



9 am to 4 pm Mondays to Fridays

TO ALL MEMBERS OF THE FINANCE & GENERAL PURPOSES COMMITTEE

Cllr G Newman (Chairman)
Cllr S Bird (Vice Chairman)
Cllr N Barber
Cllr M Deacon
Cllr S Gallant

Cllr Jan Garfield
Cllr D Savage
Cllr A Smith
Cllr S Wiles
Cllr K Williams

You are hereby summoned to attend a meeting of the **FINANCE & GENERAL PURPOSES COMMITTEE** to be held at the **Town Hall, Felixstowe** on **Wednesday 25 January 2017** at **7.30pm** for the transaction of the following business preceded by:

- i. **Public Question Time.** A maximum of 15 minutes will be set aside to enable members of the public to make representation or put questions to the Committee on any Finance & General Purposes matters.

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 23 November 2016 as a true record.

(Pages 3-6)

5. Consultation: SCDC Beach Huts

To consider any response of Council to this consultation by 17th February 2017

(Pages 7-10)

- 6. Budget Monitoring to 31 December 2016**
To receive the budget monitoring report to 31 December 2016 and consider any actions deemed necessary. **(Pages 11-14 & Appendix B)**
- 7. Internal Audit – Quarter Three Report**
To receive the report of the Internal Auditor and agree appropriate action in respect of any matters raised. **(Page 14 & Appendix C)**
- 8. Investment Policy and Strategy**
To review the Investment Policy & Strategy and make any recommendations to Council. **(Page 14 & Appendix D)**
- 9. Insurance Adequacy Review**
To review the adequacy of the Council's insurance provision and make any recommendations to Council. **(Page 15)**
- 10. Closure**
To close proceedings and confirm the date of the next meeting scheduled for Wednesday 22 March 2017 at 7.30pm.



Ash Tadjrishi
Town Clerk
19 January 2017

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

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

AGENDA ITEM 4: CONFIRMATION OF MINUTES

MINUTES of the **FINANCE & GENERAL PURPOSES COMMITTEE** meeting held at Felixstowe Town Hall on **Wednesday 23 November 2016** at **7.30pm**

PRESENT: Cllr G Newman (Chairman) Cllr Jan Garfield
Cllr S Bird (Vice-Chairman) Cllr D Savage
Cllr N Barber Cllr A Smith
Cllr M Deacon Cllr S Wiles
Cllr S Gallant Cllr K Williams

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

342. APOLOGIES FOR ABSENCE

No apologies for absence were received.

343. DECLARATIONS OF INTEREST

| Member(s) | Minute No. | Nature of Interest |
|---|-------------------|--|
| Cllr S Bird Cllr M Deacon 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 a Members of Suffolk County Council) |

344. REQUESTS FOR DISPENSATION

There were none.

345. CONFIRMATION OF MINUTES

It was **RESOLVED** that the **Minutes of the Finance & General Purposes Committee Meeting held on 28 September 2016** be signed by the Chairman as a true record.

346. BUDGET MONITORING TO 31 OCTOBER 2016

Committee received the budget monitoring report to 31 October 2016.

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.

It was **RESOLVED** that the **budget monitoring report to 31 October 2016** be noted with no other action required at this time.

347. INTERNAL AUDIT – QUARTER TWO

Committee considered the Internal Audit report for the period ending 30 September 2016. The Auditor found no issues to report and has commended Council for the way it is governed and managed. Committee discussed the Auditor's suggestion of a reduction in the frequency of Council's internal audits from quarterly to biannual.

It was RESOLVED that:

- i. the report of the Internal Auditor be noted;**
- ii. for the purpose of budget setting and in the next review of its internal financial controls in January 2017, Committee recommends to Council a reduction in the frequency of its internal audits to biannual.**

348. MAYORAL ALLOWANCE 2017/18

Committee discussed the Mayoral Allowance and potentially reducing this by £1,000, in order to increase the Civic Events budget so that Council is able to meet the cost of the Mayor's Civic Reception. Discussion took place regarding whether the Mayoral allowance was sufficient to defray the cost of the office of Town Mayor, it was agreed to review after one year and to request the forthcoming Mayor to input into the review process after their year in office.

Committee RESOLVED to recommend to Council that:

- i. the Mayor's Allowance for 2016/17 be set at £6,000 for the purpose of defraying the costs associated with the office of Town Mayor;**
- ii. a further £1,000 be added to the existing Civic Events budget to be put towards the cost of the Mayor's Civic Reception.**

349. BUDGET 2017/18 (First Draft)

Committee considered the papers showing a first draft full budget, including earmarked reserves requirements for 2017/18. Members also considered comparisons against the current-year budget, actual expenditure and projected outturn for the full year 2016/17.

The Clerk advised that Suffolk Coastal District Council had confirmed Felixstowe Town Council's tax base for 2017/18 to be 8,162.47. It was noted that the current year would be the final year in which the Local Council Tax Scheme grant would be received.

It was noted that the draft budget proposals for 2017/18 required a precept of £549,742. Using the confirmed tax base this would equate to £67.35 per

Council Tax Band D equivalent ratepayer. It was noted that the Band D equivalent for the years 2016/17, 2015/16 and 2014/15 had also been £67.35.

On the basis that the budget estimates 2017/18 would result in a 0% change/nil tax increase to local residents, Committee recommended that the budget be referred to Council for approval.

Committee discussed reducing the proposed transfers in to the Community Fund Earmarked reserve to allow the Occasional Grants budget to be increased by a further £10,000 to £25,000 for 2017/18. It was agreed that this amendment, plus any adjustments to the budget deemed appropriate by the Town Clerk which would not cause the total requirement to change, be recommended to Council in January for final consideration.

Members recorded a vote of thanks to the Town Clerk and Finance Officer for their work on the budget estimates and their presentation.

Committee RESOLVED to recommend to Council that:

- i. the Occasional Grants budget be increased by £10,000 to £25,000 for 2017/18 with the funding being made available via a reduction in the proposed transfer to the Community Fund Earmarked Reserve; and,**
- ii. subject to the above amendment and any further adjustments to the budget deemed appropriate by the Town Clerk which would not cause the total requirement to change, the draft budget 2017/18 proposals be recommended to Council for approval as presented.**

350. PROPOSED MERGER OF SUFFOLK COASTAL & WAVENEY DISTRICT COUNCILS

Committee considered the information on the proposed merger of Suffolk Coastal and Waveney District Councils. Members were generally supportive of the proposals and clear about the financial benefit but were concerned about how this might affect the number of district councillor for Felixstowe and corresponding electoral wards.

It was felt that any decrease to the number of district councillors for Felixstowe would lead to an increase in the workload for those representing the town to a larger 'East Suffolk District Council'.

It was RESOLVED that the Town Clerk should respond to the consultation on the basis above.

351. SUFFOLK LOCAL POLICING REVIEW (SLPR) – REQUEST FOR FEEDBACK

The Town Council had been invited to feedback on the impact of the changes embedded since the Suffolk Local Policing Review (SLPR) in April.

Members were concerned that the changes had resulted in a significant detrimental effect on the policing cover provided to Felixstowe residents.

Committee remained unconvinced of the benefits of the SLPR since its introduction in April 2016 and considers it to be fundamentally flawed for all the reasons put to the PCC back in January 2016.

Members commented that the significant reduction in the staffing levels of the SNT, coupled with the reduction in late shift working, had resulted in a marked decrease in the visibility of community officers in the early evenings. In turn, this had led to corresponding increase in instances of Anti-Social Behaviour and criminal damage.

It was RESOLVED that the Town Clerk should respond to the PCC on the basis above with a request that the police presence be increased and a return of the response hub to Felixstowe.

352. CLOSURE

The meeting was closed at 21.20pm. The next meeting was noted as being scheduled for 25 January 2017 at 7.30pm.

AGENDA ITEM 11: CONSULTATION: SCDC BEACH HUTS

Felixstowe Town Council has delegated authority to the Finance & General Purposes Committee to consider and respond to the Suffolk Coastal District Council's Beach Huts consultation.

The six-week consultation, running until 17 February 2017, asks the public to consider the recommendations to convert all the current beach hut site licences into longer term leases and the proposed charges.

This follows a decision in December's Cabinet meeting, which considered the review of the beach hut service to identify any service efficiencies and to consider further income generation opportunities. (The publically available SCDC Cabinet report is also provided at **Appendix A.**)

The review was launched in support of the current East Suffolk Business Plan, which contains a specific action to 'Increase the number of beach huts provided in the District by at least 10%'.

The two main drivers of the beach hut review are to increase equality by increasing the opportunities for residents to have access to a beach hut, while also maximising the income generated from this resource to invest in core services, therefore reducing the burden on the Suffolk Coastal tax payer.

Following the results of the consultation, a revised report will be brought to Cabinet to consider.

All responses need to be completed and returned by 5pm on Friday 17 February 2017.

SCDC Report on Financial Background:

(Source: <http://www.eastsuffolk.gov.uk/assets/News/SCDC-Beach-Hut-Review-Financial-Background.pdf>)

Since 2010, the government has reduced funding for local government in England as part of its plan to reduce the financial deficit.

Suffolk Coastal District Council operates within a challenging financial environment. It has an annual budget of about £12million. Around £7million comes from Council Tax.

Grant income from the Government has dropped from £7.4million in 2010/11 to £2.2million in 2015/16. By 2020 the central Government grant support is predicted to be zero.

The District's economy is very strong. So, in recent years, the Council has benefited from what is called 'incentivised income', through Business Rate Retention and New Homes Bonus, but these income streams are quite unpredictable and influenced by wider economic factors and government policies.

Suffolk Coastal has successfully managed to maintain its frontline services and continues to make significant investments in its communities.

Working with Waveney District Council, the two Councils have been leading the way nationally and in Suffolk by entering into a shared services arrangement. Together, the Councils delivered a combined saving of over £16m by 2015/16 by becoming more efficient, reducing staffing and operational costs.

In addition, the Council has made significant Capital investments in the District, notably over £16m in Felixstowe since 2011, with further investment plans of up to £19m by 2020.

However, despite the efficiencies already achieved, more needs to be done to address the remaining budget deficit of £3.4m in 2017/18 and £4.8m by 2019/20 if no actions were taken.

One of the ways the Council makes up the difference is by charging for certain services, such as the provision of beach hut sites.

Suffolk Coastal has put in place a strong Business Plan, which provides the Council with a long term framework to reduce its dependency on central Government grants and help it become financially self-sufficient. One of the key components of its financial self-sufficiency objective is for the Council to increase the income it generates. Fees and charges are a significant source of income and crucial to maintaining the extent and quality of the key services it provides.

The Council provides a wide range of services to its communities, often for a fee or charge. The nature of these fees and charges generally depends on whether they relate to statutory or discretionary services. Some of these, such as those for statutory fees, are set by Government statute and outside the Council's control.

The Council's policy for its non-statutory services is to review Fees and Charges each year and the current policy on fees and charges states:

"Increase existing fees and charges on a market forces basis whilst having regard to the Council's policies and objectives. As a minimum, fees and charges should be increased by price inflation. The Council will also review opportunities to introduce new fees as appropriate".

The recently launched East Suffolk Business plan sets financial self sufficiency as a strategic aim and this contains a specific action to "Increase the number of beach huts provided in the District by at least 10%."

In complying with the Council's approved Business Plan and Medium Term Financial Strategy, and as part of its overall financial planning process, a comprehensive review of the beach hut service has been undertaken to fully understand how the portfolio operates, to identify any service efficiencies and to consider further income generation opportunities and ensure value for money for the taxpayer.

Beach Hut Service Review

To view the full publicly available part of the review report, please see our website <http://apps.eastsuffolk.gov.uk/committeeminutes/> and click on 06/12/2016 Cabinet.

The key recommendations were to:

- Develop additional beach huts in existing and new locations;
- Convert all current and new site licences onto longer-term leases (from annual licences);
- and,

- Introducing some new sites and converting some existing beach hut sites to a 'try before you buy' basis.

Key Points from Suffolk Coastal's Beach Hut Service Review

- The Council currently license plots of land to beach hut owners and permits the siting of beach huts on these sites. The rent charged relates specifically to the sites, not the beach huts, and it is not directly related to the market value of the land asset because application of a market rent review has not been applied to reflect the land value of the sites. The standard licensing arrangement, and the management processes that support it, have been in place since the decision was made to license beach huts to beach hut owners on an annual basis. The beach hut review recommends that this process should be revised.
- The review proposes to revise the way existing beach huts are managed by offering current beach hut licence holders a 10-year commitment for the site on which they currently reside, through a lease.
- The review undertakes a thorough market analysis exercise and concludes that the current annual license fees do not represent the market value of the land asset. This is due to sporadic increases and periods of low, or no, inflation. The review compares other Councils' service and pricing models and although the strategy within many of these models varies; i.e. some look to provide leases for the land and hut whereas others provide shorter leases with no option to transfer the asset, overall, it concludes that the comparable rates for the Suffolk Coastal area should be increased significantly alongside the current licencing arrangements.
- The report proposes that the rent will be subject to annual 10% rental increases for the first eight years of the term and then increase by RPI in the last 2 years of the term.
- Example: Brackenbury Cliffs (Standard) @ £350 rental (2016) with 10% per year uplift
 - 2017 - £385
 - 2018 - £423
 - 2019 - £465
 - 2020 - £512
 - 2021 - £563
 - 2022 - £619
 - 2023 - £681
 - 2024 - £750

On average, this equates to an average increase of £40 in Year 1. This rental figure includes annual ground maintenance fees

- Beach hut owners that licence sites in Manor End currently pay the lowest site fees in Felixstowe. The Suffolk Coastal beach hut review identified that this area of Felixstowe has seen major local redevelopment in the past five years and therefore proposes to increase charges by 20% in the first year, to reflect the new surroundings and increased desirability (20% rent increase in year 1, then 10% increases for 7 years before 2 years of inflation by RPI).

- Existing beach hut owners are being offered a 10-year commitment from Suffolk Coastal. Those that choose not to sign up to this would be asked to remove their hut from the site it currently resides before their licence terminates.
- The review has proposed there is an initial lease premium (minimum of £7k) for new sites, but this will not be applied to any agreement granted to existing beach hut licence holders for the duration of the proposed 10-year commitment. The lease premium will be applied should the Council choose to renew any lease at the end of the 10-year commitment period.
- The report recommended that if existing beach hut owners sell their beach hut during the period of the initial lease term, the new owner will not pay the £7,000 lease premium until the start of the term following the remainder of the 10 year commitment term transferred from the original owner.
- The review of existing arrangements has highlighted a number of improvement opportunities. For example the average beach hut in Felixstowe is currently sold for anywhere between £10-21k, when this sale takes place Suffolk Coastal only charges a £32.64 admin fee to terminate the former beach hut owner's licence, and grant a new one to the new beach hut owner. In line with the recommendations of the report, this would look to change to an assignment fee that equals three times the annual rent.

As instructed by Council, the Clerk has requested from Suffolk Coastal District Council a copy of their letter of instruction to the author of the beach huts review report and a copy of the full report itself.

In the meantime the Clerk has ascertained that there are presently 222 beach hut owners in Felixstowe. There are 904 Felixstowe huts in total, therefore the percentage of owners from Felixstowe is 24.5%.

The administration of Beach Huts and Chalets is undertaken by a Suffolk Coastal District Council Officer based at Felixstowe Town Hall. A licence from FTC to SCDC for the use of an office at the Town Hall was renewed on 1st April 2016 and runs until 31st March 2017. Renewal of the licence on the same terms is offered to SCDC for 2017-18.

Committee is requested to consider submitting a response to this consultation on behalf of Felixstowe Town Council by 17th February 2017.

AGENDA ITEM 6: BUDGET MONITORING TO 31 DECEMBER 2016

A summary Income & Expenditure Report to 31 December 2016 is shown below with a detailed report provided at **Appendix A**.

04/01/2017

Felixstowe Town Council

Page No 1

10:20

Summary Income & Expenditure by Budget Heading 31/12/2016

Month No : 9

Committee Report

| | | Actual Last Year | Actual Year To Date | Current Annual Bud | Variance Annual Total | Committed Expenditure | Funds Available | % Of Budget |
|--|--|---------------------|------------------------|-----------------------|--------------------------|--------------------------|--------------------|----------------|
| <u>Finance & General Purposes</u> | | | | | | | | |
| Expenditure | | 246,186 | 194,155 | 254,788 | 60,634 | 0 | 60,634 | 76.2 % |
| Income | | 560,478 | 561,805 | 560,711 | 1,093 | | | 100.2 % |
| Net Expenditure over Income | | <u>-314,292</u> | <u>-367,650</u> | <u>-305,923</u> | <u>61,727</u> | | | |
| <u>Assets & Services</u> | | | | | | | | |
| Expenditure | | 235,089 | 163,129 | 260,452 | 97,323 | 0 | 97,323 | 62.6 % |
| Income | | 127,881 | 87,852 | 100,638 | -12,786 | | | 87.3 % |
| Net Expenditure over Income | | <u>107,208</u> | <u>75,277</u> | <u>159,814</u> | <u>84,537</u> | | | |
| <u>Civic & Community</u> | | | | | | | | |
| Expenditure | | 105,499 | 98,043 | 111,481 | 13,438 | 0 | 13,438 | 87.9 % |
| Income | | 11,833 | 17,210 | 7,990 | 9,220 | | | 215.4 % |
| Net Expenditure over Income | | <u>93,665</u> | <u>80,832</u> | <u>103,491</u> | <u>22,659</u> | | | |
| <u>INCOME - EXPENDITURE TOTALS</u> | | | | | | | | |
| Expenditure | | 586,774 | 455,326 | 626,721 | 171,395 | 0 | 171,395 | 72.7 % |
| Income | | 700,192 | 666,867 | 669,339 | -2,472 | | | 99.6 % |
| Net Expenditure over Income | | <u>-113,418</u> | <u>-211,541</u> | <u>-42,618</u> | <u>168,923</u> | | | |

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. Council's budgets are not produced on a phased basis but the expectation is, being seven months in to the year, for overall expenditure to be around 75%, with an explanation for any items overspent by £500 or 10% or over this level (i.e. 82.5%). Total expenditure for this period stood at 72.7%.

Explanatory notes and any recommended action for other individual qualifying items in **Appendix A** are as follows:

| Cost Centre 101 - Administration |
|---|
| <p>4446 Mobile Phones (151.1% £61 overspend) Cost of running two mobile phones at £10 per month. Budget estimate originally based on £5 per month. Recommendation: Monitor. An increased budget provision for 2017-18 has been approved by Council.</p> |
| <p>4461 External Audit (100.0%) Completed in 2016. Recommendation: No action.</p> |
| <p>4464 Insurance (98.9%) Full year payment up front, including recent increase due to revaluation of buildings. Recommendation: No action.</p> |
| <p>4550 Bank Charges (97.7%) Bank charges introduced by Barclays in August 2016. Not included in original budget estimate. Recommendation: Monitor. An increased budget provision for 2017-18 has been approved by Council.</p> |
| Cost Centre 201 - Town Hall |
| <p>4110 Rates (89%) On target. Rates are paid over 10 months only. Recommendation: No further action. Expected to be within budget at year end.</p> |
| <p>4180 Licences (100%) Paid in full for 2016-17. Recommendation: No action.</p> |
| Cost Centre 202 – Walton Community Hall |
| <p>4110 Rates (89%) On target. Rates are paid over 10 months only. Recommendation: No further action. Expected to be within budget at year end.</p> |
| <p>1000 Hirings (73.6%) Further £616.67 (8.2%) invoiced, awaiting payment. £1,667.75 (22%) being reclaimed via debt-recovery action. Some long-term regular hirers are invoiced monthly in arrears. Recommendation: A&S Committee to monitor.</p> |
| Cost Centre 203 – Broadway House |
| <p>1030 Leases, Rents & Licences (0.0%) Annual receipt on invoice in December. Recommendation: No further action. Expected to be within budget at year end.</p> |

| |
|--|
| Cost Centre 204 – Cemetery |
| <p>4110 Rates (88.8%) On target. Rates are paid over 10 months only. Recommendation: No further action. Expected to meet budget at year end.</p> |
| <p>4300 Vehicle Running Costs (99.6%) Recent repair required for with ABS Control Unit on Truck Recommendation: Continue to monitor.</p> |
| Cost Centre 301 – Civic & Community |
| <p>4505 Mayoral Allowance (100%) Transferred to the Mayor. Recommendation: No further action.</p> |
| <p>4513 Civic Awards (102.3%) Event held in 2016. Certificate frames for next year ordered. Recommendation: No further expenditure expected in 2016-17.</p> |
| <p>4600 CCTV (100%) Full year contract fee paid. Recommendation: No further action</p> |
| <p>4645 Christmas Lights (100%) Funding advanced to Lions Club for 2016/17. Complete. Recommendation: No further action</p> |
| Cost Centre 302 – Section 137 Expenditure |
| <p>4531 Remembrance (95.2%) Completed November 2016. Recommendation: No further action.</p> |
| <p>4655 Occasional Grants (100%) Completed December 2016. Recommendation: No further action.</p> |
| Cost Centre 303 – Felixstowe in Flower |
| <p>4170 Repairs and Maintenance (97.2%) Felixstowe in Flower completed in 2016. Recommendation: No further action. Expected to be within budget at year end.</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 2 (100.0%)

Paid over at start of Financial Year.

Recommendation: No further action.

4670 Felixstowe Forward (100.0%)

Complete.

Recommendation: No further action.

Committee is requested to note that implementation of the new staffing structure in the current financial year will impact on the expected outturn of the total staffing budget for 2016/17. This is estimated to comprise an expected outturn for employer pension contributions of approx. £85,490 (against a budget of £62,196) and salaries of approx. £284,921 (against a budget of £270,617). Projected savings across other areas of Council's budget are anticipated to mitigate the one-off costs associated with the implementation of the staffing structure which is also estimated to provide ongoing savings to Council from 2017/18.

Committee is requested to consider the Accounts to 31 December 2016 and decide on any action it deems necessary.

AGENDA ITEM 7: INTERNAL AUDIT – QUARTER 3 REPORT

The Internal Audit Report for the Quarter ending 31 December 2016 is attached at **Appendix C**.

There are no recommendations.

Committee is requested to consider the attached quarterly Internal Audit Report for the period ending 31 December 2016 and make recommendations to Council for any action it deems necessary.

AGENDA ITEM 8: INVESTMENT POLICY AND STRATEGY

Council is required to review its Investment Policy & Strategy annually. The existing policy documents have been updated to reflect current investments and is presented at **Appendix D** for consideration.

Committee is requested to consider the attached Investment Policy & Strategy and make recommendations to Council for any action it deems necessary

AGENDA ITEM 9: INSURANCE ADEQUACY REVIEW

Council's insurance is arranged through its broker, WPS, and provided by Aviva. In April 2016 a new three year LTA was agreed at a cost of £7,206.59 (which included a 5% discount).

In September a Buildings Revaluation Appraisal was carried out by Barrett Corp Harrington, resulting in an additional six-months premium of £76.71. Council's buildings are now insured to professional survey valuation.

Insurance cover is provided, in accordance with Council's Risk Management Policy, to the following levels:

- (a) **Protection of physical assets:** All physical assets are insured.
- (b) **Public Liability:** The Council has a Public Liability Insurance of £10,000,000. It has also personal accident liability cover for employees, members and volunteers under the above policy.
- (c) **Employers Liability:** The Council has an Employers Liability Insurance of £10,000,000
- (d) **Loss of cash:** Insured to the sum of £2,000
- (e) **Fidelity guarantee:** Insured to the sum of £1,500,000
- (f) **Libel and Slander:** Insured to the sum of £250,000
- (h) **Office equipment:** Insured to the value of £58,704
- (i) **Personal accident:** Insured to standard contingencies

Insured risks may be amended at any time during the three-year LTA with WPS. There is no charge to change the risks but the insurance premium may change accordingly.

Additional insurance provision is acquired to cover the hired-in plant equipment at a cost of £666.50 (inc. 9.5% insurance premium tax) for 2016/17.

Furthermore, an endorsement was added to the Council's Motor insurance policy for the use of any hire-in plant vehicle. WPS have confirmed renewal premiums for 2017-18 as follows:

- a) Town Council Policy (Aviva). £7,578.20 including insurance premium tax. Insurers have advised that they have applied index linking onto the building and contents values.
- b) Engineering (covers hired in plant, based on annual hiring charges of £3,500 for a mini digger and a wood chipper). £550 including insurance premium tax.
- c) Motor Vehicles Policy. £660 including premium tax.

Insurance premium tax rate has increased from 9.5% to 10% which has contributed towards a small increase in the renewal premiums. Council has budgeted £9,000 for insurance costs for 2017/18, the total cost above being £8,788.80

Committee is requested to confirm the adequacy of its arrangements for insurance cover in respect of all insured risks and make any recommendations to Council.
