Dear Mr John,

Re: Draft budget for the proposed new Kings Barton Parish - 2027/28

At an extraordinary meeting of Headbourne Worthy Parish Council, held on Monday 12th October *(insert link to the published minutes or a minute reference)* the Parish Councillors resolved that on behalf of the Parish Council I should send you this letter regarding the proposed draft budget of the proposed new Kings Barton Parish (KBPC) for the financial year 2027/28.

We have seen the draft budget prepared at WCC's request by our clerk with assistance from a nominated external consultant, and we understand that you have expressed a concern about the size of the precept that will need to be raised in order to fund the budget. We too share that concern.

We understand that as we are not councillors in KBPC, as a matter of law, we have no power to set a budget for KBPC. Equally, our clerk has no power to exercise discretion in how the yet to be elected councillors to KBPC will use funds held by the council to help meet the forecast expenditure in the new PC's first year of operation (e.g. commitment of commuted sums to offset some facilities costs). We are therefore writing to you to express our views on the draft budget for KBPC, and to inform you of the approach we would have taken were we to be empowered to set that budget.

The HWPC budget working group has discussed the KBPC draft budget with our clerk. Initially we thought there could be some significant savings that could be made. However, having discussed some of the larger expenditure items that have not previously been in HWPC's budgets (such as a deputy clerk and a maintenance person) we understand why these expenditures need to be incurred during the budget-year. We have noted some very small savings amounting to a few hundred pounds that could possibly be made.

The particular challenge for Kings Barton is the number of expensive amenities that are being handed over by CALA, specifically the community hall, the football pitches and pavilion. In year one, forecasting revenue from these amenities is difficult, but it will be limited. Funding their operation is therefore a challenge, not least because these amenities are for a built-out development, with a full tax base to support them, where in fact the development is less than 50% complete.

On handover these amenities will nevertheless need to be managed, so requiring additional clerical and maintenance work. We note that Kings Worthy and South Wonston have considerable allocated expenditure on their sports facilities. We are further investigating the likely cost of the football

Parish Clerk to Headbourne Worthy Parish Council: Belinda Baker, Church View, Palace Close, Kings Somborne, Stockbridge, Hants, SO20 6PS
Email: Clerk@headbourneworthy.org.uk
Telephone: 07770406607

pitches' grounds maintenance which is currently in the draft budget at £25,000. This is a significant cost. However, there is concern that if insufficient allowance is made it could cause problems. The pitches have been made to a very high specification, and the manner in which they need to be maintained seems to be fairly complex. The figure of £25,000 was proposed by our clerk on advice from the consultant who has experience of similar facilities in other parishes.

As a further observation we are mindful of our obligations to comply with the CALA Landscape Management and Maintenance Plan for the land and facilities transferred to the Parish Council, which has an impact on how parsimonious the budget can be.

Our view, as HWPC councillors is that we would use at least £45,000 of the commuted sums that will be available to KBPC to offset the year 1 spike in expenditure. We would look to do outline budgets for 3-4 years ahead to see how any such commuted sums used in 2027/8 could be replenished by prudent fiscal management. It is anticipated that is the fiscal year 2027/8, CALA will pay approximately £900,000 in commuted sums to the Parish Council. We calculate that this would bring the precept down to £107,828. On a tax base of 792.8, this gives a Band D figure of £136.

You will see from the draft budget that we, as HWPC councillors, have already committed to use our commuted sums, that we receive this year, to fund many of the start-up costs of the community building (scheduled to be ready in July 2027); including the installation of a sprung floor and the furnishings. HWPC cannot commit any sums for the football pitches and pavilion now, as handover will be in the next fiscal year. Equally the HWPC clerk cannot commit such sums, as this is a decision that has to be made by the KBPC councillors once elected.

As you will appreciate, our and our clerk's hands are somewhat tied, as we have no power to make the key changes to the draft budget that are needed. We hope that our explanation is nevertheless of assistance to you and that you may be able to offer some guidance as to what can be done. Specifically, we would ask you to consider the following options in order of preference:

1. Proceed with the creation of the new parish of Kings Barton, but obtain CALA's agreement to delay the transfer of the football pitches until financial year 2028/2029 so that the new KBPC councillors have the budgetary powers necessary to deal with the associated costs; or
2. Delay the creation of the new parish of Kings Barton by a year so that the current HWPC councillors can make the necessary budgetary decisions. If this option is agreed, then by adding in the HW tax base of 286, on a precept of £107,828, the Band D figure for 2027/8 reduces to £99.95. This option is listed second principally because there are only 7 HWPC councillors, and it is our strongly held view that we will struggle next year to manage the increased responsibilities without a commensurate increase in councillor numbers.

Yours sincerely,

Parish Clerk to Headbourne Worthy Parish Council: Belinda Baker, Church View, Palace Close, Kings Somborne, Stockbridge, Hants, SO20 6PS
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Chair,

HWPC

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