CITY OF DURHAM PARISH COUNCIL

Minutes of the meeting of the Parish Council Finance Committee held on Monday 16th March 2026 at 11:00am via Zoom

Present: Councillors S Walker (in the Chair), L Brown, D Freeman, E Scott and V Ashfield.
Also present: Parish Clerk A Shanley.

1. APOLOGIES FOR ABSENCE

Apologies were received from Councillor L Wilson.

2. TO RECEIVE ANY DECLARATIONS OF INTEREST FROM MEMBERS

None received.

3. TO APPROVE THE MINUTES OF THE PREVIOUS MEETING HELD ON 14th JANUARY 2026

The minutes of the meeting held on 14th January 2026 were unanimously **agreed** as a true and accurate record of proceedings.

4. PUBLIC PARTICIPATION

None received.

5. REPORT ON THE FINANCIAL POSITION OF THE PARISH COUNCIL

The Committee received a comprehensive report from The Clerk on the Parish Council's overall financial position for the current financial year. In introducing the item, The Clerk thanked Members across all committees for their careful management of budgets and constructive approach to financial planning throughout the year. He commented that, taken as a whole, the Parish Council was now broadly in the financial position that it had hoped to achieve, with expenditure progressing appropriately against approved budgets while maintaining healthy reserve levels and flexibility for future priorities.

The Clerk presented Members with a detailed overview of income and expenditure figures. The Committee was informed that total income received during the financial year currently stood at £316,628. This comprised the Parish Council's annual precept allocation of £292,167 together with £23,555 received through grants and donations. While acknowledging the positive overall financial position, The Clerk expressed some disappointment regarding the relatively modest level of external grant income secured during the year. He advised Members that he believed the Council needed to place a significantly greater strategic focus on attracting external funding and grant support in future years. He noted that this objective had already been formally identified within his own annual appraisal priorities.

Members were also advised that the Council had recently moved its reserves into a higher-yield interest-bearing account following research undertaken by the Chair. The Clerk reported that this decision had already generated £846 in interest income within just four months. Based on projected returns, he estimated that the Council could potentially generate approximately £2,500 annually through prudent treasury management arrangements. Members discussed the importance of ensuring that reserves worked effectively for the Council rather than remaining dormant and generally welcomed the additional financial resilience this income stream would provide. The possibility of using interest income to support future election reserves was also noted. The Clerk reported that total expenditure at the date of the meeting stood at £278,412 against an approved annual budget of approximately £370,000. This meant that the Council was currently operating with a positive financial movement into general reserves of approximately £38,217 at that stage of the financial year. He emphasised, however, that a number of significant projects remained ongoing and that some expenditure would continue to arise before year-end.

The Committee agreed with The Clerk's assessment that the Parish Council remained in a healthy financial position overall. It was recognised that much of the Council's income was received earlier in the financial year while certain projects necessarily progressed over longer timescales, resulting in temporary surpluses which would reduce as projects concluded.

The Clerk then provided Members with a detailed committee-by-committee breakdown of expenditure performance and outstanding commitments. He noted that several committee budgets were close to being fully utilised, particularly within the Business Committee and the Council's central operational budgets. By contrast, some areas showed lower expenditure levels due primarily to changing operational circumstances rather than inactivity.

With regard to the Planning Committee budget, Members were advised that expenditure currently stood at approximately 32.6% of allocation. The Clerk explained that this was largely due to the lower-than-expected number of highly complex planning matters requiring specialist external consultancy support during the year. He noted that many planning responses had instead been handled internally through collaborative work between councillors and officers, reducing the need to commission additional consultancy advice. Members also noted that anticipated work connected to the County Durham Plan review had not yet materialised and was now expected to arise during the following financial year. As a result, the remaining planning budget allocation would be ring-fenced and carried forward for future use.

The Licensing Committee budget was also discussed. The Clerk explained that the principal expenditure within this area related to the Council's drug detection dog operations. Some expenditure remained outstanding because a further operation had been scheduled for April. Members were advised that the programme represented a visible and proactive response to community concerns around anti-social behaviour and substance misuse and that the remaining budget would therefore be fully utilised as planned.

The Business Committee budget was reported to be effectively fully spent, with some slight overspend pressures arising from additional events activity, particularly associated with the Lunar New Year celebrations. The Clerk reminded Members that Full Council had already approved the use of contingency funding to support both event expenditure and wider council administration costs. Members recognised that the expanded events programme had generated significant public engagement and visibility for the Council during the year.

Considerable discussion took place regarding the Environment Committee budget. The Clerk noted that current expenditure appeared lower proportionally at approximately 64%, but stressed that several major projects were still progressing. Particular reference was made to the proposed allocation of £3,000 to support Houghall College's Chelsea Flower Show project, which Members regarded as both an environmental initiative and an important relationship-building exercise with the college. The Clerk informed Members that a meeting with Houghall representatives had now been confirmed and that the Council's developing partnership with the institution represented an increasingly important strategic relationship.

The Committee also reviewed expenditure within the Council's heritage and blue plaque budgets. The Clerk explained that further invoices were expected relating to the Dr Mo Mowlam blue plaque project, together with costs associated with the proposed blue plaque walking trail leaflet and the Shincliffe Boundary Stone restoration project. While some heritage projects were progressing more slowly than initially anticipated, Members acknowledged that they remained active and ongoing commitments rather than abandoned schemes.

Members noted that the Neighbourhood Warden budget would be fully spent by year-end. The Clerk highlighted that expenditure connected to the "Shush" campaign appeared lower on paper only because printing efficiencies had been achieved through combining multiple leaflet distributions into single print runs funded through contingency allocations. Members welcomed these savings and recognised them as examples of effective budget management.

The Committee also considered the "Improving the River Wear" allocation, with The Clerk confirming that an invoice was expected from the Wear Rivers Trust following previous Council approvals. Members were advised that arrangements had been made to ensure expenditure would fall within the current financial year.

Discussion then moved to the Green Move-In project budget. The Clerk explained that some funds remained unspent because Durham County Council had ultimately determined that additional waste collections during Green Move-In were not required this year. Members noted that no significant complaints had been received during the move-in period, suggesting that operational arrangements had worked effectively. However, as some of the funding originated from private landlord donations, Members acknowledged that future projects linked to student environmental management and recycling awareness might need to be considered to utilise those funds appropriately.

The emergency planning budget was also reported as fully committed, although The Clerk explained that significant administrative work remained outstanding in terms of allocating individual expenditure items and associated VAT documentation correctly across suppliers and inventory records.

The Committee then turned to the issue of the underspend arising from the cancellation of the proposed Operation Lentil policing allocation. Members were advised that approximately £12,300 remained available for reallocation following the decision not to proceed with the anticipated by-election contingency arrangements.

The Chair opened discussion by strongly advocating that this underspend should be transferred into the Council's election reserve. The Chair highlighted the financial pressures and uncertainty experienced during recent preparations for a potential by-election and argued that the Council needed to ensure it could comfortably absorb future democratic costs without operational disruption or emergency financial concerns. Members generally agreed that maintaining robust election reserves was now an essential aspect of prudent financial planning for the Parish Council.

The Clerk advised that the Council had already agreed to allocate an additional £5,000 into election reserves for the following financial year and that projected year-end underspends of approximately £10,000 would also likely be available for reserve transfer. Combined with the additional £12,300 under discussion, this would produce an election reserve in the region of £32,000. Members agreed that this would provide an appropriate level of resilience and would comfortably cover the costs of a future by-election should one arise unexpectedly.

The Committee also discussed potential future environmental communication projects linked to waste and recycling reforms. Councillor V. Ashfield proposed that some of the retained environmental funding collected from landlords might usefully support targeted recycling information leaflets for student households, particularly in relation to the phased introduction of food waste collections. Members acknowledged the operational challenges involved in identifying eligible properties and distributing targeted information effectively but agreed that the matter should be explored further through the Environment Committee.

6. DURHAM COUNTY COUNCIL CONSULTATION ON TACKLING POVERTY IN COUNTY DURHAM

Members considered the content of the County Council's consultation on its proposed poverty strategy and **agreed** the following response:

Consultation on tackling poverty in County Durham (County Durham Poverty Strategy 2026-2030)

The City of Durham Parish Council welcomes the opportunity to respond to the proposed Poverty Strategy and wishes, at the outset, to express its broad support for the intention behind the Strategy and for the recognition that poverty in County Durham is deep-rooted, complex and structural rather than short-term or individualised. We commend DCC's Poverty Action Steering Group (PASG) for their work on this important Strategy to date.

The evidence set out within the Council's own analysis demonstrates clearly the scale of the challenge. Over 112,000 residents, representing more than 21 per cent of the county's population, are living in absolute poverty after housing costs, while more than one in four children are growing up in relative poverty. Fuel poverty affects in excess of 26,000 households, many of them in poorly insulated housing stock, and in-work poverty continues to rise, with the number of residents claiming Universal Credit while in employment having more than doubled since 2020 (rising from 9,500 in March 2020 to 19,900 by September 2023). These figures alone underline why a refreshed, coherent and ambitious approach is essential if the stated objective of building financially resilient communities is to be realised.

The Parish Council particularly supports the emphasis placed within the Strategy on skills, training and access to secure, skilled and properly paid employment. County Durham's economic inactivity rate remains high at just under 26 per cent, and while headline unemployment is relatively low, this masks widespread underemployment, insecure work and low pay, especially in former industrial communities and rural areas.

Educational attainment for disadvantaged pupils continues to lag behind national averages, and too many residents remain locked out of progression opportunities due to health, caring responsibilities, transport barriers and digital exclusion. A serious focus on skills development, adult education, careers pathways and employer engagement is therefore central to any credible route out of poverty, and the Parish Council welcomes this aspect of the Strategy as both necessary and long overdue.

However, the Parish Council is concerned that some recent and proposed policy decisions risk directly undermining the very aims of the Strategy. In particular, the proposed removal of the local Council Tax Reduction Scheme for the lowest earners and those on benefits, replacing it with a requirement for these households to pay a minimum of 10 per cent council tax, while council tax overall is increased by 1.99 per cent for social care, appears fundamentally counterproductive. Council data shows that more than 53,500 residents currently receive council tax support, with around 25,000 receiving a full discount. These households are already among those most exposed to *food insecurity, fuel poverty and debt. Requiring the poorest residents to contribute proportionally more, while increases for higher-income households remain capped, risks pushing more people into arrears, enforcement action and crisis support, increasing pressure on exactly the services this Strategy seeks to reduce reliance upon. This approach risks shifting costs rather than reducing hardship, and sits uneasily alongside a stated commitment to prevention and early intervention.*

Before reducing the LCTRS, the local authority consulted on this in late 2025 as part of its Medium-Term Financial Plan consultation. As you will recall, the City of Durham Parish Council objected to any changes in the 100% relief and this remains our position still. As that consultation specifically highlighted in its Equality Impact Assessment at the time, 44.7 per cent of claimants have a disability or are part of a household where disability-related benefits are in payment, and over 62 per cent of claimants are women. Durham County Council's now adopted policy on the LCTRS is completely counterproductive to the aims of this Strategy.

The Parish Council is also concerned by the growing narrative that frames reindustrialisation around the reopening of mines and the scaling back of commitment to renewable energy and climate action. Such an approach represents short-term thinking and fails to recognise the long-term economic opportunities presented by the green transition. County Durham has a significant stock of older, energy-inefficient housing, contributing directly to fuel poverty, poor health outcomes and excess winter deaths.

Investment in renewables, energy efficiency, retrofit programmes and low-carbon infrastructure would not only reduce household bills and emissions but would also create skilled, future-proof employment opportunities across construction, engineering, maintenance and technology. Green energy and climate resilience are not distractions from tackling poverty; they are among the most effective tools available to do so, particularly in a county where fuel poverty and low wages intersect so strongly.

The delivery of genuinely affordable council and social housing must also be accelerated if poverty is to be addressed in a meaningful way. While County Durham remains more affordable than many parts of the country on paper, rising private rents, limited supply and an ageing housing stock continue to place significant strain on low-income households. Nearly half of the county's population lives in rural areas where access to affordable housing is even more constrained, and where transport and service access issues compound financial insecurity.

As you are aware, the City of Durham Parish Council very much welcomed the news in August 2024 that Durham County Council had initiated a five-year program to build 500 new, energy-efficient council homes. This marks the local authority's first direct housing construction since selling housing stock in 2015. We understand that DCC is working with T Manners & Sons and that construction has begun on sites in Burnhope and Seaham, with projects featuring bungalows and family homes designed for sustainability. Whilst this news is highly welcome, construction rates appear to be progressing at a glacial pace and without a substantial increase in the supply of secure, energy-efficient social housing, the cycle of high housing costs, fuel poverty and poor health outcomes will persist, undermining progress across all five pillars of the Strategy.

To highlight the scale of this issue, in a recent Freedom of Information response (Ref: 5796513), Durham County Council highlighted that, as at 31st January 2023, there were 10,271 individuals on the waiting list for social housing in our county alone (a high number of whom were Band 1 top tier priority for housing).

Finally, the Parish Council wishes to highlight the critical importance of accessible, high-quality advice and information in preventing poverty from escalating into crisis. The

Strategy itself acknowledges that removing barriers to accessing services is essential, yet recent decisions to reduce the availability of customer access points, including limiting the Clayport Library service to appointments-only one day per week (Thursdays) alongside the cancelling of the Citizens Advice Bureau (CAB) contract, appear to move in the opposite direction.

The Citizens Advice Bureau has over 60 highly trained volunteers that help people every week and last year the CAB helped 1370 people in the Durham City area alone. Mercifully, they have managed to secure some temporary funding to relocate their services to North Road Methodist Church but further support is needed if this Strategy is to truly realise its aims.

Evidence from previous advice provision shows that support delivered through advice services has increased household incomes by hundreds of thousands of pounds and written off millions in unmanageable debt. For residents facing digital exclusion, language barriers, disability or complex life circumstances, face-to-face advice remains indispensable. Reducing this provision risks increasing under-claiming of benefits, deepening debt and driving greater demand for crisis interventions.

Conclusion

The City of Durham Parish Council supports the overarching aims of the Poverty Strategy and welcomes its recognition of the scale and persistence of poverty across County Durham. However, we urge that the Strategy be aligned consistently with wider fiscal, housing, climate and service-access decisions, so that actions taken in one area do not undermine progress in another. Tackling poverty requires not only strong intentions but policy coherence, long-term thinking and a willingness to protect those least able to absorb further financial pressure.

We offer these comments constructively and in the hope that they will strengthen the final Strategy and its capacity to deliver lasting change for residents across the county.

End of response

7. UPDATE ON THE WORK OF THE COMMUNITY CENTRE SUPPORT WORKING GROUP

Councillor E Scott presented a report to Members on behalf of the Community Centre Support Working Group regarding the proposed allocation of funding for 2026/27.

Members were reminded that the Community Centre Support Scheme had been established to strengthen community infrastructure within the parish and that, following an Expressions of Interest process, three organisations had initially been invited to submit full applications. Councillor E Scott reported that St Giles Church had since withdrawn from the process due to capacity constraints, with the option to re-engage in future funding rounds.

Members were advised that two full applications had been received and were now under consideration. Councillor Scott outlined that the application from Alington House Community Association focused on improving the long-term energy efficiency and sustainability of the building through a “fabric-first” approach.

Proposed works included the installation of a zoned smart heating system, replacement of inefficient single-glazed windows, roof repairs and additional insulation. It was noted that the total project cost was estimated at £55,903, with a request of £30,000 from the Parish Council, and that the works were intended to secure the long-term viability of what was described as the only remaining community centre located within the heart of Durham City.

Members were further advised of the application submitted by Waddington Street United Reformed Church, which had been revised from its original proposal. The current application sought support for internal improvements to enhance accessibility and usability, specifically the replacement of worn carpets and the upgrading of the building's audio system.

The total cost of these works was estimated at £7,066.88, and it was noted that the project was deliverable within a short timeframe. Whilst the revised proposal did not directly address energy efficiency, Members were advised that the organisation continued to explore solar panel installation separately.

Councillor Scott also updated Members on proposals relating to the Durham City Theatre. It was noted that, given the scale of investment required to secure the theatre's long-term future, direct funding through the Community Centre Support Scheme was not considered appropriate. Instead, Members were advised that the Council had sought to appoint a specialist fundraising and bid-writing contractor to pursue external funding opportunities. Two bids had been received following a public advertisement of the opportunity: one in the sum of £5,000 and a second in the sum of £15,960. Members noted that both proposals demonstrated relevant experience in securing funding for cultural and community projects, with differing approaches, scope and cost.

Councillor E Scott advised that the Working Group had considered the applications and proposals and recommended as follows:

1) That the allocation of £33,703 be allocated to the Alington House scheme (full cost of the 4 x replacement windows plus costs of the planning application).
2) That the application by Waddington Street URC not be accepted at this funding round given the change in scope from the EoI stage.
3) That the remaining funding of £6,297 be re-allocated to the small grants scheme and that Waddington Street URC and other organisations be encouraged to apply through this open funding scheme.
4) That the Council approves the appointment of Contractor A to progress the City Theatre bid.

Members unanimously **agreed** all of the recommendations, as set out above, from the Community Centre Working Group.

8. DATES OF FUTURE MEETINGS

Wednesday 13th May 2026

There being no further business, the Chair thanked Members for their attendance and contributions and closed the meeting.

Signed,

S.A. Walker

Chair of the Parish Council Finance Committee
(13th May 2026)