

# City of Durham Parish Council

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12 November 2018

**Dear Member of the Public,**

**In accordance with the Local Government Act 1972**

I hereby give you notice that a **MEETING** of the **CITY OF DURHAM PARISH COUNCIL FINANCE COMMITTEE** will be held in **ROOM 2, ALINGTON HOUSE, 4 NORTH BAILEY, DURHAM, DH1 3ET** on **MONDAY 19 NOVEMBER 2018 AT 14:00** to transact the following business.

You are very welcome to attend and participate in item 5 of the agenda.

- 1. ELECTION OF CHAIR OF COMMITTEE**
- 2. ELECTION OF VICE CHAIR OF COMMITTEE**
- 3. WELCOME AND RECEIPT OF APOLOGIES OF ABSENCE**
- 4. TO RECEIVE ANY DECLARATIONS OF INTEREST FROM MEMBERS**
- 5. PUBLIC PARTICIPATION ON FOLLOWING AGENDA ITEMS.**
- 6. TO RECEIVE DETAILS OF KNOWN SPEND AGAINST BUDGET AS AT 18 NOVEMBER 2018 - See attached information.**
- 7. COUNCIL TAX BASE AND LOCALISATION OF COUNCIL TAX SUPPORT GRANT 2019/2020 - See attached information.**
- 8. INITIAL DISCUSSION ON THE PREPARATION OF THE 2019/2020 BUDGET.**



Stephen Ragg  
Interim Clerk City of Durham Parish Council

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**AGENDA ITEM 6: TO RECEIVE DETAILS OF KNOWN SPEND AGAINST BUDGET AS AT 18 NOVEMBER 2018**

<b>Expenditure</b>	<b>£</b>	<b>£</b>
Election Costs	22,117.68	
Employee Salaries	0.00	
Employers National Insurance	0.00	
Employers LGPS contribution.	0.00	
CDALC Subscription	2,939.71	
DCC Administration costs	1,526.25	
Venue Hire	1,192.33	
Advertising for clerk	150.00	
Printing costs to June 18	142.85	<b>28,068.82</b>
<b>Income</b>		
<b>Precept request and total budget</b>	150,000	150,000
<b>Balance left for reserves</b>		<b>121,931.18</b>

At the time of compiling these figures there is an outstanding Human Resources invoice possibly around £1,500 and outstanding printing costs and venue hire.

When a new clerk starts their position and has made a recommendation to council on their banking arrangements, DCC will carry out a bank reconciliation and transfer any remaining balances to the new bank account opened by the City of Durham PC.

The City of Durham Parish Council will receive any unspent balance of the £150,000 for 2018/19. This can be added to reserves and spent in forthcoming years.

<b>DECISION REQUIRED</b>	For members to note the above provisional figures and provide any comments.
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**AGENDA ITEM 7: COUNCIL TAX BASE AND LOCAL COUNCIL TAX REDUCTION SCHEME GRANT 2019/2020**

**Council Tax Base**

Council Tax base is calculated by taking the number of houses in the city of Durham PC area, allocating a weight to them based on their council tax banding and adding up the total of the weighted households. For example, higher council tax band properties carry a higher weighting and lower council tax base properties carry a lower council tax weighting.

The Council Tax Base can therefore fluctuate from year to year based on the number of properties in each area. For example council tax base will increase if any new houses have been built and the occupants have started to pay council tax but may decrease if for example any house have been demolished in an area.

The 2018/19 City of Durham PC Council Tax Base was calculated at 4,301.20. Durham County Council recently provided figures of the estimated 2019/2020 Council Tax Base for the City of Durham Parish Council. This is estimated to be in the region of 4,310.2.

This means that, if the council retains its current council tax band D charge of £34.87, it can generate an additional £313.83 (9 x £34.87) without increasing council tax charges, i.e. it can generate £150,313.83 whilst retaining its council tax band D property charge at the 2018/19 rate of £34.87.

Details of up to date Council Tax Base figures will be provide very shortly from DCC. The revised figures are to be used during budget preparations.

### **Local Council Tax Reduction Scheme Grant.**

In April 2013 the Government abolished the national Council Tax Benefit System, replacing it with a requirement for local authorities to work with their precepting bodies to establish a Local Council Tax Reduction Scheme (LCTRS).

These schemes provide a discount against Council Tax, rather than a benefit, and as such impacted on the Council's overall Council Tax Base and each Parish and Town Council's Tax Base.

Since the local scheme was introduced, LCTRS grant has replaced the previous Council Tax Benefit subsidy and is payable directly to Durham County Council and the major precepting bodies, being Police and Fire.

Durham County Councils Government grant payment includes an element relating to Town & Parish Councils and whilst local authorities are encouraged to pass this on, there is no statutory requirement to do so. Following discussions between the County Durham Association of Local Councils and Durham County Council they (DCC) have made a commitment to pass on this grant, albeit with pro-rata reductions to the core funding reduction applied to the Council by Central Government.

Assuming the grant passed onto Town & Parish Councils is partially reduced in line with the Council's RSG reductions but partially increased in line with RPI (reflecting the splits in the original Start Up Funding Allocation then the overall impact on payments to Town & Parish Councils would result in a LCTRS grant of £1,308,000 for parish councils in County Durham.

Unfortunately the LCTRS grant payable to the City of Durham for 2019/20 is zero.

<b>DECISION REQUIRED</b>	<p>For members to note the above provisional Council Tax Base figure and await confirmation of the actual 2019/2020 actual CTB figure to be used for budget/precept setting arrangements.</p> <p>For members to note that the City of Durham has no LCTRS grant issue to it.</p>
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