

# KEYNSHAM TOWN COUNCIL

Minutes of the Finance & Policy Committee Remote meeting held on Tuesday  
14 July 2020 at 2pm via Zoom.

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PRESENT: Councillors T Crouch, A Halliday, H MacFie (Chair) and B Simmons

IN ATTENDANCE: Cheryl Scott – Town Clerk/RFO

31. APOLOGIES FOR ABSENCE

RESOLVED

To receive apologies for absence from Cllrs Biddleston, Cooper and Fricker

32. DECLARATIONS OF INTEREST

There were none

33. DISPENSATIONS

There were none

34. RECORD OF PREVIOUS MEETINGS

The Clerk advised amending the municipal year from 2019-20 to 2020-21 in Minutes 1 and 2

RESOLVED

That the Minutes of the Finance Cttee meeting held on 16<sup>th</sup> June 2020 (previously circulated), as amended above, be confirmed as a true record and signed by the Chairman. The Chairman signed the minutes in front of the camera.

35. PUBLIC PARTICIPATION

There was none

36. ALCA ANNUAL SUBSCRIPTION REPORT

36.1. ALCA are proposing to increase their annual subscription to Town and Parish Councils and have asked for feedback in advance of a decision. The Committee debated the issue as they felt that 10% per annum for the next 3 years was a substantial amount.

36.2. The current subscription, based upon the size of 14671 electorate, was £1,821.93; but this included a proportion to the National Association of Local Councils so the proposal was not clear on what the increase meant in financial terms to the Town Council.

36.3. The final matter of concern was whether the increase represented value for money for the Town Council in respect of how much it availed itself of the services and information provided.

36.4. The Cttee asked the Clerk to raise the following questions with ALCA

- a) What proportion of the £1827 subscription the Town Council currently pays goes to main NALC
- b) Is it proposed that the 10% increase on the whole total just goes to ALCA
- c) What additional services/resources would ALCA wish to offer Councils with the increase in subscription
- d) Do you have a full list of what both ALCA and NALC do

Finally they requested the Clerk provided a quantifiable breakdown in hours of the Town Council's usage of the services offered.

36.5. RESOLVED

That the matter be referred to Town Council with responses from ALCA to the questions raised.

### 37. INSURANCE RENEWAL

- 37.1. The renewal of the Council's insurance policy was due on 26<sup>th</sup> August 2020. A new 3 year long term agreement (LTA) to run until 25<sup>th</sup> August 2023 would be cost saving for the Town Council on the Annual premium.
- 37.2. The Deputy Town Clerk had approached 9 companies for quotes but only two had agreed to provide one. The reasons why the other companies would not quote included Council's claim history, agreements between brokers not to compete or did not offer insurance to Town/Parish Councils.
- 37.3. The Cttee had previously considered the Annual Risk Assessment which had identified certain matters relating to insurance cover that needed to be looked into as part of the next insurance policy review. These were listed with how they were being addressed in the report.
- 37.4. A comparison of the two quotes showed a significance difference in premiums with Company A quoting £4851.02 p.a.. and Company B quoting £6,294.63 p.a.
- 37.5. However the level of cover varied. Company B offered £15m cover as opposed to £10m cover on Employers and Public Liability, Property whilst contents level cover for both was defined by the asset register that was updated each year for the insurance companies and attached to the report for review.
- 37.6. The deciding factor however was the level of Fidelity cover offered, which the Internal Auditor had recommended was increased to £1.4m. The maximum level of cover that could be offered by Company A was only £1m per annum whereas Company B could offer the level of cover required with the facility to increase that cover up to a max of £1.75m over the 3 year term as the Council's activities and turnover increased.
- 37.7. The Cttee therefore felt that the Town Council only had one option, which was to opt for Company B in order to comply with the Internal Auditors recommendations. They noted that comments of the Senior Officers about respective ease of dealing with each company during the quotation process, and the fact that the Council had enjoyed a lengthy and positive relationship with Company B. The Cttee were further advised that there were ongoing matters in respect of claims which meant that it would be preferable for the Council to continue with the same broker for continuity purposes.

- 37.8 However it was noted that legal expenses cover of £100k offered by Company B was substantially lower than the £250k offered by Company A. The Clerk advised that Company B could increase legal expenses cover to £200k for an increased premium of approx. £150-160 and the Cttee felt that this was prudent.
- 37.9 The Cttee turned to the engineering policy for £250 p.a. which the Clerk explained was a requirement to cover the air compressor situated up at Burnett.
- 37.10 The Cttee then considered cyber insurance. Again, there was a wide difference in policy premiums with £299.99 for £250k of cover quoted by Company A and £550 for £250k of cover from Company B. The Clerk advised that the policy offered by Company A was a generic policy for Town and Parish Councils and that it was not clear whether cover included for ICO fines (which could be substantial). Company B however offered a policy that had been specifically designed to offer cover against regulatory fines and was a replacement for the policy the Town Council had previously agreed to take out but which had been withdrawn from the market. One member expressed concern about the processing of personal data from residents in response to the COVID pandemic by volunteers and other community organisations working with the Town Council, some of whom were not ICO-registered. There could be a higher risk of claims to the ICO for breach of GDPR in the future. Given the level of fine that could be implemented by the ICO the Cttee felt the level of cover should be increased to £500k
- 37.11. Finally, the Cttee considered Keyman Insurance, which was an issue raised in the Annual Risk Assessment. The Clerk explained this was essentially life cover on the two senior officers. The Council did have some cover against long term sickness in the Employment Liability policy but it did not cover for sudden death. The Cttee felt that the Clerk should continue to look into possible policies to bring back to a later meeting

RESOLVED

**TO MAKE THE FOLLOWING RECOMMENDATIONS TO TOWN COUNCIL**

- (i) To approve the asset register for insurance purposes
- (ii) That the Town council opt for Company B/Insurer B with increased premium to cover for increased cover on legal expenses insurance of £200,000
- (iii) That the Town Council take out the policy to cover the compressor at Burnett with Company B for £250
- (iv) That the Town Council should take out the cyber insurance cover from Company B at a cover limit of £500,000 and a premium of £850
- (v) To defer a decision on keyman insurance until more information becomes available.

**38. TELEPHONE/BROADBAND UPDATE**

- 38.1. The Town Clerk had been investigating broadband/telephone suppliers with options for the Committee for consideration. The Clerk had established that the Town Council currently rented 4 lines as part of a call package of £125 per month from one supplier; the Council main number, the Council fax (no longer used), the phone line for remote monitoring of the alarm system and the final number was an auxiliary back-up number which was currently not used.
- 38.2. In addition the Town Council paid line rental on a further number associated with the current broadband supply. If the Town Council moved to a new package with the existing supplier the line rental/price for fibre broadband would be reduced from £40.95 per month to £25 per month and this would also include all calls/call forwarding free of charge.

- 38.3. The current calls provider had provided a quotation for a new contract from 1<sup>st</sup> October for only one phone line (Town Council main number) and associated calls package of £76.60 per month. They would also re-configure the existing phone system to enable call forwarding to the Council mobile number (but at a cost for forwarded calls)
- 38.4. The alarm company had also reported that remote monitoring would be moving from telephone based systems to radio 4G as BT Redcare were phasing out their lines/service. The cost to install radio monitoring was £180 and the annual cost for remote monitoring would be increased by an additional £54 p.a. However the Council was currently paying approx. £12.75 per month to rent the line from the other provider so the additional £54 p.a. costs would be offset by the line rental saving of approx. £150 p.a.
- 38.5. In respect of the current phone handset system, this was a service rental agreement with the current calls provider for approx. £75 per quarter but the phones were analogue and would not be suitable for a new digital phone line system with provision to move to VOIP at a later date. The cost of purchasing refurbished digital phones suitable for VOIP was approx. £55 depending upon model and functionality. The Council could also rent the phones with a service agreement.
- 38.6. The Clerk felt there was still more research to do before a series of compatible and cost effective options could be presented to the Cttee at its next meeting in September. However the Cttee were advised that the current calls/line rental package of £125 per month was an annual roll-over contract which required 42 day notice of termination – therefore the Council would need to issue notice of termination before the next Finance meeting in September to prevent an annual rollover for another year on 1<sup>st</sup> October.

**RESOLVED**

**TO MAKE THE FOLLOWING RECOMMENDATIONS TO TOWN COUNCIL**

- (i) To give notice to the current supplier to terminate the calls package contract on 1<sup>st</sup> October currently costing £125 pcm
- (ii) To initiate the transfer of the alarm monitoring to 4G radio at a cost of £180 installation plus and additional £54per annum monitoring fee, taking into account the savings of £144 on the existing line rental being paid to the call package supplier

**39. UPS POWER SUPPLY**

- 39.1. The Clerk reported that a combination of Broadband and power failure caused the server to crash resulting in considerable time re-configuring the system to enable the staff to log on remotely. It was good practice to have an uninterruptable power supply connected to the server to ensure that in the event of a power cut, the server powers down and then re-boots when power is restored in a controlled manner without loss of configurations.
- 39.2. The cost of a UPS from the Council's IT provider was £499 with £10.00 delivery and £98 installation/configuration costs. The money would come from code 4086 IT equipment.
- 39.3. The Cttee felt that this was an essential purchase and well-worth the money given the possible impact on the Town Council's functionality if power to the server were lost again.

RESOLVED  
To approve the above purchase.

40. DATE OF NEXT MEETING

RECOMMENDATION:

That the next scheduled Zoom meeting will be held on Tuesday 8 September 2020 at 6.30 p.m.

The meeting finished at 15.01

SIGNED:..... (Chairman)      Dated: .....