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9 am to 4 pm Mondays to Fridays



TOWN HALL
FELIXSTOWE
SUFFOLK
IP11 2AG

TO ALL MEMBERS OF THE FINANCE & GOVERNANCE COMMITTEE

Cllr M Richardson (Chairman)
Cllr T Green (Vice Chairman)
Cllr S Bennett
Cllr S Bird
Cllr M Deacon

Cllr S Harkin
Cllr A Smith
Cllr S Wiles
Cllr K Williams

You are hereby summoned to attend a meeting of the **FINANCE & GOVERNANCE COMMITTEE** to be held at **TOWN HALL, FELIXSTOWE** on **Wednesday 23 March 2022 at 7.30pm** for the transaction of the following business:

Public Attendance

Meetings of the Town Council and its Committees are open to the press and public who are welcome to attend. Members of the public are invited to make representations or put questions to the Committee during the public session.

There is a limit to the number of public attending in-person. If you wish to attend in person, please email townclerk@felixstowe.gov.uk to confirm capacity.

Members of the public are very welcome join via Zoom using the following link: <https://us02web.zoom.us/j/83090518311>

Alternatively, you may join via the meeting ID 830 9051 8311 or over the telephone by calling 0131 460 1196.

Our online meeting guidance can be found here: <https://www.felixstowe.gov.uk/wp-content/uploads/2020/05/Remote-Meeting-Guidelines.pdf>

Council has a duty to pay due regard to preventing crime and disorder and to conserve biodiversity in its decision-making and Members are reminded to consider the Council's commitment to climate action.

Ash Tadjrishi
Town Clerk
18 March 2022

For information (via email):

All Town Councillors
Local Press



A G E N D A

- 1. Public Question Time**
Up to 15 minutes is set aside to allow members of the public (up to three minutes each) to make representations or put questions to the Committee on any relevant matters.
- 2. Apologies for Absence**
To receive any apologies for absence.
- 3. Declarations of Interest**
To receive any declarations of interest and to consider requests for dispensations from Members for matters in which they have a disclosable pecuniary interest.
- 4. Confirmation of Minutes**
To confirm the Minutes of the Finance & Governance Committee meeting held on 8 December 2021 as a true record. **(Pages 4-6)**
- 5. Budget Monitoring to 18 March 2022**
To receive budget monitoring report to 18 March 2022 and consider any actions deemed necessary. **(Pages 7-10 & Appendix A)**
- 6. 2021/22 Outturn Projection**
To receive the outturn projection report to 31 March 2022 and consider any actions deemed necessary. **(Page 11 & Appendix B)**
- 7. Insurance Review**
To consider quotes for Council's insurance provision in advance of the conclusion of the current 3-yr Long-Term Agreement on 1 April 2022. **(Page 12)**
- 8. Community Governance Review**
To consider the CGR and any response from the Town Council by the 1 April 2022 deadline. **(Page 13)**
- 9. Terms of Reference 2022/23**
To review, and recommend to Council, Terms of Reference for 2022/23. **(Page 14 & Appendix C)**
- 10. Standing Orders 2022/23**
To review, and recommend to Council, Standing Orders for 2022/23. **(Page 14 & Appendix D)**
- 11. Financial Regulations 2022/23**
To review, and recommend to Council, Financial Regulations for 2022/23. **(Page 14 & Appendix E)**
- 12. Risk Management Policy & Financial Risk Register**
To review the Risk Management Policy & Financial Risk Register and make any recommendations to Council. **(Pages 15 & Appendix F)**

13. Complaints Procedure 2022/23

To review the Council's Complaints Procedure for 2022/23 and make any recommendations to Council. **(Page 15 & Appendix G)**

14. Publication Scheme 2022/23

To review the Council's Publication Scheme for 2022/23 and make any recommendations to Council. **(Page 15 & Appendix H)**

15. Closure

To close proceedings and confirm the date of the next meeting scheduled for Wednesday 25 May 2022 at 7.30pm.

AGENDA ITEM 4: CONFIRMATION OF MINUTES

MINUTES of the **FINANCE & GOVERNANCE COMMITTEE** meeting held at
Town Hall, Felixstowe on Wednesday 8 December 2021 at 7.30pm

PRESENT: Cllr M Richardson (Chairman) Cllr S Harkin
 Cllr S Bennett Cllr A Smith
 Cllr S Bird Cllr S Wiles
 Cllr M Deacon

OFFICERS: Mr A Tadjrishi (Town Clerk)
 Mr S Congi (Financial Administration Assistant)

279. PUBLIC QUESTIONS

There were none.

280. APOLOGIES FOR ABSENCE

Apologies for absence were received from **Cllr T Green** (Vice-Chairman) and **Cllr K Williams**.

281. DECLARATIONS OF INTEREST

Member(s)	Minute No.	Nature of Interest
Cllr S Bird Cllr S Wiles Cllr M Richardson	All	Local Non-Pecuniary (as Members of East Suffolk Council)
Cllr S Bird Cllr S Wiles	All	Local Non-Pecuniary (as a Members of Suffolk County Council)

As no Pecuniary declarations were made, there were no requests for dispensation.

282. CONFIRMATION OF MINUTES

It was RESOLVED that the Minutes of the Finance & Governance Committee Meeting held on 27 October 2021 be signed by the Chairman as a true record.

283. BUDGET MONITORING TO 30 NOVEMBER 2021

Committee received the budget monitoring report to 30 November 2021. A report of any variance to budget estimates for the period greater than 10% or £500 was considered.

It was RESOLVED that the budget monitoring report to 30 November 2021 be approved, with no other action required at this time.

284. FINANCIAL IMPACT OF CORONAVIRUS

Committee noted a report outlining the likely financial impact of the pandemic. the net result of which being a loss of £6,874 across Council's 2021-22 budget.

RESOLVED that the report on the financial impact of coronavirus be noted.

285. BUDGET ESTIMATES 2022/23 DRAFT

Committee considered the papers showing a first draft full budget, including earmarked reserves requirements for 2022/23. Members also considered comparisons against the current year budget, actual expenditure, and projected outturn for the full year 2021/22.

The Town Clerk highlighted that this was a comprehensive budget, enabling the Council to meet additional aspirations, including the forthcoming transfer of two parks and play equipment and a new capital grant fund to support community groups with capital projects. It was noted that some significant spending against the Cemetery, Town Hall, CCTV and Asset Renewals Earmarked Reserves, which had been built up for such purposes, was anticipated during the forthcoming financial year.

Members discussed the budget proposal and, to continue to support the community during the pandemic, it was agreed that Council should freeze its portion of the council tax and use existing funds to offset an anticipated budget deficit for 2022/23.

The Clerk advised that a 0% change to the Town Council's element of council tax for 2022/23 was projected to be a net cost to the General Fund of £39,258 (budgeted income vs expenditure, net of Earmarked Reserves transfers and expenditure).

Members noted that the draft budget proposals for 2022/23 required a precept of £612,735. With the tax base confirmed by East Suffolk Council to be 8,645.91 this would equate to £70.87 per Council Tax Band D equivalent ratepayer, a nil increase on 2021/22.

Committee recommended that the budget be referred to Council for approval in January for final consideration, to include any adjustments to the budget deemed appropriate by the Town Clerk which would not cause the total requirement to change.

Committee recorded a vote of thanks to the Town Clerk, Deputy Town Clerk and Finance Administration Assistant, for their work developing the 2022/23 budget.

It was RESOLVED that it be recommended to Council that, subject to any further adjustments to the budget deemed appropriate by the Town Clerk which would not cause the total requirement to change, the draft budget 2022-23 proposals be recommended for approval as presented.

286. INSURANCE REVIEW

Committee considered the report on the Council's insurance arrangements, noting that the three-year Long-Term agreement with Zurich would terminate at the end of the current financial year.

Following a discussion on the level and range of cover being provided, Members agreed that quotes should be obtained from three providers based on the current schedule. Such quotes to be reviewed by Committee, or Council, once received.

Committee agreed that, subject to quotations being received on the basis of the current level and schedule of insurance cover, the Council should be recommended to confirm the adequacy of its insurance arrangements for 2022-23.

It was RESOLVED that, subject to quotations being received on the basis of the current level and schedule of insurance cover, the arrangements for insurance in respect of all insured risks should be recommended to Council and confirmed as adequate for 2022-23.

287. CLOSURE

The meeting was closed at 8.25pm. The next meeting was noted as being scheduled for Wednesday 19th January 2021 at 7.30pm.

AGENDA ITEM 5: BUDGET MONITORING TO 18 MARCH 2022

A summary Income & Expenditure Report to 18 March 2022 is shown below with a detailed report provided at **Appendix A**.

1 April - 16 March 2022 (2021 - 2022)

Felixstowe Town Council Summary of Receipts and Payments Summary - All Cost Centres

Cost Centre	Receipts				Payments			
	Budgeted	Actual	Variance	% Received	Budgeted	Actual	Variance	% Spent
101 Administration	613,664.00	703,818.81	90,155	114.69%	309,968.00	258,042.98	51,925	83.25%
201 Town Hall	22,710.00	21,985.83	-724	96.81%	86,455.00	63,645.56	22,809	73.62%
202 Walton	7,500.00	5,370.41	-2,130	71.61%	9,021.00	8,637.59	383	95.75%
203 Broadway House	2,194.00	1,583.60	-610	72.18%	7,354.00	6,480.06	874	88.12%
204 Cemetery	74,613.00	84,741.14	10,128	113.57%	164,226.00	164,542.00	-316	100.19%
205 Allotment	15,965.00	16,730.76	766	104.80%	33,424.00	31,993.59	1,430	95.72%
206 Parks & Recreation	0.00	0.00	0	N/A	14,780.00	180.79	14,599	1.22%
301 Civic & Community	6,992.00	4,002.54	-2,989	57.24%	35,920.00	25,666.35	10,254	71.45%
302 Grants	0.00	0.00	0	N/A	36,400.00	32,399.71	4,000	89.01%
303 Felixstowe in Flower	8,250.00	3,087.53	-5,162	37.42%	5,900.00	4,309.10	1,591	73.04%
304 Communication	10,000.00	5,210.40	-4,790	52.10%	13,112.00	13,150.00	-38	100.29%
305 Community Projects	0.00	0.00	0	N/A	43,301.00	31,155.58	12,145	71.95%
NET TOTAL	761,888.00	846,531.02	84,643.02	111.11%	759,861.00	640,203.31	119,657.69	84.25%

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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 less. As the Council's budgets are not produced on a phased basis, the expectation is, being 11.5 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. 105.38%). Total expenditure for the first eleven and a half months stood at 84.25%. Explanatory notes and any recommended action for individual qualifying items in **Appendix A** are as follows:

Cost Centre 101 - Administration

4490 Professional Fees (135%)

Legal fees for the conveyancing of land transfers of Allenby Park and Gosford Way Park were allocated to this budget code, causing an overspend on budget.

Recommendation: No action – costs are not ongoing.

Cost Centre 201 - Town Hall

4120 Gas (117%)

Energy prices have soared and will continue to increase. The overspend relates to the cost per unit increase. Consumption is comparable to previous years.

Recommendation: Monitor throughout 2022/23 and consider budget accordingly.

4120 Electricity (124%)

Energy prices have soared and will continue to increase. The overspend relates to the cost per unit increase. Consumption is comparable to previous years.

Recommendation: Monitor throughout 2022/23 and consider budget accordingly.

1001 Hirings (47%)

COVID-19 deterred many events and potential hirings, and our most regular hirer had to cancel many bookings due to her clients testing positive. Further expected income is £381.33 (15.25%)

Recommendation: Continue to monitor on a monthly basis.

Cost Centre 202 – Walton Community Hall

4123 Electricity (110%)

Energy prices have soared and will continue to increase. The overspend relates to the cost per unit increase. Consumption is comparable to previous years.

Recommendation: Monitor throughout 2022/23 and consider budget accordingly.

1002 Hirings (72%)

Most regular hirers have returned and many more events have taken place, resulting in a relatively successful outturn. Further invoices totalling £751.25 awaiting payment. (10.02%)

Recommendation: Continue to monitor on a monthly basis.

Cost Centre 203 – Broadway House

1031 Leases, Rents & Licences (73%)

Broadway House lease pro-rata due to not being open in pandemic.

Recommendation: Continue to monitor on a monthly basis.

Cost Centre 204 – Cemetery

1100 Interment Fees (75%)

Invoices awaiting payment total £5,461 (18.2%), to be invoiced £450 (1.5%). More interment of ashes, Purchase of graves currently 157%.

Recommendation: Monitor for next budget setting.

1400 Upkeep of Graves (67%)

Invoices awaiting payment total £133 (16.7%)

Recommendation: Continue to monitor on a monthly basis.

4012 Employee Salaries (109%)

Two new employees.

Recommendation: Salary/NI/Pension expenditure across the cost centres is within budget. Personnel Committee has considered budget for 2022/23. No action.

4032 Training (284%)

Health & Safety Cemetery Management training for two new employees.

Recommendation: Training expenditure across the cost centres is within budget. Personnel Committee has considered budget for 2022/23. No action.

4124 Electricity (194%)

Energy prices have soared and will continue to increase. The overspend relates to the cost per unit increase. Consumption is comparable to previous years.

Recommendation: Monitor throughout 2022/23 and consider budget accordingly.

4300 Vehicle Running Costs (133%)

Front loaded costs such as MOT, the truck was also involved in a minor accident that caused unexpected expenditure.

Recommendation: Continue to monitor on a monthly basis

Cost Centre 205 – Allotments

4015 Employee Salaries (109%)

Two new employees.

Recommendation: Salary/NI/Pension expenditure across the cost centres is within budget. Personnel Committee has considered budget for 2022/23. No action.

4016 Employee National Insurance (112%)

Two new employees.

Recommendation: Salary/NI/Pension expenditure across the cost centres is within budget. Personnel Committee has considered budget for 2022/23. No action.

4321 Vehicles/Tool Hire (131%)

To mitigate Cemetery Vehicles/Tool hire budget, most green waste skip collection was considered Allotment waste.

Recommendation: Complete for 2021/22. Budget for 2022/23 increased.

Cost Centre 301 – Civic & Community

4471 Advertising & Promotion (193%)

Unbudgeted overspend due to contract renewal fee for UK Bride - subscription has been cancelled for 2022/23.

Recommendation: Complete for 2021/22. No further action

1810 Donations & Sponsorship (0%)

No donations or sponsorship received for 2021/22 in respect of the ice rink. Now being delivered as part of the Felixstowe BID weekend of Christmas events.

Recommendation: No further action.

Cost Centre 303 – Felixstowe in Flower

4290 Flowers and Containers (106%)

Plants and plaque stickers purchased, also new wooden tubs for town centre.

Recommendation: Continue to monitor on a monthly basis.

1811 Donations & Sponsorship (38%)

Some sponsorships from last year were carried onto this year at no charge, due to last year's cancellation. Fewer donors in general this year due to COVID-19. Still awaiting £108 from one outstanding invoice. (1.3%)

Recommendation: Continue to monitor on a monthly basis.

Cost Centre 304 – Communication

1812 Donations & Sponsorship (53%)

Fewer magazine advertisements than expected, and some of our sponsors opted not to renew for this year's editions. £615.08 (6.15%) invoiced and awaiting payment.

Recommendation: Continue to monitor on a monthly basis.

Committee is requested to consider the budget monitoring report to 18 March 2022 and decide on any action it deems necessary.

AGENDA ITEM 6: 2021/22 OUTTURN PROJECTION

As part of the budget setting, at the last meeting of the Finance and Governance Committee an estimated outturn was given, as we move closer to year end we can predict the estimated outturn with more certainty.

We have updated projections for expenditure and income and these can be seen at **Appendix B**, pending further transactions during the remainder of the month we are expecting the balance of reserves to be as follows (highlighted in grey):

TOTALS	Actual 2019-20	Actual 2020-21	Est. Outturn 2021-22	Approved Budget 2022-23
General Reserves (c/f)	385,601	397,064	387,318	354,309
Earmarked Reserves (c/f)	623,465	668,846	730,070	836,621
TOTAL RESERVES (c/f balance)	1,009,066	1,065,910	1,117,387	1,190,930
Transfers from GF to Earmarked reserves	81,272	118,311	164,661	46,500
Expenditure	703,526	667,262	713,521	813,272
Expenditure (from Earmarked Reserves)	35,891	57,087	58,109	85,651
Income (non-Precept)	218,148	175,257	243,565	161,279
Precept	578,113	600,570	601,608	612,735
General Reserves (balance 31 March)	397,064	387,318	354,309	268,550
Earmarked Reserves (balance 31 March)	668,846	730,070	836,621	797,470
<i>Surplus (+) Shortfall (-)</i>	<i>56,844</i>	<i>51,478</i>	<i>73,542</i>	<i>-124,909</i>
TOTAL RESERVES (closing balance)	1,065,910	1,117,387	1,190,930	1,066,020

The grant for Apprenticeships and the CJRS (Claim for wages through the Coronavirus Job Retention Scheme) are included in the above projection as transferred to the Staffing Earmarked Reserve before year end.

Committee is requested to consider the report on projected outturn for the year 2021/22.

AGENDA ITEM 7: INSURANCE REVIEW

On 1 April 2019, a three-year Long-Term Agreement (LTA) was taken out with Zurich with an annual premium of **£5,742.69** per annum. The LTA will end on 1 April 2022.

There are only a few Insurance Companies who specialise in Insurance for Town and Parish Councils, so quotes will be obtained from at least three companies.

Three quotes have been requested, our current insurance company has quoted £5,918.73 Including all applicable taxes for a new three year LTA. Alternatively the insurance can be extended on the existing arrangement for a further 1 or 2 years £6,079.74. Zurich have been very responsive and helpful over the past 3 years.

An alternative quote from AJG Community Schemes Insurance from Hiscox Insurance Company Limited for the year including IPT and all fees has been quoted at £14,033.15.

BHIB Insurance Brokers who specialise in Town and Parish Councils have come back reporting that they are unable to provide a full quote this year as their initial finding suggest will not be competitive on premium.

A Reinstatement Cost Assessment on all Council buildings (the Town Hall, Walton Community Hall, Broadway House, Felixstowe Cemetery), the Flood Memorial and War Memorial is due to be carried out on 6 April (*Minute #384 2021/22 refers*). The sums insured on the buildings has automatically increased by 9.5% in the quotation for this year. Once the revaluations are complete the Insurance Company will adjust the sum assured and make any changes necessary to the premium to allow for that. The premium could go up or down but it is important that the buildings are insured for an appropriate amount. Any adjustment to the premium will be reported at the next Finance and Government meeting.

Committee is requested to consider renewing its Insurance on a 3 year Long Term Agreement with its current provider Zurich at the premium of £5,918.73 subject to adjustment after the Reinstatement Cost Assessment Valuations of all Council's Buildings.

AGENDA ITEM 8: COMMUNITY GOVERNANCE REVIEW

East Suffolk Council has published Terms of Reference to undertake a Community Governance Review (CGR) covering the East Suffolk district, with suggestions for changes to local governance welcomed by the 1 April deadline.

The process involves asking the public and other interested parties about the most suitable way of representing local communities, to ensure that local governance arrangements within East Suffolk continue to be reflective of the identity and interest of local communities and that they are as efficient and effective as they can be.

[District-CGR-Terms-of-Reference.pdf \(eastsuffolk.gov.uk\)](#)

A CGR provides councils with an opportunity to review and make changes to community governance arrangements. A CGR can consider the following:

- Creating, merging, altering or abolishing parishes
- The naming of parishes and the style of new parishes
- The electoral arrangements of parishes such as number of councillors and parish warding
- The grouping of parishes under a common parish council or the de-grouping of parishes

ESC has invited the Town Council to make suggestions for changes to the governance in its area or, to confirm it is content with the existing arrangements.

The deadline for submissions to be received is Friday 1 April 2022.

The correspondence from East Suffolk Council was noted by the Planning & Environment Committee which has recommended that as part of its submission, Council should request that the parish boundary, at the north-east of the dock spur roundabout, be adjusted so that the extent of the North Felixstowe Garden Neighbourhood allocation would be wholly within the civil parish of Felixstowe (*Minute #355 of 2021/22 refers*).

East Suffolk Council has advised that, if the Town Council were to respond to the consultation with suggestions for change, those suggestions would be worked through and considered prior to a further consultation period. Permission from the LGBCE would be required to make any amendments to District (or County) boundaries as they are protected for 5 years following the LGBCE reviews. ESC has already had preliminary discussions with the LGBCE so they are aware of the review and are aware that their permission may be sought to make changes.

To enable full consideration of this matter and a response to ESC by the 1 April deadline, Council referred this to the Finance & Governance Committee meeting of 23 March (*Minute #414 2021/22 refers*)

Committee is requested to consider the Community Governance Review in order to make a formal response on behalf of the Town Council.

AGENDA ITEM 9: TERMS OF REFERENCE 2022/23

Terms of Reference for Council and its committees are reviewed at least once annually and are due for review by this Committee prior to adoption by Annual Council in May.

Terms of Reference for the Municipal Year 2022/23 is attached at **Appendix C** for review.

Committee is requested to review and recommend to Annual Council, Terms of Reference for 2022/23.

AGENDA ITEM 10: STANDING ORDERS 2022/23

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

Draft Standing Orders for 2022/23 are attached at **Appendix D** for review.

Committee is requested to review and recommend to Annual Council, Standing Orders for 2022/23.

AGENDA ITEM 11: FINANCIAL REGULATIONS 2022/23

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

Draft Financial Regulations for 2022/23 are attached at **Appendix E** for onward referral to Annual Council with no changes.

In line with item 6.8 the approval of the use of BACS or CHAPS shall be renewed by resolution of the Council at least every two years, this was agreed by resolution at Annual Council 2021 (*Minute #9 2021/22 refers*).

Committee is requested to review and recommend to Annual Council, Financial Regulations for 2022/23; and to recommend approval of the continued use of BACS to make payments.

AGENDA ITEM 12: RISK MANAGEMENT POLICY & FINANCIAL RISK REGISTER

Council is required to review its Risk Management Policy and Financial Risk Register on an annual basis. The Risk Management Policy and Financial Risk Register is at **Appendix F** 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 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 Financial Risk Register and recommend to Council for adoption.

AGENDA ITEM 13: COMPLAINTS PROCEDURE

Council is to review its Complaints Procedure annually. The current procedure provided at **Appendix G** is presented for review and onward recommendation to Council without amendment.

Committee is requested to review the Complaints Procedure and recommend to Council for adoption.

AGENDA ITEM 14: FREEDOM OF INFORMATION AND PUBLICATION SCHEME

Under the Freedom of Information Act 2000, it is the duty of every public authority to adopt and maintain a Publication Scheme. Local authorities must produce and publish the method by which specific information will be available so that it can be easily identified by members of the public.

The Information Commissioner's Office (ICO) provides a model publication scheme (version 1.2, 2015 is the current version), which the Council adopted in 2016 alongside an updated schedule of information available from Felixstowe Town Council within the scheme. Authorities adopting the ICO must do so without changes, unless amended by the ICO.

The model scheme and a schedule of information available is provided at **Appendix H**.

Committee is requested to review the model publication scheme and recommend to Council for approval without change for 2022/23.