



9 am to 4 pm Mondays to Fridays

TO ALL MEMBERS OF THE FINANCE & GENERAL PURPOSES COMMITTEE

Cllr G Newman (Chairman)	Cllr S Bloomfield	Cllr D Savage
Cllr S Bird (Vice Chairman)	Cllr M Deacon	Cllr A Smith
Cllr N Barber	Cllr S Gallant	Cllr S Wiles
Cllr C Barham	Cllr Jan Garfield	Cllr K Williams

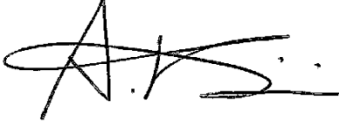
You are hereby summoned to attend a meeting of the **FINANCE & GENERAL PURPOSES COMMITTEE** to be held at the **Town Hall, Felixstowe** on **Wednesday 25 November 2015** at **7.30pm** for the transaction of the following business:

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 Disclosable Pecuniary or Local Non-Pecuniary Interests that they may have in relation to items on the Agenda and are also reminded to make any declarations at any stage during the meeting if it becomes apparent that this may be required when a particular item or issue is considered.
- 3. Requests for Dispensation**
Councillors with a pecuniary interest in an item on this agenda, who wish to remain, speak and/or vote during consideration of that item, may apply for a dispensation in writing to the Town Clerk prior to the meeting. Applications may also be considered at the meeting itself should the nature of the interest become apparent to a Councillor at the time of the meeting.
- 4. Confirmation of Minutes**
To confirm the minutes of the Finance & General Purposes Committee meeting held on 28 October as a true record. **(Pages 3-5)**
- 5. Members Allowances & Expenses**
To consider any recommendations to Council with regards to Members Allowances and to consider a policy for reimbursement of out-of-pocket expenses. **(Pages 6-9)**
- 6. Accounts for October 2015**
To receive the Monthly Accounts report to 31 October 2015 and consider any actions deemed necessary. **(Pages 10-14 & Appendix A)**

7. Closure

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

A handwritten signature in black ink, appearing to read 'A. Tadjrishi', with a large, stylized initial 'A'.

**Ash Tadjrishi
Town Clerk
18 November 2015**

For information (via email): All Town Councillors.
Local Press

292. INTERNAL AUDIT – QUARTER TWO REPORT

Committee considered the Internal Audit report for the period ending 30 September 2015 and recommendations contained in the report:

RESOLVED that:

- i. The report of the Internal Auditor be noted;**
- ii. Recommendations 1,2 and 4 be brought to Committee for consideration in due course;**
- iii. Recommendation 3 be brought to Council at the next Annual Meeting; and,**
- iv. No further action was necessary for recommendation 5 and the Clerk's action to relocate staff payroll records with the secure personnel files be approved.**

293. CYCLING ON THE PROM

Committee considered the report on the matter of cycling on the prom.

Members agreed that the byelaw, where it prohibits to the riding of bicycles, should be reassessed as it was not likely to be enforced by District Council officers and instead created local confusion and concern.

However, Members did not consider that a dedicated cycle lane would provide an appropriate solution, believing that the siting of a cycle lane would be problematic and could cause conflict with other uses of prom.

Members agreed that safe and considerate cycling on the prom should be supported where possible and that anyone using a bicycle on the prom would be expected to cycle in a manner appropriate to the conditions.

Noting that the byelaw is only enforceable where Suffolk Coastal District Council have displayed notices in conspicuous positions along the promenade stating that the riding of bicycles is prohibited, Members suggested that the removal of these notices would effectively nullify the byelaw.

Committee RESOLVED that the following recommendation be made to Council:

Felixstowe Town Council requests Suffolk Coastal District Council to consider the removal of notices prohibiting cycling on Felixstowe prom for a period of no less than 12 months; and, pending an assessment of the success of this initiative, consider permitting and promoting safe and considerate cycling on the prom on a permanent basis.

294. BUDGET 2016/17 (FIRST DRAFT)

Committee considered the tabled paper showing a first draft full budget, including earmarked reserves requirements, for 2016/17. Members also considered comparisons against the current-year budget, actual expenditure and projected outturn for the full year 2015/16.

The Clerk advised that Suffolk Coastal District Council had confirmed Felixstowe Town Council's tax base for 2016/17 to be 7,978.43. 2016/17 would also be the final year for the Local Council Tax Scheme grant to be received. The amount due in 2016/17 being confirmed by Suffolk Coastal District Council at £19,363.90.

It was noted that the draft budget proposals for 2016/17 would require a precept of £537,347. Using the confirmed tax base this would equate to £67.35 per Council Tax Band D equivalent ratepayer. It was noted that the Band D equivalent in 2011/16 and 2014/15 had also been £67.35.

On the basis that the budget estimates 2016/17 would result in a 0% change/nil tax increase to local residents, Committee recommended that the budget be referred to Council for approval. Members recorded a vote of thanks to the Town Clerk and Finance Officer for their work on the budget estimates and presentation.

RESOLVED that the first draft Budget 2016/17 proposals be presented to Council for approval.

295. CLOSURE

The meeting was closed at 8.25pm. The next meeting was noted as being scheduled for 25 November 2015 at 7.30pm.

Date: _____

Chairman: _____

AGENDA ITEM 6: MEMBERS ALLOWANCES & EXPENSES

Members Allowances

In accordance with Local Authorities (Members' Allowances) (England) Regulations 2003, town and parish councils have the power to pay Members a Basic Allowance and reimburse expenses for travel and subsistence allowance.

The allowance is not a salary. It is a figure, which is calculated to cover the expenses, which are normally associated with the basic duties of being a local councillor. Travelling and subsistence allowances are treated separately, as are provisions for the Mayor's Allowance (see below).

Felixstowe Town Councillors have not requested to receive the Basic Allowance and are unpaid volunteers.

Where a parish or town council does propose to pay the parish Basic Allowance, in setting the level of that allowance, it must have regard to the recommendations which have been made in respect of it by a parish remuneration panel.

As soon as reasonably practical after setting the levels at which the allowance is to be paid and to whom, the council must arrange for the publication in a conspicuous place for a period of at least 14 days within the area of the council, a notice containing the following information:

- any recommendation in respect of parish Basic Allowance made by the parish remuneration panel;
- the level or levels at which the authority has decided to pay parish Basic Allowance and to which members it is to be paid; and
- a statement that in reaching the decision, regard was had to the recommendation of the parish remuneration panel.

The council has to keep a copy of the information referred to in the notice available for public inspection on reasonable notice. Members should also note that the Basic Allowance is treated by HMRC as remuneration and may be subject to income tax.

Mayor's Allowance

Section 15(5) of the Local Government Act 1972 provides that Parish and Town Councils may pay its Mayor "*for the purpose of enabling him to meet the expenses of his office such allowance as the council think reasonable.*" Unlike a Councillor's Basic Allowance, which would be subject to Tax and National Insurance if paid, the Council pays the Mayoral Allowance as a contribution towards total expenses incurred rather than an emolument. The Mayoral Allowance is expected to defray the costs associated with the office of Town Mayor such as:

- Travelling to functions that the Mayor has been invited to in his/her capacity as Mayor
- Making monetary contributions to local charity and community organisations
- Supporting the Mayor's chosen charity/charities
- To cover other costs of attending functions (e.g. purchase of raffle tickets, poppy collections)

- To provide suitable outfits to wear to official functions
- Hospitality/Reception costs
- One off events held by the Mayor

The Mayor's Allowance for 2016/17 has been provisionally set at £7,000, held at the same amount since at least 2011/12. Payment of the allowance will be authorised by formal resolution of the Town Council at its Annual Meeting in May.

The allowance will be paid directly to the Mayor and it is for the Mayor to manage it themselves. Whilst accepting the difficulties of requiring receipts for every item of expenditure the Mayor is advised to keep some appropriate records of expenditure to meet any demands of public accountability should the HM Revenue & Customs challenge the basis of the allowance received. Please note it is not the responsibility of the Council officers to maintain such records. However, the Mayor's Secretary records the civic engagements undertaken by the Mayor, which is reported to each Council meeting.

As the Mayor's allowance is considered a reasonable reimbursement of the expenses of an unpaid office, and contains no element of remuneration for the holder, HMRC treat it as not chargeable for tax, but ask councils how much is paid; and where it is thought that there might be an element of remuneration, they might ask the Mayor for details of the uses to which the allowances are put. If the total of allowance and expenses paid to the Mayor exceeds £8,500 a year, they must be reported to HMRC unless a dispensation has been obtained. Should the allowance be subject to any HMRC inspection, it should be stressed that the Office of Mayor is not an "office of profit"; that is any money received does no more than cover the out-of-pocket expenses incurred through holding the Office.

Provisions made for the Mayor's allowance in the Local Government Act 1972 do not extend to the Deputy Mayor, who is treated the same as all other Town Councillors. However, it is acknowledged that the Deputy Mayor is likely to incur costs associated with officially substituting for the Town Mayor in his/her absence. It is therefore reasonable that the Mayor be asked to reimburse any legitimate out-of-pocket expenses, incurred by the Deputy Mayor while deputising for the Mayor, out of the Mayor's Allowance.

Councillor's Expenses

The Local Authorities (Members' Allowances) (England) Regulations 2003 provides that a council may pay to both elected and co-opted members allowances in respect of travelling and subsistence, including an allowance in respect of travel by bicycle or other non-motorised form of transport, undertaken or incurred in connection with the performance of any duty within the following categories:

- a) the attendance at a meeting of the council or of any committee or sub-committee of the council, or of any body to which the council makes appointments or nominations or of any committee or sub-committee of such a body;
- b) the attendance at a meeting of any association of authorities of which the council is a member;
- c) the performance of duties in connection with a tender process;

- d) the performance of any duty which requires the inspection of any premises;
- e) the carrying out of any other duty approved by the council, or any duty of a class so approved, or in connection with, the discharge of the functions of the authority or of any of its committees or sub committees.

Within the current budget a small provision has been made for Travel & Expenses so that individual Councillors may be reimbursed reasonable expenses incurred whilst travelling to training courses or conferences as an appointed representative of the Council. However, in recent years no claims have been made and there is no guidance for Members as to the process by which they may be reimbursed.

Members are therefore asked to consider a simple policy, as suggested below, for recommendation to Council:

Felixstowe Town Council – Members’ Expenses Policy (draft)

Councillors are unpaid and do not receive an annual allowance. Councillors may be reimbursed for expenses for travel and subsistence on Council business outside the parish of Felixstowe only, subject to approved budget provisions, for the following approved duties:

attending council meetings, including committee and working group meetings (members of the relevant committee only), pre-approved site meetings, personnel arbitration and disciplinary proceedings, pre-booked conferences, seminars and other training, pre-approved meetings of other councils and their committees, meetings of those outside bodies to which the council appoints representatives; pre-approved attendance at courts of law, commissions of enquiry and the proceedings of other relevant bodies.

All claims are to be made promptly to the Town Clerk (within 2 months of expenditure) and where relevant MUST be accompanied by a receipt. Expenses will not be reimbursed for the Town Mayor who receives a separate Mayor’s Allowance to defray the costs of that office.

Scale of allowances:

To be maintained in line with provisions made by the National Joint Council and in line with HMRC approved rates for payment without liability for tax. For 2015/16; car 45p per mile, motorcycle 24p per mile, non-motorised cycle 20p per mile.

Costs of travelling by public transport, at second class rate, reimbursed on production of receipts or other evidence.

Claim is from/to home or work address, as appropriate.

Subsistence

Reasonable out of pocket expenses incurred during approved duties will be reimbursed on production of receipts. Reimbursed tax-free, subject to HMRC limits.

Stationery for use on council business

Obtainable from the Town Hall.

Other Expenses

No other expenses will be reimbursed.

Other expenditure

Any other expenditure can only be incurred by specific resolution of the Council and/or powers delegated to the Town Clerk.

Committee is requested to consider making a formal recommendation to Council that:

- i. Felixstowe Town Council does not seek to introduce a Basic Allowance for its Members, and the office of Town Councillor is to remain unpaid;**
- ii. the Mayor's Allowance for 2016/17 be set at £7,000 for the purpose of defraying the costs associated with the office of Town Mayor;**
- iii. incoming Mayors be advised that the Mayor's Allowance should be used to defray legitimate costs incurred by the Deputy Mayor when deputising for the Mayor in his/her absence; and,**
- iv. a policy be introduced which sets the framework by which Members are able to claim for out of pocket expenditure.**

AGENDA ITEM 6: ACCOUNTS FOR SEPTEMBER 2015

A summary Income & Expenditure Report to 31 October 2015 is shown below with a detailed report provided at **Appendix A**.

		Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Of Budget
03/11/2015		Felixstowe Town Council					Page No 1
11:37		Summary Income & Expenditure by Budget Heading 30/10/2015					
Month No : 7		Committee Report					
<hr/>							
<u>Finance & General Purposes</u>							
Expenditure		145,313	261,654	116,341	0	116,341	55.5 %
Income		559,440	562,021	-2,581			99.5 %
Net Expenditure over Income		-414,128	-300,367	113,761			
<u>Assets & Services</u>							
Expenditure		127,088	260,988	133,900	0	133,900	48.7 %
Income		66,029	109,371	-43,342			60.4 %
Net Expenditure over Income		61,059	151,617	90,558			
<u>Civic & Community</u>							
Expenditure		62,098	110,316	48,218	0	48,218	56.3 %
Income		5,683	4,000	1,683			142.1 %
Net Expenditure over Income		56,415	106,316	49,901			
<hr/>							
<u>INCOME - EXPENDITURE TOTALS</u>							
Expenditure		334,499	632,958	298,459	0	298,459	52.8 %
Income		631,152	675,392	-44,240			93.4 %
Net Expenditure over Income		-296,654	-42,434	254,220			

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. As the Council's budgets are not produced on a phased basis, the expectation is, being seven months in to the year, for overall expenditure to be around 58%, with an explanation for any items overspent by £500 or 10% or over this level (i.e. 64%). Total expenditure for the first seven months stood at 52.8% Explanatory notes and any recommended action for individual qualifying items in **Appendix A** are as follows:

Cost Centre 101 - Administration

4460 Subscriptions (76.8%)

One further subscription expected from this budget.

Recommendation: Continue to monitor on an annual basis.

4461 External Audit (100%)

Complete for year.

Recommendation: No further action.

4462 Internal Audit (71.5%)

3 Quarterly audits carried out.

Recommendation: No further action.

4464 Insurance (99.2%)

Full year payment up front.

Recommendation: Continue to monitor on an annual basis.

1805 Bank Interest Received (31.8%)

One account is quarterly. However annual interest on Investment Bond will not be received until the investment matures early in the next financial year (April 2016).

Recommendation: Continue to monitor on a regular basis.

Cost Centre 201 - Town Hall

4110 Rates (69.3%)

Rates are paid over 10 months only.

Recommendation: No further action

4155 Cleaning Materials (82.2%)

Cleaning materials purchased in advance.

Recommendation: Continue to monitor on a monthly basis.

4180 Licences (66.7%)

Complete. Wedding licence paid over 3 years (budget set for a 2 yearly charge)

Recommendation: Continue to monitor on a tri-annual basis.

1000 Hirings (36.4%)

A further £548 (36.5%) invoiced, awaiting payment.

Recommendation: Continue to monitor on a monthly basis.

1030 Leases, Rents & Licences (36.5%)

Payments due at various points in-year. Expect to be at 100% by year end.

Recommendation: No further action

Cost Centre 202 - Walton Community Hall

4110 Rates (68.7%)

Rates are paid over 10 months only.

Recommendation: No further action

4155 Cleaning Materials (90.9%)

Cleaning materials purchased in advance.

Recommendation: Continue to monitor on a monthly basis.

1000 Hirings (49.4%)

A further £1,738.12 (23%) invoiced, awaiting payment.

Recommendation: Continue to monitor on a monthly basis.

Cost Centre 203 – Broadway House

4002 Employer Pension Contributions (68.8%)

Salary split between Walton/Broadway House.

Surplus in Walton 4002 (41.3%)

Recommendation: Personnel Committee has reappropriated this as part of its budget recommendations for next year.

1030 Leases, Rents & Licences (0.0%)

Annual receipt on invoice in December.

Recommendation: No further action.

Cost Centre 204 – Cemetery

4110 Rates (68.5%)

Rates are paid over 10 months only.

Recommendation: No further action

1100 Interment Fees (57.9%)

No invoices outstanding.

Recommendation: Continue to monitor on a monthly basis.

1120 Purchase of Graves (26.7%)

No invoices outstanding.

Recommendation: Continue to monitor on a monthly basis.

1130 Memorials (56.5%)

Further £1,800 (18%) invoiced, awaiting payment.

Recommendation: Continue to monitor on a monthly basis.

1140 Upkeep of grave spaces (52.6%)

No invoices outstanding.

Recommendation: Continue to monitor on a monthly basis.

Cost Centre 205 – Allotments**4115 Water and Sewerage (64.6%)**

Summer bills are mostly in for Allotment sites, should decrease in winter.

Recommendation: No further action

Cost Centre 301 – Civic & Community**4095 Honoraria (100.0%)**

Paid in full in August for 2015/16.

Recommendation: No further action.

4505 Mayoral Allowance (100.0%)

Paid in full at start of Municipal Year.

Recommendation: No further action.

4513 Civic Awards (69.4%)

Civic Awards completed, no further expense due.

Recommendation: No further action.

4530 Civic Service (124.7%)

Cost of Civic Service higher than budget estimated for 2015/16.

Recommendation: Civic & Community Committee has reviewed budget provision for 2016/17 and has recommended a slight increase.

4600 CCTV (100%)

Cost of annual maintenance contract paid in full for 2015/16.

Recommendation: No further action.

4645 Christmas Lights (93.1%)

Annual provision for Christmas Lights paid in full in advance.

Recommendation: No further action.

Cost Centre 302 – Section 137 Expenditure
<p>4620 Annual Grants (100.0%) Paid in full at start of Financial Year. <i>Recommendation: No further action.</i></p>
<p>4655 Occasional Grants (34.8%) First Round of Grants Awards (50% of total was available) approved at Civic & Community Committee on 17 June 2015. <i>Recommendation: No further action.</i></p>
Cost Centre 303 – Felixstowe in Flower
<p>4170 Repairs & Maintenance (96.5%) Front loaded cost watering & maintenance for Felixstowe in Flower. Now complete. <i>Recommendation: No further action.</i></p>
<p>4290 Flowers & Containers (75.6%) Front loaded cost of providing the flowers and containers for Felixstowe in Flower. <i>Recommendation: No further action.</i></p>
Cost Centre 304 - Communications
<p>4483 Website (70.0%) Front loaded. Website hosting Apr-Aug 15 and Biennial fee for .gov.uk paid <i>Recommendation: No further action.</i></p>
Cost Centre 305 – Community Fund Projects
<p>4625 Felixstowe Harwich Ferry (100.0%) Paid in full at start of Financial Year. <i>Recommendation: No further action.</i></p>
<p>4630 Level 2 (100.0%) Paid in full at start of Financial Year. <i>Recommendation: No further action.</i></p>

Committee is requested to consider the Accounts to 31 October 2015 and decide on any action it deems necessary.