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9 am to 4 pm Mondays to Fridays



TOWN HALL
FELIXSTOWE
SUFFOLK
IP11 2AG

TO ALL MEMBERS OF THE FINANCE & GOVERNANCE COMMITTEE

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

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

You are hereby summoned to attend a meeting of the **FINANCE & GOVERNANCE COMMITTEE** to be held online on **Wednesday 24 March 2021** at **7.30pm** for the transaction of the following business:

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
19 March 2021

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 20 January 2021 as a true record. **(Pages 4-6)**
- 5. Budget Monitoring to 28 February 2021**
To receive budget monitoring report to 28 February 2021 and consider any actions deemed necessary. **(Pages 7-10 & Appendix A)**
- 6. Community Infrastructure Levy (CIL)**
To receive a report from the CIL Working Group and consider any actions deemed necessary. **(Page 11 & Appendix B)**
- 7. Accounting Software Upgrades**
To receive a report on accounting software and consider upgrading to a new accountancy and cemetery package. **(Pages 12-13 & Appendix C)**
- 8. Information and Communications Technology (ICT) Policy 2020-21**
To consider an Information and Communications Technology (ICT) Policy 2020-21. **(Page 13 & Appendix D)**
- 9. Terms of Reference 2021/22**
To review, and recommend to Council, Terms of Reference for 2021/22. **(Page 13 & Appendix E)**
- 10. Standing Orders 2021/22**
To review, and recommend to Council, Standing Orders for 2021/22. **(Page 14 & Appendix F)**
- 11. Financial Regulations 2021/22**
To review, and recommend to Council, Financial Regulations for 2021/22. **(Page 14 & Appendix G)**
- 12. Risk Management Policy & Financial Risk Register**
To review the Risk Management Policy & Financial Risk Register and make any recommendations to Council. **(Pages 15 & Appendix H)**

13. Complaints Procedure 2021/22

To review Council's Complaints Procedure for 2021/22 and make any recommendations to Council. **(Page 15 & Appendix I)**

14. Publication Scheme 2021/22

To review Council's and Publication Scheme for 2021/22 and make any recommendations to Council. **(Page 15 & Appendix J)**

15. Closure

To close proceedings and confirm the date of the next meeting scheduled for Wednesday 26 May 2021 at 7.30pm.

432. CONFIRMATION OF MINUTES

It was RESOLVED that the Minutes of the Finance & General Purposes Committee Meeting held on 9 December 2021 be signed by the Chairman as a true record.

433. BUDGET MONITORING TO 31 DECEMBER 2020

Committee received the budget monitoring report to 31 December 2020. A report of any variance to budget estimates for the period greater than 10% or £500 was considered.

It was RESOLVED that the budget monitoring report to 31 December 2020 be approved, with no other action required at this time.

434. EARMARKED RESERVES REPORT

Committee considered a report on Council's Earmarked Reserves.

It was RESOLVED that the report on Earmarked Reserves be noted as received.

435. INVESTMENT POLICY AND STRATEGY 2021-22

Committee considered the Council's Investment Policy & Strategy for 2021-22 as presented which had been updated to reflect current investments.

It was RESOLVED that the Investment Policy & Strategy for 2021/22 be recommended to Council for adoption.

436. INSURANCE ADEQUACY REVIEW

Committee considered the report on the Council's insurance arrangements, noting that 2021/22 would be the final year of the three-year Long-Term agreement with Zurich. Members also noted that during 2020/21 Cyber Insurance had been added.

Following a review of the insurance cover provided by Zurich, Committee agreed that the Council should be recommended to confirm the adequacy of its insurance arrangements for 2021-22.

It was RESOLVED that the arrangements for insurance cover in respect of all insured risks be recommended to Council and confirmed as adequate for 2021-22.

437. ILL-HEALTH RETIREMENT LIABILITY INSURANCE CONSULTATION

Committee considered the Suffolk Pension Fund Committee consultation on the criteria for small employers in the scheme to have mandatory ill-health retirement liability insurance.

It was suggested that documents should clearly refer to 'Ill Health-Retirement Liability Insurance' in full, rather than being shortened to 'Ill-Health Liability Insurance' to avoid it being misinterpreted as a medical insurance policy. Members were pleased to note that the cost of this would be taken from the Employer's Pension contribution at no extra cost to the Town Council and agreed for the Town Clerk to respond accordingly.

It was RESOLVED that the Town Clerk responds to the consultation before 31 January 2021 noting that the Town Council welcomes the proposed introduction of ill-health retirement liability Insurance.

438. MEMBERS' IT

Committee considered the provision of IT equipment and software to include MS Office 365 and access to the cloud-based server, MS SharePoint, to facilitate council business and ongoing access to online meetings. The benefits and cost of Adobe Acrobat Pro were also considered, however, Committee felt the cost outweighed the benefits of this particular software, which should not be purchased at this time. The Clerk advised that Council had authorised expenditure from the IT Earmarked Reserve and delegated authority to the Finance & Governance Committee to upgrade IT software, hardware and support (*Minute #59 (iii) 2020/21 refers*).

Committee noted that all Councillors were currently provided with a Microsoft Exchange Online (Plan 1) licence at a cost of £3.80 per Member per month, whereas Microsoft Office 365 Business Standard would be £9.40 per Member per month, giving access to the full suite of Microsoft Office software and SharePoint.

The cost of the business-class laptops via the Dell government framework were noted as being £1,205.58.

It was RESOLVED that laptops from the Dell government framework and associated peripherals be purchased for four Members; and, Members IT software be upgraded to MS 365 as required, the cost of which to be funded from the Council's IT Earmarked Reserve.

439. CLOSURE

The meeting was closed at 8.42 pm. The next meeting was noted as being scheduled for Wednesday 24 March 2021 at 7.30pm.

AGENDA ITEM 8: BUDGET MONITORING TO 28 FEBRUARY 2021

A summary Income & Expenditure Report to 28 February 2021 is shown below with a detailed report provided at **Appendix A**.

02/03/2021	Felixstowe Town Council						Page 1	
12:14								
	Summary Income & Expenditure by Budget Heading 26/02/2021							
Month No: 11	Committee Report							
		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
<u>Finance & Governance</u>								
	Income	616,585	624,969	608,570	(16,399)			102.7%
	Expenditure	276,388	253,639	285,099	31,460	0	31,460	89.0%
	Net Income over Expenditure	<u>340,198</u>	<u>371,330</u>	<u>323,471</u>	<u>(47,859)</u>			
	less Transfer to EMR	30,245	0					
	Movement to/(from) Gen Reserve	<u>309,953</u>	<u>371,330</u>					
<u>Assets & Services</u>								
	Income	152,557	104,352	125,478	21,126			83.2%
	Expenditure	262,821	229,135	274,982	45,847	0	45,847	83.3%
	Net Income over Expenditure	<u>(110,264)</u>	<u>(124,783)</u>					
	plus Transfer from EMR	0	0					
	Movement to/(from) Gen Reserve	<u>(110,264)</u>	<u>(124,783)</u>					
<u>Civic & Community</u>								
	Income	27,119	8,982	28,942	19,960			31.0%
	Expenditure	164,891	109,951	180,876	70,925	0	70,925	60.8%
	Net Income over Expenditure	<u>(137,772)</u>	<u>(100,969)</u>					
	plus Transfer from EMR	1,513	0					
	Movement to/(from) Gen Reserve	<u>(136,260)</u>	<u>(100,969)</u>					
Grand Totals:-								
	Income	796,261	738,303	762,990	24,687			96.8%
	Expenditure	704,100	592,725	740,957	148,232	0	148,232	80.0%
	Net Income over Expenditure	<u>92,161</u>	<u>145,578</u>	<u>22,033</u>	<u>(123,545)</u>			
	plus Transfer from EMR	1,513	0					
	less Transfer to EMR	30,245	0					
	Movement to/(from) Gen Reserve	<u>63,429</u>	<u>145,578</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. As the Council's budgets are not produced on a phased basis, the expectation is, being eleven months in to the year, for overall expenditure to be around 91.67%, with an explanation for any items overspent by £500 or 10% or over this level (i.e. 100.84%). Total expenditure for the first eleven months stood at 80%. 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>4481 IT Maintenance and Software (137.8%) Front loaded annual IT support, email accounts, Defence 360, Office 365, RBS & cemetery software paid. Unbudgeted additional costs this year for Zoom subscription and Survey Monkey (50% contribution by F.Fwd), peripherals (headsets, mice and keyboards) for homeworking. Recommendation: 2021/22 Budget adjusted accordingly.</p>
<p>1805 Bank Interest Received (87.3%) Interest rates on Saving account decreased during year. Recommendation: No action.</p>
Cost Centre 201 - Town Hall
<p>1000 Hirings (16.8%) No invoices are awaiting payment. No bookings prior to September due to COVID-19, or for the second or third lockdown, one hirer returned for 6 weeks plus 2 sessions in December. Recommendation: Note impact due to Covid-19 and monitor next Financial Year.</p>
<p>1001 Weddings (42.7%) Due to many postponements re COVID-19, wedding income is only moving to this budget when it has been confirmed that it is going ahead. Recommendation: Note impact due to Covid-19 and monitor next Financial Year.</p>
Cost Centre 202 – Walton Community Hall
<p>4170 Repairs & Maintenance (103.9%) Additional cost due to roof repair required following leak in loft discovered when installing insulation – overspend by £38 Recommendation: No further action</p>
<p>1000 Hirings (5.4%) No invoices are awaiting payment. No bookings prior to September due to COVID-19, or for the second or third lockdown. Total 4 hirers returned for 6 weeks.</p>

Recommendation: Note impact due to Covid-19 and monitor next Financial Year.

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: Note impact due to Covid-19 and monitor next Financial Year.

Cost Centre 204 – Cemetery

4122 Electricity (109.6%)

Monthly payments made in advance of billing, monthly payment now reduced, due to credit on account £21.76.

Recommendation: Continue to monitor on a monthly basis

4320 Vehicle/Tool Hire (100.8%)

To cover Digger and Skip hire. Costs shared with allotment. There will be an overspend on this budget line for both Cemetery and Allotments this year due to increased expenditure and the Allotment budget line being reduced last year.

Recommendation: 2021/22 Budget adjusted accordingly.

1100 Interment Fees (79.8%)

Further £5,604 (14.0%) invoiced awaiting payment and £5,985 (14.9%) awaiting invoicing

Recommendation: No action. Budget expected to be met by year end.

1130 Memorials (81.0%)

£2,474 (19.0%) invoiced awaiting payment.

Recommendation: No action. Budget expected to be met by year end.

1140 Upkeep of Grave Spaces (68.8%)

Reduced renewal of annual upkeep of grave spaces.

Recommendation: 2021/22 Budget adjusted accordingly.

1160 Admin Fees (35.3%)

No invoices awaiting payment. Demand to change of owner decreased – possibly due to COVID-19.

Recommendation: Continue to monitor on a monthly basis.

Cost Centre 205 - Allotments

4115 Water and Sewerage (106.5%)

High Water bill at Cowpasture – Allotment Association have been informed, staff monitoring usage on a weekly basis.

Recommendation: Continue to monitor.

4320 Vehicle/Tool Hire (143.8%)

To cover Digger and Skip hire. Costs shared with allotment. There will be an overspend on this budget line for both Cemetery and Allotments this year due to increased expenditure and the Allotment budget line being reduced last year.

Recommendation: 2021/22 Budget adjusted accordingly.

Cost Centre 301 – Civic & Community

4531 Remembrance (101.6%)

Overspend of £16. Two repairs to both Tommys were required this year at the cost of £65 each. This budget also covered the marking of VJ day to include a livestream, also for Remembrance.

Recommendation: No further action

1800 Donations & Sponsorship (0%)

No donations or sponsorship for Ice Rink as in previous years due to COVID-19.

Recommendation: No further action.

Cost Centre 302 – Grants

4620 Annual Grants (100.0%)

All annual grants have been paid.

Recommendation: No further action.

Cost Centre 303 - Felixstowe in Flower

1810 Donations & Sponsorship (6.1%)

Donation received from Trinity College. All other sponsorship has been rolled over to next year 2021/22 and is held in 'Receipts in Advance'

(Min #516 xiii 2019/20 refers)

Recommendation: No further action.

Cost Centre 304 – Communication

1810 Donations & Sponsorship (34.5%)

Magazine advertisements. £720 (5.5%) invoiced awaiting payment.

Recommendation: Continue to monitor on a quarterly basis.

4421 Magazine Distribution (94.5%)

Overspend due to Coronavirus bulletin delivered in November

(Min #225 2020/21 refers)

Recommendation: Continue to monitor on a quarterly basis.

Committee is requested to consider the budget monitoring report to 28 February 2021 and decide on any action it deems necessary.

AGENDA ITEM 6: COMMUNITY INFRASTRUCTURE LEVY (CIL) **WORKING GROUP UPDATE**

The Community Infrastructure Levy (CIL) Working Group, formed by Committee in December 2020 (*Minute # 376 2020/21 refers*) consists of Cllr Mick Richardson (Chairman), Cllr Seamus Bennet, Cllr Andy Smith, the Town Clerk and Deputy Town Clerk. The working group met via Zoom on 22nd January, and the notes are at **Appendix B**.

Community Infrastructure Levy (CIL) is a planning charge, introduced by the Planning Act 2008 as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. It came into force on 6 April 2010 through the Community Infrastructure Levy Regulations 2010.

85% of the CIL payments are retained by East Suffolk Council, but the remaining 15% is passed to the Town Council to support local eligible projects. The CIL funding received by the Town Council has to be spent within 5 years of receipt. CIL funds have previously been used to enhance three play areas in the town.

Moving forward from this, an article has been placed in the Town Council Spring Magazine to explain what CIL is and that the Town Council is now exploring ideas for what the current CIL pot (just over £50,000) could be put towards over the next few years.

Ideas so far include:

- Town Centre improvement at the Triangle.
- New Walking/Cycling facilities.
- Play area improvements at Seaton Road, Recreation Lane & Langer Parks.
- Seafront 'Active Zone' enhancement (Trim Trail).
- Open space improvements.
- Seafront lighting scheme enhancement.
- Public art/sculpture.
- Improvements to Gulpher Pond area.
- Improvements for the Grove woodland.
- Upgrade of the Skateboard park.

The guidance shown at <https://www.eastsuffolk.gov.uk/assets/Planning/Community-Infrastructure-Levy/Parish-Support/CIL-Parish-Guidance.pdf> details the process of payments made to Parish/Town Councils and what it can be spent on.

Members of the public have been asked for feedback and to contributed their own ideas for improvements to community infrastructure and facilities locally.

Committee is requested to consider the CIL Working Group update report and decide on any action it deems necessary.

AGENDA ITEM 7: ACCOUNTING SOFTWARE UPGRADES

Committee will be familiar with the financial reports it regularly reviews. For the past 8 years these have been produced from the Council's accounting package, Omega, licenced from RBS (Rialtas Business Solutions). This sector-specific software has worked well for Council's needs and auditing process. However, as it is a server-based product and RBS have no plans to develop a Cloud-based product, officers have been looking at possible alternatives which would support the mobile working with robust security and backup. Having reviewed some recommendations from other town councils of a similar size, officers have been in discussion with a Norfolk based company which has worked with local councils for over 30 years and which is rapidly developing its Scribe accounts software offer:

<https://www.scribeaccounts.com/blog/scribe-product-development-roadmap>

The Finance Administration Assistant and Deputy Town Clerk have met with Scribe several times over the past couple of months to explore whether the software will met the Council's needs and whether the standard of financial reporting is at least the same level as what we currently use. Scribe does appear to be straightforward to use, with a more attractive interface, and runs significantly quicker than RBS in operation, which relies on a virtual private network (VPN) link to a physical server at the Town Hall when not connected directly. Demos have also been received on the Scribe Cemetery package and Booking system. As these packages are integrated with the accounting software, this provides an added advantage of automatically linking invoices created on those programs to the finance package and enabling closer monitoring of receipts and payments.

Whilst the existing cemetery software is sufficient for Council's needs, it can be challenging to navigate with ease. It is also server-based, like RBS. A quote has been received from the provider for webhosting the software, however this would incur a setup fee of £2,000 plus annual hosting fee of £5,500 (the current annual licence fee is £850). The annual licence contract ends on 30th September 2021 and, subject to the accounts being migrated, consideration should be given as to whether the Scribe cemetery is a better alternative. Approximately 50% of the paper-based burial records have been inputted into the existing cemetery package and it is anticipated that this work will not be lost but exported via a CSV file and uploaded in to a new system.

The quotes received from Scribe can be found at **Appendix C**, a quote has also been received for the Bookings package at £29 per month for the basic system or £39 per month if we wished to take payments for bookings online. This can be investigated in the future once venues are hired out regularly again.

Compared to existing costs the cost to move to Scribe would be as follows:

Accounts

Set up fee £497 Annual Fee £1,068 compared to RBS £530 per annum

Cemetery

Set up fee £297 Annual Fee £516 compared to BACAS £850 per annum

The total set up fees would therefore be £794. Committee will note that the annual licence fee for these packages would be an extra £204 than the cost of the current providers. Committee is asked to consider the efficiencies that are anticipated by upgrading to a more integrated system and which would also remove Council's need for an on-site server (the current on which is a Windows 2012 based machine, is nearing end-of-life).

If approved, the set-up fees can be met under Committee's delegated authority from Council to commit expenditure from the IT Earmarked Reserve as part of the Council's digital enhancement. The ongoing licence costs will be within the 2021/22 revenue budget for IT maintenance and hardware.

Committee is requested to consider the report on potential accounting software upgrades and decide on any action it deems necessary.

AGENDA ITEM 8: INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT) POLICY 2021/22

Since upgrading its IT provision, with staff able to work from home using Council-owned laptops, and IT equipment being made available to Members, Committee is requested to consider an Information and Communications Technology (ICT) Policy for recommendation to Council. A draft policy is presented at **Appendix D**.

Committee is requested to review the Information and Communications Technology (ICT) Policy and recommend to Council for adoption.

AGENDA ITEM 9: TERMS OF REFERENCE 2021/22

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

Terms of Reference for the Municipal Year 2021/22 is attached at **Appendix E** for review.

Committee is requested to review and recommend to Annual Council, Terms of Reference for 2021/22.

AGENDA ITEM 10: STANDING ORDERS 2021/22

Council's Standing Orders are reviewed at least once annually and approved for adoption by Annual Council each year. Following an amendment recommended by NALC, the Council's Standing Orders were updated and approved by Council in September 2020.

Draft Standing Orders for 2021/22 are attached at **Appendix F** for review with a suggested amendment to 3(g) tracked. The amendment would permit up to 3 minutes speaking by members of the public during the public session. Current rules permit up to 1 minute, however, 3 minutes is commonly given in practice. The suggested amendment would reconcile this variation between policy and practice.

Committee is requested to review and recommend to Annual Council, Standing Orders for 2021/22.

AGENDA ITEM 11: FINANCIAL REGULATIONS 2021/22

Council's Financial Regulations are reviewed at least once annually and approved for adoption by Annual Council each year. Following an amendment recommended by SALC, the Council's Financial Regulations were updated and approved by Council in September 2020.

Draft Financial Regulations for 2021/22 are attached at **Appendix G** for onward referral to Council with no changes.

In line with item 6.8 the approval of the use of BACS or CHAPS shall be renewed by resolution of the Council at least every two years, this was agreed by resolution at Annual Council 2018 (*Minute #585 2017/18 F&GP and Minute #13 2018/19 refers*).

Committee is requested to review and recommend to Annual Council, Financial Regulations for 2021/22; and to recommend approval of the continued use of BACS to make payments.

AGENDA ITEM 12: RISK MANAGEMENT POLICY & FINANCIAL RISK REGISTER

Council is required to review its Risk Management Policy and Financial Risk Register on an annual basis. The Risk Management Policy and Financial Risk Register is at **Appendix H** for review which has been updated to show the increased insurance cover which will take effect from 1 April 2021.

Councils are also required, at least once a year, to conduct, in accordance with proper practices, a review of the effectiveness of internal audit. Council is required to sign the annual governance statement (on the annual return submitted to the external auditor) to evidence that this review has been undertaken. The Clerk will bring a report on the effectiveness of internal audit to Committee in May for a recommendation to Council in June.

Committee is requested to review the updated Risk Management Policy and Financial Risk Register and recommend to Council for adoption.

AGENDA ITEM 13: COMPLAINTS PROCEDURE

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

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

AGENDA ITEM 14: FREEDOM OF INFORMATION AND PUBLICATION SCHEME

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

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

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

Committee is requested to review the model publication scheme and recommend to Council for approval without change for 2021/22.