



Goole Fields

District Drainage Board

**Half Moon Inn
Reedness
DN14 8ET**

Meeting Papers

23 January 2018

2:00pm



Shire

Group of IDBs

**Epsom House
Malton Way
Adwick le Street
Doncaster DN6 7FE**

T: 01302 337798

info@shiregroup-idbs.gov.uk

www.shiregroup-idbs.gov.uk



Meeting Papers

Prepared by:

Clerk - Ian Benn - PG Dip H&S and Env Law, Dip. NEBOSH

Engineer - Paul Jones ONC HNC BSc (Hons) MSc (Eng)

Asset Manager - Martin Spoor BSc (Hons) Engineering, Geology, and Geotechnics

Finance Officer - David Blake BSc (Hons) Accounting

Finance Officer - Mark Joynes BSc (Hons) Mathematics

Rating Officer - Janette Parker

Purpose

These meeting papers have been prepared solely as a record for the Internal Drainage Board. JBA Consulting accepts no responsibility or liability for any use that is made of this document other than by the Drainage Board for the purposes for which it was originally commissioned and prepared.

Carbon Footprint



A printed copy of the main text in this document will result in a carbon footprint of 82g if 100% post-consumer recycled paper is used and 105g if primary-source paper is used. These figures assume the report is printed in black and white on A4 paper and in duplex.



Agenda

1.	Governance	4
1.1	Apologies for Absence.....	4
1.2	Declaration of Interest.....	4
1.3	Minutes of the Meeting held 20 June 2017.....	4
1.4	Matters Arising not discussed elsewhere	7
2.	Financial Report.....	8
2.1	Rating Report.....	8
2.2	Audit.....	8
2.3	Estimates, Rates and Special Levy for the Year Ending 31 March 2019.....	9
2.4	Five Year Budget Estimate	10
2.5	List of Cheques.....	11
2.6	Payments Made Directly from the Bank Account	12
3.	CEO's Report	13
3.1	Legislation.....	13
3.2	Guidance	13
3.3	Environment Agency.....	13
3.4	Association of Drainage Authorities (ADA).....	13
4.	Engineer's Report.....	15
4.1	Asset Management.....	15
4.2	Planning, pre-application advice and consents	16
5.	Environmental Adviser's Report.....	17
5.1	Advice on Maintenance Issues.....	17
5.2	Legislation.....	17
6.	Health and Safety Report.....	19
7.	Any other business by leave of the Chairman	19
8.	Date of next meeting	19
9.	15 May 2018 APPENDIX A – Internal Audit Review meeting.....	19
10.	APPENDIX B – Risk Register.....	23



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 20 June 2017

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 P Jones	CB
Mt M Joynes	MJ

Apologies for Absence

2017.19 Apologies were received from Martin Belton and John Oldridge.

Declaration of Interest

2017.20 There were none. IB advised members on when to declare an interest.

Minutes of the Meeting held 31 January 2017

2017.21 Minutes of the last meeting were circulated with the meeting papers and were taken as read. DMT proposed and MD seconded that the Minutes be approved for signature by the Chairman.

Matters arising

2017.22 There were no matters arising.

Finance Report

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

Matters Arising

2017.23 Rating: it was noted that the special levy for the year ending 31 March 2018 had been paid and that approximately 71% of the drainage rates had been received.

2017.24 Internal Audit: The Internal Audit had been completed and the report would be available for members. The Board briefly discussed decision-making and attendance at meetings.



- 2017.25 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 proposed, DMT seconded and members approved the statement.
- 2017.26 Accounts for the Year Ending 31 March 2017:** Members reviewed the Accounts that were circulated with the meeting papers and they agreed to approve the accounts as presented.
- 2017.27 General Maintenance Costs:** Members discussed the costs incurred in the year and the succession plans for the contractors. DMT said it was acceptable for John Canty to continue acting for the Board, provided he could provide adequate evidence of insurance and risk assessments. MD said he would speak to John Canty and PJ confirmed he would report back to the Board.
- 2017.28 External Audit – Accounting Statements:** Members were asked to consider and approve the Accounting Statements contained within Section 2 of the Annual Return. JB proposed, DMT seconded and members approved the statements.
- 2017.29 Five Year Budget Estimate:** The Board reviewed the five-year budget estimate and the levels of income & expenditure over that period.
- 2017.30 List of Cheques:** The Board approved for signature by the Chairman a List of Cheques signed since the last meeting totalling £17,202.99, of which £117.55 were approved by the Officers only. The Board also approved a list of payments that were made directly from the Board's bank account totalling £15.00.
- 2017.31 Online Banking Facilities:** MJ proposed the Board register for 'Bankline Lite', a cut down version of Bankline, NatWest's online banking facility. The primary purpose would be to allow the Clerks to view online statements and to allow them to make occasional payments to suppliers, provided the £ amount is under the appropriate threshold. MJ informed members there would be no cost but there would be transaction charges, comparable to those the Board are already incurring as fees for basic banking facilities. JB proposed the Board agree to this arrangement, DMT seconded and the Board authorised the chairman to sign the registration documents. The Board agreed all payments exceeding the threshold would continue to be paid by cheque, the items being issued by post to the chairman for his authorisation.

CEO's Report

The Clerk's report was read and approved.

Matters arising

- 2017.32 Environment Agency:** IB advised members that government expenditure will be unlikely to increase over the coming years, in regard of Brexit, etc., and there are likely to be changes. JB suggested there would be no changes for approximately five years, i.e. until the full impact of Brexit could be assessed. IB drew members' attention to several articles on the Board's website such as the Humber Flood Risk Management Strategy. IB also discussed the lack of progress, with many properties still at risk of flooding.
- 2017.33 DEFRA:** IB informed the Board that colleagues from DEFRA would meet the Board's offices in July 2017 and that he would take the opportunity to discuss the Environment Agency and the issues above.

Engineer's Report

The Engineer's report was read and approved.



Matters arising

2017.34 Cross Drain Pumping Station: PJ informed members that the Board's electrical contractor, Lincoln Electrical Services had retired and asked to approach another electrical contractor to support the Board.

In relation to medium to long term funding of the pump station, IB asked if there could be more cooperation with the adjacent drainage authorities. JB pointed out that there are several common landowners between Goole Fields DDB and Reedness and Swinefleet DB, but less so with Dempster IDB. PJ informed members there is no hydraulic connection with Reedness & Swinefleet DB. MD offered that there would be little benefit to any of the parties. IB said there would be benefit to the whole area, businesses, etc. and that the Boards could collectively deliver a better standard of water level management. JB emphatically agreed.

PJ advised the Board the cost of a new station would be approximately £600,000 all in, including approximately £200,000 for civil engineering. He informed members this was well beyond the Board's current means. However, he also informed the Board that the pumps were still working well, despite being 'a certain age'. PJ reminded the Board that the station was constructed in 1957. IB suggested to the Board a typical life span would be around 50 years, with a major refurbishment after the first 25.

DMT offered the opinion that the pipeline does not need replacement. PJ said the system was not discharging to the fullest extent, the limit being more that imposed by the consenting agreement with Reedness & Swinefleet DB. He also informed the Board the cost of replacement would be approximately £50,000. PJ highlighted that moving the station closer to the Warming Drain should be considered. Depending on the depth of regrading, the watercourse may prohibit such a move. JB asked whether the water on the moors was supposed to get into the Board's systems, and that the drains at the bottom are very brown and should be dry. DMT confirmed that water is indeed present, and MD described it as somewhat peaty.

The Board discussed several possibilities regarding a possible replacement contractor. MD said the appointee should be available at short notice and should be already familiar with other drainage authorities. IB said the fall-back position should be the MEICA employees of Danvm Drainage Commissioners. PJ further explained the MEICA team were already working for Black Drain DB and Goole & Airmyn IDB. PJ resolved to approach the contactors and report back to the Chairman.

2017.35 Shipcote Drain: The Board discussed issues of riparian ownership and responsibility for the culvert. The Board may choose to exercise its powers of entry on any watercourse but is under no obligation to repair/replace, etc. MD drew the Board's attention to the poor brickwork around the corrugated pipe. PJ informed members that should any owner/occupier wish to replace any structures, they would need to apply for Consent in the normal way. DMT pointed out the issues that that may arise for those upstream, should any culvert collapse. Should a collapse occur and cause or threaten injury to property upstream, the Board may either remove and recharge the owner/occupier, or serve a Notice on the owner/occupier to remove. PJ set out the Board's response to the owner/occupier.

2017.36 Maintained Ordinary Watercourses: PJ informed members of an owner/occupier enquiry about maintained ordinary watercourses. Shipcote Drain is deweeded annually from river head to pump station, and all other Ordinary Watercourses chosen for maintenance by the Board are maintained on an as-needed basis every 2, 3, or 4 years. DMT asked if there any weight restrictions on any culvert crossings. PJ confirmed that there are no known weight restrictions but the permissible loading is dependant on pipe/arch, backfill and surrounding materials, and are the owner/occupiers responsibility.



Environmental Report

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

Health & Safety Report

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

Any Other Business

2017.37 Thorne, Crowle & Goole Moors: The chairman, MD drew the Board's attention to an article in the ADA Gazette about manging water levels in Thorne, Crowle & Goole Moors. JB enquired about water levels in the scheme. IB replied he was unsure, as the management team kept an arm's length relationship with the project delivery team and indeed with the rest of JBA Consulting.

Date of next meeting

The meeting was closed at 3:05pm. The next meeting will take place on Tuesday 23 January 2018, 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 2019
- 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 2018:

	£	£
Balance Brought forward at 1 April 2017		<u>NIL</u>
2017/2018 Drainage Rates and Special Levies		
Drainage Rates		21,292.16
Special Levies		
East Riding of Yorkshire Council	5,490.00	5,490.00
Total Drainage Rates Due		<u>26,782.16</u>
Less Paid: -		
Drainage Rates		21,292.16
Special Levies		
East Riding of Yorkshire Council	5,490.00	5,490.00
Total Drainage Rates Paid		<u>26,782.16</u>
Balance Outstanding as at 4 January 2018		<u>NIL</u>

2.2 Audit

2.2.1 External Audit

Nothing to report.

2.2.2 Internal Audit

The System of internal audit review meeting was held in January 2018 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 2019

2017/18					2018/19	
Approved Estimate		Estimated Out-Turn			Estimate	
£	£	£	£		£	£
				INCOME		
				Drainage Rates on Agricultural Land: -		
21,292		21,292		19p in £ on AV of £112,064	21,292	
				Special Levy		
				East Riding of Yorkshire Council		
5,490		5,490		19p in £ on AV of £28,896	5,490	
				Other Income: -		
<u>2</u>	26,784	<u>2</u>	26,784	Bank Interest, etc	<u>2</u>	26,784
				EXPENDITURE		
2,527		2,453		Environment Agency - Flood Defence Levy	2,527	
				Revenue: -		
				Administration: -		
4,250		4,353		Clerk and Engineer's Fees	4,484	
5,000		5,000		Other Administration Expenses	5,000	
				Maintenance: -		
7,500		6,800		Contract Maintenance etc	7,700	
6,000		6,000		Pumping Station	6,000	
<u>1,900</u>	<u>27,177</u>	<u>1,941</u>	<u>26,547</u>	Other Expenditure	<u>1,950</u>	<u>27,661</u>
	(393)		237	Surplus - (Deficit)		(877)
	<u>23,071</u>		<u>23,936</u>	Balance Brought Forward		<u>24,173</u>
	22,678		24,173	Balance Carried Forward		23,296

Previous Years Rates in the £

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 - 2017/18: 19p

Penny Rate: £1,410



2.4 Five Year Budget Estimate

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

	2017/18		2018/19	2019/20	2020/21	2021/22	2022/23
REVENUE ACCOUNT	Approved Budget	Estimated Out-turn	Estimated Out-turn	Estimated Out-turn	Estimated Out-turn	Estimated Out-turn	Estimated Out-turn
	£	£	£	£	£	£	£
Income							
Drainage Rates	21,292	21,292	21,292	21,852	22,133	22,413	22,973
Special Levies - EYRC	5,490	5,490	5,490	5,635	5,707	5,779	5,924
Bank Interest, consents etc	2	2	2	2	2	100	100
Total Income	26,784	26,784	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
Refurbishment Costs	-	-	-	-	-	-	-
Clerk & Engineers Fees	4,250	4,353	4,484	4,618	4,757	4,899	5,046
Other Administration	5,000	5,000	5,000	5,000	5,150	5,305	5,464
Maintenance of Drains	7,500	6,800	7,700	7,700	7,931	8,169	8,414
Maintenance of Pumping Station	6,000	6,000	6,000	6,000	6,180	6,365	6,556
Other Expenditure							
Biodiversity Action Plan etc	850	850	850	850	876	902	929
Dempster IDB wayleave	350	391	400	400	412	424	437
Humber Management Scheme	100	100	100	100	103	106	109
Reedness & Swinefleet DB wayleave	600	600	600	600	618	637	656
Consents	-	-	-	-	-	-	-
Total Expenditure	27,177	26,547	27,661	27,870	28,706	29,568	30,455
Surplus/(Deficit)	(393)	237	(876)	(381)	(865)	(1,276)	(1,458)
Balance Brought Forward	21,190	23,936	24,173	23,297	22,916	22,051	20,775
Transfer to Pumping Station Reserve	-	-	-	-	-	-	-
Balance Carried Forward	20,797	24,173	23,297	22,916	22,051	20,775	19,317
Penny Rate in £	19.00p	19.00p	19.00p	19.50p	19.75p	20.00p	20.50p
Break Even Rate	19.28p	18.83p	19.62p	19.77p	20.36p	20.91p	21.53p
Reserves Level by Expenditure	76.52%	91.06%	84.22%	82.22%	76.82%	70.26%	63.43%



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	
2017						£	
Apr	28th	d/d	-	NatWest	Bank Charges	5.00	*
May	31st	d/d	-	NatWest	Bank Charges	5.00	*
Jun	30th	d/d	-	NatWest	Bank Charges	5.00	*
Jul	31st	d/d	-	NatWest	Bank Charges	5.00	*
Aug	31st	d/d	-	NatWest	Bank Charges	5.60	*
Sep	29th	d/d	-	NatWest	Bank Charges	5.25	*
Oct	31st	d/d	-	NatWest	Bank Charges	5.00	*
Nov	30th	d/d	-	NatWest	Bank Charges	5.00	*
Dec	5th	d/d	21	Information Commissioner	Data Protection Registration	35.00	*
	29th	d/d	-	NatWest	Bank Charges	5.00	*
Total Amount of all Payments						80.85	

3. CEO's Report

Recommendations

- Members note the information in the report.

3.1 Legislation

Commencing this month, new Water Abstraction and Impounding (Exemptions) Regulations 2017 will impact on some within the industry. Previously exemptions applied to certain activities which now require a licence be obtained with an associated fee. The existing requirement for abstraction less than 20m³ per day remains in place. Changes will be incorporated into the Board's Consent applications conditions

3.2 Guidance

3.2.1 Defra

Farming rules for water

The publication summarises the 'farming rules for water' which will be introduced from 2 April 2018. The rules will require good farming practice, so that farmers manage their land both to avoid water pollution and to benefit their business.

This is available on the Shire Group section of the website

3.2.2 Environment Agency

Designation of 'main rivers': guidance to the Environment Agency

Published 16 November 2017

The guidance sets out the basis on which the Environment Agency decide whether or not a river or watercourse is treated as a 'main river'. The guidance has been issued under section 193E of the Water Resources Act 1991.

This is available on the Shire Group section of the website.

3.3 Environment Agency

Nothing to report.

3.4 Association of Drainage Authorities (ADA)

3.4.1 ADA Conference 2017

Notes on Conference.

James Bevan looks like a sound appointment as Chief Executive for the EA. He was subject to the usual interrogation around dredging, badgers/newts etc but delivered robust open responses which were well received. He clearly stressed that demaintenance and asset transfer will only happen with 'willing partners'

There was an excellent presentation from Cllr Derek Antrobus Salford City Council dealing with sustainable developments and natural flood management issues.



Robert Caudwell gave his inaugural speech as the incoming ADA Chairman demanding to be an equal partner in water level management activity and would not be content with IDBs just being 'thrown crumbs'.

Henry Cator stood down as Chairman.



4. Engineer's Report

Recommendations

- Members note the information in the report.

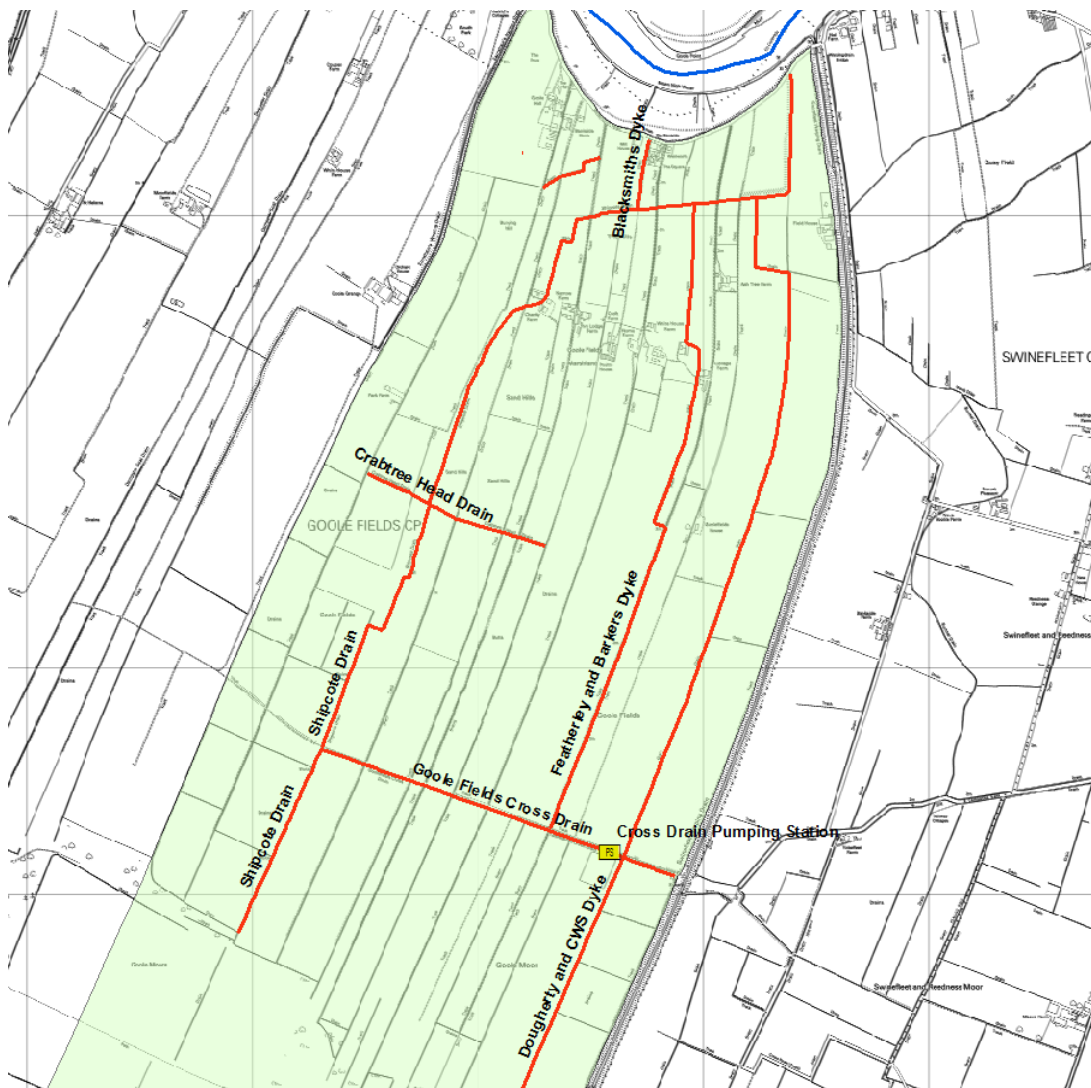
4.1 Asset Management

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 1 no. planning application has required comment on behalf of the Board between 31st May 2016 and 5th January 2018.

Planning Ref	Proposal	Address	Work in, on, under or within 9m (7m SAIDB) of	Alteration to surface water discharge or	Consent Form and Information provided?	Our Office Response DATE
17/02717/PLF	Erection of garage following demolition of existing out buildings	5 The Barracks, Swinefleet Road, Goole Fields	no	yes	yes	19.09.2017

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

1 no. consent has been issued on behalf of the Board between 31st May 2016 and 5th January 2018.

	Applicant	Location	IDB	Proposal	Permanent / Temporary Works	Approved/ Refused/ other	Date
17	Northern Powergrid	Twin Rivers windfarm to substation, Goole	GFIDB	Cable overhead	Permanent	Approved	09.07.2015

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. 15 May 2018

APPENDIX A – Internal Audit Review meeting

Held at JBA Consulting, Epsom House,
Monday, 8 January 2018

Present:	Mr Adrian Black (AB)	Scunthorpe & Gainsborough WMB
	Mr David Hinchcliffe (DH)	Black Drain Drainage Board
	Mr Martin Oldknow (MO)	Black Drain Drainage Board
	Mrs Gillian Ivey (GI)	Danvm Drainage Commissioners
	Mr Andy Cane (AC)	Brodericks GBC

In Attendance on behalf of JBA Consulting:

Mr David Blake (DB) (Financial Officer to the Shire Group of IDBs)
Mr Mark Joynes (MJ) (Financial Officer to the Shire Group of IDBs)

1.1 Introductions and Apologies for Absence

The members of the panel briefly introduced themselves. Apologies for Absence were received from Mr Christopher Day and from Mrs Rosemary Webster.

1.2 Minutes of the Last Meeting / Matters Arising

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

1.3 Risk Register

The panel discussed the register and the format generally. GI enquired whether the Board-specific risks should be presented along with the main Register. MJ said the full version, including Board-specific risks would be presented to the individual Boards at the coming round of meetings.

MO noted the document is bulky and it is necessary to become embroiled in it in order to understand it. He asked if major risk areas could be separated out. DB said the officers had intended to develop the register but were unable to do so owing to time constraints. MO said it would be a good way to focus members' attention on the most important items.

1.4 Internal Auditor's Report

The internal auditor reviewed the work undertaken on the 2016/17 accounts. In general, the internal auditor was satisfied with how things were run and said there were no major concerns. The panel then discussed the following points:

Supplier Bank Details and Associated Fraud Risk

AC gave the panel a summary of his views on this issue. He pointed out it would only take one or two instances of fraud to create major issues for the Board, even if the cash sums involved were relatively insignificant. He discussed instances he'd encountered, in his general work as auditor, of email accounts being hacked and the associated risks. He said once the electronic payment is submitted, the process is final and you may not have the recourse that exists with cheque payments. The banks' own fraud departments are often unable to trace monies once transactions are completed.

AB said on receipt of a notification of a change of supplier bank details, the finance officers should contact the supplier by telephone to confirm. MJ said this was standard procedure, but that the telephone contact details should be taken from existing records, not those on the received correspondence. MO suggested a £ threshold might be set, beyond which the chairman's approval is required. AB said such a level would depend on the size the Board. DH asked if creditors could be approached to supply trading refers as evidence of their



probity. MJ said suppliers sometimes provide scans of blank cheques, credit slips, etc. as evidence of their bank details.

Decision Making & Member Attendance

The panel discussed this perennial issue at length. GI asked the Internal Audit whether he was suggesting any of the decisions made were incorrect. AC affirmed absolutely not, it is purely the make-up of the Board and the Member representation from a decision-making point of view. GI and AC discussed a point raised in the Danvm Drainage Commissioners' report regarding a specific meeting. AC said he well understood there are some instance where non-attendance is unavoidable, and it was more persistent non-attendance that concerned him. GI said she had taken up the issues of non-attendance with Selby DC. The panel also discussed the '3 strikes and you're out' approach.

DH observed that it is difficult to generate interest in drainage authority affairs. It tends to be only in the aftermath of serious events such as flooding that the public take interest. MO informed the panel that Doncaster MBC often struggle to appoint Members. GI said that Selby DC are not willing to appoint officers, preferring elected councillors instead. But with a pool of only 30 to draw from, this was often difficult. MJ asked if the Clerks could do anything more to counter the problem. MO said that it is not possible to force Members to attend. The panel also discussed the information presented in the minutes, with some meeting papers containing schedules of attendance at recent meetings.

AC said the May meetings seem to be particularly problematic. MO pointed out this is a busy time for local authorities, particularly during an election year. DH said that Drainage Boards are under pressure to complete their accounts during this period.

1.5 External Auditor's Report

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

Asset Valuations

The panel discussed the issues raised and in particular, the increases in the insurance values relating to pumps. MJ explained that the increases were to reflect the increased cost of replacement in light of eel regulations. He also suggested it was better to overvalue than undervalue your assets. DH said the values needs to be accurate, and that revaluations should be carried out every year. The finance officers agreed they would formalise the whole valuation process. AB said it was important the Engineers were involved as they have good knowledge of long-term replacement costs, etc. GI said it was important to look at the long-term budget and try to extend the life of pumping stations wherever possible. DH agreed.

Registers of Members' Interests

MO said it can be difficult to get Members to keep their registers up-to-date. GI asked where would be the best place to get reliable advice on declarations of interest during meetings. MO suggested training from the local authority might help. AB pointed out that elected members have good local knowledge. After discussion, it emerged that members of the panel had differing views on what constituted a declarable interest, whether Board Members should be asked to leave the room if they were perceived as conflicted over an issue and also whether they should be allowed to vote on such an issue. AC's view is that once a Member has declared an interest, the Board should then decide if the Member is conflicted, and that problems arise when a Member fails to declare an interest. MO said it was possible Members did not realise they held a declarable interest. MO said that up until recently, it was accepted that membership of a drainage board was in itself an interest. GI said the critical thing is how these matters would appear from the point of view of an outsider.

1.6 Any Other Business

Nothing to report



1.7 Date of Next Meeting and Close of Meeting

The next meeting of the panel will be held on Monday, 26 November 2018 at 10.00am at the offices of JBA Consulting, Epsom House, Chase Park, Redhouse Interchange, Doncaster, DN6 7FE.

MJ thanked the members for attending. The meeting was closed at approximately 10:55am



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.	15/11/2017
1. b)	B	High	Low	1.2	Board lacks sufficient funds to meets its obligations.	Budgets follow sound logical principles. Approved by each IDB.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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	15/11/2017

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 31.3.2018)	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
3. d)	B	High	Low		As 3 b) above.	As 3 b) above.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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 31.3.2018)	15/11/2017
4. c)	D	Low	Low		Staff problems and organisational anomalies not addressed.	JBA procedures. IDB Division established in line with DEFRA requirements.	15/11/2017
4. d)	D	Low	Low		Conflicts of interest not detected and not addressed.	JBA procedures. IDB Division established in line with DEFRA requirements.	15/11/2017

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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017

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.	15/11/2017
8. c)	B	High	Low	8.1	Inadequate level of service rendered and/or unnecessary delays.	JBA administers all tendering processes and timing.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
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.	15/11/2017
10. g)	D	Low	Low	10.5	No clarity as to each employees roles and responsibilities.	Job specifications in place for recent appointments.	15/11/2017
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.	15/11/2017

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.	15/11/2017
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> .	15/11/2017
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.	15/11/2017
11. c) Is there Insurance cover? Is it regularly reviewed?	B	High	Low		As 9. e) above.	see 9. e) above.	15/11/2017
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 31.3.2018)</u>	15/11/2017
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.	15/11/2017
13. b) Is the budget regularly reviewed and monitored?	B	High	Low		As 1. c) above.	See 1. c) above.	15/11/2017
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.	15/11/2017
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).	15/11/2017
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 is 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.	15/11/2017
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.	15/11/2017
14. c) Is there a fair reflection of the financial integrity of the Boards reserves?	B	High	Low		Actuality of the Board's financial performance 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>	15/11/2017
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.	15/11/2017
• 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.	15/11/2017

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**

