



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 May 2016** 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 27 April 2016 as a true record. **(Pages 3-5)**

**5. Budget Monitoring to 30 April 2016**

To receive budget monitoring report to 30 April 2016 and consider any actions deemed necessary.

**(Pages 6-9 & Appendix A)**

**6. Statement of Internal Control**

To review the Council's Statement of Internal Control and make any recommendations to Council.

**(Page 10 & Appendix B)**

**7. Review of Internal Audit Effectiveness**

To review the effectiveness of Council's appointed Internal Auditor and make any recommendations to Council.

**(Pages 11-12)**

**8. Business Plan 2016-2020**

To consider a first draft of a Business Plan for the Town Council for the period 2016-2020 and make any recommendations to Council.

**(Page 13)**

**9. Community Emergency Plan Working Group – Update**

To receive an update from the Working Group on a Community Emergency Plan for Felixstowe.

**(Page 14)**

**10. Closure**

To close proceedings and confirm the date of the next meeting scheduled for Wednesday 27 July 2016 at 7.30pm.



**Ash Tadjrishi  
Town Clerk  
19 May 2016**

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 27 April 2016** at **7.30pm**

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

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

### **586. APOLOGIES FOR ABSENCE**

Apologies for absence were received from **Cllr N Barber, Cllr C Barham** and **Cllr S Bloomfield**.

### **587. DECLARATIONS OF INTEREST**

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

### **588. REQUESTS FOR DISPENSATION**

There were none.

### **589. CONFIRMATION OF MINUTES**

It was **RESOLVED** that the **Minutes of the Finance & General Purposes Committee Meeting held on 23 March 2016** be signed by the **Chairman** as a true record.

### **590. ACCOUNTS TO 31 MARCH 2016**

Committee considered the full-year accounts report for the year 1 April 2015 – 31 March 2016.

The Council’s final unaudited position was noted and the Clerk advised that the Council’s Annual Return for the Financial Year 2015-16 was being prepared in readiness for presentation to Council in June.

**RESOLVED** that the **Accounts to 31 March 2016** and the **Council’s financial position at year end 2015/16** be noted as received; and, a **vote of thanks** be recorded to the **Clerk** and **Finance Administration Officer** for the clarity of the information provided.

**591. BUSINESS PLANNING 2016-2020**

Members considered potential objectives for the Finance & General Purposes Committee as part of Council's draft Business Plan for 2016-2020.

**It was RESOLVED that, subject to the use of plain language throughout, the draft objectives be approved for inclusion in the Plan; which would be brought to Committee in full for further consideration at its next meeting.**

**592. ANNUAL REPORT 2015/16**

Committee considered the financial aspect of the Council's Annual Report for 2015/16.

Members requested that the information presented in the pie charts be made clearer for the final version and reference be given to Council's review of its Terms of Reference.

**It was RESOLVED that, subject to the amendments discussed being incorporated, the financial information for Council's 2015/16 Annual Report be approved and presented to Council within the final version of the report at the Annual Council Meeting.**

**593. COMPLAINTS PROCEDURE**

Committee reviewed the Council's Complaints Procedure for 2016/17.

**It was RESOLVED that Council's Complaints Procedure be recommended to Annual Council for re-adoption in 2016/17 without amendment.**

**594. FREEDOM OF INFORMATION AND PUBLICATION SCHEME**

Committee considered the Information Commissioner's Office (ICO) model publication scheme as a replacement for Council's current scheme.

It was noted that the ICO model may be adopted without modification by any public authority without further approval by the ICO. Members requested that, should Council adopt the ICO model, it be presented in the 'usual house-style'.

Committee noted that the schedule of information available from Felixstowe Town Council had been updated to reflect the availability of much of the information for free via the Council's website.

**RESOLVED that the ICO model publication scheme be recommended to Annual Council for adoption alongside the updated schedule of information available from Felixstowe Town Council.**

**595. INTERNAL AUDIT REPORT: QUARTER FOUR 2015-16**

Committee considered the Internal Audit report for the quarter ending 31 March 2016 and noted that there were no recommended actions recorded.

The Clerk advised that the Internal Auditor had completed the relevant section of the Annual Return for 2015-16, 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 2016 be received and a vote of thanks be recorded to the staff for their work.**

**596. CLOSURE**

The meeting was closed at 8.13pm. The next meeting was noted as being scheduled for 25 May 2016 at 7.30pm.

---

## AGENDA ITEM 5: BUDGET MONITORING TO 30 APRIL 2016

A summary Income & Expenditure Report to 30 April 2016 is shown below with a detailed report provided at **Appendix A**.

10/05/2016	<b>Felixstowe Town Council</b>						Page No 1
08:56	<b>Summary Income &amp; Expenditure by Budget Heading 29/04/2016</b>						
Month No : 1	<b>Committee Report</b>						
	Actual Last Year	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	246,186	27,033	249,621	222,588	0	222,588	10.8 %
Income	560,478	281,344	560,711	-279,367			50.2 %
Net Expenditure over Income	<b>-314,292</b>	<b>-254,311</b>	<b>-311,090</b>	<b>-56,780</b>			
<b><u>Assets &amp; Services</u></b>							
Expenditure	235,089	14,828	265,618	250,790	0	250,790	5.6 %
Income	127,881	-424	100,638	-101,062			-0.4 %
Net Expenditure over Income	<b>107,208</b>	<b>15,252</b>	<b>164,980</b>	<b>149,728</b>			
<b><u>Civic &amp; Community</u></b>							
Expenditure	105,499	1,861	111,481	109,620	0	109,620	1.7 %
Income	11,833	2,288	7,990	-5,702			28.6 %
Net Expenditure over Income	<b>93,665</b>	<b>-427</b>	<b>103,491</b>	<b>103,918</b>			
<b><u>INCOME - EXPENDITURE TOTALS</u></b>							
Expenditure	586,774	43,721	626,720	582,999	0	582,999	7.0 %
Income	700,192	283,207	669,339	-386,132			42.3 %
Net Expenditure over Income	<b>-113,418</b>	<b>-239,486</b>	<b>-42,619</b>	<b>196,867</b>			

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 one month in to the year, for overall expenditure to be around 8.3%, with an explanation for any items overspent by £500 or 10% or over this level (i.e. 9.2%). Total expenditure for the first month stood at 7%. Explanatory notes and any recommended action for individual qualifying items in **Appendix A** are as follows:

<b>Cost Centre 101 - Administration</b>
<p><b>4270 Printer/Photocopier (14.8%)</b>  First of four quarterly lease payments made in April.  <b>Recommendation: No action.</b></p>
<p><b>4446 Mobile Phones (17.5%)</b>  Cost of running two mobile phones at £10 per month. Budget estimate originally based on £5 per month.  <b>Recommendation: Review budget provision for 2017-18</b></p>
<p><b>4460 Subscriptions (12.9%)</b>  Front loaded – two annual subscriptions paid to date.  <b>Recommendation: No action.</b></p>
<p><b>4464 Insurance (98.0%)</b>  Full year payment up front.  <b>Recommendation: No action.</b></p>
<b>Cost Centre 201 - Town Hall</b>
<p><b>4110 Rates (9.9%)</b>  Rates are paid over 10 months only.  <b>Recommendation: No action.</b></p>
<p><b>4120 Gas (11.1%)</b>  Mar-Apr billing period – costs fluctuate on a seasonal basis. Supplier changed with effect 7/5/16  <b>Recommendation: Continue to monitor on a regular basis</b></p>
<p><b>4180 Licences (100%)</b>  Paid in full for 2016-17.  <b>Recommendation: No action.</b></p>
<p><b>1000 Hirings (0%)</b>  £214.17 (17.8%) invoiced, awaiting payment.  <b>Recommendation: Continue to monitor on a monthly basis.</b></p>
<p><b>1030 Leases, Rents &amp; Licences (0%)</b>  £3,750 (68%) invoiced &amp; already received for May. Payments due at various points in-year. Expect to be at 100% by year end.  <b>Recommendation: No further action</b></p>
<b>Cost Centre 202 – Walton Community Hall</b>
<p><b>4110 Rates (9.8%)</b>  Rates are paid over 10 months only.  <b>Recommendation: No further action</b></p>
<p><b>1000 Hirings (0%)</b>  £1,221.68 (16.2%) invoiced, awaiting payment + £1,667.75 (22%) for year 2015/16  <b>Recommendation: Continue to monitor on a monthly basis.</b></p>

<b>Cost Centre 203 – Broadway House</b>
<p><b>1030 Leases, Rents &amp; Licences (0.0%)</b> Annual receipt on invoice in December. <b>Recommendation: No further action.</b></p>
<b>Cost Centre 204 – Cemetery</b>
<p><b>4110 Rates (9.8%)</b> Rates are paid over 10 months only. <b>Recommendation: No further action</b></p>
<p><b>4122 Electricity (15.6%)</b> Quarterly bill, now moving over to pay monthly direct debit <b>Recommendation: Continue to monitor on a monthly basis.</b></p>
<p><b>3002 Vehicle Running Costs (15.1%)</b> Some costs are front loaded e.g. Truck MOT &amp; Tax paid for the year. <b>Recommendation: Continue to monitor on a monthly basis.</b></p>
<p><b>1032 Mobile Phone Mast (0.0%)</b> Paid annually, invoiced in June. <b>Recommendation: No further action</b></p>
<p><b>1100 Interment Fees (0.1%)</b> £6,465 (16%) invoiced, awaiting payment. <b>Recommendation: Continue to monitor on a monthly basis.</b></p>
<p><b>1120 Purchase of Graves (0%)</b> None purchased to date. <b>Recommendation: Continue to monitor on a monthly basis.</b></p>
<p><b>1130 Memorials (0%)</b> £1,441 (15.6%) invoiced, awaiting payment. <b>Recommendation: Continue to monitor on a monthly basis.</b></p>
<p><b>1140 Upkeep of Grave Spaces (0.0%)</b> Invoiced in June. <b>Recommendation: Continue to monitor on a monthly basis.</b></p>
<p><b>1141 Admin Fees (0.0%)</b> £65 (9.2%) invoiced, awaiting payment. <b>Recommendation: No further action.</b></p>
<b>Cost Centre 205 – Allotments</b>
<p><b>1080 Allotment Rents (3.7%)</b> Majority of Allotment rents are billed annually in September <b>Recommendation: No further action</b></p>



<b>Cost Centre 301 – Civic &amp; Community</b>
<b>4511 Town Twinning (9.7%)</b> Twinning visit for Mayor’s Ball. <b>Recommendation: Continue to monitor on a regular basis</b>
<b>Cost Centre 303 – Felixstowe in Flower</b>
<b>4290 Flowers &amp; Containers (12.4%)</b> Costs relate to new hanging baskets in readiness for FiF 2016 <b>Recommendation: Continue to monitor on a regular basis</b>
<b>Cost Centre 305 – Community Fund Projects</b>
<b>4625 Felixstowe Harwich Ferry (100.0%)</b> Paid over at start of Financial Year. <b>Recommendation: No further action.</b>

**Committee is requested to consider the Accounts to 30 April 2016 and decide on any action it deems necessary.**

---

## **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.**

---

## **AGENDA ITEM 7: REVIEW OF INTERNAL AUDIT EFFECTIVENESS**

Regulation 6 of the Accounts and Audit Regulations 2015 imposes a duty on local councils to “maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control.”

Internal audit is a key component of the system of internal control. The purpose of internal audit is to review whether the systems of financial and other controls over a council’s activities and operating procedures are effective.

Local councils are required, at least once a year, to conduct, in accordance with proper practices, a review of the effectiveness of internal audit. The 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.

### **Review of effectiveness of internal audit**

Mr Colin Poole, as appointed by the Suffolk Association of Local Councils (SALC), has acted as the internal auditor to Felixstowe Town Council since October 2015. SALC have been providing internal audit services to the Town Council since December 2012.

For internal audit to be considered effective, the following criteria must be satisfied:

- that the internal auditor is independent of the other financial controls and procedures of the council which are subject of review;
- that they are competent to carry out the role in a way that will meet the business needs of the council;
- that consideration is made to how many times in a year the systems and records should be subject to internal audit;
- that the scope of internal audit is sufficient;
- that any internal audit report is considered in full by a meeting of the parish council; and,
- that appropriate action is taken on any recommendations contained in the internal audit report.

The Council must also satisfy itself that the quality of delivery of the internal audit service provides reliable assurance about the Council’s internal controls and its management of risk.

Considering these requirements for internal audit for Felixstowe Town Council:

### **Independence**

Mr Poole has no involvement in the Council’s financial controls, procedures or decision making. He is not related to, nor associated with, any member of the Council or the Clerk. The internal auditor has direct access to the Council should he think this necessary.

### **Competence**

Mr Poole has extensive experience of carrying out audit work for parish councils across Suffolk on behalf of the Suffolk branch of the National Association of Local Councils.

There is no evidence/reason to believe that the internal audit will not be carried out competently, ethically and with integrity and objectivity.

### **Frequency of Internal Audit**

Paragraph 2.60 of "Governance and Accountability for Local Councils – a Practitioner's Guide 2014" states that *"Internal audit is an on-going function reporting to the council at least once a year....It is good practice for internal audit to be undertaken regularly throughout the financial year to test the continuing existence and adequacy of internal controls."*

An internal audit of Felixstowe Town Council is currently carried out four times a year on a quarterly basis.

### **Scope of Work**

The scope of the internal audit work carried out by Mr Poole follows the suggested approach to internal audit provided by Appendix 9 of the "Governance and Accountability for Local Councils – a Practitioner's Guide 2014."

### **Audit Report**

Mr Poole prepares a report in his own name following completion of each internal audit. The reports are presented to the Finance & General Purposes Committee at the next meeting after they are issued.

### **Appropriate Action on Recommendations**

All recommendations in the audit reports are considered by the Finance & General Purposes Committee at the meeting in which the report is received. Any actions taken prior to the meeting, such as may be appropriate under delegated authority or for matters of urgency, are reported to the Committee at this time. Any actions to be taken on the recommendations made are recorded in the minutes of the meeting and reported to Council for approval if required.

**Council is requested to review the effectiveness of the internal audit and approve arrangements for 2016/17.**

---

## **AGENDA ITEM 8: BUSINESS PLAN 2016-2020**

At its meeting of 23 March 2016, Committee considered the recommendation of the Local Councils' Award Scheme Working Group for the development of a Council business plan (*Minute #518 of 2015/16 refers*).

Committee agreed that a Business Plan for Felixstowe Town Council should span four years, from 2016 to 2020. This would allow for the Plan to be in its final year during the first year of the next new Council term and able to be reviewed for a new four year period from the following year. i.e. each new Council would be able to see out a current plan and work towards setting a new one in its first year.

To assist in the production of the Business Plan, each of Council's committees has considered and recommended objectives which have been integrated within a first full draft for F&GP to consider. A copy of the draft Plan will be circulated to Members in advance of the meeting.

It is proposed that, subject to Committee's approval following any revisions, a final draft Plan could be presented to Council on 8 June.

The Plan could then be put out to public consultation for a period of six-weeks, the results of which reviewed by this Committee at its meeting of 27 July.

Adoption of the final version of the Business Plan 2016-2020 could then be considered by Council in September.

**Committee is requested to consider the draft Business Plan 2016-2020 and any recommendation to Council it deems necessary in order to progress this matter.**

---

## **AGENDA ITEM 9: COMMUNITY EMERGENCY PLAN WORKING GROUP - UPDATE**

At its meeting of 24 February 2016, Committee resolved that a Working Group, comprising the Town Clerk and Councillors P Coleman, S Gallant, Jan Garfield, T Green, D Savage, A Smith and K Williams be set up to progress a Community Emergency Plan and Business Continuity Plan, reporting back to Committee with its recommendations (*Minute #467 of 2015/16 refers*).

The Working Group has met on two occasions in order to consider the development of a Community Emergency Plan (CEP) in order to help the community prepare for an emergency and reduce its impact.

A framework for the CEP has been drafted and, pending input from Suffolk Coastal District Council's Emergency Planning Officer, will provide the basis for the plan.

At this stage the Working Group are recommending that a date for a workshop with all Town Councillors be found to consider key elements of the CEP; such as, identifying potential local resources which may be available to the community in an emergency, and considering the provision of 'Emergency Boxes' and items for inclusion.

The Working Group is also requesting Committee to recommend to Council that an Emergency Coordinator (and deputies) is appointed to:

- Facilitate the completion and maintenance of the Community Emergency Plan
- Call a community meeting during an Emergency or Community Incident (if deemed necessary)
- Provide the focal point for the community response to an Emergency or Community Incident
- Provide a link between the community and other agencies responding, which may include the emergency services and the Local Authorities.
- Assist the Local Authorities and appropriate agencies in emergency preparedness through awareness-raising activities.

Further information will be provided at the meeting.

**Committee is requested to consider the update from the Community Emergency Plan Working Group and decide on any actions it deems necessary.**

---