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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 the **FINANCE & GOVERNANCE COMMITTEE** meeting of the **FELIXSTOWE TOWN COUNCIL** to be held **ONLINE** on **Wednesday 28 October 2020** at **7.30pm**.

Public Attendance

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

To join the meeting please follow this 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
23 October 2020

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 one minute 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 & General Purposes Committee meeting held on 15 July 2020 as a true record. **(Pages 4-8)**
- 5. Budget Monitoring to 30 September 2020**
To receive budget monitoring report to 30 September 2020 and consider any actions deemed necessary. **(Pages 9-13 & Appendix A)**
- 6. Quarterly Bank Reconciliation**
To note that Cllr D Savage has confirmed reconciliation between actual bank statement and Omega accounts for the period 1 October 2019 – 30 September 2020. **(Verbal confirmation)**
- 7. Annual Governance & Accountability Return**
To receive the External Auditor's Report on the Annual Governance & Accountability Return for the Financial Year 2019/20. **(Page 14 & Appendix B)**
- 8. LGBCE Consultation on Suffolk County Council Divisions**
To consider the LGBCE consultation on proposals for the electoral review of Suffolk (County Divisions). **(Pages 15-16 & Appendices C and D)**
- 9. Digital Communications and Conferencing Facilities**
To consider a report on a project to upgrade the Council's IT and conferencing facilities. **(Page 17)**
- 10. Felixstowe BID Ballot**
To consider the business plan and ballot process for the proposed Felixstowe Business Improvement District and confirm the vote on behalf of Felixstowe Town Council, noting the closing date for receipt of ballots being 10th November 2020. **(Page 18 & Appendices E and F)**
- 11. Felixstowe Tax Base Forecast 2021**
To note the potential impact of the coronavirus on the forecast tax base and consider preparations for budget setting for 2021/22. **(Pages 19-22)**

12. Closure

To close proceedings and confirm the date of the next meeting scheduled for Wednesday 9 December 2020 at 7.30pm.

Meetings of the Town Council and its Committees are open to the press and public who are welcome to attend.

140. COUNCIL INVESTMENTS

Committee noted that Council's 1-Year Investment Bond of £500,000 with Close Brothers Savings matured on 20 July 2020, receiving interest of £6,284.25. Members considered investment options in accordance with Council's Investment Policy and Strategy and agreed that a re-investment for a 1-year bond with Close Brothers at a rate of 0.9% was the most appropriate investment at this time, providing security, liquidity and yield.

It was RESOLVED that:

- i. the interest for the maturing 1-year bond covering the period 20 July 2019 – 20 July 2020 of £6,284.25 be returned to the Town Council Tracker account and accounted as part of the budgeted interest for 2020/21; and,**
- ii. the sum of £500,000 be re-invested in a new 1-year Investment Bond with Close Brothers Savings**

141. DATA RETENTION AND DISPOSAL POLICY

Committee reviewed the Council's Data Retention and Disposal Policy, outlining the length of time and basis for the retention of specific documents and information before they should be disposed.

The Clerk reported that, in accordance with the 'Test and Trace' arrangements being put in place for Covid-19, an additional Privacy Statement had been created specifically referencing the retention of data in connection with the Test and Trace to comply with GDPR regulations. Data collected for this purpose would be held for 21 days and then destroyed.

It was RESOLVED that the Data Retention Policy and Disposal Policy for the period 2020-2023 be recommended to Council for adoption as presented.

142. AMENDMENTS TO STANDING ORDERS

Committee reviewed Standing Orders, acknowledging alterations to Public Contracts Regulations 2015 and public contracts in connection with the supply of gas, heat electricity, drinking water, transport services, or postal services to the public.

It was RESOLVED that the amended Standing Orders be recommended to Council for adoption as presented.

143. AMENDMENTS TO FINANCIAL REGULATIONS

Committee reviewed Financial Regulations, acknowledging altered amounts to public supply and public service contracts, in addition to public works contracts.

It was RESOLVED that the amended Financial Regulations be recommended to Council for adoption as presented.

144. CODE OF CONDUCT CONSULTATION

Committee considered the draft Model Member of Code of Conduct, which was out for consultation by the Local Government Association (LGA).

Committee noted the proposed draft Model Member Code of Conduct and broadly supported the principles therein. No formal response from the Committee on behalf of the Town Council was proposed but Members looked forward to seeing the final recommendations of the LGA.

The Clerk advised that Members were also able to respond to the consultation as individuals if they so wished.

It was RESOLVED that the proposed draft Model Member of Code of Conduct be noted and that any new Code of Conduct be brought to Committee in due course for consideration.

145. FINANCIAL FORECAST TO 2024

The Town Clerk and Deputy Town Clerk presented a draft Financial Forecast to 2024, using previous years' figures as a basis to predict future trends. Members thanked the Customer Service Apprentice, Deputy Town Clerk and Town Clerk for the work involved in drawing these figures together. Committee noted that the figures were largely based on previous expenditure and worked on a basis of a projected 2% national salary increase and 5% increase in utilities per annum.

The Clerk advised that he had based the draft forecast using the current 2020/21 precept to demonstrate how this might impact the Council's reserves. Members suggested that the forecast should give some latitude to the precept figures of around 1.5% - 2% per annum, to reflect inflation and reduce any shortfall. Members noted that East Suffolk Council would be assessing how the coronavirus pandemic could negatively affect the tax base and the Clerk advised that the forecast would need to be updated once the tax base projection for 2021/22 was known.

The Clerk reminded Committee that the forecast was a working document and would be brought back to Committee throughout its lifetime for review, particularly during the annual budget-setting process.

It was RESOLVED that the draft four-year Financial Plan for the year 2020-2024 be noted and brought back to Committee in due course once it could be updated pending further information on the impact of the pandemic on the projected tax base.

146. FELIXSTOWE FORWARD

Committee considered several initiatives around Felixstowe, which had been raised by the Felixstowe Forward Change Director, Helen Greengrass, at the Council meeting the previous week and referred to this Committee.

With regards to the drive-in cinema idea, Members noted the appeal of the event and the reduced risk of spreading infection in such an environment but felt that the limited numbers that would be able to attend made it quite exclusive. Referring to correspondence received by the Clerk earlier that day, the option of a company taking on the responsibility and running of the event seemed to be the best solution. It was noted that if an event organiser from the town wished to take on the running of the event, then they could do this as either a turnkey event where they could receive a percentage which is 24% after all costs including the film license or alternatively hire the equipment, run the whole event and keep any resulting ticket sales. The Clerk advised that Felixstowe Forward would be discussing the potential of this with the operator and some of the local event organisers. Several potential sites were discussed which the Clerk agreed to forward to the operator for consideration.

Members discussed the renewal of the wicker family in the Seafront Gardens, which had deteriorated to the extent that they would need to be removed after the forthcoming summer season. Members were keen to support an appropriate replacement of the wicker family, which were known to be very popular. Members also considered the use of wicker to be very ecologically friendly. Suggestions were made to replace the existing family with the wicker shark, until such a time the original artist was able to produce a replacement for £2,500. Committee was supportive of funding the replacement and hoped that they could be created with maybe an additional member of the family (for example a baby in a pram). Members enquired about the maintenance plan for the new wicker family and if the wicker was not being recycled whether it could be given to the Felixstowe Museum. It was also suggested to find out whether it would be practicable for the family to hibernate for the winter so to lengthen their lives.

Committee also discussed the possibility of commissioning a further piece of public art which could be placed in a different part of the gardens or elsewhere in the town. It was felt that this would be a good way of promoting public interest in the town as it comes through the pandemic.

Members discussed the establishment of more toilet facilities at the Port Viewing area of Landguard point, in addition to elsewhere around Felixstowe following several complaints. Members noted Felixstowe's amount of facilities exceeded that of larger neighbouring towns. Next week there was a Liaison Meeting between Felixstowe Town Council and East Suffolk Council and the Town Clerk would take the items discussed and circulated previously to the meeting. The main request would be to receive more communication when toilets are out of order, and to provide signs to the nearest toilet when these facilities had to close.

A Member reminded Committee of a previous scheme looked at many years ago which did not come to fruition, which involved stickers placed in windows of local businesses throughout the town offering up the usage of their toilets to members of the public. Members were keen to re-visit this scheme and requested that the Clerk explores the feasibility of such a scheme with the Chamber of Commerce once the pandemic had passed.

Committee considered the provision of portaloos in the Landguard area but felt that these would be costly to keep clean enough considering COVID-19. With the recent news that the Viewing Point Café and Fort were shortly due to open and the availability of toilets at Manor Terrace, Members agreed that the provision should continue to be monitored.

It was RESOLVED that:

- i. the Clerk should contact the drive-in cinema operator to suggest some local sites that may be suitable for them to use for an event;**
- ii. the Town Council would fund the replacement of the wicker family at a cost of £2,500, and Felixstowe Forward be asked to consider the suggestions raised above;**
- iii. consideration should be given commissioning a public art piece for the town as it comes through the pandemic;**
- iv. the Town Clerk to raise Committee's concerns over the public convenience provision with East Suffolk Council at the next FTC/ESC Liaison meeting, particularly with regards to improving communication when facilities were out of order and ensuring the members of the public were being signposted to the next available facility; and,**
- v. the Chamber of Commerce be consulted on the potential introduction of a scheme which would enable the public to freely use toilets available in businesses throughout the town, once the pandemic had passed.**

147. CLOSURE

The meeting was closed at 9.43pm. The next meeting was noted as being scheduled for Wednesday 28 October 2020 at 7.30pm.

AGENDA ITEM 5: BUDGET MONITORING TO 30 SEPTEMBER 2020

A summary Income & Expenditure Report to 30 September 2020 is shown below with a detailed report provided at **Appendix A**.

| | Actual Last Year | Actual Year To Date | Current Annual Bud | Variance Annual Total | Committed Expenditure | Funds Available | % Spent |
|---|------------------|---------------------|--------------------|-----------------------|-----------------------|-----------------|---------|
| <div style="display: flex; justify-content: space-between;"> 21/10/2020 Felixstowe Town Council Page 1 </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> 10:01 Summary Income & Expenditure by Budget Heading 30/09/2020 </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> Month No: 6 Committee Report </div> | | | | | | | |
| <u>Finance & Governance</u> | | | | | | | |
| Income | 616,585 | 624,099 | 608,570 | (15,528) | | | 102.6% |
| Expenditure | 276,388 | 140,738 | 285,099 | 144,361 | 0 | 144,361 | 49.4% |
| Net Income over Expenditure | 340,198 | 483,361 | 323,471 | (159,890) | | | |
| less Transfer to EMR | 30,245 | 0 | | | | | |
| Movement to/(from) Gen Reserve | 309,953 | 483,361 | | | | | |
| <u>Assets & Services</u> | | | | | | | |
| Income | 152,557 | 54,794 | 125,478 | 70,684 | | | 43.7% |
| Expenditure | 262,821 | 133,707 | 274,982 | 141,275 | 0 | 141,275 | 48.6% |
| Net Income over Expenditure | (110,264) | (78,913) | | | | | |
| plus Transfer from EMR | 0 | 0 | | | | | |
| Movement to/(from) Gen Reserve | (110,264) | (78,913) | | | | | |
| <u>Civic & Community</u> | | | | | | | |
| Income | 27,119 | 6,682 | 28,942 | 22,260 | | | 23.1% |
| Expenditure | 164,891 | 86,400 | 180,876 | 94,476 | 500 | 93,976 | 48.0% |
| Net Income over Expenditure | (137,772) | (79,718) | | | | | |
| plus Transfer from EMR | 1,513 | 0 | | | | | |
| Movement to/(from) Gen Reserve | (136,260) | (79,718) | | | | | |
| <hr/> | | | | | | | |
| Grand Totals:- Income | 796,261 | 685,575 | 762,990 | 77,415 | | | 89.9% |
| Expenditure | 704,100 | 360,845 | 740,957 | 380,112 | 500 | 379,612 | 48.8% |
| Net Income over Expenditure | 92,161 | 324,730 | 22,033 | (302,696) | | | |
| plus Transfer from EMR | 1,513 | 0 | | | | | |
| less Transfer to EMR | 30,245 | 0 | | | | | |
| Movement to/(from) Gen Reserve | 63,429 | 324,730 | | | | | |

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 six months in to the year, for overall expenditure to be around 50%, with an explanation for any items overspent by £500 or 10% or over this level (i.e. 55%). Total expenditure for the first six months stood at 48.8%. Explanatory notes and any recommended action for individual qualifying items in **Appendix A** are as follows:

| |
|--|
| Cost Centre 101 - Administration |
| <p>4460 Subscriptions (101.9%) All annual subscriptions for 2020/21 now paid. Recommendation: No action.</p> |
| <p>4464 Insurance (100%) Full year payment up front. Recommendation: No action.</p> |
| <p>4481 IT Maintenance and Software (99.8%) Front loaded annual IT support, mail boxes, Defence 360, Office 365, RBS & Edge paid. Unexpected cost this year for Zoom subscription and Survey Monkey (50% paid by ESC), some headsets, Bluetooth mice and keyboards for homeworking. New cemetery software annual cost due in November. Recommendation: Review at budget setting to ensure ongoing annual costs can be met.</p> |
| Cost Centre 201 - Town Hall |
| <p>4110 Rates (58.2%) Rates are paid over 10 months only. Recommendation: No action.</p> |
| <p>4180 Licences (100%) Paid in full for 2020-21. Recommendation: No action.</p> |
| <p>1001 Weddings (22.2%) Due to many postponements due to COVID-19, wedding income is only moving to this budget when it has been confirmed that it is going ahead. Expected income to year end is £4552 (37.9%) but this is of course subject to change re government guidance on COVID-19. Recommendation: Continue to monitor on a monthly basis.</p> |
| Cost Centre 202 – Walton Community Hall |
| <p>4110 Rates (60.2%) Rates are paid over 10 months only. Recommendation: No further action</p> |
| <p>1000 Hirings (-1.8%) No bookings prior to September due to COVID-19, minus shown is due to late billing correction from last year. A few hirers are beginning to return, estimated income to year end could be around £3,000 (40%) but this is subject to change in Government guidance. Recommendation: Continue to monitor on a monthly basis.</p> |

Cost Centre 203 – Broadway House

1030 Leases, Rent & Licenses (0%)

Broadway House is currently closed due to COVID-19 Lease amount due will be pro-rata on re-opening.

Recommendation: Continue to monitor on a monthly basis.

Cost Centre 204 – Cemetery

4030 Training (84.3%)

Chainsaw course completed.

Recommendation: Continue to monitor on a monthly basis

4110 Rates (59%)

Rates are paid over 10 months only.

Recommendation: No further action

4122 Electricity (56.8%)

Monthly payments made in advance of billing, monthly payment now reduced due to credit on account £175 (35%).

Recommendation: Continue to monitor on a monthly basis

4300 Vehicle Running Costs (60.1%)

Front loaded costs such as MOT, Truck Tax paid, also work to trailer, safety screen to protect against COVID-19.

Recommendation: Continue to monitor on a monthly basis

4320 Vehicle/Tool Hire (61.5%)

To cover Digger and Skip hire.

Recommendation: Continue to monitor on a monthly basis

1100 Interment Fees (44%)

£4,966 (12.4%) invoiced awaiting payment. £1285 (3.2%) to be invoiced.

Recommendation: Continue to monitor on a monthly basis.

1130 Memorials (31%)

£976 (7.5%) invoiced awaiting payment. £2,450.80 (18.8%) to be invoiced.

Decline in memorials currently – possibly due to COVID-19.

Recommendation: Continue to monitor on a monthly basis.

1140 Upkeep of Grave Spaces (-16.7%)

£668 (85.6%) invoiced awaiting payment. Minus due to a debtor last year which remained unpaid and now cancelled as no longer requires the service.

Recommendation: Continue to monitor on a monthly basis.

1160 Admin Fees (21.5%)

Further £208 (20.8%) to be invoiced. Demand to change owner seems linked to decline in Memorial requests – possibly due to COVID-19.

Recommendation: Continue to monitor on a monthly basis.

| |
|---|
| Cost Centre 205 – Allotments |
| <p>1080 Allotment Rents (10.7%) Majority of Allotment rents are billed annually end of September Recommendation: No further action.</p> |
| <p>4115 Water and Sewerage (59.5%) High Summer water bills at Cowpasture and Ferry Road – Allotment Association are aware and staff monitoring usage on a weekly basis. Recommendation: Continue to monitor on a monthly basis.</p> |
| Cost Centre 301 – Civic & Community |
| <p>4512 Engraving/Sign Writing (85%) Engraving of Mayoral Board. Recommendation: Complete for 2020/21. No further action</p> |
| <p>4600 CCTV (100%) Paid in full June 2020. Recommendation: No further action</p> |
| <p>4645 Christmas Lights (100%) Paid in full June 2020. Recommendation: No further action</p> |
| <p>1800 Donations & Sponsorship (0%) No donations or sponsorship for Ice Rink as in previous years due to COVID-19. Recommendation: No further action.</p> |
| Cost Centre 302 – Grants |
| <p>4620 Annual Grants (100.0%) All annual grants paid May 2020. Recommendation: No further action.</p> |
| Cost Centre 303 – Felixstowe in Flower |
| <p>4290 Flowers and Containers (59.9%) Plants and plaque stickers purchased. Recommendation: Continue to monitor on a monthly basis.</p> |
| Cost Centre 304 – Communication |
| <p>1800 Donations & Sponsorship (20.7%) Magazine advertisements, many due to renew annually in Winter magazine. Recommendation: Continue to monitor on a quarterly basis.</p> |

Cost Centre 305 – Community Fund Projects

4625 Felixstowe Harwich Ferry (100.0%)

Paid over at start of Financial Year.

Recommendation: No further action.

4630 Level Two (100.0%)

Paid over at start of Financial Year.

Recommendation: No further action.

4670 Felixstowe Forward (100.0%)

Paid over at start of Financial Year.

Recommendation: No further action.

4625 Landguard Partnership (100.0%)

Paid over at start of Financial Year.

Recommendation: No further action.

Committee is requested to consider the budget monitoring report to 30 September 2020 and decide on any action it deems necessary.

AGENDA ITEM 7: ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN 2019/20

Council is advised that Notice has been given that the external audit of the accounts of Felixstowe Town Council for the Financial Year 2019/20 was completed on 8 October 2020. The Annual Governance and Accountability Return, including the Audit Certificate is presented at **Appendix B**.

The Council's external auditors, PKF Littlejohn, have expressed the view that, on the basis of the annual return, in their opinion, the information is in accordance with proper practices and no matters have come to attention giving cause for concern that relevant legislation and regulatory requirements have not been met. In addition, there were no other matters affecting their opinion that required the issue of a report or the further attention of the Council

In accordance with Sections 20(2) and 25 of the Local Audit and Accountability Act 2014; the Accounts and Audit Regulations 2015 (SI 2015/234) and the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 (SI 2020/404) the Notice of Conclusion of Audit was displayed on the Town Hall noticeboard from 16 October (and will be displayed until 2 November 2020) to advise local electors that the accounts and requisite information as defined by Section 13(1) of the Accounts and Audit Regulations 2015 are available for inspection.

Additionally, the Annual Governance and Accountability Return for the Financial Year 2019/20 has also been made available online on the Council's website, alongside those documents for the previous year.

Committee is requested to:

- i. Approve and Accept the Annual Governance and Accountability Return including Audit Certificate as presented; and,**
 - ii. Note that, in accordance with the Local Audit and Accountability Act 2014 as defined by the Accounts and Audit Regulations 2015 & the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020, the Notice of Conclusion of Audit was displayed on the Town Hall noticeboard from 16 October and will be displayed until 2 November 2020.**
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AGENDA ITEM 8: ELECTORAL REVIEW OF SUFFOLK (COUNTY DIVISIONS)

The Local Government Boundary Commission for England (LGBCE) is currently consulting on a new pattern of divisions for Suffolk County Council, details of which are shown at **Appendices C and D**.

The LGBCE's recommendations are being made following the initial public consultation phase which took place between 24 September 2019 – 13 January 2020, to which Felixstowe Town Council responded following consideration at its meeting of 13 November 2019.

The Town Council welcomed the Suffolk County Council (SCC) Review and sought improvements to parish ward arrangement in Felixstowe which had resulted following the 2018 East Suffolk Council Review.

The Town Council's proposals, in outline, were (*Minute #315 of 2019/20 refers*):

Retention of the Felixstowe and Trimleys concept for SCC with:

- A "Walton and Trimleys" Division
- A "Felixstowe Maritime" Division
- A "Felixstowe Clifflands" Division

Including the above, the Town Council sought no change to the current number (16) of Felixstowe Town Councillors but an improved pattern of FTC Wards in the context of "convenient local government" within the town and to support the SCC Division review as follows:

- Central (3 members)
- East (3 members)
- Port (5 members) (Existing boundaries)
- South (2 members)
- Walton (3 members) (Existing boundaries)

Detailed information and a report on the LGBCE's proposals can be found on the LGBCE website here: <https://www.lgbce.org.uk/all-reviews/eastern/suffolk/suffolk-county-council>. However, the changes being proposed by the LGBCE and which are relevant to Felixstowe can be summarised as follows:

Suffolk County Council will have 3 x single Members divisions covering Felixstowe/Trimleys:

- Felixstowe Clifflands
- Felixstowe Maritime
- Walton & Trimleys

Comment in the report (paras. 82 & 83)

The Conservative Group put forward proposals for this area. Felixstowe Town Council put forward almost identical proposals, including a Walton & Trimleys division that combined part of Felixstowe parish with Trimley St Mary and Trimley St Martin parishes. The Town Council also mirrored the Conservative Group with its

proposed Felixstowe Clifflands and Felixstowe Maritime divisions, albeit with a slightly different boundary between them. The Town Council argued that Crescent Road is a clearly identifiable boundary.

*We have given consideration to the evidence and note that the Conservative Group uses a clear boundary along Orwell Road. However, we are in agreement with Felixstowe Town Council that Crescent Road is a more identifiable boundary in the area and provides for a better balance in our statutory criteria. **We have therefore adopted the Town Council's proposals for this area without modification.***

Warding arrangements for East Suffolk Council (Eastern and Western District Wards) are unchanged by this review. However, as there is a requirement for parish wards to sit entirely within (i.e. not cross) district ward or county division boundaries the warding arrangements for Felixstowe Town Council will be revised as follows:

Felixstowe Town Council will have 5 wards, returning 16 councillors:

- Central (3)
- East (3)
- Port (5)
- South (2)
- Walton (3)

Currently, the Town Council's 16 councillors are elected from 4 wards:

- Coastal (8)
- Marshes (1)
- Port (4)
- Walton (3)

Comment in the report (para. 134):

We are providing revised parish electoral arrangements for Felixstowe Town Council.

Draft recommendations

Felixstowe Town Council should comprise 16 councillors, as at present, representing five wards:

| Parish ward | Number of parish councillors |
|-------------|------------------------------|
| Central | 3 |
| East | 3 |
| Port | 5 |
| South | 2 |
| Walton | 3 |

The LGBCE is welcoming comments on the report by 23 November 2020 and Committee is asked to consider whether to support the proposals or respond with proposed alternative arrangements, making any recommendations to Council on 11 November in order for a response to be made.

AGENDA ITEM 9: DIGITAL COMMUNICATIONS AND CONFERENCEING FACILITIES

Members have previously discussed the need for enhancing digital conferencing services at the Town Hall in the future to enable remote participation at meetings by Councillors or members of the public and improve facilities for external hirers.

Council agreed a sum of £40,000 which was transferred from the General Fund Reserves to the IT Earmarked Reserve to enable a wholesale upgrade to Council's IT and digital conferencing capabilities over time, with the Finance & Governance Committee given delegated authority to oversee a phased upgrade for staff, Members and the Town Hall.

Officers have been reviewing the current provision alongside options for cloud-based telephone and computing facilities in order to support the transition from legacy, on-premises services to more agile and mobile solutions. The Clerk has also been discussing with Members the type of hardware, software and support that would be beneficial to them in their roles.

An overview of various options and costs will be brought to the meeting for further discussion and consideration.

Committee is requested to consider the report on a project to upgrade the Council's IT and conferencing facilities.

AGENDA ITEM 10: FELIXSTOWE BID BALLOT

Eligible businesses are now being invited to vote on the proposed Felixstowe Business Improvement District (BID).

If the BID vote is successful, all eligible businesses will pay a levy of 2% of the rateable value of the business per annum. The timeline for the BID ballot process is as follows:

13 October 2020 Despatch of Ballot Papers
10 November 2020 Close of Postal Ballot
11 November 2020 Formal Declaration of Ballot Result

An executive summary about the BID can be found at **Appendix E** and the BID's business plan is at **Appendix F**.

The Town Council has a vote by virtue of the fact that, as the owner of the Town Hall, it is an eligible ratepayer and – should the outcome of the BID ballot be successful – it would be required to contribute towards the levy.

For the BID to go ahead, two conditions must be met:

1. More than 50% of businesses that vote must vote in favour.
2. The businesses that vote 'YES' must represent more than 50% of the total rateable value of all votes cast.

The results of the ballot will be declared on the 11 November 2020.

Given that the ballot closed on 10 November and Council does not meet until 11 November, this is being brought to the Finance & Governance Committee for a decision on behalf of the Council.

The actions taken by this Committee, and the outcome of the BID ballot, will be reported to Council on 11 November.

Committee is therefore requested to consider the business plan and ballot process for the proposed Felixstowe Business Improvement District and confirm the vote on behalf of Felixstowe Town Council, noting the closing date for receipt of ballots being 10th November 2020.

AGENDA ITEM 11: FELIXSTOWE TAX BASE FORECAST 2021

Council officers are currently drafting Council's budget estimates for 2021/22 and individual Committees are starting to review budget proposals in preparation for the Finance & Governance Committee to consider in December, prior to onward referral to Council in January.

Though some areas of the Council's budget this year have not been adversely affected, the coronavirus pandemic has impacted the accounts in several clearly identifiable ways; either through underspends due to not being able to carry out certain events/activities, additional unexpected expenditure, or loss of income due to service reduction. However, whilst the projected outturn is being revised regularly, the current forecast anticipates that there will be an overall surplus on budget by 31 March 2021.

Estimates for income and expenditure next year are being prepared based on known costs wherever possible. However, where it is anticipated that the viability of certain activities will continue to be subject to prevailing circumstances at the time, the budget line is either being revised entirely or an appropriate allowance is being included. The full draft budget, which will be presented to Committee at its next meeting in December, will inform Council's precept requirement for 2021/22. Once set, the precept, together with the tax base, will be used to determine the element of the total council tax bill payable to Felixstowe Town Council.

Council tax payable per property requires East Suffolk Council to calculate the tax base (the number of properties against which tax is collected). Properties are allocated with one of the eight valuation bands (Bands A, B, C, D, E, F, G, H) and the number of properties in each band is multiplied by a given factor to bring it to the 'Band D equivalent'. The total of the Band D equivalents is then adjusted by the expected collection rate to give a net council tax base.

For the current year, 2020/21, the Town Council's precept required a contribution from the 'Band D equivalent' ratepayer of £70.87 from an annual total Council Tax bill of £1,808.50 (or around £5.90 from a monthly bill of £150.70). Whilst higher tier authorities may receive additional revenues from business rates (non-domestic rates) and central government financial settlements, town and parish councils do not. A breakdown of the Annual Council Tax Bill for a Band D ratepayer in East Suffolk is shown in the table below:

| | |
|-----------------------------|------------------|
| Band D Total 2020/21 | £1,808.50 |
| Suffolk County Council | £1,343.61 |
| Suffolk Constabulary | £222.75 |
| East Suffolk Council | £171.27 |
| Felixstowe Town Council | £70.87 |

The parish element of council tax paid by Felixstowe residents is currently amongst the lowest of the 11 town and parish councils in East Suffolk with a precept over £140,000:

| Council | Annual Band D Council Tax charge |
|-----------------------------|---|
| Leiston Town Council | £171.63 |
| Rendlesham Parish Council | £156.09 |
| Lowestoft Town Council | £144.91 |
| Saxmundham Town Council | £143.28 |
| Aldeburgh Town Council | £114.14 |
| Framlingham Town Council | £105.31 |
| Woodbridge Town Council | £103.45 |
| Felixstowe Town Council | £70.87 |
| Oulton Broad Parish Council | £65.83 |
| Kesgrave Town Council | £63.07 |
| Martlesham Parish Council | £61.18 |

source: <https://www.eastsuffolk.gov.uk/assets/Council-Tax/Town-and-Parish-Council-Budget-Information-2020-21.pdf>

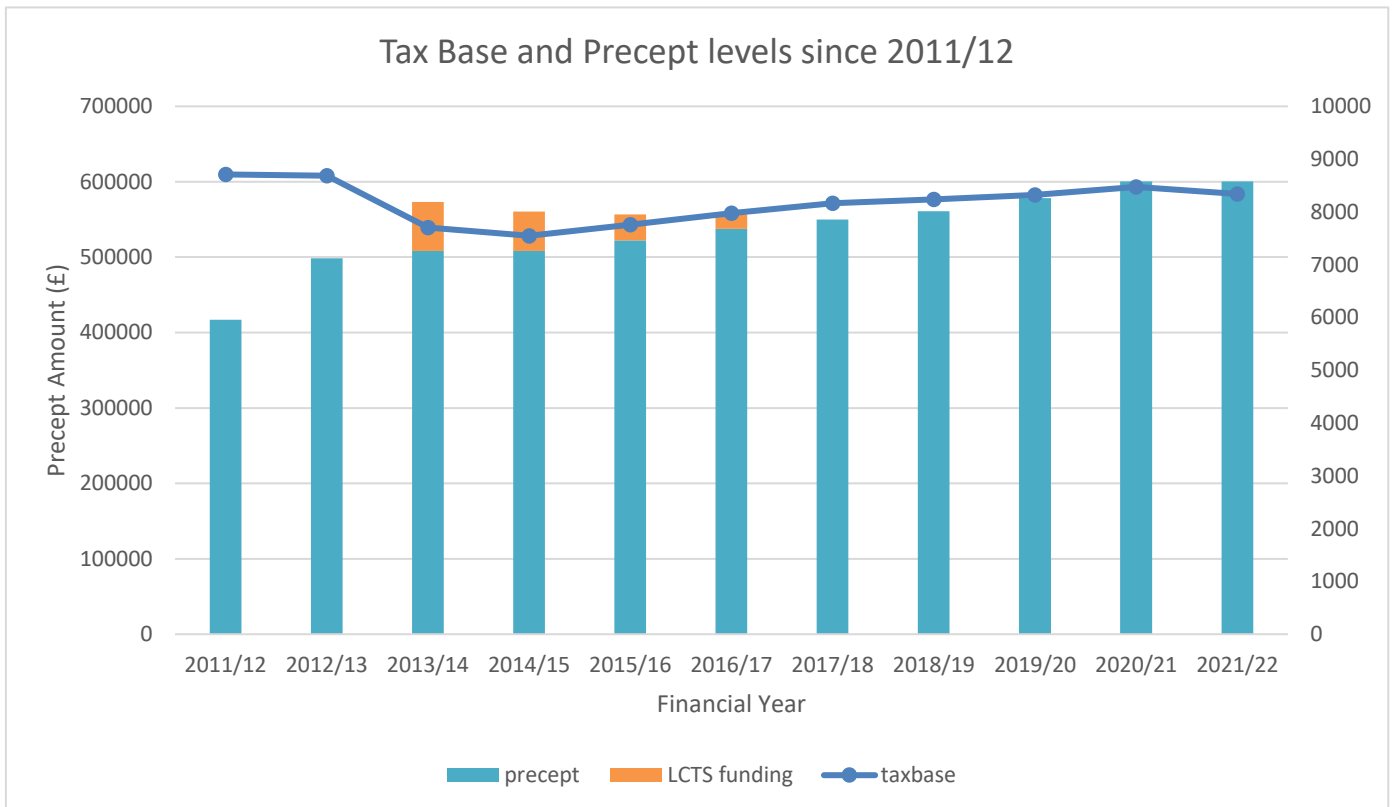
East Suffolk Council has advised that, due to the impact of Covid-19 on employment and the unwinding of furlough on working age council tax support claims, its forecast tax base for 2021/22 is likely to be lower than the current year. The first time since 2013 that the tax base has not increased.

The tax base will be finalised in January, and given the current volatility and uncertainty, it is possible that it may need to be revised again at that stage. In the meantime, ESC has provided provisional tax base information as follows:

| FELIXSTOWE COUNCIL TAX BASE | Forecast 22/10/2020 | |
|------------------------------------|---|---|
| | 2020/21 Budget Band D Equivalentents | 2021/22 Forecast Band D Equivalentents |
| Taxbase | 8,474.25 | 8,341.20 |

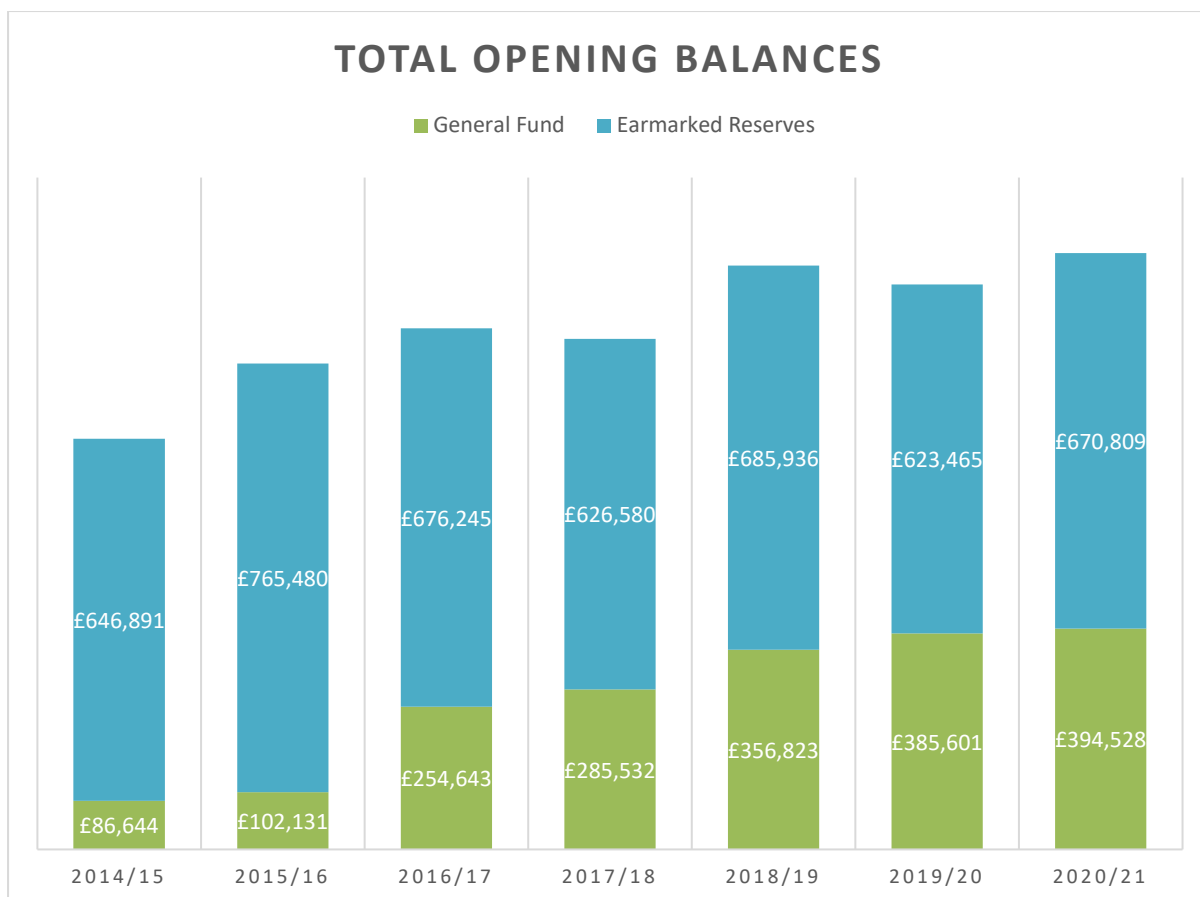
| Freeze Precept at 2020/21 Level: | £ | £ | £ | % |
|---|------------|------------|----------|----------|
| Precept | 600,570.00 | 600,570.00 | 0 | 0.00% |
| Band D Council Tax | 70.87 | 72 | 1.13 | 1.60% |

Historically, due to annual housing growth, the tax base would rise slightly each year. However, since a 2012 statutory instrument saw a National Council Tax Benefit Scheme replaced by a Local Council Tax Support Scheme, the overall tax base was reduced. This had a dramatic effect on the tax base from 2013 and the government provided a grant, by way of a 'Localising Council Tax Scheme' fund, to assist local authorities with the impact of that transition, reducing over a 4-year period. The tax base for Felixstowe has slowly risen again since, but in 2020 was still lower than pre-2013 levels.



It can be seen therefore, that in advance of understanding Council's budget requirements for 2021/22, the current projected reduction of the Felixstowe tax base means that the Town Council would need to increase its portion of the Band D council tax by 1.6% (£1.13 for the year / c.9.4pence per month) to receive the same precept as the current year.

Council's earmarked reserves are set aside for specific known projects and contingencies, whilst its general fund acts as a reserve to provide financial security to the Council and protects against loss of income. After a reprofiling of its accounts in 2015, reserves have provided good financial stability to the Council over the past few years, as shown in the chart below.



Therefore, whilst the forecast tax base reduction suggests that an increase in council tax would be required to maintain the same precept – albeit by a relatively small amount in terms of the £ amount, the Town Council’s financial stability is such that - given the unprecedented year and the anticipated surplus outturn on budget - Committee could seek to mitigate the impact of the reduction on the tax base over the short-term and use any budget outturn surplus from the current year, plus potentially some of its general fund, and review the situation again next year.

Members are asked to provide a steer to Council’s officers in their preparation of the draft budget for 2021/22.

Committee is requested to note the report on the potential impact of the coronavirus on the forecast tax base and consider preparations for budget setting for 2021/22.