



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 24 June 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 27 May 2015 as a true record.  

**(Pages 3-5)**
- 5. Accounts for May 2015**  
To receive the Monthly Accounts reports for May 2015 and consider any actions deemed necessary.  

**(Pages 6-10 & Appendix A)**
- 6. Statement of Internal Control**  
To review the Council's Statement of Internal Control and make any recommendations to Full Council.  

**(Page 11 & Appendix B)**

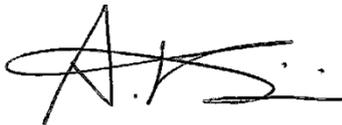
**7. Local Councils Award Scheme**

To consider accreditation in the Local Councils Award Scheme.

**(Pages 12-13 & Appendix C)**

**8. Closure**

To close proceedings and confirm the date of the next meeting scheduled for Wednesday 22 July 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  
17 June 2015**

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

## **AGENDA ITEM 4: CONFIRMATION OF MINUTES**

**MINUTES** of the **FINANCE & GENERAL PURPOSES COMMITTEE** meeting held at Felixstowe Town Hall on **Wednesday 27 May 2015 at 7.30pm**

**PRESENT:** Cllr G Newman (Chairman)                      Cllr Jan Garfield  
                 Cllr S Bird (Vice-Chairman)                      Cllr S Gallant  
                 Cllr N Barber    Cllr D Savage  
                 Cllr C Barham    Cllr A Smith  
                 Cllr S Bloomfield    Cllr S Wiles

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

### **22. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllr M Deacon and Cllr K Williams.

### **23. DECLARATIONS OF INTEREST**

<b>Member(s)</b>	<b>Minute No.</b>	<b>Nature of Interest</b>
Cllr S Bird Cllr S Bloomfield Cllr S Gallant Cllr D Savage Cllr A Smith	All	Local Non-Pecuniary (as Members of Suffolk Coastal District Council)
Cllr G Newman Cllr N Barber	All	Local Non-Pecuniary (as Members of Suffolk County Council)

### **24. REQUESTS FOR DISPENSATION**

There were none.

### **25. CONFIRMATION OF MINUTES**

It was **RESOLVED** that:

**The Minutes of the Finance & General Purposes Committee Meeting held on 18 March 2015 be signed by the Chairman as a true record.**

### **26. INTRODUCTION TO FINANCE & GENERAL PURPOSES COMMITTEE**

The Chairman welcomed newly appointed Members to the first meeting of the Finance & General Purposes Committee in the current Municipal Year and following recent elections.

The Committee noted its Terms of Reference and received an introduction from the Chairman on the type of business for which it would be responsible.

**27. FULL YEAR BUDGET REPORT FOR 2014-15**

The Committee considered a detailed report showing income and expenditure against budget for the financial year 1 April 2014 to 31 March 2015.

The Clerk advised that a net underspend and some in-year savings had produced an overall underspend against the expenditure budget for the year. However, the report did not show any direct expenditure against Earmarked Reserves authorised in-year by Council. The Clerk advised that Council's Earmarked Reserves did not usually form part of the budget performance analysis. It was noted that overall income received had been marginally higher than the estimated income budget for 2014/15.

Following a discussion on the presentation of the budget report it was agreed that a summary of Council's accounts, including movement on reserve balances in 2014-15 would be included in the Annual Return report to Council in June.

**RESOLVED that the 2014-15 Full Year Budget report be received and noted as presented.**

**28. INTERNAL AUDIT REPORT: QUARTER FOUR 2014-15**

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

The Clerk advised that the Internal Auditor had completed Section 4 of the Annual Return for 2014-15, confirming that the Council had met its internal control objectives within the year.

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

**29. ACCOUNTS FOR APRIL 2015**

Committee considered a detailed report showing income and expenditure against budget to 30 April 2015.

**RESOLVED that the Accounts to 30 April 2015 be received and noted as presented with no other action required at this time.**

**30. RISK MANAGEMENT POLICY AND REGISTER**

Committee noted that Council was in the process of updating its financial administration practices to allow payments to be made via online/electronic banking. Members were advised that the Risk Management Policy and Financial Risk Register should be updated to account for this change in practice to ensure that they would be able to retain overall assurance over the Council's finances.

Committee considered the recommended addition of the words “**Council processes payments electronically where possible and the Town Clerk and Finance Administration Officer are delegated the authority to effect such payments, subject to Council’s authorised signatories confirming the accuracy of these payments by countersigning all relevant invoices and payment schedules**” on page 2 of Council’s Risk Management Policy (approved in February 2015) in paragraph 1(b) Risk Identification.

**It was RESOLVED that the recommendation above be approved and incorporated in to the Risk Management Policy and Risk Register and presented to Council for formal adoption.**

**31. CLOSURE**

The meeting was closed at 8.42pm. The next meeting was noted as being scheduled for 24 June 2015 at 7.30pm.

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Date: \_\_\_\_\_

Chairman: \_\_\_\_\_

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## AGENDA ITEM 5: ACCOUNTS FOR MAY 2015

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

16/06/2015 Felixstowe Town Council Page No 1

14:46 Summary Income & Expenditure by Budget Heading 16/06/2015

Month No : 2 Committee Report

		Actual Current Mth	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Of Budget
<b><u>Finance &amp; General Purposes</u></b>								
Expenditure		20,929	49,741	261,654	211,913	0	211,913	19.0 %
Income		165	278,592	562,021	-283,429			49.6 %
Net Expenditure over Income		20,764	-228,851	-300,367	-71,516			
<b><u>Assets &amp; Services</u></b>								
Expenditure		16,611	32,313	260,988	228,675	0	228,675	12.4 %
Income		3,164	8,684	109,371	-100,687			7.9 %
Net Expenditure over Income		13,448	23,629	151,617	127,988			
<b><u>Civic &amp; Community</u></b>								
Expenditure		15,706	28,292	110,316	82,024	0	82,024	25.6 %
Income		446	4,321	4,000	321			108.0 %
Net Expenditure over Income		15,260	23,971	106,316	82,345			
<b><u>INCOME - EXPENDITURE TOTALS</u></b>								
Expenditure		53,246	110,346	632,958	522,612	0	522,612	17.4 %
Income		3,775	291,597	675,392	-383,795			43.2 %
Net Expenditure over Income		49,471	-181,252	-42,434	138,818			

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 two months in to the year, for overall expenditure to be around 16.6%, with an explanation for any items overspent by £500 or 10% or over this level (i.e 18.3%). Total expenditure for the period stood at 17.4%. Explanatory notes and any recommended action for individual qualifying items in **Appendix A** are as follows:

### Cost Centre 101 - Administration

**4400 Stationery (23.2%)**

Front loaded – included folders and stationery for Councillors' induction.

**Recommendation: Continue to monitor on a monthly basis.**

**4425 Postage (20.0%)**

Includes Quarterly rental charge

**Recommendation: Continue to monitor on a monthly basis.**

**4460 Subscriptions (75.0%)**

Front loaded – 2 more subscriptions to pay which will be within budget.

**Recommendation: No further action.**

**4462 Internal Audit (23.8%)**

Invoiced quarterly.

**Recommendation: No further action.**

**4464 Insurance (99.2%)**

Full year payment up front.

**Recommendation: Continue to monitor on an annual basis.**

**4470 Publications (22.5%)**

Front loaded – purchased copies of Good Councillor Guide for all Councillors.

**Recommendation: Continue to monitor on a monthly basis.**

**4481 IT Maintenance & Software(40.9%)**

Front loaded, annual fee for IT support & RBS already paid.

**Recommendation: Continue to monitor on a monthly basis.**

**1800 Agency Income (0%)**

Paid every 6 months. 50% received in June

**Recommendation: Continue to monitor on an annual basis.**

**1805 Bank Interest Received (8.3%)**

One account is quarterly paid in June. However annual interest on Investment Bond will be now not be received until maturation in next financial year (April 2016).

**Recommendation: Continue to monitor on a regular basis.**

### Cost Centre 201 - Town Hall

**4110 Rates (19.8%)**

Rates are paid over 10 months only.

**Recommendation: No further action**

**4120 Gas (26.3%)**

Supplier changed 2<sup>nd</sup> May. Assets & Services made aware at its meeting of 3<sup>rd</sup> June 2015

**Recommendation: Continue to monitor on a monthly basis.**

**4122 Electricity (22.5%)**

Supplier changed 6<sup>th</sup> May. Assets & Services made aware at its meeting of 3<sup>rd</sup> June 2015

**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 (3.3%)**

£330.84, (22%) billed awaiting receipt of payment.

**Recommendation: Continue to monitor on a monthly basis.**

**Cost Centre 202 - Walton Community Hall****4110 Rates (19.8%)**

Rates are paid over 10 months only.

**Recommendation: No further action**

**4122 Electricity (33%)**

Supplier changed 6<sup>th</sup> May. Assets & Services made aware at its meeting of 3<sup>rd</sup> June 2015

**Recommendation: Continue to monitor on a monthly basis.**

**1000 Hirings (-1.0%)**

Minus represents outstanding balance owed from 2014/15. £ 1,602.29 (21%) invoiced but outstanding.

**Recommendation: Continue to monitor on a monthly basis.**

**Cost Centre 203 – Broadway House****4002 Employer Pension Contributions (19.6%)**

Employee proportioned between Walton/Broadway House.

Surplus in Walton 4002 (12.2%)

**Recommendation: Continue to monitor on a monthly basis.**

**1030 Leases, Rents & Licences (0.0%)**

Annual receipt on invoice in December.

**Recommendation: No further action.**

**Cost Centre 204 – Cemetery**

**4110 Rates (19.7%)**

Rates are paid over 10 months only.

**Recommendation: No further action**

**4122 Electricity (25.7%)**

Quarterly bill.

**Recommendation: Continue to monitor on a quarterly basis.**

**4155 Cleaning Materials (25.2%)**

Bought in bulk to last 2-3 months.

**Recommendation: Continue to monitor on a monthly basis.**

**1032 Mobile Phone Mast (0.0%)**

Paid annually, invoiced in June.

**Recommendation: No further action**

**1100 Interment Fees (0.0%)**

£6,419 (14%) invoiced but payment outstanding.

**Recommendation: Continue to monitor on a monthly basis.**

**1120 Purchase of Graves (5.6%)**

None awaiting invoicing. Can be seasonal.

**Recommendation: Continue to monitor on a monthly basis.**

**1130 Memorials (9.5%)**

None awaiting invoicing. Can be seasonal.

**Recommendation: Continue to monitor on a monthly basis.**

**1140 Upkeep of Grave Spaces (0.0%)**

Invoiced in June.

**Recommendation: Continue to monitor on a monthly basis.**

**1141 Bench Maintenance (0.0%)**

Budget is £0. Most were renovated last year. 1 known to be invoiced.

**Recommendation: No further action.**

**Cost Centre 205 – Allotments**

**1080 Allotment Rents (4.7%)**

Majority of Allotment rents are billed annually in September

**Recommendation: No further action**

**Cost Centre 301 – Civic & Community**

**4505 Mayoral Allowance (100.0%)**

Paid over at start of Municipal Year.

***Recommendation: No further action.***

**Cost Centre 302 – Section 137 Expenditure**

**4620 Annual Grants (100.0%)**

Paid over at start of Financial Year.

***Recommendation: No further action.***

**Cost Centre 304 - Communications**

**4483 Website (44.1%)**

Front loaded. Website hosting Apr-Aug 15 and Biennial fee for .gov.uk paid

***Recommendation: No further action.***

**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 2 (100.0%)**

Paid over at start of Financial Year.

***Recommendation: No further action.***

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

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## **AGENDA ITEM 6: STATEMENT OF INTERNAL CONTROL**

The Accounts and Audit Regulations 2015 states that a Council must ensure that it has a sound system of internal control which

- facilitates the effective exercise of its functions and the achievement of its aims and objectives;
- ensures that the financial and operational management of the authority is effective; and
- includes effective arrangements for the management of risk.

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

The council must operate an overall system of internal control appropriate to its expenditure and activity. As part of its system of internal control, the council arranges for an internal audit where someone, (other than the RFO and acting independently of the council), scrutinises the council's financial systems.

The system of internal control is designed to ensure that the council's activities are carried out properly and as intended. Internal controls are set up by the RFO but it falls on the Council members to ensure that they have a degree of control and understanding of those controls. Controls will include the checking of routine financial procedures; the examination of financial comparisons; the recording of assets and liabilities; the identification of risk and to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

**Committee is requested to review, and make recommendations to Council, its policy for internal controls and an Internal Control Statement for the current financial year as drafted for consideration at Appendix B.**

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## **AGENDA ITEM 7: LOCAL COUNCILS AWARD SCHEME**

As reported to Council on 4 February 2015, the Local Council Award Scheme launched on 6 January 2015 and replaced the Quality Parish and Town Council Scheme, to which Felixstowe Town Council was accredited.

The National Association of Local Councils (NALC) states that the Local Council Award Scheme exists to celebrate the successes of the very best local councils, and to provide a framework to support all local councils to meet their full potential. All local councils want to serve their local communities and make a real difference to the lives of the people that live there. The scheme offers councils the opportunity to show that they meet the standards set by the sector, assessed by their peers, and to put in place the conditions for continued improvement.

The Award Scheme has been designed to both provide the tools and encouragement to those councils at the beginning of their improvement journeys, as well as promoting and recognising councils that are at the cutting edge of the sector.

It is only through the sector working together to share best practice, drive up standards and supporting those who are committed to improving their offer to their communities that individual councils and the sector as a whole will reach its full potential.

The scheme was created in 2014 and is managed on behalf of local councils by the Improvement and Development Board (IDB).

Councils can apply for an award at one of three levels:

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- The **Foundation Award** demonstrates that a council meets the minimum requirements for operating lawfully and according to standard practice.
  - The **Quality Award** demonstrates that a council achieves good practice in governance, community engagement and council improvement.
  - The **Quality Gold Award** demonstrates that a council is at the forefront of best practice and achieves excellence in governance, community leadership and council development.

The scheme sets out criteria to meet at each level covering selected aspects of the council's work. Councils can seek to progress through the tiers over time thereby raising standards. Councils of any size can aspire to an award appropriate for their budget and level of activity. To support transparency, councils achieving an award at any level must use an online facility for publishing documents and information. In all instances the council confirms that the required documents, information and conditions are in place (whether published or not) by resolution in public at a full council meeting. For Quality Gold, councils also provide statements for submission to the panel demonstrating excellence in their activities. The panel may ask for additional information to check the accuracy of claims.

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Felixstowe Town Council has already achieved the Foundation level of the new Local Council Award Scheme, being amongst the first parish and town councils in the country to receive the accreditation certificate for this award.

Full details on the scheme are given at **Appendix C**.

Members may wish to consider possible further accreditation in the scheme, whether Council should register for the Quality or Quality Gold Award this year and whether it may be appropriate to recommend to Council that a Working Group of Members and Staff be appointed to oversee the process.

**Committee is requested to consider any recommendation to Council on the Local Councils Award Scheme.**

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