



9 am to 4 pm Mondays to Fridays

TO ALL MEMBERS OF THE FINANCE & GENERAL PURPOSES COMMITTEE

Cllr C Slemmings (Chairman)	Cllr M Deacon	Cllr M Sharman
Cllr D Savage (Vice Chairman)	Cllr Jan Garfield	Cllr A Smith
Cllr G Newman (Town Mayor)	Cllr Jon Garfield	Cllr M Walker
Cllr N Barber	Cllr M Morris	Cllr C Webb
Cllr S Bird	Cllr J Sennington	Cllr K Williams

You are hereby summoned to attend a meeting of the **FINANCE & GENERAL PURPOSES COMMITTEE** to be held at the **Town Hall, Felixstowe** on **Wednesday 18 March 2015** at **7.30pm** for the transaction of the following business:

A G E N D A

- 1. Apologies**
To receive apologies for absence.
- 2. Declarations of Interest**
Members and Officers are invited to make any declarations of interests that they may have in relation to items on the agenda and are reminded to make any declarations at any stage during the meeting if it then becomes apparent that this may be required when a particular item or issue is considered.
- 3. Requests for Dispensation**
To consider any dispensation requests received from Councillors with a pecuniary interest in an item on this agenda who wish to remain, speak and/or vote at consideration of that item. Councillors are advised to submit any dispensation request in writing to the Town Clerk prior to the meeting.
- 4. Minutes of the Previous Meeting**
To confirm the minutes of the Finance & General Purposes Committee meeting held on 21 January 2015 as a true record. **(Pages 3-8)**
- 5. Accounts for January and February 2015**
To receive the Monthly Accounts reports for January and February 2015 and consider any actions deemed necessary. **(Pages 9-13 & Appendices A & B)**
- 6. Electronic Agenda Summons**
To note the changes in the law with regards to the legal summons of Councillors to meetings. **(Page 14)**
- 7. Standing Orders 2015/16**
To review, and recommend to Council, Standing Orders for 2015/16. **(Appendix C)**

8. Financial Regulations 2015/16

To review, and recommend to Council, Financial Regulations for 2015/16.

(Appendix D)

9. Internal Audit – Quarter Three Report

To receive the report of the Internal Auditor and agree appropriate action in respect of any matters raised.

(Page 15 & Appendix E)

10. Closure

To close proceedings and confirm the date of the next meeting scheduled for Wednesday 27 May 2015 at 7.30pm.



**Ash Tadjrishi
Town Clerk
11 March 2015**

For information (via email): All Town Councillors.

AGENDA ITEM 4: MINUTES OF THE PREVIOUS MEETING

MINUTES of the **FINANCE & GENERAL PURPOSES COMMITTEE** meeting held at Felixstowe Town Hall on **Wednesday 21 January 2015** at **7.30pm**

PRESENT: Cllr D Savage (Vice-Chairman in the Chair)
Cllr N Barber
Cllr S Bird
Cllr M Morris
Cllr G Newman (Town Mayor)

Cllr J Sennington
Cllr M Sharman
Cllr A Smith
Cllr M Walker

OFFICERS: Mr A Tadjrishi (Town Clerk)
Mrs D Frost (Finance Officer)

IN ATTENDANCE: Three members of the Public. One member of the Press.

In the absence of the Chairman, Vice-Chairman Cllr D Savage in the Chair.

445. APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr M Deacon, Cllr Jan Garfield, Cllr Jon Garfield, Cllr C Slemmings, Cllr C Webb and Cllr K Williams.

446. DECLARATIONS OF COUNCILLORS' INTERESTS

The following declarations of Councillors' interests were made:

Member	Minute No.	Nature of Interest
Cllr N Barber	452	Non-Pecuniary (as a member of the Carnival Association)
Cllr A Smith	452	Non-Pecuniary (as a member of the Landguard Partnership)

In additions, Cllrs S Bird, M Morris, M Sharman, J Sennington, D Savage and A Smith each declared a Local Non-Pecuniary Interest on all items on the agenda as Members of Suffolk Coastal District Council.

447. REQUESTS FOR DISPENSATIONS

There were none.

At this point in the meeting the Vice-Chairman suspended Standing Orders and reported to Councillors and members of the Public attending on a forthcoming meeting of Suffolk County Council's Cabinet which was to decide on the future of a number of Children's Centres in the county, including Sea Breeze Children's Centre in Felixstowe.

Members expressed their deep disappointment that, despite the Town Council's strong objections, and with 25% of Sea Breeze users having stated that they would not go anywhere else, the County Council was proposing to close this Children's Centre in Felixstowe. It was noted that, should the proposals be approved by the County Council, the year-round services provided by Sea Breeze - fundamental to its users in this area of Felixstowe - would no longer be accessible out of term-time. In noting that the Town Council's response to the consultation had not been acknowledged, nor its objections addressed, in the report to the County Council's Cabinet, Cllr N Barber agreed to take a statement to Cabinet on behalf of the Members present.

Standing Orders reinstated.

448. MINUTES OF THE PREVIOUS MEETING

It was RESOLVED that:

The Minutes of the Finance & General Purposes Committee Meeting held on 19 November 2014 be signed by the Vice-Chairman as a true record.

449. MINUTES OF THE FINANCE SUB-COMMITTEE

It was RESOLVED that:

The Minutes of the Finance Sub-Committee Meeting held on 26 November 2014 be received by the Committee and signed by the Vice-Chairman as a true record.

450. ACCOUNTS TO 31 DECEMBER 2014

The Committee considered a detailed report showing income and expenditure from the start of the financial year 2014/15 to 31 December 2014.

RESOLVED that the Accounts to 31st December 2014 be received and noted as presented with no other action required at this time.

451. LEVEL TWO YOUTH PROJECT FUNDING

The Committee considered additional funding for Level Two.

The Vice-Chairman suspended Standing Orders and invited Mr S Wyatt, Vice-Chairman of the Felixstowe Youth Development Group Management Board, to respond to Members' questions.

In response to Members queries on fund-raising initiatives, Mr Wyatt described how the majority of the group's funding came via local authorities and charitable trusts rather than fund-raising events, which were not able to provide the security and level of income required.

Standing Orders reinstated.

Members commented on how the youth club service provided by Level Two provided a valuable resource for any young person in Felixstowe, highlighting the level of demand and scale of need for accessible support and mentoring services for young people which, if not provided by Level Two, would be lacking in the town.

Following further discussion it was proposed that a total of £10,000 be awarded to Level Two for the financial year 2015/16, funded via Community Fund Projects (cost centre 305) from the Council's Community Fund Earmarked Reserve. It was proposed that this funding be limited to one year only, pending any review taken during the budget setting process for 2016/17.

The Clerk was asked to enquire whether Level Two would wish to invite a representative appointed by the Town Council as a non-executive board member to the management board.

It was RESOLVED that £10,000 for Level Two, funded via Community Fund Projects (cost centre 305) from the Council's Community Fund Earmarked Reserve, be included in the final budget estimates for 2015/16 for Council approval.

452. ANNUAL GRANTS

The Committee considered Annual Grants for 2015/16 as recommended by the Finance Sub-Committee at its meeting of 26 November 2014 (*Minute #396 of 2014/15 refers*).

It was RESOLVED that £6,800 for Annual Grants, as per the schedule in the agenda report, be included within the final budget estimates for 2015/16 for Council approval.

453. MAYORAL ALLOWANCE

Committee considered the Mayoral Allowance for 2015/16.

RESOLVED that Council be recommended to:

- i. Approve no increase to the Mayor's Allowance for 2015/16, being £7,000 for the purposes of defraying the costs associated with the office of Town Mayor; and,**
- ii. Formally advise the Town Mayor that the allowance should be used to defray any legitimate costs incurred by the Deputy Mayor when officially deputising for the Mayor in his/her absence.**

454. BUDGET AND PRECEPT 2015/16

Members considered the final draft budget as presented in the report. It was noted that a number of amendments had been included to reflect the updated projected outturn position for 2014/15.

Following the earlier resolution of Committee to increase the funding provision to Level Two from the Community Fund Earmarked Reserve, the Clerk provided a further explanation on the affect this would have on the overall budget. Committee noted that the Community Fund Earmarked Reserve would receive a total of £59,050 from the General Fund in 2015/16, of which a total of £41,866 was committed from this reserve to fund approved expenditure as detailed within the Community Fund Projects heading (cost centre 305).

It was RESOLVED that:

- i. With the amendment to increase the funding arrangement for Level Two to £10,000 for the forthcoming financial year, as approved by Committee earlier the same evening, the draft budget 2015/16 be finalised and presented to Council on 4 February 2015 for adoption; and,**
- ii. It be recommended to Council that, on the basis of a nil increase to the council tax charge for the forthcoming year, the Precept demanded by Felixstowe Town Council for the financial year 2015/16 be set at £522,361.**

455. MEETING SCHEDULE 2015/16

Committee noted the Meeting Schedule for 2015/16 as presented.

It was RESOLVED that the Meeting Schedule for 2015/16 be recommended to Council for adoption as presented in the report.

456. OCCASIONAL GRANTS POLICY

Committee considered the policy for Occasional Grants as presented in the report. A number of minor amendments were proposed to the policy as follows:

- i. Addition of the words ‘*approved*’ and ‘*financial*’ to the sentence in the section headed How Do I Apply so that it reads “You will need to submit a summary and copy of the *approved* year-end accounts for the latest two *financial* years.”,**
- ii. Correction of the word ‘first’ to ‘second’ in the heading titled “Deadline for submission for the first round is 30 November”,**
- iii. Amendment to Grant Conditions so the section reads “All successful applicants ~~will~~ *may* be required to:”; and,**

- iv. The condition for successful applicants to provide, within three months, feedback detailing how the grant was used be amended to extend the period to 12 months.

It was RESOLVED that, subject to the approved amendments being incorporated, the Occasional Grants Policy be recommended to Council for adoption.

457. SOCIAL MEDIA POLICY

Committee considered the Social Media Policy as presented. Members highlighted concerns surrounding the reputational cost to the Town Council should users be drawn in to debate or respond to criticism of the Council when online and whether maintaining such accounts would unnecessarily increase staff workloads. The Clerk gave assurances to Members that the policy provided Council with the opportunity to respond to queries appropriately and set guidelines as to what would or would not be acceptable. It was noted that social media was being used by many local authorities as it offered a further method of communication with no additional cost.

The use of social media would not replace current methods used to communicate Council activities.

It was RESOLVED that the Social Media Policy be recommended to Council for adoption as presented.

458. LGPS DISCRETIONS POLICY

Committee noted the requirement for a discretions policy in respect of The Local Government Pension Scheme Regulations 2013.

It was RESOLVED that, subject to a minor amendment to make clear that any mention of ‘members’ referred to ‘scheme members’ and not ‘Council Members’, the LGPS Employer’s Discretions Policy be recommended to Council for adoption.

459. RISK MANAGEMENT POLICY

Committee noted the amendments being proposed for Council’s Risk Management Policy for 2015. It was further noted that the Clerk and Council’s Finance Officer had met with the Council’s insurers earlier in the day. At this meeting it had been confirmed that the Council was insured to the sum of £250,000 against Libel and Slander and to the sum of £58,600 for Office Equipment.

It was RESOLVED that the proposed changes presented in the report be approved and the Risk Management Policy for 2015 be recommended to Council for adoption.

460. CLOSURE

The meeting was closed at 8.59pm. The next meeting was noted as being scheduled for 18 March 2015 at 7.30pm.

Date: _____

Chairman: _____

AGENDA ITEM 5: ACCOUNTS FOR JANUARY AND FEBRUARY DECEMBER 2015

A summary Income & Expenditure Report to 28 February 2015 is shown below with a detailed report for February 2015 provided at **Appendix A** and January 2015 at **Appendix B**.

09/03/2015

Felixstowe Town Council

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Summary Income & Expenditure by Budget Heading 28/02/2015

Month No : 11

Committee Report

		Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Of Budget
<u>Town Council</u>							
	Expenditure	279,670	373,149	93,479	0	93,479	74.9 %
	Income	569,303	566,336	2,967			100.5 %
	Net Expenditure over Income	<u>-289,632</u>	<u>-193,187</u>	<u>96,445</u>			
<u>Premises</u>							
	Expenditure	71,318	97,480	26,162	0	26,162	73.2 %
	Income	19,926	22,265	-2,339			89.5 %
	Net Expenditure over Income	<u>51,392</u>	<u>75,215</u>	<u>23,823</u>			
<u>Open Spaces</u>							
	Expenditure	133,714	155,025	21,311	0	21,311	86.3 %
	Income	91,043	102,150	-11,107			89.1 %
	Net Expenditure over Income	<u>42,671</u>	<u>52,875</u>	<u>10,204</u>			
<u>INCOME - EXPENDITURE TOTALS</u>							
	Expenditure	484,701	625,654	140,953	0	140,953	77.5 %
	Income	680,271	690,751	-10,480			98.5 %
	Net Expenditure over Income	<u>-195,570</u>	<u>-65,097</u>	<u>130,473</u>			

Although some individual budget items are showing an overspend, the total expenditure to 28 February 2015 is within budget for this period at 77.5%

In accordance with Council's Financial Regulations, Committee is to receive explanations of Material Variances for expenditure in excess of the estimated budget of 10% or £500, whichever is the lesser. Explanatory notes and any recommended action for those qualifying items at Appendix A are as follows:

Cost Centre 101 - Town Council

4030 Training (-£736)

Overspend due to training provided for Councillors and training on the new accounts package for staff.

Recommendation: No action. Provision reviewed for 2015/16

4080 Staff Membership Fees (-£376)

Prepayment made in 2013/14 and carried over in transition from Edge to RBS accounts software. Consisting of the proportion of this year's fees for the Technical Advisor's Membership of the RICS. No provision had been made for Staff Membership fees in the current year budget.

Recommendation: No action. Provision reviewed for 2015/16

4170 Repairs and Maintenance (-£403)

One-off cost for the removal of Aerial Transposer from Anzani House.

Recommendation: No further action.

4441 Telephone Calls (-£579)

Rental agreement provided for free maintenance in the first year. We are now liable for an annual maintenance charge of £818.40 net which was not anticipated in the 2014/15 budget, hence the overspend.

Recommendation: No action. Provision reviewed for 2015/16

4468 Miscellaneous (-£592)

This includes expenditure towards restorations to Council artworks (*Minute #291 2014/15 refers*).

Recommendation: No further action.

4480 IT Hardware Provision (-£1,613)

There was no budget set for this. £1,240 was for the purchase and installation of RBS software. This also includes a new PC/monitor and one set of speakers.

Recommendation: No action. Provision reviewed for 2015/16

4482 IT Software Licences (-£1,064)

This includes RBS Omega, software hosting, allotment software, antivirus and MS Office licences.

Recommendation: No action. Provision reviewed for 2015/16

Note: Total expenditure across three separate IT codes is £7,858 against a budget of £8,110 with an expected total outturn for the year to be within this figure. A simple reappropriation of the budget for 2015/16 has addressed this.

4490 Legal Fees (-£2,227)

No budget was set for this. £2,227 legal fees for Langley Avenue and £25 Money Claim online fees to chase outstanding debt.

Recommendation: No action. Provision reviewed for 2015/16

4551 Card Merchant Charge (-£94)

Underestimated for 2014/15

Recommendation: No action. Provision reviewed for 2015/16

4655 Grants (-£600)

Council approved expenditure totalling £5,800 at its June meeting (*Minute #82 2014/15 refers*).

Recommendation: No action. Provision reviewed for 2015/16

Cost Centre 201 - Town Hall**4070 Protective Clothing/First Aid (-£40)**

Underestimated for 2014/15

Recommendation: No action. Provision reviewed for 2015/16

4120 Gas (-£1,905)

No budget was set for Gas in 2014/15. Based on previous and current years expected costs budget should be £2,300.

Recommendation: No action. Provision reviewed for 2015/16

4170 Repairs and Maintenance (-£4,298)

Unscheduled roof repairs to Town Hall totalling £4,315.00 approved by Council in June (*Minute #70 2014/15 refers*).

Recommendation: No further action.

4180 Licences (-£712)

No budget set. Pro-rata Wedding Licence fee prepaid in 2013/14. Fee is payable to Suffolk County Council every two years.

Recommendation: No action. Provision reviewed for 2015/16

Cost Centre 202 - Walton Community Hall**4122 Electricity (-£1,805)**

Late/missing bills have been received for both Walton and the Town Hall some dating back to 2012 which were not received from British Gas. Estimates too low.

Recommendation: No action. Provision reviewed for 2015/16

Cost Centre 301 – Cemetery**4260 Purchase New Tools/ Equipment (-£935)**

Includes purchase of a chemicals safe £1,102 (Health and Safety requirement).

Recommendation: No action. Provision reviewed for 2015/16

4330 Fuel (-£443)

Overspend on fuel due to increase in fuel consumption and costs being higher than predicted.

Recommendation: No action. Provision reviewed for 2015/16

4400 Stationery (-£402)

Bespoke Memorial sheets and Interment forms purchased.

Recommendation: No action. Provision reviewed for 2015/16

4468 Miscellaneous (-£352)

Reimbursed charges for grave planting.

Recommendation: No further action.

Cost Centre 302 – Allotments

4115 Water and Sewerage (-£607)

Underestimated for 2014/15

Recommendation: No action. Provision reviewed for 2015/16

Additionally, the following items are brought to the attention of the Committee for further explanation and consideration:

Cost Centre 101 - Town Council

4001 Employer NI (61.5% of budget)

Employment Allowance scheme provided for £2,000 discount on Employer NI Contributions at the beginning of the year, which resulted in no payment due for April and a reduced payment in May, this has now been repaid as Councils were not allowed the discount.

Recommendation: No action required.

4446 Mobile Phone Calls (100.5% of budget)

Underestimated for 2014/15 it is likely to exceed 10% next month

Recommendation: No action. Provision reviewed for 2015/16

4464 Insurance (48.4% of budget)

In year cost-saving achieved following change of provider and reduction of annual premium.

Recommendation: No action. Provision reviewed for 2015/16

1810 Donations (0%)

Budget was set, but donations are not currently received.

Recommendation: No action required.

Cost Centre 201 - Town Hall

1000 Hirings (33% of budgeted income achieved to date)

1001 Weddings (85.5% of budgeted income achieved to date)

Decrease in income from Hirings and Weddings. 1030 Leases is up (234.6%) so overall income including Leases is 111.5%

Recommendation: No action required. Provision reviewed for 2015/16

1100 Interment Fees (68.2% of budgeted income achieved to date)

1130 Memorials (49.5% of budgeted income achieved to date)

Possible over-estimation of Interment income, although historically difficult to predict. Final figures of income taken last year were:

	2013/14 Actual	Current year budget
Interments	£45,568	£63,000
Memorials	£13,858	£13,000

Recommendation: No action required. Provision reviewed for 2015/16

Committee is requested to consider the Accounts to 28 February 2015 and decide on any action it deems necessary.

AGENDA ITEM 6: ELECTRONIC AGENDA SUMMONS

Committee will wish to be aware that there has been a resolution to the anachronistic situation which prevented councils from legally serving by electronic means the summons to councillors to attend meetings. Since 30 January 2015 the Local Government (Electronic Communications)(England) Order 2015 has been in force, permitting email service of the summons.

Councillors can only receive summonses electronically where they consent to it being transmitted by this method and they may at any time withdraw their consent.

The relevant law which the order has amended is the Local Government Act 1972 para 10(2)(b) which required that three clear days at least before a meeting of a parish council— “a summons to attend the meeting, specifying the business proposed to be transacted at the meeting and signed by the proper officer of the council, shall be left at or sent by post to the usual place of residence of every member of the council.”

This has now become “(b) a summons to attend the meeting, specifying the business proposed to be transacted at the meeting and certified by the proper officer of the council, shall be sent to every member of the council by an appropriate method.”

A new paragraph 10 (2A) then explains that:

- (a) “authenticated” means signed or otherwise authenticated in such manner as the proper officer thinks fit; and
- (b) the reference to sending the summons to a member by an appropriate method is to—
 - (i) leaving it at, or sending it by post to the member’s usual place of residence, or
 - (ii) where the member has given consent for the summons to be transmitted in electronic form to a particular electronic address (and consent has not been withdrawn), sending it in electronic form to that address.”

Importantly, it has always been and remains the case that under Schedule 12 para 10(3) “Want of service of any such summons as is referred to in sub-paragraph (2)(b) above on any member of the parish council concerned shall not affect the validity of the meeting.” So, failure to summon councillors to the meeting will not invalidate decisions. Nevertheless, in law councillors have the right to expect that they are made aware of the meeting and that they are notified in advance of the business to be decided.

Committee is requested to note the information and consider this when reviewing Standing Orders in the next agenda item.

AGENDA ITEM 9: INTERNAL AUDIT – QUARTER THREE REPORT

The Internal Audit Report for the Quarter ending 31 December 2014 is attached at **Appendix C** (*note: the report incorrectly states quarter ending 30th September 2014 but is the Q3 report to 31 December.*)

Action has been taken in respect of the two recommendations made by the auditor as follows:

Recommendation 1 (that the payroll software providers are contacted for advice on how to correct the £2,000 reduction in national insurance contributions). The reduction was claimed back in April/May last year. *Following confirmation from the auditor that the Town Council is not eligible for the Employment Allowance, the payroll software has been adjusted and the correction took effect in February.*

Recommendation 2 (review and reconcile unreconciled difference of £90 before year end). This related to a cheque issued last year which was left uncashed. *It was established that the cheque was lost and this item was reconciled in February.*

Committee is requested to consider the attached quarterly Internal Audit Report for the period ending 31 December 2014 and make recommendations to Council for any action it deems necessary.
