



Goole Fields District Drainage Board

**Half Moon
Reedness
DN14 8ET**

Meeting Papers

31 January 2017

2:00pm

**Shire Group of IDBs
Epsom House
Malton Way
Adwick le Street
Doncaster DN6 7FE**

T: 01302 342055

**info@shiregroup-idbs.gov.uk
www.shiregroup-idbs.gov.uk**

Meeting Papers

Prepared by Paul Jones BSc (Hons) MSc (Eng)
Engineer to the Board

Reviewed by Ian Benn HNC/D, Dip NEBOSH, PG Dip
H&S/Env Law, Grad IOSH, MCQI CQP.
Clerk to the Board

Purpose

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1. Governance

1.1 Apologies for Absence

1.2 Declaration of Interest

Board Members are advised to declare a pecuniary or non-pecuniary interest on any item in the Agenda.

1.3 Minutes of the Meeting held 21 June 2016

Present

Mr MPG Dougherty (Chairman)	MD
Mr J Barker	JB
Mr D McTaggart	DMT

In attendance on behalf of JBA Consulting, Clerk, Engineer and Environmental Adviser:

Mr I Benn	IB
Mr C Benson	CB

Apologies for Absence

2016.15. Apologies were received from Martin Belton and John Oldridge.

Declaration of Interest

2016.16. There were none.

Minutes of the Meeting held 25 January 2016

2016.17. Minutes of the last meeting circulated with the meeting papers were taken as read and JB proposed and DMT seconded that the Minutes were approved for signature by the Chairman.

Matters arising

2016.13 Cross Drain Pumping Station. DMT confirmed that Farmcare Ltd had taken some levels on their land and had observed the discharge from the piped outfall in to the Warming Drain. The issues with the pipe had not been resolved. It was agreed that the Engineer would contact DMT to discuss further.

Finance Report

The Financial report, copies of which had been circulated with the meeting papers, was considered and adopted by Members.

Matters arising

2016.18. **Rating:** it was noted that the special levy for the year ending 31 March 2017 had been paid and 52% of the drainage rates had been received.

- 2016.19. Internal Audit:** The Internal Audit had been completed and the report would be circulated to members.
- 2016.20. External Audit – Annual Governance Statement.** Members were asked to consider and approve the Annual Governance Statement contained within Section 1 of the Annual Return. JB approved, DMT seconded and members approved the statement.
- 2016.21. Accounts for the Year Ending 31 March 2016 -** Members reviewed the Accounts that were circulated with the meeting papers and they agreed to approve the accounts as presented.
- 2016.22. External Audit – Accounting Statements.** Members were asked to consider and approve the Accounting Statements contained within Section 2 of the Annual Return. DMT approved, JB seconded and members approved the statement.
- 2016.23. List of Cheques:** The Board approved for signature by the Chairman a List of Cheques signed since the last meeting totalling £12,667.36, of which £1,116.54 were approved by the Officers only. The Board also approved a list of payments that were made direct from the Board's bank account totalling £30.61.
- 2016.24. Five Year Budget Estimate:** The Board reviewed the five-year budget estimate and the levels of income and expenditure over that period.
- 2016.25. Additional Information:** Members reviewed the graphical data that was contained with the report detailing the income and expenditure costs of the Board.

Clerk's Report

The Clerk's report was read and approved.

Matters arising

- 2016.26. Website:** Members noted the comments that the North Lincolnshire Council's procurement team will be shortly making a recommendation as to the appointment of the chosen provider. The Board will be advised of their share of the cost.
- 2016.27. Election Year:** Members noted that this year saw the end of the three-year term of office for the elected members. The Board approved the following: -
- i) Confirmed the appointment of JBA Consulting as returning officer
 - ii) Approved the Register of Electors
 - iii) Last date to receive nomination papers is Friday 7 October 2016
 - iv) Date of the election, if required, is Friday 28 October 2016
- 2016.28. Environment Agency – Isle of Axholme Strategy:** The Clerk informed members of the demaining and asset transfer process and confirmed that this strategy is one of two pilot studies being undertaken to test the procedures. It is likely that there will be funding available to bring assets up to a standard however, there would be no monies set aside for ongoing maintenance.
- 2016.29. Humber Flood Risk Management Strategy:** The Clerk confirmed that the EA were looking to create around five flood cells in the Humber Region, the location of which was not yet known.
- 2016.30. ADA –** The Clerk reported on the success of FloodEx and that it was likely to become an annual event.
- 2016.31. Defra –** The Clerk brought to the attention of Members, the change in the terminology now being used by Defra with respect to the EA's asset transfer and

demaining process. They are talking about “how and when” this happens, a clear indication of their support for the process.

2016.32. Total Catchment Management – Members were informed of the benefits of using a total catchment approach to the long term management of the district. DMT enquired whether or not there would be any financial benefit to landowners who create flood storage areas. The Clerk would make enquiries and feedback any findings to members.

2016.33. Key Performance Indicators – The Clerk confirmed that the KPI’s shown were produced by Defra as a tool to measure IDB performance.

Engineer’s Report

The Engineer’s report was read and approved.

Matters arising

2016.34. M & E Framework – The Clerk reviewed the proposal of establishing a M & E Framework that would enable the Board to select from a list of Contractors to carry out works to the Board’s pumping station. Members agreed to the support the proposal.

Environmental Report

The Environmental Report circulated with the Meeting Papers was read and approved.

2016.35. Advice on Maintenance Issues – It was agreed that the Environmental Officer would contact the Board’s contractor with respect to working within 20 metres of a badger set.

2016.36. Eels (England and Wales) Regulations 2009 – Members noted the comments in the papers that the Board must identify a strategy for compliance.

Health & Safety Report

The report which was circulated to members was read and noted by members.

Any Other Business

There was none.

Date of next meeting

Tuesday 31 January 2017, 2pm at Half Moon Inn, Reedness.

1.4 Matters Arising not discussed elsewhere

2. Financial Report

Recommendations

- To note the information contained in this report
- To Approve the Risk Register
- To approve the Board Estimate for the Year Ended 31 March 2018
- To approve the schedules of payments

2.1 Rating Report

Details of the Rates and Special Levies issued and payments received up to and including 4th January 2017: -

	£	£
Balance Brought forward at 1 April 2016		<u>NIL</u>
2016/2017 Drainage Rates and Special Levies		
Drainage Rates	20,183.58	
Special Levies		
East Riding of Yorkshire Council	5,184.00	<u>25,367.58</u>
Less Paid:-		
Drainage Rates	20,183.58	
Special Levies		
East Riding of Yorkshire Council	5,184.00	<u>25,367.58</u>
Balance Outstanding as at 4th January 2017		<u>NIL</u>

2.2 Audit

2.2.1 External Audit

The audit of the Board's financial statements and annual return has been completed. There are no issues that have been raised by the auditors to bring to the Board's attention.

2.2.2 Internal Audit

The System of internal audit review meeting was held in November and the minutes of which are attached at Appendix A.

2.2.3 Risk Register

Members are asked to review the attached risk register at Appendix B and formally approve to adopt at the meeting.



2.3 Estimates, Rates and Special Levy for the Year Ending 31 March 2018

2016/17					2017/18	
Approved Estimate		Estimated Out-Turn			Estimate	
£	£	£	£		£	£
				INCOME		
				Drainage Rates on Agricultural Land:-		
20,184		20,184		18.5p in £ on AV of £112,064	20,732	
				Special Levy		
				East Riding of Yorkshire Council		
5,184		5,184		18.5p in £ on AV of £28,896	5,346	
				Other Income:-		
				Bank Interest, etc		
<u>2</u>	25,370	<u>2</u>	25,370		<u>2</u>	26,080
				EXPENDITURE		
2,527		2,453		Environment Agency - Flood Defence Levy	2,527	
				Revenue:-		
				Administration:-		
4,250		4,250		Clerk and Engineer's Fees	4,250	
5,000		5,000		Other Administration Expenses	5,000	
				Maintenance:-		
7,500		7,500		Contract Maintenance etc	7,500	
6,000		6,000		Pumping Station	6,000	
<u>1,900</u>	<u>27,177</u>	<u>1,900</u>	<u>27,103</u>	Other Expenditure	<u>1,900</u>	<u>27,177</u>
	(1,807)		(1,733)	Surplus - (Deficit)		(1,097)
	<u>21,708</u>		<u>22,054</u>	Balance Brought Forward		<u>20,321</u>
	<u>19,901</u>		<u>20,321</u>	Balance Carried Forward		<u>19,224</u>
Previous Years Rates in the £						
1995/96 : 8p - 1996/97 : 8p - 1997/98 : 8p - 1998/99 : 8p - 1999/00 : 8p - 2000/01 : 8p - 2001/02 : 12p 2002/03 : 12p						
2003/04: 12p - 2004/05: 12p - 2005/06: 12p - 2006/07: 15p - 2007/08: 17p - 2008/09: 18p - 2009/10 : 18p						
2010/11 : 18p - 2011/12 : 18p - 2012/13 : 18p - 2013/14 : 18p - 2014/15 : 18p 2015/16 : 18p - 2016/17 : 18p						
Penny Rate : £1,409						

2.4 Five Year Budget Estimate

The five year forecast of income and expenditure is shown below.

Goole Fields District DB	0	0	0	1	2	3	4	5
Revenue Account	2016/17	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	App	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
	Budget	Out-turn	Out-turn	Out-turn	Out-turn	Out-turn	Out-turn	Out-turn
	£	£	£	£	£	£	£	£
Income								
Drainage Rates	20,184	20,184	20,732	21,292	21,852	22,133	22,413	22,973
Special Levies	5,184	5,184	5,346	5,490	5,635	5,707	5,779	5,924
Bank Interest, consents etc	2	2	2	2	2	2	100	100
Total Income	25,370	25,370	26,080	26,784	27,489	27,842	28,292	28,997
Expenditure								
Flood Defence Levy	2,527	2,453	2,527	2,602	2,680	2,761	2,844	2,929
Clerk & Engineers Fees	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250
Other Administration	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,500
Maintenance of Drains	7,500	7,500	7,500	7,700	7,700	7,900	7,900	8,100
Maintenance of Pumping Station	6,000	6,000	6,000	6,000	6,000	6,000	6,500	6,500
Other Expenditure								
Biodiversity Action Plan etc	850	850	850	850	850	850	850	850
Dempster IDB wayleave	350	350	350	350	350	350	350	350
Humber Management Scheme	100	100	100	100	100	103	106	109
Reedness & Swinefleet DB wayleave	600	600	600	600	600	600	600	600
Consents	-	-	-	-	-	-	-	-
Total Expenditure	27,177	27,103	27,177	27,452	27,530	27,814	28,400	29,188
Surplus/(Deficit)	(1,807)	(1,733)	(1,097)	(668)	(41)	28	(108)	(191)
Balance Brought Forward	21,747	22,055	20,322	19,225	18,557	18,516	18,543	18,436
Balance Carried Forward	19,940	20,322	19,225	18,557	18,516	18,543	18,436	18,244
Penny Rate in £	18.00p	18.00p	18.50p	19.00p	19.50p	19.75p	20.00p	20.50p
Penny Rate £1,409	73.37%	74.98%	70.74%	67.60%	67.26%	66.67%	64.91%	62.51%
Rate Av £112,064								
Lew Av £28,896								
Break-even Rate	19.28p	19.23p	19.28p	19.47p	19.53p	19.73p	20.08p	20.64p

2.5 List of Cheques

Cheques raised since those in the schedule presented to the board at the previous meeting:

DATE		CHEQUE	REF	PAYEE	DESCRIPTION	TOTAL	
		NO.				CHEQUE	
						£	
2016							
Jun	23rd	000363	1	Environment Agency	Flood Defence Levy	2,453.00	
		000364	3	JBA Consulting	1/4 Salary & Expenses	983.40	
		000365	4	Dempster District IDB	Precept	379.86	*
		000366	31	Danvm Drainage Commissioners	Legal Advice on Powers of Entry	287.50	*
		000367	30	Doncaster East IDB	Cardnet Fees	15.16	*
Jul	28th	000368	6	Brodericks GBC	Internal Audit Fee 2015/16	690.00	
		000369	7	JBA Consulting	1/4 Salary & Expenses	1,377.00	
		000370	9	NFU Mutual	Insurances	1,209.41	
		000371	8	NPower	Supply to Cross Drain PS 16.3.16 to 13.6.16	5,719.63	
Sep	20th	000372	12	NPower	Supply to Cross Drain PS	15.00	*
	27th	000373	10	Danvm Drainage Commissioners	Legal Advice on Powers of Entry, etc.	136.28	*
		000374	11	Doncaster East IDB	Cardnet Fees	28.28	*
Oct	12th	000375	13	ADA Northern Branch	Contributions	150.00	*
		000376	14	PKF Littlejohn	Audit Fee 2015/16	240.00	*
		000377	15	JBA Consulting	1/4 Salary & Expenses	1,549.80	
Nov	8th	000378	17	Reedness & Swinefleet DB	Swinefleet Warping Drain - Annual Contribution	600.00	*
Dec	5th	000379	18	Danvm Drainage Commissioners	Website Development	264.94	*
2017							
Jan	11th	000380	19	Danvm Drainage Commissioners	Website Development	50.46	*
		000381	20	Humber Nature Partnership	Membership Fees	120.00	*
				Total Amount of all Cheques		16,269.72	
				*Total Amount of Cheques sent out signed by the Clerk's		2,287.48	

2.6 Payments Made Directly from the Bank Account

Payment made directly from the bank account since those in the schedule presented to the board at the previous meeting:

DATE		CHEQUE	REF	PAYEE	DESCRIPTION	TOTAL	
		NO.				CHEQUE	
2016						£	
May	31st	d/d	-	NatWest	Bank Charges	13.53	*
Jun	30th	d/d	-	NatWest	Bank Charges	8.89	
Jul	29th	d/d	-	NatWest	Bank Charges	8.13	*
Aug	31st	d/d	-	NatWest	Bank Charges	9.44	*
Sep	30th	d/d		NatWest	Bank Charges	9.06	*
Oct	31st	d/d	-	NatWest	Bank Charges	10.42	*
Nov	30th	d/d	-	NatWest	Bank Charges	5.00	*
Dec	6th	d/d	16	Information Commissioner	Data Protection Registration	35.00	*
	30th	d/d	-	NatWest	Bank Charges	5.00	*
				Total Amount of all Payments		104.47	

3. CEO's Report

Recommendations

- **Members note the information in the report.**

3.1 Website

Is now live and available at www.shiregroup-idbs.gov.uk

3.2 Legislation

Nothing to report.

3.3 Environment Agency

Nothing to report.

3.4 Association of Drainage Authorities (ADA)

3.4.1 ADA Conference 2016

Notes on Conference.

Henry Cator stood in for President Lord Ramsey, unable to attend. Henry suggested the industry was taken for granted, noting IDB Members take seats on these small non-departmental public bodies as volunteers with immense local knowledge of their area.

Dr Therese Coffey, Minister for the Environment, spoke at length. Government appreciates the role and function of IDBs and the importance of ADA, speaking for the collective whole. She welcomed ADA's response to the flooding report suggesting the importance of integrating water, land management, development and the environment from source to sea. In connection with de-maining and asset transfer, she advised the Agency was not attempting to palm off responsibility but looking for willing partners and how PSCA's help support this process. She is very supportive and seeks to promote natural flood management and understand what it could look like in lowland areas. She noted Defra's appreciation on the work some IDB Officers had done on land values in connection with proposed new IDBs in Cumbria. She also acknowledged the statutory duty of local authorities to raise income on behalf of IDBs for those developed areas within the IDB District and how Board function assisted delivery of environment, food and farming requirements.

Alison Baptiste spoke on behalf of the Environment Agency expending on the requirement to de-main and transfer assets, likely to be with willing partner IDBs and other Risk Management Authorities. The ideal scenario was to deliver a local solution for local people however the Agency continues to require an oversight role.

Emma Howard-Boyd, Chair of the Environment Agency spoke on the work of water level management having a positive impact on daily lives but the requirement to think long term about nature and the protection of people from flooding. It was believed delivery would be through collaboration between partners to deliver a resilient England, advising not everyone can be protected all of the time. A catchment based approach would be required to deliver this; land management practices, soft engineering approaches, new measures with utility companies to strengthen infrastructure resilience. She advised of an Agreement with Stobart trucks to move goods required by the Environment Agency in connection with flood events

around the country and the Woodland Trust and Forestry Commission were to plant trees. She noted how the PSCA were delivering efficient savings of between 5-10%. Mrs Howard-Boyd also advised the Agency was keen to work with willing partners. There requires a rebalancing of both National and Local Flood Risk Management; the 25 year Environment Framework was soon to be published – how to fund the work remained an ongoing issue.

Minette Batters spoke for the National Farmers Union. She identified Brexit as the biggest challenge for the future. Trading relationships was the number one priority and access to the single market. It would be a significant change for agriculture. The budget was secure until 2020 but a new deal would have to be agreed before the end of the 2 year exit from Europe. She advised the public pay £0.23 per day toward the Commons Agricultural Policy, providing food, clean water and a clean environment and the importance of using the next two years to influence change. At the moment under the Water Framework Directive, one indicator failure meant watercourse failure suggesting by the next River Basin Management Plan period of 2027, was time within which the directive could be scrapped. The NFU fully supported IDBs working on main river under PSCAs and commented on the role of farming in mitigation of Climate Change.

Question Time followed with questions raised by a LLFA Member on SuDS and the requirement for all drainage assets to be adopted and maintained in perpetuity where Management Companies set up for this purpose frequently failed to deliver suggesting the FWMA Schedule 3 required enactment allowing the LLFAs to adopt systems. It was opined the Government is storing up problems because SuDS are not being developed properly and to deliver the catchment approach requires SuDS being developed.

A Member advised the CAP monies are not for farmers but subsidise consumer shopping lists.

On Grant in Aid an IDB Officer suggested whilst outcome measures were appropriate for accessing GiA, they need to be more aspirational, offering a lower level of protection in villages and reporting on the percentage of properties protected, advising property should be protected to a standard with support for offering advice on resilience to flooding.

Innes Thompson advised on the importance of soil as the most valuable farm asset and the need to protect it from erosion and maintain soil biota.

3.4.2 Technical & Environment and Policy & Finance Committee

A joint meeting was held on 10th January 2017.

Discussions included:

- Workstream reports from 2016 on water transfer licensing, total catchment management, ecological improvement, data and evidence.
- New workstream groups covering subjects: water transfer and abstraction, preparation of a guide to demanding for IDBs, use of IDB1 information.

3.5 Defra

Nothing to report.

4. Engineer's Report

Recommendations

- Members note the information in the report.

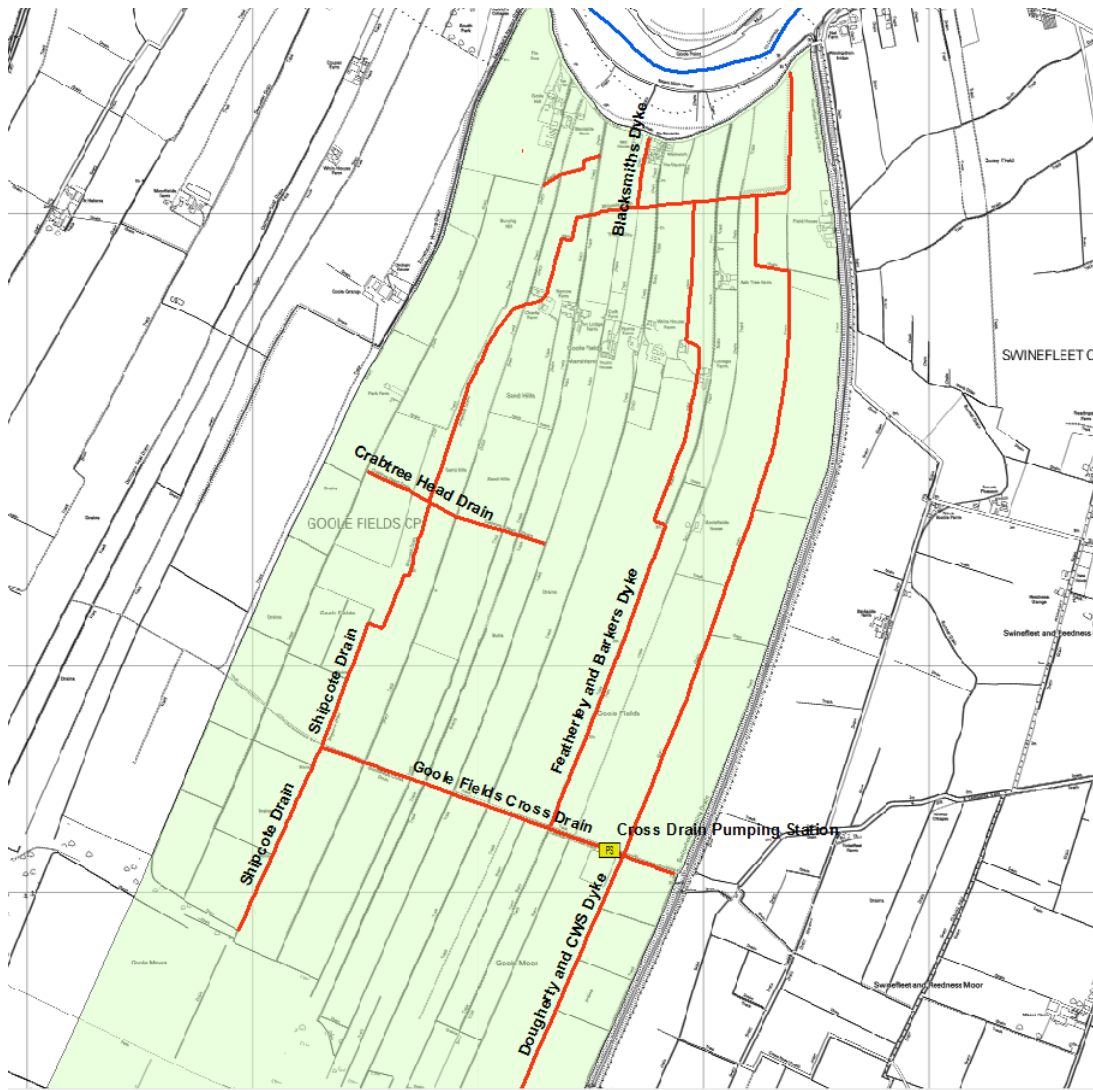
4.1 Asset Management

4.1.1 Pumping Station

No issues have been reported regarding operations.

4.1.2 Maintained Ordinary Watercourses

Maintenance activities are to be agreed for the upcoming season on the following Ordinary Watercourses.



4.2 Planning, pre-application advice and consents

4.2.1 Planning Applications

The Local Planning Authority website has been reviewed on a regular basis and no planning applications have required comment on behalf of the Board between 25th May 2016 and 16th January 2017.

4.2.2 Land Drainage Act 1991 Section 23 and 66 (Byelaw) Consents

No consent has been issued on behalf of the Board between 25th May 2016 and 16th January 2017.

5. Environmental Adviser's Report

Recommendations

- Members note the information in the report.
- Member approve BAP budget expenditure on Eel R&D (Item 5.2.2)

5.1 Advice on Maintenance Issues

Contractors must inform the Badger Licence holder when works are being undertaken within 20 metres of a badger sett.

5.2 Legislation

5.2.1 Eels (England and Wales) Regulations 2009

The Agency is now contacting all IDBs to discuss Board plans for compliance with the regulations on key sites requiring passage for eel. The Board must identify a strategy for compliance for its station on Cross Drain which is regarded as a High Priority site by EA Fisheries.

5.2.2 ADA support EA Eel Research & Development

The following request was received from Innes Thompson, ADA late November 2016:

Further Research needed on Eels

Over the past 12 months, considerable work has been undertaken behind the scenes to better the understanding of eel, its behaviours and actions around structures posing an obstruction to passage. This work assists the provision of enhanced and sensible application of the Eels (England and Wales) Regulations 2009 and subsequently informs the management of drainage, water level and flood risk management structures.

ADA has explained to Defra the clear need to find pragmatic and practical solutions when applying the regulations in order to achieve the best outcome both for eel populations and the management of water levels in England's areas of special drainage need. I appreciate the contribution several IDBs have already made towards research in this area and the work of David Thomas and Alison Briggs who have represented ADA at meetings organised by the Environment Agency (EA) to look more closely at this issue.

As you are aware, a particular challenge relates to the incompatibility of legal requirements for screening eels at flood risk management pumping stations posing an obstruction to passage. At present 325 time-limited exemptions are in place on high-priority pumping station sites across the country, until 2021.

The need for further research

Evidence must sit at the heart of our decision making on this issue and to date the EA (supported by Defra) has invested around £70,000 per year in eel research including passage at pumping stations and related flood defence structures.

Experts in the field working with the EA and IDBs undertaking ongoing trials at pumping stations consider that continuing this work for a further two years will help provide the evidence necessary to underpin the application of more affordable and appropriately tailored solutions. However, funding available for such research is coming under increasing pressure.

ADA fully supports the need for further research to ensure that the most sensible solution is applied to structures forming barriers to eel passage. In discussion with the EA and Defra, it is clear that if those responsible for operation of pumping stations give a strong message of

support for further research then this work can continue. That strong message will need to be reinforced by some form of financial contribution towards the next two years' of research. If we collectively show willingness to invest in this research, then we understand that input will be maintained from the EA's own FCERM research fund. Many of us are aware of Grant in Aid requirements to find partnership funding and funding research is no different.

ADA Eel Passage Research fund

I would therefore ask all of you to consider what amount your Board or Company is prepared to contribute towards this research over the next two financial years. To help you reflect on an appropriate amount, we are suggesting that Boards, other authorities and companies put forward sums between £100 and £1,000 per year for two years. To kick start this fund ADA will itself put forward the sum of £1,000 per year over the two years.

Clearly, we are not trying to raise all the necessary money for the work but a contributing gesture from a significant number of IDBs and other ADA members will, I am sure, serve to guarantee the EA's research investment and help find us a workable, affordable solution to the current dilemma.

Several IDBs across the country have pledged funds between £500 and £1000 to the R&D Fund.

This Board has not spent its Biodiversity Action Plan budget for 2016/17 and is requested to consider whether it is agreeable to pledging a similar amount into the ADA R&D fund which the Environment Agency can use as match funding.

6. Health and Safety Report

6.1.1 Accidents/Incidents/Near Misses

Nothing to Report.

6.1.2 New Legislation

Nothing to Report.

6.1.3 HSE Incidents

Nothing to Report.

7. Any other business by leave of the Chairman

8. Date of next meeting

9. APPENDIX A – Internal Audit Review meeting

**Held at JBA Consulting, Epsom House,
Monday, 28 November 2016**

Present:	Mr Adrian Black	Scunthorpe & Gainsborough WMB
	Mr David Hinchcliffe	Black Drain Drainage Board
	Mr Peter Horne	Doncaster East IDB
	Mrs Veronica Chapman	Doncaster East IDB
	Mr Christopher Day	Ancholme IDB
	Mr Martin Oldknow	Black Drain DB/Doncaster East IDB
	Mrs Gillian Ivey	Danvm Drainage Commissioners
	Mr Andy Cane	Brodericks GBC

In Attendance on behalf of JBA Consulting:

Mr Craig Benson (Senior Financial Officer to the Shire Group of IDBs)
Mr Mark Joynes (Financial Officer to the Shire Group of IDBs)

1. Introductions and Apologies for Absence

The members of the panel briefly introduced themselves. Apologies for Absence were received from Cllr CA Harp and from Cllr R Sutherland.

2. Minutes of the Last Meeting/Matters Arising

The panel approved the minutes as a true and fair record with no matters arising.

3. Risk Register – New Format

The finance officer gave a brief update of the changes applied to the register since the last meeting. A section had been added specifically identifying what the undesirable events are and the risks associated with them. Also, the finance officers explained the proposal to maintain a separate register for every drainage authority, with each register tailored to the needs and circumstances of that client. The panel discussed the following items with regard to the format.

Individual Registers

Andy Cane suggested the current register is fairly general and it would be a good thing for each authority to have its own register. Gillian Ivey agreed and said each drainage authority has its own risks and circumstances. Craig Benson gave several examples of risks faced by individual clients that were particular to that client.

Live Document

The panel noted the document was now fairly unwieldy and discussed whether some of the older entries that have since been resolved be removed. The officers pointed out each Board needs to be aware of all the risks it faces and the control members they have in place, to facilitate review.

Register of Members' Interests

Adrian Black enquired how often the register is updated. Craig Benson said members should advise Shire Group officers whenever there are any changes so the register may be updated. He further suggested a reminder could be included in the boards' meeting papers every year.

4. Risk Register – Items Discussed

In addition to the general format the panel discussed several specific items.

Declarations of Interest

GI suggested a sentence be added all Boards' meeting papers reminding them of the requirement to declare any interests. AB suggested correspondence should be sent to all members periodically requesting they check their details are up-to-date. AC asked how often members actually declared an interest during meetings and offered to leave the room. He was informed it did indeed happen although it is somewhat rare.

ACTION – Consider Issuing emails to members

Policies on Public Awareness

GI said that Danvm Drainage Commissioners strongly felt that the website did not very much help the public become more aware of Drainage Boards. She pointed out the search engine Google pointed the Shire Group home page rather than individual drainage authorities. Furthermore, she said they could do more to put things into the public arena and raise public awareness of Drainage Boards and their activities. CB pointed several recent events included ADA shows, their regional branches, the Lincolnshire Show and the Danvm Drainage Commissioners recent display at Bentley Park. Peter Horne asked whether it was the management team's responsibility to raise awareness. After a brief discussion regarding contractual arrangements CB said the team should take the lead, mentioning possible visits to local schools, explaining the importance of flood protection, giving flume demonstrations and so on.

5. Internal Auditor's Report

The internal auditor reviewed the work undertaken on the 2015/16 accounts. In general, the internal auditor was satisfied with how things are running and said there were no major concerns. The panel discussed the following points:

Decision Making

AC said this issue is never an easy one but the attendance of members and the split between elected and nominated members should always be borne in mind. MO said some boards should consider reducing reconstituting to reduce the number of members. PH said Doncaster East IDB would look carefully at this option and also that local authorities tend to nominate council officers, who tend not to get involved. GI said Danvm DC generally did well in this regard with all 13 nominated members attending the meetings on some occasions. AC reaffirmed attendance should reflect the 'plus-one' make-up of the Board's constitution. CB suggested if a Board has a majority of one, they should consider reconstitution. DH said he preferred councillors as they are better aware they are representing the drainage board and not the local authority that appointed them, and that officers may have different agendas.

Reserves Policy

GI pointed out that Danvm DC have now in fact adopted a reserves policy. AC was agreeable to amend his report. CB pointed out all Shire Group members have a reserves policy, with Goole Fields District DB being the sole exception.

Assessment of Control Environment

PH drew attention the internal auditor's frequent use of the phrase 'fairly robust', and said if the auditor couldn't provide any concrete suggestions on how to improve matters, an unqualified 'robust' would be more appropriate. AC said this was a mere wording issue, and acknowledged risk could never be entirely eliminated. He agreed to use the phrase 'robust' in future.

6. External Auditor's Report

The Annual Returns were reviewed by the panel and more specifically the External Auditors' comments. The following matters were discussed.

Ongoing Audit of Danvm Drainage Commissioners

CD asked for confirmation that the external auditors had all their required materials by July. CB confirmed so, and the audit should be complete by 30 September 2016. CB further explained that the external auditor should've been in contact and advised the Board to advertise that the audit was still ongoing. CD strongly expressed the view that this was not acceptable. CB agreed and said the officers would send an email on behalf of the panel to this effect. CB also gave the panel a brief description of the details of the change of regime. AC said auditors need to work to deadlines, 30 June in his case and 30 September for the external audit.

ACTION –Contact BDO on behalf of the panel by email

7. Any Other Business

Budget Process & Scope of Internal Audit

Craig Benson informed the panel he had looked at the budget process with the internal auditor. CD enquired about the scope of the audit. CB said the process was set down in legislation and the initial discussions took place in March. AC said the scope had to be flexible to allow for any necessary investigation. CB reminded the panel any specific risks could now be added to the risk register.

8. Date of Next Meeting and Close of Meeting

The next meeting of the panel will be held on Monday, 27 November 2017 at 10.00am at JBA Consulting, Epsom House, Redhouse Interchange, Doncaster, DN6 7FE.

CD thanked the internal auditor for all the work done and the finance officers thanked the members for attending. The meeting closed at approximately 10:50am.

10. APPENDIX B – Risk Register

A copy of the updated Risk Register can be found over the following pages. The Board is requested to review and approve the document.

Item	Grade	Impact	Likelihood	Ref	Risks	Mitigation and Action Required	Last Reviewed
Governance - Members & Management							
Question 1 - Does the Board Lack Direction?							
1. a)	B	High	Low	1.1	Disunity in Board with conflicting aims & objectives. External bodies and the wider public lack understanding of the Board's aims & objectives. Internal/external disputes cannot be resolved through lack of adopted policies.	Each board has a policy statement on Flood Protection and Water Level Management. These fall short of full Strategic Plan. All Boards have Biodiversity Action Plans. ADA standard model policies utilized to adopt an application. By default the constitution follows the provisions laid down in the Land Drainage Acts.	16/11/2016
1. b)	B	High	Low	1.2	Board lacks sufficient funds to meets its obligations.	Budgets follow sound logical principles. Approved by each IDB.	16/11/2016
1. c)	B	High	Low	1.3	Officer's unaware they have exceeded, budget, become overdrawn or that there are other, material errors in the accounting records. Inefficient, dangerous operational practises occur and continue unaddressed.	Daily, weekly, Monthly and Quarterly totals considered by Financial Officers on an ongoing basis that these are in accordance in general terms with budget. Evidence of budget monitoring approved by IDBs. Budget review document signed each month with comments.	16/11/2016
1. d)	B	High	Low	1.4	Board members and other funding partners unaware of problems set out above. Said problems continue unaddressed.	Operational performance considered and updated at Board meetings as appropriate. Ratepayers know Board members. (Names of all Board members are available on the Shire Group website) Feedback to board of praise /criticism via member. Complaints procedure documented and available on website.	16/11/2016
Members/Officials							
Question 2 - Do officials/members lack relevant skills or commitments?							
2. a)	D	Low	Low	2.1	Board members/officials lack suitable knowledge and experience. Members/officials lack ability to make objective decisions and act in the Board's long-term interest. Recruitment process is not transparent to all.	Land Drainage Act provides for election of members every 3rd Year. Generally recruitment is via word of mouth from existing members and landowners who have been affected by the boards' policies in order to represent their interests. Format of the nomination papers is prescribed by the LDA 1991 and copies are available on the website.	16/11/2016
2. b)	D C	Low Low	Low High	2.2	Unsuitable members (see above) appointed to the Board Local Authority appoints unsuitable members to the Board.	Qualifications for membership laid down by LDA 1991. See reverse side of nomination paper. Council to nominate people as they consider appropriate	16/11/2016

Item	Grade	Impact	Likelihood	Ref	Risks	Mitigation and Action Required	Last Reviewed
2. c)	C	Low	High	2.3	Members/officials lack understanding of the Board's objectives, latest legislative requirement and latest developments in the industry.	Ian Benn is a member of the ADA Technical & Environmental Committee. He attends a forum of local Clerks approx. 3 times per year together with The Association of Drainage Authorities annual conference. Regular updates from Association of Drainage Authorities. All updates reported to members in their meeting papers. Training seminars on legislation, responsibilities, ethics, etc. are being delivered. Comprehensive modular training scheme to be added to the website (target date 31.3.2017)	16/11/2016
Question 3 - Does the Board lack appropriate composition?							
3. a)	B	High	Low	3.1	No clear framework of the operations in the organisation. Members/officials do not understand their own roles & responsibilities.	Composition of the Board set out in DLA. Standing Orders and Financial Regulations renewed are reviewed and renewed. To be approved by DEFRA.	16/11/2016
3. b)	D	Low	Low	3.2	A member's interest are in conflict with those of the Board. Board are unaware of any such potential conflicts.	Minutes and agenda thereto states Board Members are advised to declare a pecuniary or non pecuniary interest on any item in the agenda. Register of Members' Interest compiled and kept up-to-date.	16/11/2016
3. c)	D	Low	Low	3.3	Members / officials meetings have taken place. Decisions of the Board go unrecorded.	LDA and Clerk to arrange programme of meetings. Agenda for meeting set by Clerk and Chairman. Minutes of meetings scrutinised & approved by Board.	16/11/2016
3. d)	B	High	Low		As 3 b) above.	As 3 b) above.	16/11/2016
3. e)	D	Low	Low		Reviewers not certain of legality of expense payments made to members.	Not for Board meetings, conferences only, as per LDA.	16/11/2016
3. f)	D	Low	Low		Board exposed to risk of fraud.	No remuneration policy in place. Boards may pay a chairman's honorarium at their discretion, subject to ministerial approval.	16/11/2016
Management							
Question 4 - Is There an Adequate & Informed Organisational Structure?							
4. a)	D	Low	Low		See 2. c) above.	See 2. c) above. Management are involved in the preparation of training modules and attend the seminars, or indeed deliver them.	16/11/2016
4. b)	D	Low	Low		Lack of a clear chain of command. Officers uncertain of the responsibilities and level of authority. Organisational structure difficult to review.	In general on website. Further, more detailed documents setting out team structure, individual roles, etc. on JBA records. To be added to the website (target date 31.3.2017)	16/11/2016
4. c)	D	Low	Low		Staff problems and organisational anomalies not addressed.	JBA procedures. IDB Division established in line with DEFRA requirements.	16/11/2016
4. d)	D	Low	Low		Conflicts of interest not detected and not addressed.	JBA procedures. IDB Division established in line with DEFRA requirements.	16/11/2016

Item	Grade	Impact	Likelihood	Ref	Risks	Mitigation and Action Required	Last Reviewed
4. e) Is there a competence framework?	B	High	Low		Assessment of staff members ability to fulfil their roles is difficult, and the results harder to justify.	Prescriptive Job Descriptions written for each team member. These are in progress. (reviewed annually). Detailed descriptions setting out roles & requirements included in tender documentation.	16/11/2016
Question 5 - Is there a lack of succession planning? Can experience and skills be lost, and corporate contract/operational impact be lost?							
5. a) Is there succession planning?	B	High	Low	13.1	Orderly transitions not adequately planned for and disruptions/delays occur as a result.	Good balance of knowledge and skills appropriately segregated. Procedures being documented.	16/11/2016
5. b) Are there appropriate notice periods for changeover?	B	High	Low	13.1	Insufficient time to plan for transitions causes disruption.	All IDB Division Staff have a permanent contract with JBA Consulting. Employees with over two years' service are required to give three months' notice in writing.	16/11/2016
5. c) Are there training programs in place?	B	High	Low		Staff lack the knowledge and appropriate training to fulfil their roles.	Ongoing on the job training of key staff occurring.	16/11/2016
Question 6 - Is the reporting process adequate?							
6. a) Is there timely and accurate project reporting?	D	Low	Low		Management, stakeholders and other interested parties not aware potentially problematic issues.	Progress on capital schemes is reported regularly at Board meetings.	16/11/2016
6. b) Is there timely and accurate financial reporting?	D	Low	Low		Members and management not made aware on problematic or otherwise important issues in a timely manner.	Estimates Jan/Feb, Accounts May/June.	16/11/2016
6. c) Is there a budget setting process?	D	Low	Low		Board lacks sufficient funds to meets its obligations.	Yes. Laid down by LDA. Budgets set every Jan/Feb	16/11/2016
6. d) Is there proper project assessment?	D	Low	Low		Lack of due project assessment may allow problems to arise again in future schemes.	Grant-aided scheme - PAB Approval. Non grant-aided - reported to the board.	16/11/2016
6. e) Is there regular contact between board and management?	D	Low	Low		Board members unaware of relevant issues, whether operational, financial, administrative or environmental. Board members unable to set policy as required.	Regular Board meetings.	16/11/2016
D							
Operational Risk							
Question 7 - Are there any risks associated with the provision of services?							
7. a) Is there a quality control procedure?	D	Low	Low		Services rendered do not adhere to relevant professional standards.	No quality control procedure but officers are ISO 9001 accredited.	16/11/2016
7. b) Is there a complaints procedure?	B	High	Low		No opportunity for dissatisfied parties to air grievances, nor any opportunity for the Board address them and correct any problems where necessary.	Website provides clear instructions on how to make complaints. All complaints reported to the Board in the meeting papers.	16/11/2016
7. c) Is there a policy to raise public awareness and profile?	D	Low	Low		General public unaware of the roles & responsibilities of drainage authorities, or even of their existence.	Website - Shire Group of Internal Drainage Boards.	16/11/2016
Question 8 - Is there a risk of supplier dependency?							
8. a) Are there procedures for obtaining quotations/periodic review of suppliers' charges?	B	High	Low	8.1	Unsuitable goods/services ordered by persons lacking suitable knowledge & experience, resulting in financial burden.	Levels of authority for ordering goods & services clearly set out in Board's financial regulations. Requirement for suitable number of quotations set out in same.	16/11/2016

Item	Grade	Impact	Likelihood	Ref	Risks	Mitigation and Action Required	Last Reviewed
8. b)	D	Low	Low		Contractors appointed lacking suitable training, knowledge, competence and experience.	JBA carry out all quality assurance on all contractors. Approved contractor list circulated as appropriate and approved by the board. List of the Board's approved contractors on Health & Safety website.	16/11/2016
8. c)	B	High	Low	8.1	Inadequate level of service rendered and/or unnecessary delays.	JBA administers all tendering processes and timing.	16/11/2016
Question 9 - Is there a risk that capital resources are under utilised?							
9. a)	B	High	Low	8.2	Problems not detected and corrected in a timely manner.	Asset Management program in place.	16/11/2016
9. b)	D	Low	Low	8.2	As above.	Repairs undertaken as required and approved at board meeting and general review to consider replacement option.	16/11/2016
9. c)	B	High	Low	8.2	Board unable implement necessary replacement of capital items.	JBA prepare and update for each meeting a 5 year capital programme for IDBs.	16/11/2016
9. d)	B	High	Low	8.2	Security issues not detected and corrected in a timely manner.	Boards with plant have secure depots. Site staff bring any potential security issues to the officers' attentions immediately. Intruder alerts detected automatically and reported immediately through the telemetry system.	16/11/2016
9. e)	B	High	Low	8.2	Board has inadequately level of cover. Board is paying for unnecessary insurance cover.	Towergate Insurance annually review all eight Board policies. IDB supplied with details.	16/11/2016
Question - 10 Is there a risk of employment disputes due to injury, unfair dismissal, equal opportunities, in appropriate training etc., or a high staff turnover?							
10. a)	D	Low	Low	10.1	New staff appointed who lack relevant training, competence, etc.	Interview questionnaires used.	16/11/2016
10. b)	B	High	Low	10.2	Employee dishonesty with regard to qualifications and previous experience may go undetected.	Written references and copies of relevant certificates obtained when new employees are engaged.	16/11/2016
10. c)	B	High	Low	10.3	Discrimination (e.g. by age, gender, race, religion or belief, sexual orientation, disability) may occur in the recruitment process and go undetected. Favouritism and nepotism may likewise occur.	No formal policy in place. Abide by current statute.	16/11/2016
10. d)	D	Low	Low		Opportunities to strengthen links with workforce misses. Also, to avert future disputes & generally improve workplace satisfaction missed.	6-monthly review for new starters. Annual appraisal process for workforce.	16/11/2016
10. d)	D	Low	Low	10.4	Training needs and career development goals of individuals not determined.	Schedule of training needs via the asset manager.	16/11/2016
10. f)	D	Low	Low	10.4	Health and safety needs of individuals not assessed. Accidents and illnesses that should be easily preventable occur.	As above.	16/11/2016
10. g)	D	Low	Low	10.5	No clarity as to each employees roles and responsibilities.	Job specifications in place for recent appointments.	16/11/2016
10. h)	B	High	Low		Employees' remuneration is not appropriate for their level of experience and their current roles and responsibilities. Workplace dissatisfaction through inadequate pay.	Rates increased in accordance with Association of Drainage Authority guidelines. Training and working conditions as 10 e) above.	16/11/2016

Item	Grade	Impact	Likelihood	Ref	Risks	Mitigation and Action Required	Last Reviewed
10. i) Are there contracts of employment?	B	High	Low	10.6	Employees uncertain of the details of their roles and what is expected of them.	Contracts of employment in place.	16/11/2016
Question 11 - Are there risks of loss of information and continuity?							
11. a) Is there a disaster recovery plan	B	High	Low	11.1	Business IT infrastructure destroyed by fire, vandalism, etc. Severe disruptions to operational effectiveness.	Backup tapes <u>kept off site</u> .	16/11/2016
11. b) Is there a policy of taking and sharing data off site?	B	High	Low	11.1	Major disruption to operational effectiveness as a result of significant loss of data.	As 11. a) above.	16/11/2016
11. c) Is there Insurance cover? Is it regularly reviewed?	B	High	Low		As 9. e) above.	see 9. e) above.	16/11/2016
Question 12 - Is there a risk of lack of awareness of procedures and policies?							
12. a) Is there a proper documentation of procedures and policies?	B	High	Low	12.1	Confusion or disagreements not quickly resolved. Uncertainty over requirements and expected standards.	Recommend that policies be documented at the earliest opportunity. All adopted policy documents available on website. Procedures are in progress <u>(target date 31.3.2017)</u>	16/11/2016
D							
Financial Risks							
Question 13 - Is there a risk of loss of control through an inadequate budget process?							
13. a) Is there a budget linked to planning and objectives?	B	High	Low		As 1. b) above.	See 1. b) above. 5-year or 25-year budget forecasts presented at Board meetings.	16/11/2016
13. b) Is the budget regularly reviewed and monitored?	B	High	Low		As 1. c) above.	See 1. c) above.	16/11/2016
13. c) Is there a monitored and adequate skill base to interpret the information?	B	High	Low		Staff, members or other reviewers do not understand the implications of the forecasts they are presented with.	Team members both experienced and suitably qualified.	16/11/2016
13. d) Is there an indication of major dependencies on income sources?	B	High	Low		Board left in financial disarray should such an income stream suddenly cease for any reason.	Highlights requirements of DEFRA Grants and/or Public Works Loans (Capital works).	16/11/2016
Question 14 - Is there a risk of lack of liquidity due to inadequate reserves?							
14. a) Is there a reserves policy linked to business plans and identified risks?	B	High	Low		Board lacks adequate funds to fulfil its statutory obligations. Board unable to remain solvent following a major undesirable event.	The Board have a reserve policy in place, and take it into consideration when setting the budget every year.	16/11/2016
14. b) Is there a regular review of the reserves policy?	B	High	Low		Reserve policy fall out-of-date and are no longer adequate to meet the requirements of the Board.	Policies reviewed periodically, typically 3 or 5 years.	16/11/2016
14. c) Is there a fair reflection of the financial integrity of the Boards reserves?	B	High	Low		Actuality of the Board's financial perform leaves them in a position in breach of their reserves policy.	Presentation of balances within accounts is consistent with associated effects on stated reserves. Recommend review of presentation of Balance Sheet in conjunction with Reserves Policy. <u>This is ongoing.</u>	16/11/2016
External Risks / Compliance with the Law							
Question 15 - Is there a risk associated with non-compliance with the law or other external factors?							
15. a) Is there a policy of review of the legal requirements extending to the organisation/professional opinion sought re:							
• Employment Law?	B	High	Low		Board in breach of its statutory obligations.	Equal Opportunities policies in existence.	16/11/2016
• Human Rights Legislation?					Same	All applicable law complied with.	

Item	Grade	Impact	Likelihood	Ref	Risks	Mitigation and Action Required	Last Reviewed
<ul style="list-style-type: none"> ● Health & Safety? ● Criminal Acts? 					Same Same	Ian Benn/Craig Benson Health & Safety Advisors. Disciplinary Procedures.	
15. b) Is there a policy for monitoring and reporting grant funders' conditions?	B	High	Low		Actual costs may exceed budgeted, opportunities to take corrective action missed.	Depends on the scheme. Monitored generally by the project manager.	16/11/2016
Specific Board Risks							
Question 16 - Are there any specific Board Risks?							
16. a) Is there a major ratepayer whose none payment would significantly impact on the Board activities?	B	High	Low		Board left with shortfall in reserves Board unable to pay Creditors Cashflow problems	Reserve Policy and long term planning	19/12/2016
16. b) Can the Board raise monies to fund capital replacement?	B	High	Low		Options to borrow monies at present from PWLB. However Board would be unable to fund repayments without a huge uplift in penny rate. Restrictions placed on the level of annual loan repayments as a percentage of Rates and Special Levies Instigate a council referendum if rate increase is more than 2%.	Consider mergers with neighbouring IDBs to increase funding sources. Depreciate asset and set aside funds annual to replace at end of life. Source other funding possibilities such as Grants, Local Enterprise Partnerships	16/12/2016
16.c) Major Development in Board's District	B	Low	High		Increase in Special Levy on Council Change in % split of membership of Board.	Council made aware of impact of development on Special Levy. Board made aware of changes to Board membership	19/12/2016
16.d) Failure of Board Asset	B	Low	High		Failure of asset adversely affects the conveyance of water through the Board's District	Board to instigate a proactive inspection regime to mitigate against unplanned failures.	19/12/2016



Shire Group of IDBs

**Shire Group of IDBs
Epsom House
Malton Way
Redhouse Interchange
Adwick le Street
Doncaster DN6 7FE**

T: 01302 337898

F: 01302 329887

info@shiregroup-idbs.gov.uk

www.shiregroup-idbs.gov.uk

JBA Consulting has offices at

**Coleshill
Doncaster
Edinburgh
Haywards Heath
Limerick
Newcastle upon Tyne
Newport
Northallerton
Saltaire
Skipton
Tadcaster
Wallingford
Warrington**

