. If WCC were to sell the land now, more than 50% of the value of the sale would be payable to Central Government due to a contractual clawback. The clawback amount payable to Central Government decreases every year. Furthermore, the value of the land is expected to increase every year. Therefore, the Council has decided to delay the sale of the land until such time that the sale will yield a significantly higher value to the Walton Community.

The following table provides information on the amount of precept monies required to repay the loan for the building of the Pavilion, shown for a Band D property. Also shown are the running costs. The net effect considers, the expected revenue from the hire of the Pavilion facilities and the rental saving from moving the WCC office from MK SNAP into the Pavilion.

Effect of Loan Repayments + Operational Costs – Hire Income

Band D Property	Loan cost per annum	Pavilion Operational cost per annum	Pavilion Hire Revenue	WCC office rent savings per annum	Total Net cost per annum	Total Net cost per month
2019/20	£14.46	£8.16	- £0.94	- £3.43	£18.25	£1.52
2020/21	£17.24	£8.36	- £6.14	- £3.43	£16.03	£1.34
2021/22	£17.13	£8.58	- £9.49	- £3.63	£12.59	£1.04
2022/23	£17.03	£8.83	- £9.78	- £3.74	£12.34	£1.02
2023/24	£16.92	£9.09	- £10.07	- £3.85	£12.09	£1.00
2024/25	£16.82	£9.36	- £10.37	- £3.97	£11.84	£0.98