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9 am to 4 pm Mondays to Fridays



TOWN HALL
FELIXSTOWE
SUFFOLK
IP11 2AG

TO ALL MEMBERS OF THE FINANCE & GOVERNANCE COMMITTEE

Cllr M Richardson (Chairman)

Cllr T Green (Vice Chairman)

Cllr S Bennett

Cllr S Bird

Cllr M Deacon

Cllr S Harkin

Cllr A Smith

Cllr S Wiles

Cllr K Williams

You are hereby summoned to attend the **FINANCE & GOVERNANCE COMMITTEE** meeting of the **FELIXSTOWE TOWN COUNCIL** to be held at the **Town Hall, Felixstowe** on **Wednesday 14 July 2021** at **7.30pm** for the transaction of the following business:

Public Attendance

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

Due to Covid restrictions there may be a limit to the number of public that can attend in person. If you wish to attend in person, please email townclerk@felixstowe.gov.uk to confirm capacity.

Members of the public are very welcome join via Zoom using the following 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
9 July 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 three minutes 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 & Governance meeting held on 24 March 2021 as a true record. **(Pages 4-7)**
- 5. Decisions Made Under Delegated Authority.**
To receive and note the record of decisions made under the temporary authority delegated to the Town Clerk since the previous Committee meeting. **(Page 8)**
- 6. Budget Monitoring to 30 June 2021**
To receive budget monitoring report to 30 June 2021 and consider any actions deemed necessary. **(Pages 9-11 & Appendix A)**
- 7. Council Investments**
To consider the re-investment from the proceeds of a 1 year fixed-rate bond with Close Brothers. **(Page 12)**
- 8. Reserves Policy**
To consider a policy for the Council's General and Earmarked Reserves and make any recommendations to Council. **(Page 13 & draft policy to follow)**
- 9. Women's Cycle Tour 2021**
To receive a presentation on the latest plans for the final stage of the Women's Cycle Tour that culminates in Felixstowe on Saturday 9th October; and consider the sponsorship for the event as previously approved by Council. **(Page 14)**
- 10. Closure**
To close proceedings and confirm the date of the next meeting scheduled for Wednesday 27 October 2021 at 7.30pm.

The Clerk explained to Committee that on some of the new larger developments it was likely that Section 106 funding would be negotiated by the planning authority, instead of CIL. Whilst such funding would be used within the community, this would not come under the remit of the CIL working group.

It was RESOLVED that :

- i) the report on CIL be noted as received; and,**
- ii) a CIL Working Group meeting be arranged for mid/late April to discuss further ideas received.**

549. ACCOUNTING SOFTWARE UPGRADES

Committee considered the report on accounting software and considered upgrading to a new accountancy and cemetery package.

Members noted that the reporting would look slightly different but would include similar output information. Members thanked officers for their hard work in researching the product fully before bringing the report to Committee. Committee agreed it would be prudent to move to a cloud-based package in order to relinquish reliance on a physical server and virtual private network (VPN) link.

It was RESOLVED that :

- i. the new Scribe Accounting Software be purchased with the set-up fee met from Committee's delegated authority from Council to commit expenditure from the IT Earmarked Reserve as part of the Council's digital enhancement; and,**
- ii. the annual licence fee to come from the 2021/22 budget for IT maintenance and software; and,**
- iii. the Scribe Cemetery package be considered when the existing contract with Clearskies ends and costs met as above.**

550. INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT) POLICY 2020-21

Committee considered the draft Information and Communications Technology (ICT) Policy 2020-21. It was suggested that a link to NALC's Cyber security guidelines and a glossary of terms be included. Members also felt it would be useful to have a bit more information on what Council is doing to ensure security, such as Bitdefender Endpoint Security which is installed to Council's laptops.

It was RESOLVED that Information and Communications Technology (ICT) Policy 2020-21 be recommended to Annual Council meeting for adoption with amendments as discussed.

551. TERMS OF REFERENCE 2021/22

Committee reviewed the Terms of Reference for Council and its Committees for 2021/22.

Members discussed the possibility of including further delegation to Committees and giving authority to spend against specified Earmarked Reserves, up to a predetermined limit, without requiring further approval from Council. It was agreed that this would be welcomed and improve efficiency of Committee business. The Clerk advised that he would consult with SALC over the validity of a general delegation to Committees for expenditure against Earmarked Reserves.

It was RESOLVED that, subject to the inclusion of a further delegation to Committees giving authority to spend against specified Earmarked Reserves, up to a predetermined limit, without requiring further approval from Council, the Terms of Reference for 2021/22 be recommended to the Annual Council meeting for adoption as presented.

552. STANDING ORDERS 2021/22

Committee considered Standing Orders for 2021/22, and agreed the amendment to 3(g) to permit up to 3 minutes speaking by members of the public during the public session. It was noted that current rules permit up to 1 minute, however, 3 minutes is commonly given in practice. The amendment would therefore reconcile this variation between policy and practice.

It was RESOLVED that Standing Orders for 2021/22 be recommended to Annual Council meeting for adoption as presented.

553. FINANCIAL REGULATIONS 2021/22

Committee reviewed its Financial Regulations for 2021/22. In accordance with Regulation 6.8, Committee reviewed the continued use of BACS.

It was RESOLVED that

- i. the Financial Regulations for 2021/22 be recommended to the Annual Council meeting for adoption as presented; and,**
- ii. the continued use of BACS also be recommended to Council.**

554. RISK MANAGEMENT POLICY & FINANCIAL RISK REGISTER

Committee considered Council's Risk Management Policy and Financial Risk Register for 2021/22 and noted that the Clerk will bring a report on the effectiveness of internal audit to Committee in May for a recommendation to Council in June.

It was RESOLVED that the Risk Management Policy be recommended to the Annual Council meeting for adoption.

555. COMPLAINTS PROCEDURE 2021/22

Committee reviewed the Council's Complaints Procedure for 2021/22.

It was RESOLVED that Council's Complaints Procedure be recommended to Annual Council for re-adoption in 2019/20 with no changes.

556. PUBLICATION SCHEME 2021/22

Committee reviewed the Publication Scheme based on the Information Commissioner's Office (ICO) model publication scheme, and the schedule of information available from Felixstowe Town Council.

RESOLVED that the ICO model publication scheme be recommended to Annual Council for re-adoption.

557. CLOSURE

The meeting was closed at 8.39 pm. The next meeting was noted as being scheduled for Wednesday 26 May 2021 at 7.30pm.

AGENDA ITEM 5: RECORD OF DECISIONS MADE UNDER DELEGATED AUTHORITY

Decisions made: 26th May 2021

Type of decision: Purchase of conferencing equipment

During consultation with Cllrs S Bird, S Harkin, M Richardson, S Bennett, A Smith, and Officers D Frost and S Congi, the Town Clerk presented conferencing equipment options for the Town Hall.

Technical specifications and a video highlighting the features of the Logitech Rally Plus camera, speaker and microphone set was reviewed. Members commented on the plug-and-play nature of the equipment, the camera's ability to provide near-panorama of the meeting room and supported the principle of improving facilities at the Town Hall, which would also allow enhanced conferencing and virtual attendance of other events such as weddings. Members recommended that the Clerk check the volume of the speakers would be suitable for the Chamber and that the two microphones supplied would be sufficient for online meetings.

The Clerk then outlined two options being considered for a new high-definition projector for displaying remote meetings and presentations on screen. It was noted that the Optoma UHZ65LV projector had been recommended for use by another town council in Suffolk and could produce considerably brighter images than an alternative, cheaper projector, that was being considered too; an EpsonTW7100. As it was considered important to the success of the Council's conferencing facilities, Members recommended that the higher quality, brighter projector, should be selected over the budget option.

Following this consultation, and having confirmed via a cost comparison that the equipment was being purchased at the best available price, the Clerk made the following decision under delegated authority:

- Purchase of Logitech Rally Plus conferencing equipment at £1,895+VAT
- Purchase of Optoma UHZ65LV 4K UHD Projector at £3,499+VAT

Total £5,394+VAT

- To be funded via the IT Earmarked Reserve, from which a limit of £40,000 had been authorised to be spent under the authority of the Finance & Governance Committee for the purpose of improving the Council's IT and conferencing capabilities.

The decisions above were made in accordance with the temporary authority delegated at the 5th May Annual Council meeting (*Minute #17 of 2021/22 refers*), are published on the Town Council's website and we reported to Council on 23 June 2021.

Committee is requested to note the record of decisions made by the Town Clerk under delegated authority.

AGENDA ITEM 6: BUDGET MONITORING TO 30 JUNE 2021

A summary Income & Expenditure Report to 30 June 2021 is shown below with a detailed report provided at **Appendix A**.

Felixstowe Town Council										8 July (2021 - 2022)
Summary of Receipts and Payments										
Committee Report										
	Receipts				Payments				Net Position	
	Budgeted	Actual	Variance	% Received	Budgeted	Actual	Variance	% Spent	Under/Over spend	
Finance & Governance	606,188.00	315,583.59	-290,604.00	52.06%	309,968.00	75,506.28	234,462.00	24.36%	-56,143.00	-6%
Assets & Services	122,982.00	45,230.21	-77,752.00	36.78%	300,480.00	73,972.13	226,508.00	24.62%	148,756.00	35%
Civic & Community	25,242.00	8,251.67	-16,990.00	32.69%	135,133.00	52,123.91	82,009.00	38.57%	65,019.00	40%
Net Total	754,412.00	369,065.47	-385,347.00	48.92%	745,581.00	202,602.32	542,979.00	27.17%	157,632.00	10%

Created by  Scribe

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 three months into the year, for overall expenditure to be around 25%, with an explanation for any items overspent by £500 or 10% or over this level (i.e. 27.5%). Total expenditure for the first quarter stood at 27.17%. Explanatory notes and any recommended action for individual qualifying items in **Appendix A** are as follows:

Cost Centre 101 - Administration
<p>4460 Subscriptions (98%) All annual subscriptions paid to date. Recommendation: No action required.</p>
<p>4462 Internal Audit (35.0%) End of year 2020/21 internal audit complete. Recommendation: No action required.</p>
<p>4464 Insurance (99%) Full year payment up front. Recommendation: No action required.</p>
<p>4481 IT Maintenance and Software (45%) Front loaded - annual fee IT support, mailboxes, 365, Defence 360, Payroll Manager & Scribe already paid. 6 Month additional RBS subscription due to contract clause</p>

was not accounted for.

Recommendation: Continue to monitor.

4490 Professional Fees (56%)

Birket fees, Advertisement for job vacancies.

Recommendation: Continue to monitor.

1805 Bank Interest received (1%)

Interest on one-year bond due in July 2021.

Recommendation: No action required.

Cost Centre 201 - Town Hall

4110 Rates (33%)

Rates are paid over 10 months only.

Recommendation: No action required.

1000 Hirings (0%)

£40 (1.6%) invoiced, awaiting payment. Significantly less bookings due to COVID.

Recommendation: Continue to monitor on a monthly basis.

Cost Centre 202 – Walton Community Hall

4111 Rates (30%)

Rates are paid over 10 months only.

Recommendation: No action required.

4171 Repairs & Maintenance (42%)

Fibregrid and lighting for rear passage (50% received from Orwell Housing).

Recommendation: Continue to monitor on a monthly basis.

1002 Hirings (3%)

£250 (3.3%) invoiced, awaiting payment. Significantly less bookings due to COVID.

Recommendation: Continue to monitor on a monthly basis.

Cost Centre 203 – Broadway House

1031 Leases, Rents & Licences (0%)

Annual receipt normally invoiced in July but will this year be invoiced once the building is able to reopen at a proportion of normal annual fee.

Recommendation: No action required.

Cost Centre 204 – Cemetery

4112 Rates (30%)

Rates are paid over 10 months only.

Recommendation: No action required.

<p>4174 Repairs & Maintenance (42%) New water heater, garden bench (income received under memorials). Recommendation: Continue to monitor on a monthly basis.</p>
<p>4300 Vehicle Running Costs (57%) Some costs are front loaded e.g. Truck Tax & MOT paid for the year. Also work on trailer has been included in this budget. Recommendation: Continue to monitor on a monthly basis.</p>
<p>4320 Vehicle/Tool Hire (46%) To cover Digger and Skip hire. Costs shared with allotment. Recommendation: Continue to monitor on a monthly basis.</p>
<p>1032 Mobile Phone Mast (0.0%) Paid annually, invoiced in July. Recommendation: No action required.</p>
<p>1120 Purchase of Graves (22%) £11,574 (46.3%) invoiced, awaiting payment. Recommendation: Continue to monitor on a monthly basis.</p>
<p>1140 Upkeep of Grave Spaces (0%) To be invoiced in July. Recommendation: Continue to monitor on a monthly basis.</p>
<p>Cost Centre 205 – Allotments</p>
<p>1080 Allotment Rents (1%) Majority of Allotment rents are billed annually in September Recommendation: No action required.</p>
<p>Cost Centre 301 – Civic & Community</p>
<p>4471 Advertising & Promotion (191%) Blue Flag costs, overspend due to subscription advertising in UK Bride Recommendation: No action required.</p>
<p>4615 Street Furniture (32%) Batteries and pads for 2 defibrillators. Recommendation: Continue to monitor on a monthly basis.</p>
<p>4645 Christmas Lights (100%) Paid in full for 2021. Recommendation: No action required.</p>
<p>1800 Agency Income (0%) CCTV contribution from SCDC, invoiced, awaiting payment. Recommendation: Continue to monitor.</p>

1810 Donations & Sponsorship (0%)

Sponsorship historically received for Ice Rink and Remembrance Barriers.

Recommendation: No action required.

Cost Centre 302 – Grants

4620 Annual Grants (70%)

All Annual Grants paid except events not taking place.

Recommendation: No action required.

4655 Occasional Grants (28%)

Round one grants paid with some still due, that have been ring-fenced.

Recommendation: No action required.

Cost Centre 303 – Felixstowe in Flower

4290 Flowers & Containers (79%)

Costs for flowers and baskets for Felixstowe in Flower 2021 paid.

Recommendation: Continue to monitor on a monthly basis.

1811 Donations & Sponsorship (21%)

As agreed by Civic & Community (*minute #463 iii 2020/21 refers*) no set charges for baskets this year due to Covid. Sponsorships received last year have been rolled into this year (£1,454.20 of the received amount).

In addition to this £916.66 (11%) sponsorship has been offered and has been invoiced awaiting payment.

Recommendation: No action required.

Cost Centre 304 - Communication

1812 Donations & Sponsorship (23%)

Several advertisers renewing in the Autumn magazine as subscribed to annual package of 4 editions.

Recommendation: Continue to monitor on a monthly basis.

Cost Centre 305 – Community Projects & Partnerships

4625 Felixstowe Harwich Ferry (100.0%)

Paid at start of Financial Year.

Recommendation: No action required.

4630 Level Two (100.0%)

Paid at start of Financial Year.

Recommendation: No action required.

4685 Landguard Partnership (100.0%)

Paid at start of Financial Year.

Recommendation: No action required.

Committee is requested to consider the budget monitoring report to 30 June 2021 and decide on any action it deems necessary.

AGENDA ITEM 7: COUNCIL INVESTMENTS

Committee is requested to note that the Council's 1-Year Investment Bond of £500,000 with Close Brothers Savings matures on 20 July 2021, receiving interest of £4,500. The interest rate for the year was 0.9%.

The interest will be returned to the Town Council's Barclays account and recorded in the budget as revenue income. Committee is asked to consider the next investment vehicle for the sum of £500,000, in line with its Investment Policy and Strategy, which can be found [here](#). This sum is not expected to negatively impact on cashflow as it relates to earmarked reserves including the Cemetery extension project and is therefore unlikely to be required in the next 12 months.

Close Brothers are offering a 0.65% AER for a 1-Year bond, 0.7% for 18 months, or 0.75% for 2 years – although this fixed rate does change daily.

Barclays Bank are offering a 0.15% AER for a 1 year bond.

The CCLA Public Sector Deposit fund has also been investigated, which is unit linked and is therefore not a guaranteed investment, last year gave a return of 0.0243%.

Looking at ethical banks, Triodos are rated as the best bank, however, they have temporarily stopped accepting new applications for business and charity accounts. Nationwide Building society also rate highly both ethically and with A+ credit rating but their rate on a 1 year bond is currently just 0.3%.

The current bond will be automatically rollover for a period of two weeks from 20 July, awaiting instructions, after which the whole funds will be repaid direct to the Town Council main account.

Committee is requested to consider the above investment.

AGENDA ITEM 8: RESERVES POLICY

Felixstowe Town Council is required to maintain adequate financial reserves to meet the needs of the organisation. A Reserves Policy can set out how the Council will determine and review the level of reserves.

Sections 32 and 43 of the Local Government Finance Act 1992 requires local authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. There is no specified minimum or maximum level of reserves that an authority should hold. It is the responsibility of the Councillors and the Responsible Financial Officer (RFO) to determine the level of reserves and to ensure that there are procedures for their establishment and use.

The Good Councillors Guide to Finance and Transparency suggests that a council should hold between 3- and 12-months expenditure as a general reserve. If the reserve is too low then it may not be enough to cover unexpected expenditure or emergencies, whilst if it is too high then local electors have paid a tax which is not being used for the benefit of the local community.

General Reserves are held to cushion the impact of uneven cashflows or unexpected events. These are funds which do not have any restrictions as to their use.

Earmarked Reserves can be held for several reasons. The money is held for specific items of expenditure to meet known or predicted liabilities or projects. Earmarked reserves can be used to 'smooth' the effects of certain expenditure commitments over a period of time thereby reducing the impact of significant expenditure in any one year. Typically, they are held for four main reasons: -

- a) Renewals
- b) To carry forward an underspend
- c) To indicate commitment to a capital project
- d) To meet known or predicted liabilities

Council reviews its level of both General and Earmarked Reserves at least annually and will always be part of the budget setting process. A level of General Reserves has been maintained which has been the equivalent 9-12 months expenditure.

A draft Reserves Policy will be brought to the meeting for discussion and onward referral to Council.

Committee is requested to consider a Reserves Policy and make any recommendations to Council it deems necessary.

AGENDA ITEM 9: WOMEN'S CYCLE TOUR 2021

As reported to the Council's Civic & Community Committee on 17th February 2021, the 2020 Women's Cycling Tour, postponed from its planned finish in Felixstowe on Saturday 13th June last year, was rescheduled for October 2021.

The revised dates for the race will be the 2nd - 9th October with the Suffolk stage - and final stage of the race - taking place on Saturday the 9th October.

The Town Council agreed to become the main sponsor of the event as planned for June 2020. *Minute #497 of 2020/21 reads:*

Members highlighted the ambitions for the weekend and the unique opportunity given to Felixstowe as the setting for the finish line of the Women's Tour. In addition to a range of activities already being planned, it was noted that the Town Council's funding, as main sponsor for the event, could enable the provision of an outdoor cinema screen (to screen a film on Friday 12 June, host footage throughout the weekend and show the England v Croatia Euro 2020 football match on Sunday 14 June), support the launch of a new Felixstowe Triathlon event (open to all) and cycle simulators. Part of the funding would be used to support additional marketing and promotional activities, including the commissioning of a library of professional images and videos highlighting the range of attractions in Felixstowe.

It was RESOLVED that funding of £25,000 from the Community Fund Earmarked Reserve (9075/900) be approved to support the provision of the big screen, triathlon and cycle simulators at FelixFest as a main sponsor for the weekend of the final stage of the 2020 Women's Tour.

With plans now being finalised, funding will need to become available soon to enable various elements of the programme to be confirmed. Felixstowe Town Council is supporting the event planning and the East Suffolk Council Active Communities Officer, Sarah Shinnie, will be attending Committee to give a presentation on the event and the programme of activities taking place leading up to the weekend around town, the seafront and beachside events area.

Committee is requested to note the report and presentation on the latest plans for the final stage of the Women's Cycle Tour that culminates in Felixstowe on Saturday 9th October; and consider the sponsorship for the event as previously approved by Council.