



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 23 March 2016 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 24th February 2016 as a true record. **(Pages 3-5)**
- 5. Accounts to 16 March 2016**
To receive the Accounts report to 16 March 2016, alongside a report on Balances and Reserves, and consider any actions deemed necessary. **(Pages 6-8 & Appendix A)**
- 6. Local Councils' Award Scheme**
To consider an update from the Local Council's Award Scheme Working Group. **(Page 9)**

- 7. Terms of Reference 2016/17**
To review, and recommend to Council, Terms of Reference for 2016/17.
(Page 10 & Appendix B)
- 8. Standing Orders 2016/17**
To review, and recommend to Council, Standing Orders for 2016/17.
(Page 10 & Appendix C)
- 9. Risk Management Policy & Financial Risk Register**
To review Council's Risk Management Policy & Financial Risk Register make any recommendations to Council.
(Page 10 & Appendix D)
- 10. Closure**
To close proceedings and confirm the date of the next meeting scheduled for Wednesday 27 April 2016 at 7.30pm.



Ash Tadjrishi
Town Clerk
16 March 2016

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

A list of those items of expenditure exceeding budget estimates for the period by 10% or £500 was considered. Members discussed various elements of income and expenditure and noted that, given the current position, Council was projected to outturn within budget.

RESOLVED that the Accounts to 31 January 2016 be received and noted as presented with no other action required at this time.

465. INTERNAL AUDIT – QUARTER THREE REPORT

Committee considered the Internal Audit report for the quarter ending 31 December 2015 and noted that there were no recommended actions recorded.

RESOLVED that the Internal Audit Report for the quarter ending 31 December 2015 be received and a vote of thanks be recorded to the staff for their work.

466. INVESTMENT POLICY & STRATEGY

Committee considered the draft Investment Policy & Strategy for 2016/17 as presented.

Members suggested that the Clerk look in to possible opportunities to refinance Council's PWLB loan at a more favourable rate in due course. It was also suggested that the Society of County Treasurers may be able to advise of investment opportunities.

It was RESOLVED that the draft Investment Policy & Strategy for 2016/17 be recommended to Council for adoption as presented.

467. COMMUNITY EMERGENCY PLANNING

Committee considered the development of a Community Emergency Plan (CEP) in order to help the community prepare for an emergency and reduce its impact.

Members expressed an interest in joining a small Working Group to develop a CEP for Felixstowe and to also consider business continuity for the Town Hall in emergencies.

The scope of the Working Group would be to draft a CEP through identifying local resources which may be able to be used by appropriate agencies in emergency situations.

It was RESOLVED that a Working Group, comprising the Town Clerk and Councillors P Coleman, S Gallant, Jan Garfield, T Green, D Savage, A Smith and K Williams be set up to progress a Community Emergency Plan and Business Continuity Plan, reporting back to Committee with its recommendations.

468. FINANCIAL REGULATIONS 2016/17

Committee considered updates to its Financial Regulations as proposed for 2016/17.

Members noted that the changes had been made in accordance with amendments to the NALC model following its own review of the regulations and specific requirements of The Public Contracts Regulations 2015.

Members requested that reference be given to the Suffolk Local Code of Conduct where it may be relevant to the guidance over the signing of cheques by signatories to whom there may be a connection with the beneficiary of the payment.

It was RESOLVED that, subject to inserting the reference above, the Financial Regulations for 2016/17 be recommended to the Annual Council meeting for adoption.

469. ADEQUACY OF INSURANCE

Committee reviewed Council's insurance provision as presented in the agenda report. It was noted that Council was coming to the end of year two of a three year agreement with its brokers, WPS. Members noted that a 5% discount was offered to Council on renewal within a new three year Longer Term Agreement as well as a free buildings valuation service offered by Barrett Corp Harrington.

It was RESOLVED that Council be recommended to approve the new three-year agreement for provision of its insurance through WPS and that the adequacy of arrangements for insurance cover in respect of all insured risks be confirmed for 2016-17.

470. CLOSURE

The meeting was closed at 8.14pm. The next meeting was noted as being scheduled for 23 March 2016 at 7.30pm.

Date: _____

Chairman: _____

AGENDA ITEM 5: ACCOUNTS TO 16 MARCH 2016

A summary Income & Expenditure Report to 16 March 2016 is shown below with a detailed report provided at **Appendix A**. The detailed report details the position to date with the 'Committed Expenditure' column showing what is projected to the end of the Financial Year 2015/16 at the 31 March. The "% of budget column" gives an indication of where we expect to be at the end of the financial year.

16/03/2016		Felixstowe Town Council				Page No 1	
17:53		Summary Income & Expenditure by Budget Heading 16/03/2016					
Month No : 12		Committee Report					
		Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Of Budget
<u>Finance & General Purposes</u>							
Expenditure		228,648	261,654	33,006	17,071	15,935	93.9 %
Income		560,272	562,021	-1,749			99.7 %
Net Expenditure over Income		-331,624	-300,367	31,257			
<u>Assets & Services</u>							
Expenditure		192,458	261,830	69,372	40,352	29,020	88.9 %
Income		98,763	109,371	-10,608			90.3 %
Net Expenditure over Income		93,695	152,459	58,764			
<u>Civic & Community</u>							
Expenditure		100,127	110,316	10,189	6,645	3,544	96.8 %
Income		11,833	4,000	7,833			295.8 %
Net Expenditure over Income		88,293	106,316	18,023			
<u>INCOME - EXPENDITURE TOTALS</u>							
Expenditure		521,233	633,800	112,567	64,067	48,500	92.3 %
Income		670,868	675,392	-4,524			99.3 %
Net Expenditure over Income		-149,635	-41,592	108,043			

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 eleven and a half months in to the year, for overall expenditure to be around 95.8%, with an explanation for any items overspent by £500 or 10% or over this level (i.e. 105.4%). Total expenditure to date stands 82.2% Explanatory notes and any recommended action for individual qualifying items are as follows:

Cost Centre 101 - Administration
<p>4441 Telephone & Internet (121.3% at month 11 expected to be 130.5% at Y/E) Annual maintenance charge not included in estimates for 2015/16 when budget setting took place. Provision reviewed and allocated accordingly for next year. Recommendation: No further action at this stage. Review contract in 2019.</p>
<p>1805 Bank Interest Received (50.1% at month 11 expected to be 54.1% at Y/E) 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: No further action.</p>
Cost Centre 201 - Town Hall
<p>1030 Leases, Rents & Licences (79.3% - no change expected at Y/E) Budget set for 1 year Resort team lease, only renewed for 3 months. Recommendation: No further action.</p>
Cost Centre 204 – Cemetery
<p>1100 Interment Fees (84.7% at month 11 expected to be 92.6% at Y/E) Further £125 (0.2%) invoiced, awaiting payment Recommendation: Continue to monitor.</p>
<p>1120 Purchase of Graves (43.1% at month 11 expected to be 53.9% at Y/E) No invoices outstanding. Recommendation: Continue to monitor.</p>
<p>1140 Upkeep of grave spaces (52.6% at month 11 expected to be 82.0% at Y/E) £195.83 (24.5%) received in March. Recommendation: Continue to monitor.</p>
Cost Centre 301 – Civic & Community
<p>4530 Civic Events (was Civic Service) (180.7% - no change expected at Y/E) Cost of Civic Service higher than budget estimated for 2015/16. Civic Carol Service also charged to this code, name of budget changed accordingly. No further action necessary - Council approved increase to provision for 2016/17.</p>

The projections against budget assist in providing an early estimate of the year end position. At the previous Financial Year end 31st March 2015, Council held total reserves of £867,611. This was represented by General Reserves of £184,110 and Earmarked Reserves of £683,501.

Subsequent to approved transfers to Earmarked Reserves on 1st April 2015, these reserves were represented by General Reserves of £141,224 and Earmarked Reserves of £726,387.

Income and expenditure, accounting for £64,067 of committed expenditure, is projected to outturn with a surplus returned to the General Fund of £43,976. This would leave the General Fund position at 31 March 2016 at £185,200.

The projected outturn for Council's Earmarked Reserves at 31 March 2016 is estimated to be £677,684. This relates to Council approved spending of £48,703 to date for various projects. It should be noted that £20,000 recently approved by Council for the new cemetery memorial garden is not likely to be spent before year end and a £678 retention fee is also being held in relation to the Town Hall maintenance works and which is due for payment in June.

The projected outturn for the current year with a comparison against the Financial Year ending 2014/15 is reflected in the Reserves and Balances table below:

900	Earmarked Reserves	Closing Balance at 31 March 2015	Balance at 1 April 2015 after GF transfers	Estimated outturn position at 31 March 2016
9010	Election Expenses	11,000	4,500	4,500
9015	Enhancement & Promotional	7,865	7,865	3,678
9020	Felixstowe in Flower	8,428	8,428	8,428
9025	Asset Repairs & Replacement	10,532	13,532	13,532
9030	IT Replacement Fund	3,117	3,117	3,117
9035	Recycling Credits	5,106	4,306	2,434
9040	Cemetery Projects	110,000	130,000	128,247
9050	Broadway House	55,000	57,500	57,500
9055	Walton Community Hall	55,000	57,500	57,500
9060	Town Hall Capital Refurb	7,821	7,821	7,821
9065	Town Hall Maintenance	88,594	93,594	59,118
9070	Play Equipment	27,000	27,000	27,000
9075	Community Fund	151,636	168,820	162,405
9080	Council Tax Localisation Rsrve	74,904	74,904	74,904
9085	CCTV	42,000	42,000	42,000
9090	Staffing Reserve	25,500	25,500	25,500
	Total	683,501	726,387	677,684
	General Fund Balance	184,110	141,224	185,200
	TOTAL BALANCE	867,611	867,611	862,884

Committee will note that the final outturn balance for Council's accounts at 31 March 2016 is estimated to be £862,884.

Committee is requested to receive the Accounts to 16 March 2016 and note the Reserves and Balances outturn estimate report to 31 March 2016.

AGENDA ITEM 6: LOCAL COUNCILS' AWARD SCHEME

On 24th June 2015 the Finance & General Purposes committee considered a report outlining options for further accreditation in the Local Councils Award Scheme, noting the Town Council had already achieved the Foundation Award certificate following the dissolution of the Quality Councils scheme. Members agreed that the Town Council should aspire to achieving the Gold award as this would demonstrate the Council as being at the forefront of best practice and the highest standards of governance, community leadership and council development.

A Working Group was formed comprising Cllr D Savage, Cllr G Newman, Cllr N Barber, the Town Clerk and the Finance Administration Officer. The Group met first on 4th August 2015 to investigate the criteria required for the Gold Award. On 2nd September 2015 the CEO of SALC, Shona Bendix met with the Group to discuss the requirements in further detail. The Group established that Council meets a good proportion of the criteria, much of which is supported by the format of new website and regular reviews of policy.

However, two key elements that are required for the Gold Award are a) an annual report, and b) a Business Plan for the Council. It is proposed that an Annual Report be produced following year end and presented to the Annual Town Meeting by the Mayor each year. The Group met on 24th February 2016 to consider a framework for a draft Business Plan. It is proposed that each Business Plan would span four years, the first to be from 2016 to 2020. This means that in the first year of each new Council term, the Plan would be in its final year and being reviewed for a new plan the following year. In this way each new Council would be able to see out a current plan and work towards setting a new one in its first year.

To formulate the Business Plan it is proposed that each of Council's committees will consider objectives, in line local priorities and taking account of the views of local communities. F&GP would be requested to consider recommending the full draft Plan to Council in due course. A potential timeline could be as follows:

Assets & Services	6 th April 2016
Personnel	13 th April 2016
Civic & Community	20 th April 2016
Planning & Environment	Date tbc
F&GP	25 th May 2016
Full Council	8 th June 2016

Final approval and adoption of the Plan would be considered by Council following a period of public consultation.

Committee is requested to consider this, and any other, update from the Local Councils' Award Scheme Working Group and decide on any action it deems necessary.

AGENDA ITEM 7: TERMS OF REFERENCE

Terms of Reference for Council and its Committees are reviewed at least once annually and approved for adoption by Annual Council each year.

No changes are currently proposed to the Terms of Reference for 2015/16 which are attached at **Appendix B** for review.

Committee is requested to review and recommend to Annual Council, Standing Orders for 2016/17.

AGENDA ITEM 8: STANDING ORDERS

Council's Standing Orders are reviewed at least once annually and approved for adoption by Annual Council each year.

Standing Orders for 2015/16 are attached at **Appendix C** for review. Recommended amendments are shown tracked at standing orders 18a(v), 18c and 18f. These amendments reflect the recent changes brought about by the Public Contracts Regulations 2015. Councils Financial Regulations were reviewed by Committee at the previous meeting to also reflect the changes brought about by this legislation and have been recommended to Annual Council for approval (*Minute #468 of 2015/16 refers*).

No other changes are proposed at this time.

Committee is requested to review and recommend to Annual Council, Standing Orders for 2016/17.

AGENDA ITEM 9: RISK MANAGEMENT POLICY & FINANCIAL RISK REGISTER

Council is required to review its Risk Management Policy and Financial Risk Register on an annual basis.

No changes are currently proposed to the Risk Management Policy and Financial Risk Register which is attached at **Appendix D** for review.

Councils are also required, at least once a year, to conduct, in accordance with proper practices, a review of the effectiveness of internal audit. Council is required to sign the annual governance statement (on the annual return submitted to the external auditor) to evidence that this review has been undertaken. The Clerk will bring a report to on the effectiveness of internal audit to Committee in May for a recommendation to Council in June.

Committee is requested to review the updated Risk Management Policy and recommend to Council for adoption.
