

Great Lumley Parish Council

Meeting of Great Lumley Parish Council

Monday 11th January 2021 at 6.30 pm

This meeting will be held virtually using the zoom online platform

<https://us02web.zoom.us/j/88093838016?pwd=dCtJMXF4aVJ1REJheHZLSWZSMEZwdz09>

Meeting ID: 880 9383 8016 Passcode: 158336 (no waiting room)

You are summoned to attend the above-mentioned meeting of the Parish Council

AGENDA

1. **Declarations of Interest:**

To note any declarations of interest from members of the Council, in items on the agenda

2. **Police Liaison Report:**

To receive a report of activity in the Parish area from the Police

3. **Public Participation:**

To allow any member(s) of the public who has previously notified the Parish Clerk in accordance with the Councils Public Participation Policy to speak to the meeting
(maximum 15 minutes total and 5 minutes per person)

Alleged Drug dealing going on in recycling area to rear of former Post Office (A Bell)

4. **Minutes of the Last Meeting:**

To agree and sign as a correct record, the minutes of the meetings held on 1st December 2020 & 21st December 2020

5. **Matters Arising from previous minutes:**

To discuss any matters arising from the minutes, which do not appear elsewhere:

To consider repairs to the View Point (Update from JR)

To receive an update on the play area (IH)

Community Centre Car Park update on removal of weeds (IH)

To receive an update on legal representation for Asset Transfer (IH)

To receive an update on legal position of restrictive covenants (IH)

To receive an update on approval to borrow from Secretary of State (IH)

To receive an update on the Parish Councils Social Media (MA)

To receive an update on storage, sale or disposal of equipment currently in the Community Centre

Vehicle access to community centre football pitch

6. **Environmental and Community**

Dog fouling and littering by Postal workers (item received via e mail & attached)

To consider making a donation of £3500 to Great Lumley Community Venture to provide initial funding of the charity (PH)

7. **Accounts**

To note all income and expenditure to the Councils Account since the last meeting

To agree the budget for the 2021/2022 financial year (attached)

8. **Miscellaneous matters**

To consider the report "Double Taxation and County Durham" (attached)

9. Community Centre

To consider the inclusion of an additional permanent agenda item for Parish Council meetings “ Great Lumley Community Venture – Report from the Nominated Trustees”
To consider the implications of Tier 4 restrictions on the Community Centre
To consider the quotation from Durham Area Youth for the provision of youth services in the village

10. To Adopt New Policies and Procedures for the Council

There were no policies put forward for discussion

11. Correspondence

To receive details of any correspondence since the last meeting

12. Planning Applications

No planning applications have been submitted

13. Matters for Discussion

To note any information and matters for discussion at the next meeting

14. Items to be discussed following the Exclusion of the Public and Press under The Public Bodies (Admission to Meetings) Act 1960 Sec 1 (2)

Staffing Matters (details distributed separately)

15. Date of next meeting:

To confirm the date of the next meeting as Tuesday 2nd February 2021

Signed:



Parish Clerk

Website www.greatlumleyparishcouncil.org

Email: greatlumleyparish@hotmail.com

DOUBLE TAXATION AND COUNTY DURHAM

At the CDALC Larger and Smaller councils Forum meetings held on the 19 November the issue of Double Taxation was discussed. It had been raised by a couple of larger councils. At these meetings, it was agreed that we would consult all member councils on the following motion. This motion was agreed by the Larger Council Forum members and discussed by Smaller Council Forum members on 19 November.

“Great Aycliffe Town Council acknowledges Durham County Council’s response to the issue of double taxation. We would request that, in the interest of fairness, there is a commitment by Durham County Council to reconsider the issue of double taxation and possible options to alleviate the unfairness that this causes for local council tax payers in County Durham. It is requested that this review is undertaken in consultation with the Local Councils Working Group.”

BACKGROUND INFORMATION

Double Taxation is defined as a situation where residents in certain local council areas are paying twice over for particular public services. It can happen because many local services are concurrent functions - that is, they can be managed and delivered either by local parish and town councils or by the principal council, Durham County Council. Typically double taxation comes about in relation to the most locally delivered services, such as maintaining children’s play areas, closed churchyards, playing fields, open spaces, public convenience, street lights, cemeteries, allotments and footpaths.

There are two ways in which Double Taxation comes about.

1. Where provision of a service is delegated or devolved from a principal local authority to a local council without sufficient funding being passed on to cover the costs. This may mean the local council having to make good the funding gap by raising the precept it levies on local residents;
2. Where, within a principal local authority’s area, a service is delivered in some places by that authority and in other places by local councils. This can result in some residents paying for the service in their local council area through its precept, while at the same time they contribute to the cost of provision elsewhere, particularly in unparished areas, through the Council Tax bill from their principal local authority.

Residents in both smaller parish councils and larger town councils throughout the nation can be subject to double taxation. Nationally there is only a minority of areas that deal with it where the trend is for ‘special expenses’ paid to parish councils from their principal authority, where a service has more recently been transferred to the local council and a deal brokered. Functions delivered by parish and town councils over a longer period of time would need to be assessed for cost and quality and calculations devised as to differentials in costs and how to deal with them. At this point we do not have any data as to what the relevant services would amount to.

A summary of the arguments for and against resolving the issues of double taxation as per the NALC document attached are:

Reasons to resolve double taxation

- **Accountability** – an often quoted principle is that ‘finance should follow function’. The organisation responsible for delivering a service – the local council in this case – should also hold the relevant budget. This strengthens democratic accountability by making clear who is responsible for decisions about that service;
- **Fairness** – it is inequitable if taxpayers are treated differently for no good reason.

Residents in certain areas should not be paying both (in full) for the service in their locality as well as contributing to its provision elsewhere;

- Sending the right signal – public policy aims to encourage local councils to expand their role, so that services better meet local needs. However, allowing double taxation to arise discourages local councils from doing just that;
- Partnership – it is a practical way in which tiers of local government can demonstrate partnership intent, reaching agreement about concurrent services and their funding;
- Taxpayer interests – local Councillors have a legal duty to act in the best interests of their taxpayers. It is argued that this should include considering concerns about double taxation.

Arguments advanced for not taking action

- Administrative effort – the effort and cost required to find an appropriate resolution and then manage it may be disproportionate for the scale of double taxation that occurs;
- Unclear comparisons – a truly accurate assessment of double taxation would require comparison of service levels in different (local council) areas. Such like-for-like comparisons are hard to achieve;
- Historic accident – uneven patterns of service delivery and which tier of government delivers what service are largely a result of past developments (rather than recent policy decisions);
- Serving the wider area – more centralised services, such as leisure or arts centres, serve people across the wider area. Indeed, district councils may only have one or two such centres, inevitably located in the largest settlement(s). Put another way, local council boundaries don't determine where people access services;
- Income generating services – there is a converse argument about what to do with services which generate a profit for the principal local authority. Should that profit help reduce the Council Tax charge for all its taxpayers or only those living close by the profitable service?

Weighing up the arguments

When faced with a double taxation situation certain points are worth bearing in mind.

1. First, tackling double taxation does not imply that every local council area should have the same service levels. Individual local councils will want to decide how far they are prepared to use their precepting powers to enhance the standard of services which would otherwise be provided. Measures implemented to address double taxation should try to avoid compensating local councils for such enhancements.
2. Second, it is important to be clear about the legal position of different services; when something is a concurrent function and when it is a distinct function for one tier of government. Double taxation arguments can only be made in respect of those which are concurrent functions.
3. Third, it will help to distinguish between those services delivered at a very local level (such as play areas, sports fields, litter collection and bus shelters) and those delivered centrally (such as leisure centres) which serve a wider catchment. It is more reasonable to expect users to travel to access some services than it is to others. The more locally a service is delivered, the stronger the case for addressing double taxation concerns.
4. Fourth, principal local authorities should understand the geography of their double taxation issues, as different situations point towards different ways of addressing the issue. Considerations are: whether they have both parished and unparished areas; and how much their local councils vary in the extent to which they deliver concurrent services.
5. Fifth, it is relevant to understand how double taxation issues have come about. In particular, whether they are historic in nature or are arising as a result of decisions taken now. In theory it is easier to deal with situations arising now. Understanding this will also help to identify the best approach.

6. Last, it will be useful for local councils to form a view about what they are prepared to fund from their precept and to be as strategic as possible in their thinking. There is a risk of being bounced into ad hoc decisions to save (any and all) threatened services. Double taxation is never ideal, but may be tolerated up to a point for higher priority services. Local councils can take more informed decisions by knowing which services matter most to their community. Nationally, one (admittedly large) local council says that if a service is really important for its town it will deliver that service for the town's sake and not worry unduly about double taxation.

Recent discussions about Double Taxation in County Durham

The issue was raised at a Durham County Council full council meeting on 21 October 2021. The discussion and vote is in the following recording at 1 hour and 50 mins onwards. <https://youtu.be/v0IOODk8WdU?t=6686>. The proposal for double taxation to be addressed by DCC was rejected by the full council.

CDALC have had informal discussions with DCC regarding this issue at the Local Councils Working Group meeting held on the 6 November. The Local Councils Working Group enables our members and officers to meet with members and officers from Durham County Council. For members information, the response from DCC (received before, but reiterated at the 6 November meeting) was as follows:-

“We are aware that there have been a number of motions raised at town and parish councils recently in relation to this issue, which is disappointing as we have not had chance to consider discussing this through the Local Councils Working Group. As you are aware, this issue was discussed at length in 2012 with relevant stakeholders and through the CDALC. Of course the council could consider this issue again however this is a significant piece of work which will take time and resource – at a time when the council is extremely stretched dealing with the coronavirus. We would clearly also need to consider the standards to which the County Council would deliver if these services were being overseen by it and take into account the economies of scale and efficiencies of a larger organisation. We would hope town and parish council' are aware of this – and as discussed previously, if any town and parish councils wish to, they can pass these services back to the council to be provided through our existing arrangements.

If there was a desire to undertake this work at some point, the wider support to town and parish council's is also likely to be considered including reviewing the Local Council Tax Reduction Scheme payments that are made which is a significant sum - and far outweighs the double taxation payments that were previously made. Since 2013/14 we have passed on circa £13.4million in LCTRS grant payments to local town and parish councils. The annual “double taxation” grant payments that were removed were circa £0.25million. If we hadn't passed on the grant, as many others haven't, and continued to pay the £0.25million instead local councils would have received around £11.4m less funding over the last 8 years.”

ACTION REQUIRED

All CDALC Association member councils are asked to consider the above information and make their resolution for reporting back to CDALC via the online survey CDALC Double Taxation Online Survey, with a deadline of 31 January 2021.

POSSIBLE FURTHER ACTION

After receiving Association members thoughts, CDALC will report back to the Larger and Smaller Council Forums in February, with a final decision by the Association's Executive Committee in early March about presenting it to the Local Councils Working Group where our members and officers meet with representatives of Durham