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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 N Barber  
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 13 July 2022** 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.

*If you wish to attend in person, please email [townclerk@felixstowe.gov.uk](mailto: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.*

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**Ash Tadjrishi**  
**Town Clerk**  
**8 July 2022**

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 8 June 2022 as a true record. **(Pages 3-5)**
- 5. Budget Monitoring to 30 June 2022**  
To receive budget monitoring report to 30 June 2021 and consider any actions deemed necessary. **(Pages 6-9 & Appendix A)**
- 6. Council Investments**  
To consider the re-investment from the proceeds of a 1 year fixed-rate bond with Close Brothers. **(Pages 10-11)**
- 7. Closure of Barclays Bank – Petty Cash**  
To consider options to obtain petty cash and the impact of the closure of Barclays bank on taking cash and cheque payments. **(Page 12)**
- 8. Members' Allowances & Expenses Policy 2023-27**  
To review the Members' Allowances & Expenses Policy in advance of the 2023-27 council term, consider the Mayoral Allowance and whether to introduce a Basic Allowance for Members. **(Pages 14-16 & Appendix B)**
- 9. Closure**  
To close proceedings and confirm the date of the next meeting scheduled for Wednesday 26 October 2022 at 7.30pm.



**and, therefore, no action plan is required to be submitted with the Annual Return 2021/22 to the External Auditor.**

**29. REVIEW OF INTERNAL AUDIT EFFECTIVENESS**

Committee reviewed the arrangements for, and effectiveness of, Council's internal audit.

Members considered the good service received from the SALC-appointed auditor and the benefit of an internal auditor with experience of working within the town council sector. It was proposed that the arrangement be recommended to continue on the same basis for 2022/23.

**RESOLVED that it be recommended to Council that:**

- i. having reviewed the effectiveness of its internal audit, it be resolved that Council considers the arrangements to be effective; and,**
- ii. in being satisfied of the independence and competence of its internal auditor, Mr Colin Poole of the Suffolk Association of Local Councils be appointed to continue as the Council's internal auditor, undertaking a half-yearly and year-end audit on the basis of paras 4.14-4.17 of the "Governance and Accountability for Local Councils – a Practitioner's Guide 2019".**

**30. ANNUAL GOVERNANCE STATEMENT AND ANNUAL RETURN 2021-22**

Members considered the Accounts, Annual Governance Statement and Annual Return for the Financial Year 2021/22 as presented. Council recorded a vote of thanks to the Town Clerk, Deputy Town Clerk, and the Finance Administration Assistant for their hard work in preparing the accounts. The Clerk advised that the Notice of Audit would be displayed on the Town Hall noticeboard in accordance with the statutory requirements.

**It was RESOLVED that it be recommended to Council that:**

- i. the Annual Return for the financial year ended 31 March 2022 (Section 1 – Annual Governance Statement) be approved and the Mayor and Town Clerk be authorised to sign the declaration on behalf of Felixstowe Town Council;**
- ii. the Annual Return for the financial year ended 31 March 2022 (Section 2 – Accounting Statements) as signed by the Town Clerk, as the Council's Responsible Finance Officer be approved, and the Mayor be authorised to sign the declaration on behalf of Felixstowe Town Council; and,**
- iii. it be noted that there were no actions arising from the final Internal Audit Report for the Financial Year 2021/22 and, therefore,**

**no action plan was required to be submitted with the Annual Return 2021/22 to the External Auditor.**

**31. BUDGET MONITORING TO 31 MAY 2022**

Committee received the budget monitoring report to 31 May 2022. A report of any variance to budget estimates for the period greater than 10% or £500 was considered.

Members noted and were concerned by the cost of electricity at Walton Community Hall, with almost half the annual budgeted expenditure having already been incurred. Members agreed that the Council's Assets & Services Committee should consider all the options which may be available to Council to address the cost of energy consumption at Walton Community Hall.

**It was RESOLVED that:**

- i. the budget monitoring report to 31 May 2022 be noted; and,**
- ii. Council's Assets & Services Committee be requested to consider how best to address the increasing cost of energy consumption at Walton Community Hall.**

**32. QUARTERLY BANK RECONCILIATION**

It was confirmed that Cllr D Savage, as the Council's nominated Quarterly Bank Reconciliation Signatory (*Min #13 2022/23 refers*), had signed the reconciliation between the bank statement and Scribe accounts to confirm the amounts agreed each month.

**RESOLVED that it be noted that the reconciliations between the bank statement and accounts statements for the period 1 April 2021 – 31 March 2022 had been reviewed and signed by Cllr D Savage.**

**33. STATEMENT OF INTERNAL CONTROL 2022/23**

Committee noted the requirement of the Accounts and Audit Regulations 2015 for Council to ensure that it has a sound system of internal control.

Following consideration of the Council's policy and internal control statement document it was proposed that it be recommended to Council for approval and adoption with no further changes.

**It was RESOLVED that the Internal Control Statement for the year ending 31 March 2023 be recommended to Council for formal adoption as presented.**

**34. CLOSURE**

The meeting was closed at 8.18pm. The next meeting was noted as being scheduled for Wednesday 13 July 2022 at 7.30pm.

## AGENDA ITEM 5: BUDGET MONITORING TO 30 JUNE 2021

A summary Income & Expenditure Report to 30 June 2022 is shown below with a detailed report provided at **Appendix A**.

1 April - 30 June 2022 (2022 - 2023)

### Felixstowe Town Council Summary of Receipts and Payments Summary - All Cost Centres

Cost Centre	Receipts				Payments			
	Budgeted	Actual	Variance	% Received	Budgeted	Actual	Variance	% Spent
101 Administration	616,030.00	310,098.13	-305,932	50.34%	312,678.00	81,313.20	231,365	26.01%
201 Town Hall	22,740.00	8,494.02	-14,246	37.35%	78,997.00	11,358.80	67,638	14.38%
202 Walton	7,500.00	2,320.42	-5,180	30.94%	10,567.00	3,478.34	7,089	32.92%
203 Broadway House	2,270.00	2,392.56	123	105.40%	8,869.00	2,462.63	6,406	27.77%
204 Cemetery	86,481.65	9,793.00	-76,689	11.32%	195,897.00	43,908.14	151,989	22.41%
205 Allotment	16,750.00	155.98	-16,594	0.93%	37,754.00	8,345.46	29,409	22.10%
206 Parks & Recreation	0.00	0.00	0	N/A	14,780.00	61.92	14,718	0.42%
301 Civic & Community	3,992.00	362.50	-3,630	9.08%	32,430.00	19,538.02	12,892	60.25%
302 Grants	0.00	0.00	0	N/A	36,200.00	19,800.00	16,400	54.70%
303 Felixstowe in Flower	8,250.00	2,475.05	-5,775	30.00%	5,900.00	2,931.87	2,968	49.69%
304 Communication	10,000.00	380.00	-9,620	3.80%	13,200.00	0.00	13,200	0.00%
305 Community Projects	0.00	0.00	0	N/A	16,000.00	13,452.20	2,548	84.08%
<b>NET TOTAL</b>	<b>774,013.65</b>	<b>336,471.66</b>	<b>-437,541.99</b>	<b>43.47%</b>	<b>763,272.00</b>	<b>206,650.58</b>	<b>556,621.42</b>	<b>27.07%</b>

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 25.5%. Explanatory notes and any recommended action for individual qualifying items in **Appendix A** are as follows:

<b>Cost Centre 101 - Administration</b>
<p><b>4430 Training (31%)</b> Barely over what's expected due to a few extra training courses in May. <b>Recommendation: No action required.</b></p>
<p><b>4460 Subscriptions (99%)</b> All annual subscriptions paid to date. <b>Recommendation: No action required.</b></p>
<p><b>4462 Internal Audit (44.0%)</b> End of year 2021/22 internal audit complete. <b>Recommendation: No action required.</b></p>
<p><b>4464 Insurance (99%)</b> Full year payment up front. <b>Recommendation: No action required.</b></p>

**4481 IT Maintenance and Software (41%)**

Front loaded - annual fee IT support, mailboxes, 365, Defence 360, Payroll Manager & Scribe already paid.

**Recommendation: Continue to monitor.**

**4550 Banking Fees (33%)**

Higher bank charges in April due to increase in credit card transactions

**Recommendation: No action required.**

**1805 Bank Interest received (2%)**

Interest on one-year bond due in July 2022.

**Recommendation: No action required.**

**Cost Centre 201 - Town Hall**

**4110 Rates (33%)**

Rates are paid over 10 months only.

**Recommendation: No action required.**

**4122 Electricity (31%)**

Dramatic increase in electricity cost per KWH. Investigation has revealed our current supplier Bulb is still the cheapest option.

**Recommendation: Continue to monitor and consult utility brokers**

**Cost Centre 202 – Walton Community Hall**

**4111 Rates (30%)**

Rates are paid over 10 months only.

**Recommendation: No action required.**

**4123 Electricity (53%)**

Dramatic increase in electricity cost per KWH. Investigation has revealed our current supplier Bulb is still the cheapest option.

**Recommendation: Continue to monitor and consult utility brokers**

**Cost Centre 203 – Broadway House**

**4010 Employer National Insurance (32%)**

**Recommendation: No action required.**

**4172 Repairs & Maintenance (35%)**

English Security, frontloaded servicing of fire extinguishers and lighting

**Recommendation: No action required.**

**Cost Centre 204 – Cemetery**

**4112 Rates (30%)**

Rates are paid over 10 months only.

**Recommendation: No action required.**

<p><b>4117 Water &amp; Sewerage (39%)</b>  More water usage than usual  <b>Recommendation: No action required.</b></p>
<p><b>4124 Electricity (36%)</b>  Dramatic increase in electricity cost per KWH. Investigation has revealed our current supplier Bulb is still the cheapest option.  <b>Recommendation: Continue to monitor and consult utility brokers</b></p>
<p><b>4300 Vehicle Running Costs (41%)</b>  Some costs are front loaded e.g. Truck Tax &amp; MOT paid for the year.  <b>Recommendation: Continue to monitor on a monthly basis.</b></p>
<p><b>4262 Equipment Purchases (46%)</b>  Safety equipment and new vacuum cleaner purchase  <b>Recommendation: Continue to monitor on a monthly basis.</b></p>
<p><b>1032 Mobile Phone Mast (0.0%)</b>  Paid annually, invoiced in July. <b>Recommendation: No action required.</b></p>
<p><b>1120 Purchase of Graves (22%)</b>  £4,505 (additional 12%) invoiced, awaiting payment.  <b>Recommendation: Continue to monitor on a monthly basis.</b></p>
<p><b>1140 Upkeep of Grave Spaces (%)</b>  Previous year debtor successfully chased up  <b>Recommendation: Continue to monitor on a monthly basis.</b></p>
<p><b>Cost Centre 205 – Allotments</b></p>
<p><b>4016 Employer National Insurance (35%)</b>   <b>Recommendation: No action required.</b></p>
<p><b>1080 Allotment Rents (1%)</b>  Majority of Allotment rents are billed annually in September  <b>Recommendation: No action required.</b></p>
<p><b>Cost Centre 301 – Civic &amp; Community</b></p>
<p><b>4471 Advertising &amp; Promotion (48%)</b>  Blue Flag costs  <b>Recommendation: No action required.</b></p>
<p><b>4513 Civic Awards (49%)</b>  Front Loaded  <b>Recommendation: Continue to monitor on a monthly basis.</b></p>
<p><b>4645 Christmas Lights (100%)</b>  Paid in full for 2022. <b>Recommendation: No action required.</b></p>

<p><b>1800 Agency Income (0%)</b> CCTV contribution from SCDC, invoiced, awaiting payment. <b>Recommendation: Continue to monitor.</b></p>
<p><b>1810 Donations &amp; Sponsorship (0%)</b> Sponsorship historically received for Ice Rink and Remembrance Barriers. <b>Recommendation: No action required.</b></p>
<p><b>Cost Centre 302 – Grants</b></p>
<p><b>4620 Annual Grants (88%)</b> All Annual Grants paid except events not taking place. <b>Recommendation: No action required.</b></p>
<p><b>4655 Occasional Grants (40%)</b> Most of Round one grants have been paid. <b>Recommendation: No action required.</b></p>
<p><b>Cost Centre 303 – Felixstowe in Flower</b></p>
<p><b>4290 Flowers &amp; Containers (96%)</b> Front-loaded, all invoices relating to FIF containers have been paid. <b>Recommendation: No action required.</b></p>
<p><b>Cost Centre 304 - Communication</b></p>
<p><b>1812 Donations &amp; Sponsorship (4%)</b> Lull in new sponsors for recent editions, new e-mail will be sent out to encourage new sponsors. Awaiting £400 (additional 4%) from outstanding invoices <b>Recommendation: Continue to monitor on a monthly basis.</b></p>
<p><b>Cost Centre 305 – Community Projects &amp; Partnerships</b></p>
<p><b>4625 Felixstowe Harwich Ferry (100.0%)</b> Paid at start of Financial Year. <b>Recommendation: No action required.</b></p>
<p><b>4630 Level Two (100.0%)</b> Paid at start of Financial Year. <b>Recommendation: No action required.</b></p>
<p><b>4640 Floral Bedding (85%)</b> Frontloaded costs. <b>Recommendation: No action required.</b></p>

**Committee is requested to consider the budget monitoring report to 30 June 2022 and decide on any action it deems necessary.**

## **AGENDA ITEM 6: 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 2022, receiving interest of £3,250. The interest rate for the year was 0.65%.

The interest will be returned to the Town Council's bank 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 unlikely to be required in the next 12 months.

Committee can also consider changing the investment capital or separating its investments.

In addition to the investment with Close Brothers, Council holds a further 3 accounts, each with Barclays bank:

1. Barclays current account for daily business transactions  
This is automatically topped up each night to £50,000 from the business tracker account (2).
2. Barclays business tracker account.  
This account receives the precept and currently stands at £368,057 (the balance has ranged from £215,671.23 to £526,231 over the past year) and has an interest rate of 0.1%.
3. Barclays Rate Reward Savings account  
Council has a further £410,894 in this account which is also returning 0.1%.

It is good practice to hold between 3-12 months expenditure in General Reserves. Based on last year's accounts this would be £192,598 to £770,391. At close of business on 31 March 2022, Council had £437,340 in its General Reserves plus £795,445 in its Earmarked Reserves.

Close Brothers are offering 1.9% AER for a 1-Year bond, 2.1% for 18 months, or 2.25% for 2 years – although this fixed rate does change daily.

Barclays Bank are offering a 1% AER for a 1 year bond, or 1.3% for 18 months.

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 1.1472%.

Investigations have been made with Close Brothers and with Barclays as to whether they invest in Russian businesses.

Barclays confirmed that it exited its Russia-based business several years ago. Its direct exposure to Russia is very limited and it has no physical presence in the country. It continues to comply fully with any sanctions that the US, EU, UK and

other relevant bodies are applying and is actively monitoring the developing sanctions process.

The Close Brothers Group confirmed that it doesn't have operations, revenue or other business activities in Russia and are complying with all US and EU sanctions:

- While we recognise that there may be wider economic impacts on the UK economy as a whole, we do not anticipate any material direct impact commercially
- In Banking, as a largely UK based business, we lend primarily to UK SMEs who are predominantly focused on the UK market
- It is also worth highlighting that we have no direct lending exposure to mining or oil and gas extraction.

The current bond will 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.

Ethical banking options have also been researched. Triodos are one of the most ethical and eco-friendly banks available in the UK. However, Fitch Ratings (Fitch) has assigned Triodos Bank a Long-Term Issuer Default rating at 'BBB' with a Viability Rating at 'bbb'. Notwithstanding the credit-rating, Triodos has 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 1.1%, 18 months 1.25% and 3 year 1.8%. Details on why they are rated highly ethically can be found at <https://www.nationwide.co.uk/about-us/responsible-business/>

Members may wish to consider the following:

1. Moving the £410,894 sitting in the Barclays Rate Reward savings account @ 0.1% interest into a 35 Day Saver account with Nationwide @0.80% interest. Reason: Would provide a good balance between liquidity and yield with the security of a high-rated bank. Not: both accounts permit withdrawals – though the Nationwide account is subject to 35 days' notice.

and

2. Reinvestment of £500,000 in a 1-year bond with the Close Brothers Group @ 1.9%. Reason: Competitive yield from a high-rated investment vehicle.

**Committee is requested to consider Council's current investments.**

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## **AGENDA ITEM 7: CLOSURE OF BARCLAYS BANK BRANCH – PETTY CASH**

The Felixstowe branch of Barclays Bank, closed on 29 June 2022. Since the pandemic most payments received are made by BACS or credit card. Due to the closure of the branch, cash and cheque payments are being further discouraged, though can be paid into the Post Office.

The branch closure has caused an issue with obtaining petty cash. Petty cash is used intermittently for catering and cleaning supplies, plus other sundry local purchases where the business is unable to invoice or does not have an online account to pay by credit card. Petty cash of approximately £200 is spent between 3 – 5 times a year. Council currently does not have a debit card attached to its bank account, and if it was decided to have one or two they would be attached to a person's name and would require the Financial Regulations and Risk Management Policy to be amended to ensure effective controls were in place.

An alternative suggestion has been to obtain a pre-purchase card which can be used at the supermarket and accounted for in the same way as petty cash. Items purchased from independent retailers can be purchased by staff and reimbursed through BACS or Salary if travel expenses.

Alternatively, and in the interim, a trip to the Woodbridge or Ipswich branch can be made on the few occasions needed to obtain petty cash obtained from the Barclays branches there.

**Committee is requested to consider the report on petty cash with the closure of the Felixstowe Branch of Barclays Bank and decide on any action it deems necessary.**

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## **AGENDA ITEM 8: MEMBERS' ALLOWANCES & EXPENSES POLICY** **2023-27**

On 12<sup>th</sup> January 2022, Council resolved that it would not introduce a Basic Allowance for its Members, and the office of Town Councillor was to remain unpaid for the year 2022/23; it was also reaffirmed that the Mayor's Allowance for 2022/23, for the purpose of defraying the costs associated with the office, would be £3,000.

Council's Members' Allowances & Expenses Policy enables the Mayor (and Deputy Mayor as required) and other councillors to be reimbursed for other tax-deductible out-of-pocket expenses.

Council also asked the Finance & Governance Committee to consider whether a small Members' Allowance should be introduced in time for the new Council term following elections in 2023, and to report back to Council (*Minute #319 2021/22 refers*).

### **Members Allowances**

In accordance with Part 5 of the Local Authorities (Members' Allowances) (England) Regulations 2003<sup>1</sup>, town and parish councils have the power to pay Members a Basic Allowance and reimburse expenses for travel and subsistence allowance.

The allowance is not a salary. It is a figure, which is calculated to cover the expenses, which are normally associated with the basic duties of being a local councillor. Travelling and subsistence allowances are treated separately, as are provisions for the Mayor's Allowance (see below).

To date, Felixstowe Town Councillors have not requested to receive the Basic Allowance and are unpaid volunteers.

Where a parish or town council does propose to pay the parish Basic Allowance, in setting the level of that allowance, it must have regard to the recommendations which have been made in respect of it by the district council's parish remuneration panel. *Note: enquiries are being made with East Suffolk Council as to whether the panel has been convened to provide such guidance.*

As soon as reasonably practical after setting the levels at which the allowance is to be paid and to whom, the council must arrange for the publication in a conspicuous place for a period of at least 14 days within the area of the council, a notice containing the following information:

- any recommendation in respect of parish Basic Allowance made by the parish remuneration panel;
- the level or levels at which the authority has decided to pay parish Basic Allowance and to which members it is to be paid; and
- a statement that in reaching the decision, regard was had to the recommendation of the parish remuneration panel.

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<sup>1</sup> [https://www.legislation.gov.uk/ukxi/2003/1021/pdfs/ukxi\\_20031021\\_en.pdf](https://www.legislation.gov.uk/ukxi/2003/1021/pdfs/ukxi_20031021_en.pdf)

The council has to keep a copy of the information referred to in the notice available for public inspection on reasonable notice. Members should also note that the Basic Allowance is treated by HMRC as remuneration and is therefore subject to income tax rules.

### **Reimbursement of Councillor Expenses**

The Local Authorities (Members' Allowances) (England) Regulations 2003 provides that a council may pay to both elected and co-opted members allowances in respect of travelling and subsistence, including an allowance in respect of travel by bicycle or other non-motorised form of transport, undertaken or incurred in connection with the performance of any duty within the following categories:

- a) the attendance at a meeting of the council or of any committee or sub-committee of the council, or of any body to which the council makes appointments or nominations or of any committee or sub-committee of such a body;
- b) the attendance at a meeting of any association of authorities of which the council is a member;
- c) the performance of duties in connection with a tender process;
- d) the performance of any duty which requires the inspection of any premises;
- e) the carrying out of any other duty approved by the council, or any duty of a class so approved, or in connection with, the discharge of the functions of the authority or of any of its committees or sub committees.

At its Ordinary Meeting of 13 March 2019, the Town Council adopted a Members' Expenses Policy setting out the terms by which individual Councillors may be reimbursed reasonable expenses incurred whilst travelling to training courses or conferences as an appointed representative of the Council. This policy is at **Appendix B** for review.

### **Mayor's Allowance**

Section 15(5) of the Local Government Act 1972 provides that Parish and Town Councils may pay its Mayor "*for the purpose of enabling [them] to meet the expenses of [their] office such allowance as the council think reasonable.*"

Felixstowe Town Council provides an allowance to the Mayor as a contribution towards total expenses to defray the costs associated with the office of Mayor of Felixstowe such as:

- Travelling to and attending functions that the Mayor has been invited to in his/her capacity as the Mayor of Felixstowe.
- Making monetary contributions to local charity and community organisations
- Supporting the Mayor's chosen charity/charities
- To cover other costs of attending functions (e.g. purchase of raffle tickets, poppy collections)
- To provide suitable outfits to wear to official functions
- Hospitality costs
- Christmas cards
- One off events held by the Mayor

Alongside other events, it is customary for the Mayor to support fundraising events to for the Mayor's Charity Fund, such as the Mayor's Ball.

The Mayor is free to administer the Mayoral Allowance as they consider appropriate. Once the Mayoral Allowance is paid to the Mayor, it is the Mayor's responsibility to account for its expenditure and not the Council's. The Civic Events Officer maintains a record of the civic engagements undertaken by the Mayor, which are reported to each Council meeting; and, at the discretion of the Mayor, is able to support the administration of their allowance.

From its own budget, the Council directly finances events which are deemed to be of a regular civic nature and not instigated by the Mayor. For example:

- Annual Council Meeting (refreshments following the Mayor making meeting)
- Annual Civic Service
- Mayor's Civic Reception
- Remembrance Services/Wreaths
- Civic Christmas Carol Service
- Christmas Refreshments at the Town Hall (usually held after the last Planning & Environment Committee meeting in December)
- Annual Town Meeting / Civic Awards
- Twinning events
- Other Council events

Provisions made for the Mayor's allowance in the Local Government Act 1972 do not extend to the Deputy Mayor, who is treated the same in law as all other Town Councillors. However, it is acknowledged that the Deputy Mayor is likely to incur costs associated with officially substituting for the Town Mayor in his/her absence.

The Council therefore advises that incoming Mayors be asked to reimburse any legitimate out-of-pocket expenses incurred by the Deputy Mayor while deputising for the Mayor, out of the Mayor's Allowance (*Min. #319 of 2021/22 refers*).

Enquiries have been made with the 12 other town councils in East Suffolk as to whether they currently pay a Basic Allowance to their members. The findings are as follows:

<b>Town Council</b>	<b>Basic Allowance Paid (annual)</b>
Aldeburgh	£0
Beccles	£100
Bungay	£0
Carlton Colville	£0
Framlingham	£0
Halesworth	£0
Kesgrave	£0
Leiston	£250 (though only 4 of the 15 councillors claim it)
Lowestoft	£0
Saxmundham	£0
Southwold	£0
Woodbridge	£0

Committee is advised that, if a Basic Allowance were to be introduced, this would be subject to tax and paid under PAYE through the Council's payroll management software. Whilst adding a further 15 personnel to the 16 already on the system (15 staff, plus the Mayor who is already included by virtue of their allowance) would require all Councillors' personal, tax and banking details to be added to the system, this is not anticipated to become an ongoing administrative burden if the allowance is paid as a single annual payment.

Increasing the number of personnel on the payroll management software above 20 will necessitate an increase in the licence fee for the software, doubling the annual cost from £76 to £158 (plus VAT).

**Committee is therefore requested to review the whether a small Members' Allowance should be introduced in time for the new Council term following elections in 2023.**