

Customer Panel Budget Consultation Meeting

1st November 2016

Present

Mr. A G Tomlin,
Mrs. K Woodhams

Mrs. M Tomlin,
Mr. T Liddle

Mrs. M Gray,
Mr. E Wood

Mrs. M Duffin

Cllr. R S Fleming
Mr. D Austin

Chairman of Policy and Resources Committee
Finance Manager

Apologies

E French, J Snowball, R Terry

Meeting Notes

1. Dan Austin gave a brief overview of the Council's finances including the current status in relation to the setting of the 2017/18 Revenue and Capital Budgets.

The Council's finances were healthy at the present time and the external auditor had given the Council another clean bill of health. However, future challenges such as the ongoing reductions in the Council Tax Support Grant and the cuts that Durham County Council are making in general, would put increasing pressure on the Council's finances over the medium term. The annual increases in the National Living Wage towards £9 per hour would also have a large impact on the Council's budgets towards the end of the decade.

It had therefore been suggested that a 1.99% increase in the town council proportion of the council tax would be appropriate for the coming year bearing in mind the grant cuts and cost increases faced next year and in the future.

This would be an increase in real terms of £3.00 per year for a Band A property.

The planned capital works for 2017/18 totalled £250,000 and mainly related to building works and replacement vehicles and machinery and would be met from the Council's earmarked balances and reserves. There is also a major new park development planned for the Cobblers Hall area of the town next year, which will be match funded by Durham County Council.

Dan also explained that there is a strong likelihood that the government would impose a requirement for larger town councils to undertake a referendum if they wanted to increase the Council Tax more than 2% from next year. While this would not cause the Council any issues at the present time, it could become an issue in the future.

2. Councillor Fleming explained that the Town Council had frozen the Council Tax for four years between 2010 and 2013 and had kept increases since then to less

than 2%. He explained that the need to undertake a referendum to increase more than 2% was unrealistic as it would cost more than a 2% increase to fund the actual cost of the referendum, thereby taking any increase at least 5% to get an actual increase of a further 0.5%.

Councillor Fleming also raised the issue of council tax support, explaining how the Council has lost £162,000 in Council Tax Support Grant funding since 2013, and how Durham County Council's decision to provide full support to council tax benefit claimants in County Durham has negatively impacted upon this Council's tax raising capacity. Durham County Council's services continued to be under financial pressures and that further cuts to the Council Tax Support Grant will be made moving forward.

Councillor Fleming also noted the forthcoming changes to pre-school funding which are a concern as many details have not yet been finalised by the government yet; the fact that we have the largest business park on our door step but don't receive a penny of business rates; and increasing competition from a wide range of private companies providing similar sports facilities which are having an impact on the income of the Council's sports complex.

3. A number of questions were asked by the residents.

Q1 – Clarification was requested regarding the 2% increase and the need for a referendum when we don't provide any social care related services.

A1 – Principal councils that provide social care services can raise the Council Tax by 2% plus a further 2% to cover these services. This does not apply to town and parish councils.

Q2 – There are a lot of new houses being built, what band properties are these likely to be and when can they be included in the Tax Base for the Town Council?

A2 – Many of the new houses will be band C or D, but the Council Tax Base calculation is backward looking so will not be included until this time next year. So far only an additional 36 houses have been included in this year's provisional Council Tax Base.

Q3 – What has happened to the Section 106 money from these new developments?

A3 - Some developments will include Section 106 money to provide additional services but very little of this money is being transferred to the Town Council.

Q4 – Why is the Council taking on DCC problems and services when we don't get anything for them?

A4 – During previous surveys and consultations residents have consistently highlighted services such as the environment as being very important to them, so the Council would take over these services in response to resident's requests. A good example was the A167 lights which were due to be switched off by DCC, but which the Town Council has taken on for the next ten years in response to public demand. It is possible that the Town Council could be asked to take on additional responsibilities in Great Aycliffe from the County Council in the future.

Q5 – Was a survey undertaken for the proposed Cobblers Hall Play area as most people don't want it?

A5 – Yes, a survey was undertaken and was widely publicised in the Newton News and on social media. The houses abutting the site also received letters and the response was very positive. There were only a few responses which said they didn't want it. Residents also stated that they wanted equipment for all ages and not to be for a specific age group.

Q6 – Why are the Christmas lights in the town centre already turned on wasting tax payers money?

A6 – The town centre is privately owned and does not come under the scope of the Town Council. The Town Council Christmas lights are in the Town Park, along Central Avenue and near St Clare's Church and the electricity costs are minimal at £250 per year.

Q7 – Why are the street lights near Syd Chaplin Drive already being replaced AS the new LED lights haven't been there very long?

A7 – DCC are responsible for street lights.

In closing the meeting Dan requested that the budget questionnaire forms that had been distributed to all members of the Customer Panel be completed by those present, indicating whether members of the panel were in favour of the proposed 2017/18 budget and indicating preferred priorities for Council spending in the coming years.

The questionnaire would also be made available on the Council's website via Survey Monkey for members of the public to complete.

Members of the Customer Panel were thanked for attending the meeting.