



# Danvm

Drainage Commissioners

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

## **Meeting *Papers***

***Friday 1 February 2019***  
***9.30am***



# Shire

Group of IDBs

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**Epsom House**  
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# Meeting Papers

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## Purpose

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# 1. Governance

## **Recommendation:**

- Approval of Minutes from Board Meeting 2 November 2018

## **1.1 Apologies for Absence**

## **1.2 Public Forum**

No requests have been received

## **1.3 Declaration of Interest**

## 1.4 Minutes of the Meeting held 2 November 2018

Present: ☐ ☒

Member	4.11.16	3.2.17	23.6.17	2.11.17	2.2.18	24.5.18	2.11.18
Catherine Anderson (DMBC)	✓	-	✓	✓	✓	✓	✓
David Atkinson (Dun District)	✓	✓	✓	A	A	✓	A
Wayne Atkins (Barnsley DC)			✓ new	✓	✓	✓	✓
Andrew Cooke (Went District)	✓	✓	A	✓	✓	A	✓
Chris Crowe (Coal Authority) (Knottingley to Gowdall District)	✓	✓	A	A	✓	A	-
John Duckitt (Dun District)	✓	✓	✓	✓	✓	✓	✓
Martin Falkingham (Went District)	✓	✓	✓	✓	✓	✓	A
Terry Grady (Doncaster MBC)	✓	A	✓	✓	A	✓	✓
Mel Hobson (Selby DC)	✓	-	-	✓	A	-	-
Charlie Hogarth (Doncaster MBC)	✓	-	✓	-	-	✓	✓
Gillian Ivey (Chair) (Selby DC)	✓	✓	✓	✓	✓	✓	✓
John Gilliver (Vice Chair) (Doncaster MBC)							✓
Steve Lomas (Dun District)	✓	✓	✓	✓	✓	A	✓
Paul Maddison (Wakefield MDC)	✓	✓	A	✓	✓	A	✓
Cllr Dave Peart (Selby DC)			-	✓	A	-	-
David Platt (Knottingley to Gowdall District)	✓	✓	✓	A	✓	A	-
Robert Robinson (Dun District)	A	A	✓	✓	✓	✓	A
Barry Roughley (DMBC)	A	x	A	✓	✓	✓	✓
Richard Thompson (Dun District)	A	A	✓	✓	✓	✓	✓
Cllr Debbie White (Selby DC)	A	A	-	-	A	A	✓
Kyle Heydon (DMBC)	✓	✓	✓	✓	✓	✓	✓
Neil Welburn (Went District)	✓	✓	✓	✓	✓	✓	✓
Martin Drake (Went District)			new	✓	A	✓	A
Michael Rogers (D&D District)			new ✓	✓	A	✓	-

### Officers attending:

Ian Benn – CEO  
Alison Briggs – Environment Officer (EO)  
Martin Spoor – Asset Manager (AssetM)  
Craig Benson – Finance Officer (FO)  
Paul Jones – Engineer (Eng)

### Public attendance – one

## Governance

- 2018.57** Chair welcomed John Gilliver to the Board
- 2018.58** Minutes of meeting 24 May 2018 – **Proposed true record by PM, seconded WA, all in agreement**
- 2018.59** Appointment Vice Chair – **CH proposed John Gilliver, seconded TG, all in agreement**
- 2018.60** Apologies for absence were received from David Atkinson, Robert Robinson, Martin Falkingham, Martin Drake.
- 2018.61** Public forum - none
- 2018.62** Declaration of Interest – none
- 2018.63** Matters arising not discussed elsewhere on the Agenda – none
- 2018.64** Complaints/FOI requests – noted
- 2018.65** Recommendations to agree achievement of Board KPI – agreed. Maintenance productivity now up to 80%. Drainage rate collection now at 95.65%. Special levy second payment expected shortly.
- 2018.66** Management KPI – agreed

## Clerks Report

- 2018.67** **Asset management and de-maintenance** – CEO advised presentation was available on website. <https://www.shiregroup-idbs.gov.uk/2018/10/30/environment-agency-briefing-note-black-sluice-area/>

Decisions made have possible future implications for this Board and the IDB industry.

JD noted Blackshaw Clough gravity discharge doors silted up, EA responsibility which would not evacuate water during pump failure and inundation conditions. AssetM advised had brought to attention of EA previously. SL noted a long time ago EA had agreed it would outfall keep free of siltation.

- 2018.68** **Financial Regulations** – CEO advised the current regulations do not reflect way Board currently operates, noted this is an outstanding item from April. He had spoken to the Board's Internal Auditor yesterday associated with Management suggested new Risk Register template. Auditor was satisfied with proposed changes, noting the importance of the Board having Regulations which reflected what happens in reality.

Some movement of paragraphs had been undertaken to make document read more fluidly. At present Board does not follow own financial regulations in association with work done by MEICA as Contractor for Coal Authority. AssetM elaborated on reasons where the Board manages Coal Authority assets. Coal Authority determine changes required to its assets, produce task order for Board MEICA to deliver on its behalf as Contractor. Coal Authority identifies the supplier of goods which are procured by the Board. Some goods exceed level which may be approved by Management. In these circumstances, the Board does not follow its own regulations associated with the price of goods required. Suggested changes would rectify this situation. Situation has not arisen with other third party however there is potential for this to happen with Highways England sites.

PM considered in requiring confirmation from the Coal Authority as to compliance with its own procedures, proposed amendments were sufficient to protect the Board. Chair concerned for position in association with large schemes such as Great Heck. Advised as contracts were entered by Board with contractors/suppliers, the Board followed its financial regulations and tenders were sought. FO noted concerns expressed by Chair associated with large sums passing through accounts where previously Board was placed in position of paying invoices and awaiting reimbursement from Coal Authority. This had for some time now been covered by agreement in place between Board and Coal Authority for it to make scheme advance payments from which Board subsequently benefitted by depositing those monies.

Currently Coal Authority has put forward proposal for investment in Sour Lane PS which is 75/25 funded with Board. Officers went back to Coal Authority following identification of capital investment, asking for details of those costs.

MEICA team expertise is sought around operation of Asset and goods to be purchased by Coal Authority, however ultimately sites are Coal Authority 100% funded and it can choose to install whatever it wishes.

Management seeks to ensure Coal Authority works are consistent with Board's portfolio for maintenance by MEICA.

CH expressed concern over the term "value for money" suggesting the meaning was "cheap", CA disagreed, the term took into account all considerations. EO suggested additional section in table from £20,000 - £100,000 may be appropriate. PM considered the proposed amendments covered and protect the Board. **AC proposed went to Finance & Policy Committee consider at next meeting, sections in red reviewed with potential to add in 4<sup>th</sup> box to table and another paragraph surrounding financial risk, seconded KH, all in agreement.**

#### Financial Report –

**2018.69** Audit – Chair will be attending Audit Review. Management has worked on preparation of a new risk register template and ideas on how may be taken forward will be discussed by Auditor and Review Committee.

**2018.70** Alternative Depot – CEO advised presentation being made following suggestions made that Members were not presented with full information upon which to base decisions, therefore exhibiting a lack of due diligence. Chair advised discussion at earlier Finance & Policy meeting where decision had been made not to proceed with Options 1 and 3.

Management presented on full and detailed information given to the Task & Finish Group and Finance & Policy Committee on which their decisions had been made leading to the requirement for a new depot site.

Chair advised resolutions to be made at Board meetings should be defined in Board papers. EO advised Standing Orders make no reference however, the presentation was to advise full Board on decisions already made. CH considered it impossible to make decisions on a presentation given at speed. It was reiterated the presentation advised on Board future resolutions that would be required. RT concerned about delegation of power to Finance Committee, should remain with full Board. KH voiced concerns about depot movement, noting use of contractors would keep overall rate down by 2p over 10 years; the cost of plant, machinery and use of contractors needed to be considered. PM advised the issues had been discussed in great depth by T&F group as referred to in the presentation. CA requested copy presentation be issued to Members. GI considered Finance needs to do more work and make recommendation to main Board. PM advised the Presentation was designed to show Members what has been going on, noting the tremendous amount of work involved by Management. JG agreed final decisions should come back to Board; outsourcing does not always have benefits one might think, in house may be expensive but in long term beneficial to the Board. BR noted affordability was the key, expressing concerns about rate increases and the contribution to a Referendum forced on DMBC. **BR proposed to seek Finance & Policy deliberation on issue in detail to be brought back to Board, seconded RT, all in agreement.** BR noted this may require extraordinary meeting. CEO advised presentation would be placed on website. Chair instructed that presentation should not appear on the website at this time as it is work in progress. EO advised presentation highlighted decisions already made. CA requested copies of all presentations be made available to Members in advance of meetings.

#### Finance & Policy Committee recommendations

**2018.71** Noted information in papers, no recommendations being made.

#### Information Only

**2018.72** Members noted information contained in the papers. EO clarified red colouring on BAP Implementation relating to Action 13.2 which advised monitoring would be undertaken post pond enhancement works and 17.2 relating to source funding enabling mitigation works on sites posing obstruction to eel. The EA regulatory position statement had changed from prioritization of stations to work associated with station with reference to funded works through MTP where consideration was given to environmental outcomes.

**2018.73** Date of next meetings.

Board	Finance & Policy Committee
1 February 2019	22 March 2019
24 May 2019	
1 November 2019	

**2018.74** Meeting closed 10:52

## **1.5 Matters arising not elsewhere on the Agenda**

**Asset Management and De-mainment 2018.67** Contact was made with the Agency on 6<sup>th</sup> November 2018. Agency replied 7<sup>th</sup> November work is on its maintenance programme for this year. Details are awaited of delivery date.

## **1.6 Complaints/FOI requests**

None received.



## 2. Clerk's Report

### Recommendation:

- Approve Board KPI (Item 2.1.1)
- Approve Management KPI (Item 2.1.2)

## 2.1 Key Performance Indicators

### 2.1.1 Board KPI

Indicator	Achievement to date	Anticipated target Feb 2019
Adherence to Complaints Procedure	100%	100%
Meeting Papers issued in accordance with Standing Orders	100%	100%
Percentage of rates collected	Special Levy 100% Agricultural Rate 96.6%	100% 100%
Percentage of planned watercourse maintenance work completed	95% - hand work remaining	100%

### 2.1.2 Management KPI

Indicator	Date of Resolution, Response, Minutes	Date issue
Board resolutions delivered in a timely manner or in accordance with agreed timetable	Meeting 2.11.2018 1. 2018.69 Financial Regulations 2. 2018.70 New Depot	Taken to Finance 7 Dec. 2018. No resolution agreed. Agenda item 3.2.2
Responses to Board member enquiries, acknowledged within 5 working days of receipt	Several enquiries made by Chairman as part of Board ongoing matters and Finance Chair	Responses all provided within 1-2 working day turn around
Completion of draft Minutes for Member comment within 7 days of meeting	1. Board Meeting 2.11.2018  2. Finance & Policy Committee 2.11.2018 3. Finance & Policy Committee 7.12.2018	<ul style="list-style-type: none"> <li>• Issued to Chairman 2.11.2018</li> <li>• Issued to Members 12.11.2018</li> <li>• Issued to Chair 6.11.2018. Not returned.</li> <li>1. Issued to Chair 14.12.2018</li> <li>• Issued to Members 17.12.2018</li> </ul>
Publish draft Minutes within 6 weeks of meeting	Board Meeting 2.11.2018	Published to website 14.12.2018

## 3. Financial Report

### Recommendations

- Approval of amended Financial Regulations (Item 3.2.1)
- Norton Common access – proceed with Option 3 at estimated cost £99,300 (Item 3.2.2)
- Approve uncollectable drainage rate removal (Item 3.2.3)
- Note the approved drainage rate of 10.25p (Item 3.2.4)

### 3.1 Audit

#### 3.1.1 Internal Audit Review

The Internal Audit Review meeting took place on Monday 26 November 2018, attended by the Chairman. Minutes are attached at Appendix A.

#### 3.1.2 Risk Register

The risk register document has been redesigned and is available to view at Appendix B. Members are asked to formally approve the document.

### 3.2 Finance & Policy Committee

Minutes 2 November 2018 and draft Minutes 7<sup>th</sup> December 2018 are available at Appendix C.

#### 3.2.1 Financial Regulations

Finance & Policy Committee of 7<sup>th</sup> December discussed, further amendments have been made requiring approval of the Board, available at Appendix D.

#### 3.2.2 Norton Common PS access

F&P Committee Minute 2018.103 refers.

**Background.** 1940's bridge with 3T weight limit restricts Board access to this station when pump repair requires removal from site and weed screen requires a crane to lift from situ.

Notice was served on landowner November 2016 to access site through his land to remove pump and March 2017 to return pump. There remains issue with weed screen which cannot be resolved with current ground conditions, screen must now be manually raked with possible H&S implications.

Landowner advised on several occasions he considered Notice of Entry for this purpose unsustainable requiring the Board to find a permanent solution.

Finance & Policy Committee has considered several options which included.

**Option 1** was provision of a bailey type bridge across the River Went which qualified for Grant Aid up to £100,000. Until ground conditions were surveyed, a large sum had to be apportioned to risk contingencies for unknowns. Estimated potential cost to Board **£337,000.**

**Option 2.** Lay track on Board owned land adjacent to River Went. Access issues around turning at Stubbs Grange Bridge would remain. Estimated cost **£132,700**

**Option 3.** Stone existing track from A19, make land loss payment to landowner. Resolution by Committee at F&P Minute 2018.103.

Estimated cost and **lowest cost option** **£99,300**

**Option 4.** Stone existing track from A19, follow course of old Went to Norton Common, facilitating access strip from which to maintain old course of Went/Great Common Drain Estimated cost **£118,000**

**Committee approved Option 3 (Minute 2018.103) at an original estimated cost of £54,000.** Landowner advised more stoning required, figures recalculated accordingly. Option 3 remains lowest cost option. If the board proceeds with option 3 it will need to decide how the works will be funded.

**Reworked quantities and estimated cost following landowner advice**

Item Description for 660m and 1257m	600m Original Quantity	Rate	Original estimated cost	1257m New Quantity	New estimated cost
Base layer geotextile membrane	3300m <sup>2</sup>	£1.00	£3,300	6285 m <sup>2</sup>	£6,285
Sub Base layer 6F2 300mm thick	3300m <sup>2</sup>	£10.50	£34,650	6285 m <sup>2</sup>	£62,850
Track Surface – Planings 100mm thick	3300m <sup>2</sup>	£3.00	£9,900	6285 m <sup>2</sup>	£18,855
Sub-total			£47,850		£87,990
Land loss	3300m <sup>2</sup>	£1.80/m <sup>2</sup>	£4,950	6285 m <sup>2</sup>	£11,313
<b>ESTIMATED COST</b>			<b>£54,000</b>		<b><u>£99,303</u></b>

### 3.2.3 Uncollectable Drainage Rates

Board approval required to remove following uncollectable drainage rates.

	AREA IN HECTARAGE	ANNUAL VALUE	UNCOLLECTABLE RATES	REASON
	7.782	731.00	71.27	Duplicate land – rated elsewhere
	5.261	372.00	36.26	Duplicate land – rated elsewhere
	1.214	102.00	9.94	Unknown Occupier
	0.142	14.00	1.36	Now residential garden
<b>TOTAL</b>	<b>14.399</b>	<b>1,219.00</b>	<b>118.83</b>	

### 3.2.4 Estimates, rates and special levies for y/e 31 March 2020

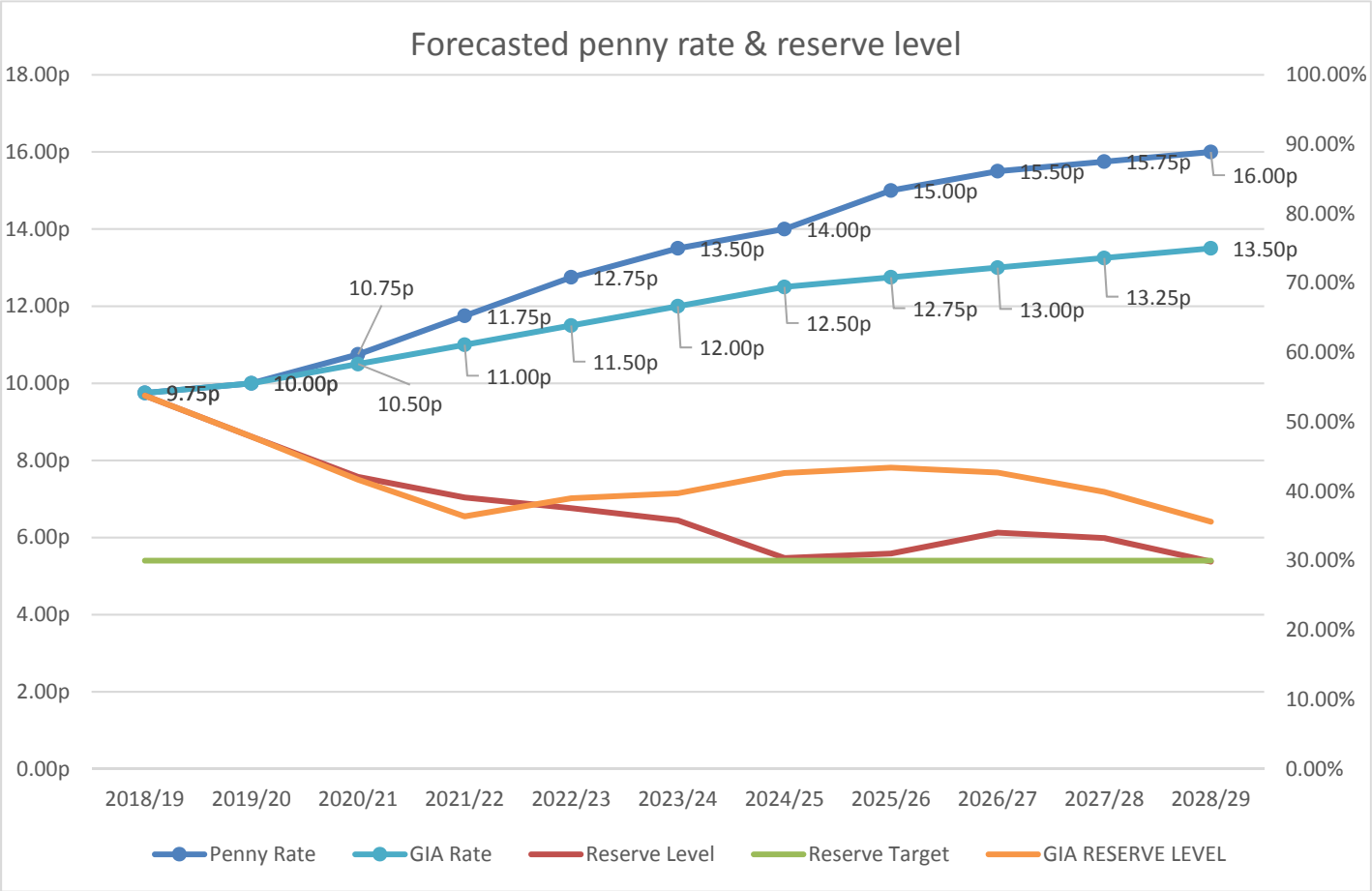
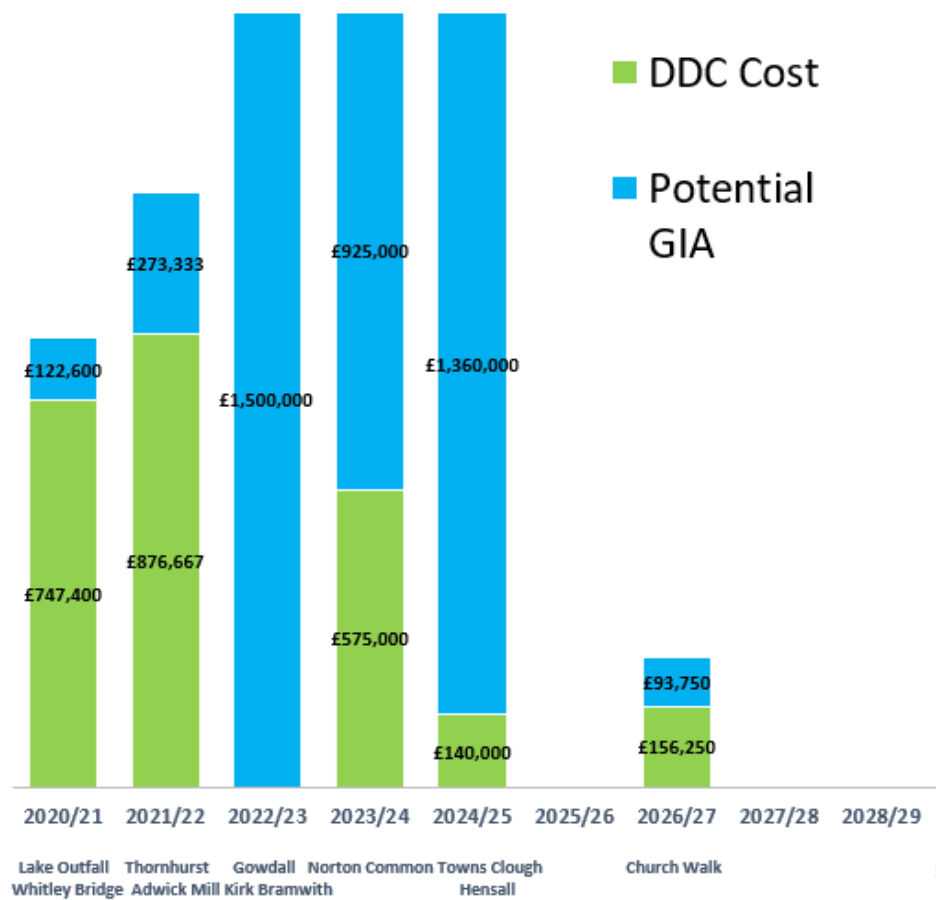
Committee under its Delegated Power has approved rate of **10.25p**.

### 3.2.5 5-year budget estimate

Danvm Drainage Commissioners	1	2	3	4	5
Income & Expenditure Account	2019/20	2020/21	2021/22	2022/23	2023/24
	<b>Estimated Out-Turn</b>				
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>					
Drainage Rates	155,328	166,977	182,510	198,043	209,692
Special Levies	1,003,518	1,078,781	1,179,133	1,279,485	1,354,749
Other Income	12,200	12,566	12,943	13,331	13,731
Contribution to Pumping Stations	49,230	50,707	52,228	53,795	55,409
Contribution to Other Works	60,000	61,800	63,654	65,564	67,531
Easements/Rents	1,660	1,660	1,660	1,660	1,660
Bank Interest	525	551	579	608	638
<b>Total Income</b>	<b>1,282,460</b>	<b>1,373,043</b>	<b>1,492,707</b>	<b>1,612,485</b>	<b>1,703,410</b>
<b>Expenditure</b>					
Environment Agency - Flood Defence Levy	315,676	315,676	315,676	315,676	315,676
Administration Costs	237,822	240,000	240,000	247,200	247,200
Pumping Stations	171,082	176,214	181,501	186,946	192,554
Drain Maintenance	440,520	453,736	467,348	481,368	505,437
Depot Costs	17,050	17,562	18,088	18,631	19,190
Loan Repayments:-	5,839	-	-	-	-
New Loan Repayments	-	47,759	110,889	182,253	264,597
<b>Total Expenditure</b>	<b>1,187,989</b>	<b>1,250,947</b>	<b>1,333,502</b>	<b>1,432,074</b>	<b>1,544,654</b>
Surplus/(Deficit)	94,471	122,096	159,205	180,411	158,757
Balance Brought Forward	625,753	550,224	502,320	491,526	501,937
Transfer to NW&P	170,000	170,000	170,000	170,000	150,000
<b>Balance Carried Forward</b>	<b>550,224</b>	<b>502,320</b>	<b>491,526</b>	<b>501,937</b>	<b>510,693</b>
<b>New Works and Plant Account</b>	<b>18,361</b>	<b>109,017</b>	<b>98,672</b>	<b>194,718</b>	<b>167,963</b>
<b>Penny Rate in £</b>	<b>10.00p</b>	<b>10.75p</b>	<b>11.75p</b>	<b>12.75p</b>	<b>13.50p</b>
<b>% increase</b>	<b>2.56%</b>	<b>7.50%</b>	<b>9.30%</b>	<b>8.51%</b>	<b>5.88%</b>
<b>Penny Rate £115,774</b>	<b>46.32%</b>	<b>40.16%</b>	<b>36.86%</b>	<b>35.05%</b>	<b>33.06%</b>

	1	2	3	4	5
<b>New Works and Plant Account</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<b>Estimated Out-turn</b>				
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>					
<b>PWLB Loan for Plant &amp; Vehicles</b>	-	140,000	-	200,000	-
From committed Reserves	-	150,000	-	-	-
Interest	100	100	100	100	100
Sale of Bomford m Eagle	12,000	-	-	-	-
Sale of Plant - Excavator Case	-	-	-	30,000	-
Sale of Plant - 4x4	-	-	5,000	-	3,000
Sale of Plant - Berlingo Van	-	-	-	-	500
Sale of Plant - Tractor and Flail Mower	-	-	-	-	-
Sale of Plant - Tractor - Case Maxxum 130	-	-	-	-	-
PWLB Loan for PS replacement	-	870,000	1,150,000	1,300,000	1,500,000
<b>Total Income</b>	<b>12,100</b>	<b>1,160,100</b>	<b>1,155,100</b>	<b>1,530,100</b>	<b>1,503,600</b>
<b>Expenditure</b>					
Machine Replacement - Excavator 1 (Case)	-	-	-	140,000	-
Machine Replacement - Excavator 3 (Komatsu)	-	140,000	-	-	-
Machine Replacement - Bomford *m Eagle	43,000	-	-	-	-
Machine Replacement - NEW BOMFORD B81-81 HEDGE CUTTER	-	-	-	-	30,500
Vehicle Replacement - 4x4 1 Ford Ranger D-Cab 5yr	-	-	-	-	22,500
Vehicle Replacement - 4x4 2 (Ford Ranger Board) 5yr	-	-	22,500	-	-
Vehicle Replacement - 4x4 3 (Ford Ranger supercab) 5yr	-	-	22,500	-	-
Vehicle Replacement - Van 3 Ford Transit Connect 10yr	-	-	-	-	13,300
Vehicle and Plant loan repayments	103,267	29,444	29,444	71,507	71,507
PS Comprehensive Asset Inspection	50,000	50,000	5,000	5,000	5,000
Culvert Inspection	10,000	-	-	-	-
PS Refurbishment	73,500	1,020,000	1,250,000	1,500,000	1,500,000
<b>Total Expenditure</b>	<b>279,767</b>	<b>1,239,444</b>	<b>1,329,444</b>	<b>1,716,507</b>	<b>1,642,807</b>
Surplus/(Deficit)	(267,667)	(79,344)	(174,344)	(186,407)	(139,207)
Balance Brought Forward	116,028	18,361	109,017	98,672	76,265
Transfer from I&E	170,000	170,000	170,000	170,000	150,000
Transfer to Committed Reserves - Lake Outfall PS commuted sum	-	-	6,000	6,000	6,000
Transfer to Committed Reserves - Asset Capital	-	-	-	-	-
<b>Balance Carried Forward</b>	<b>18,361</b>	<b>109,017</b>	<b>98,672.33</b>	<b>76,265.03</b>	<b>81,057.72</b>

3.2.6 10-year Capital expenditure forecast



## **4. INFORMATION ONLY**

### **4.1 Clerk Information**

#### **Asset Management**

The Clerk and the Engineer have taken and passed examinations which award Certificate in Asset Management, issued by the Institute of Asset Management.

No other IDB within the industry retains qualified Asset Management staff.

#### **Health, Safety and Wellbeing**

##### **Accident, Incidents and Near Misses**

- One incident to note whilst loading an excavator onto a low loader the jib caught a telecoms cable.

##### **Training**

- One employee has recently completed an IOSH Managing Safely training course.
- Training is planned for two employees re Site Supervision.

##### **Briefings**

Employees have been issued briefings on;

- a. Working alone
- b. Overhead power lines and
- c. A selection of accident and incident reports applicable to the employees working environment

## **ADA**

### **Northern AGM**

Meeting is arranged for Thursday 24<sup>th</sup> January 2019.

### **Governance workshop**

Workshop has been arranged by ADA at Doncaster Rugby Club on Wednesday 20<sup>th</sup> March, details of which have been issued to all Board Members. If anyone wishes to attend please advise the Administrator who will arrange the booking.

## Workshop

A workshop was held on 15<sup>th</sup> January 2019 entitled “Future long-term strategy for delivery of Water Level Management”.

The workshop identified several areas where majority support was received:

- As a minimum, inflationary budget increases,
- Building up reserve levels for refurbishment and replacement of infrastructure
- Taking on more work through PSCAs
- Supporting other RMAs during flood events and recovery operations.
- proactive maintenance activities and
- a move toward implementing an asset management system.

Several areas were identified for knowledge expansion including:

**Doncaster Drainage Act (DDA)** – Overview of the DDA and its current status.

**Culverts** – The Board has a legal opinion regarding riparian ownership and responsibility which also acknowledges where the Board have been involved in installation. Suggest this may be an area where the creation of policy would be appropriate to ensure a consistent approach to dealing with culvert failure and replacement.

**Planning and Byelaws** – Possible review and clarification on the Boards position where byelaws are (or have been) breached, particularly where access is restricted or impaired.

**Strategy Report (Jointly funded with the Coal Authority)** – Review of this document to coincide with detail being processed from the hydraulic model. One of the specific outcomes guiding an update to the Boards Water Level Management Policy.

**Refurbishment of the Diesel Pumps at Kirk Bramwith** – Board Officers are investigating the possibility for local levy support in returning the two diesel pumps at Kirk Bramwith into a fully operational status. These pumps were last used in 2007.

**Board Income** – review of all income streams, including PSCA and private works.

**Standardization of equipment** – The value of procurement through uniform supply streams and the potential to then hold spares of critical items.



## 4.2 Financial Information

### Rating Report

Details of the Rates and Special Levies issued and payments received up to and including 9<sup>th</sup> January 2019: -

	£	£
<b>Balance Brought forward at 1 April 2018</b>		593.88
<b>2018/2019 Drainage Rates and Special Levies</b>		
<b>Drainage Rates</b>		151,628.95
<b>Special Levies</b>		
Barnsley Metropolitan Borough Council	38,239.00	
Doncaster Metropolitan Borough Council	411,986.00	
East Riding of Yorkshire Council	26,858.00	
Rotherham Metropolitan Borough Council	2,546.00	
Selby District Council	399,193.00	
Wakefield Metropolitan District Council	98,369.00	977,191.00
<b>Total Drainage Rates Due</b>		<b><u>1,129,413.83</u></b>
<b>Less Paid: -</b>		
<b>Drainage Rates</b>		147,135.34
<b>Special Levies</b>		
Barnsley Metropolitan Borough Council	38,239.00	
Doncaster Metropolitan Borough Council	411,986.00	
East Riding of Yorkshire Council	26,858.00	
Rotherham Metropolitan Borough Council	2,546.00	
Selby District Council	399,193.00	
Wakefield Metropolitan District Council	98,369.00	977,191.00
<b>Total Drainage Rates Paid</b>		<b><u>1,124,326.34</u></b>
Admin Adjustment		<b><u>-59.57</u></b>
<b>Balance Outstanding as at 9<sup>th</sup> January 2019</b>		<b><u>5,027.92</u></b>

### Schedules of Payments

At the meeting of the Finance & Policy Committee on 7 December 2018, the committee approved a schedule of payments totalling £560,216.46 of which £123,475.80 was approved by the Clerk & Engineer only. At the same meeting, the committee approved a schedule of payments made directly from the bank account totalling £90.75.

## 4.3 Engineering information

### Planning Applications

Officers have reviewed **754** planning applications between 17 October 2018 and 7 January 2019, **19** of which have required comment on behalf of the Board.

### Land Drainage Act 1991 Section 23 and 66 (Byelaws) Consents

1 No consent has been issued on behalf of the Board between 17 October 2018 and 7 January 2019.

## 4.4 Environmental Information

### Biodiversity Action Plan 2015-2020

Surveys will recommence early Spring dependent upon weather.

## 4.5 Representation

The Board is represented at several fora:

Environmental	Flood Risk Management	Other
EA/ADA Eel Liaison Group	Humber Flood Risk Management Steering Group	ADA Technical & Environment Committee
	Comprehensive Review Humber Strategy workshops	ADA Policy & Finance Committee
	Humber Strategy Officers Group	Yorkshire Clerks

## 4.6 Date of next meeting

Board	Finance & Policy Committee
24 May 2019	
1 November 2019	

## 5. APPENDIX A: Minutes of the Audit Review Meeting

**Held at JBA Consulting, Epsom House,  
Monday, 26 November 2018**

<b>Present:</b>	Mr David Hinchcliffe (DH)	Black Drain Drainage Board
	Mrs Gillian Ivey (GI)	Danvm Drainage Commissioners
	Mr Christopher Day (CD)	Ancholme Internal Drainage Board
	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)

### **Introductions and Apologies for Absence**

MJ welcomed the members. Apologies for absence were received from Mr Ray Sutherland, Mr Martin Oldknow and Mr Adrian Black.

### **Minutes of the Last Meeting / Matters Arising**

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

### **Risk Register**

The panel discussed the new format and MJ explained that the single-page 'generic' risk register was underpinned by a more detailed register. Every drainage board would be presented with its own custom risk register with along with the generic one. In all cases a 'traffic-light' system was employed to highlight risk gradings by severity and likelihood.

DB said the risk levels would be scored by the clerks, but that the individual Boards must review and approve the risk gradings, modifying them where necessary. AC said it was important for individual Boards to take ownership of the registers.

DB briefly showed the panel the Danvm DC detailed register by way of example, with the detailed risks as yet unscored. The document contained points of mitigation and individual action plans. GI said she would like to see the detailed Danvm DC register before circulation with the January 2019 meeting papers. DH said likewise for the Black Drain DB register. AC suggested risks should be scored harshly in the first instance to better attract members' attention.

DB took panels members through the introductory text and explained the document in the wider context of risk management policy. Risk policy should be in line with asset management and should be monitored & reviewed on a quarterly basis and presented to the board annually. DH said while there was no accounting for unknowns, risk levels should change little once correctly assessed, AC agreed. GI said in local authority meetings, risks were listed in individual reports, so they can be considered for inclusion in the wider risk register.

### **Internal Auditor's Report**

The internal auditor reviewed the work undertaken on the 2017/18 accounts. In general, the internal auditor was satisfied with how things were run and said there were no major concerns. CD noted that several items appeared in all reports. AC said the items listed in the schedule as 'other matters' merely highlighted the areas that had been investigated and did not necessarily indicate any concern. The panel then discussed the following points:

#### Decision Making & Member Attendance

The panel discussed this issue. AC said that while had been some improvement, this issue was still a concern. In some cases, it was elected members and in others it was local authority nominated members. After an enquiry from CD, DB confirmed the quorate levels were fixed single figures and were not broken down over the two categories. DH noted it was often difficult to get Doncaster MBC to appoint members and that the board could miss out on those members' experience. CD said tours of the district had proved hugely instructive for new members.

#### Supplier Bank Details and Associated Fraud Risk

AC gave the panel a summary of his views on this issue. He was pleased to report that general awareness of these issues had improved but it remained a major concern for him as an auditor in general. He informed the panel an estimated £500m had been lost nationwide in fraudulent payments. CD said he had recently attended a seminar organised by HMRC and they were extremely concerned by the problem.

AC reaffirmed that once money was lost the funds may never be traced and the board would have to bear the loss. On the other hand, if any bankers' own systems were hacked, responsibility would lie with the bankers, and the board could recover their losses.

CD asked for an explanation of the current system of payment. MJ gave a brief description saying he personally verified all the creditors' records before submitting payment batches. DB said there should be safeguards in place against the officers committing fraud. GI expressed concern that, as a signatory, responsibility ultimately lay with the chairman. MJ said the signatories had to place reliance on the work done by the officers. MJ said he would be happy to supply evidence of clients' bank details if required. After, a query from CD, MJ informed the panel all board members were protected by members liability insurance. MJ said controls should be in place to manage the risk of fraud from all parties.

AC said business do not change their suppliers often and it was this area he regarded as especially susceptible to fraud. To lesser extent, the bank details of new suppliers also posed a risk. In these cases, he suggested an initial payment be made by cheque.

#### System Backup Procedures

The panel discussed the system backup procedures to cover sudden unexpected loss of data. AC reported he included this in his report every year and was satisfied the current procedures were robust.

#### Level of Reserves

AC said this is another area he reviews every year. He said suitable levels or reserve varied, depending on the organisation, but he would usually expect to see around 3 months' costs held in reserve. MJ said this is similar to DEFRA's own guidelines for internal drainage boards – approximately 30% of one year's running costs. DB said each board had a reserves policy. GI asked if commuted sums were included in these reserves. DB confirmed they were not.

#### **External Auditor's Report**

The Annual Returns were reviewed by the panel and more specifically the External Auditors' comments. The panel was pleased to note there were no major issues. The only minor issue raised related to an incorrectly transcribed figure in Scunthorpe & Gainsborough WMB. No other concerns were discussed.

#### **Any Other Business**

Nothing to report.

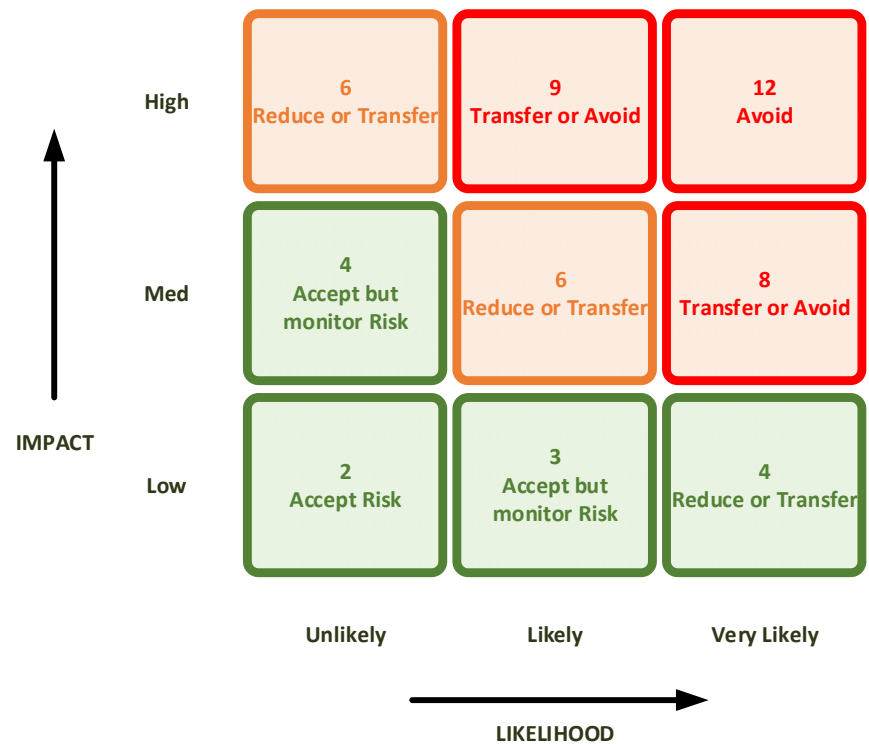
#### **Date of Next Meeting and Close of Meeting**

The next meeting of the panel will be held on Monday, 25 November 2019 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 11:15am.

## 6. APPENDIX B: Risk Register

The Board’s Risk Register can be found over the following pages. The scoring system is demonstrated below:





# Danvm Drainage Commissioners- Risk Register Jan 2019

	OBJECTIVE	RISK	Current Controls/Assurances	Risk			Status	Mitigation/Action Plan	Owner/Target Date
				Impact	Likelihood	Score			
S U S T A I N A B I L I T Y	Objective 1 : Provide & Maintain Sustainable Flood Protection through Water Level Management	Lack of direction, Conflicting aims & objectives (Internal & External)	Policy statement on Flood Protection and Water Level Management	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE		Next Review 30/06/19
			The board has an extensive list of policies						
		Asset Failure- Pump, Watercourses, Culverts & Syphons Suitable Contractors (Qualified Engineers)- lack of staffing & required expertise	Asset Management strategic approach adopted, detailed Asset conditioning reporting	High	Unlikely	3	REDUCE- ACTION REQUIRED TO REDUCE RISK	Develop current Pump Station Register linked with contingency planning	Eng- Summer 19
			Contingency Planning						SGAT- May 19
			District & Catchment Modelling					Review Supplier/Contractor list- Appropriate governance checks. Also linked to contingency planning.	NW- Jan 19
			Regular site visits undertaken by the MEICA team						
			Up to date Telemetry system						
			MEICA team consists of 2 Qualified members of staff						
		Human Resource Risk- Operations team, lack of staffing, lack of expertise. Plant resource failure	Clear 'role' definition with documented roles & responsibility	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE		Next Review 30/06/19
			Adequate training and ongoing staff assessments						
			Proposed Plant & Machinery policy						
			Contractors could be used as a substitute						
	Objective 2: Promote & Integrate Biodiversity with the boards primary and operational activities	Risk of prosecution for not adhering to Environmental Legislation	Board directly employs a suitably qualified Env. Officer	High	Unlikely	3	REDUCE- ACTION REQUIRED TO REDUCE RISK	Refresher presentation to be given to Operatives & Contractors before start of summer works season. Continue to communicate Environmental best working practices	Env Officer- Apr 19
			Extensive Environmental Surveys carried out						
			Species reporting on all new watercourses						
		The board does not deliver on the duty to protect and where practicable enhance the environment	The board has a Biodiversity Action Plan	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE		Next Review 30/06/19
			Produce Environmental Annual Report and Action Plan for the year ahead.						
		Lack of staff training, not provided with the relevant training and information to ensure necessary steps are taken with regard to Diversity	Contractors are advised in environmental matters	High	Unlikely	3	REDUCE- ACTION REQUIRED TO REDUCE RISK	Refresher presentation to be given to Operatives & Contractors before start of summer works season. Continue to communicate Environmental best working practices	Env Officer- Apr 19
			Training made available (Badgers License etc)						
			Plans developed to mitigate the risk of destroying habitat						
I N N O V A T I O N	Objective 3: Create a safe and fulfilling working environment for all employees where ideas & innovation is encouraged	Employees contravene H&S regs	Role clarity for all staff- Regular reviewed job descriptions. Staff Training	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE	Monitor all Health & Safety legislation to ensure board is currently complying	Next Review 30/06/19
			H&S Workshops, Systems and processes to enable workforce to carry out necessary Risk Assessments						
			Required Insurance in place						
		Potential claims against a Board, e.g. ranging from an individual personal injury claim to an HSE Corporate Manslaughter charge over a H&S issue.	Provision of appropriate staff training and documentation of such. Regular training of staff, updated as required, maintain training records.	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE	Monitor all Health & Safety legislation to ensure board is currently complying	Next Review 30/06/19
			Engage external Health and Safety advisors (HS Direct) to provide						
			Required Insurance in place						
		Low Morale- Lack of Direction, Insufficient tools/equipment, Lack of Innovation, Lack of training & development	Competitive Salaries- In line with market standard	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE		Next Review 30/06/19
			Catchment Management provides clear direction						
			Regular Appraisal reviews/Ongoing Training provided						
		Staff Retention- Niche market (MEICA)	Competitive Salaries- In line with market standard Open communications through staff meetings, open door policy, grievance procedure, participation in ADA Wide Scope of work- Challenging	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE		Next Review 30/06/19
		Orderly transitions not adequately planned for and disruptions/delays occur as a result.	Succession Planning Maintenance Programme- Annual Contingency Planning	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE		Next Review 30/06/19
	Objective 4: Promote Innovation, ensure the board is continually looking at ways to improve and grow	Members lack understanding of the Board's objectives, latest legislative requirement and latest developments in the industry.	Land Drainage Act provides for election of members every 3rd Year	High	Unlikely	3	REDUCE- ACTION REQUIRED TO REDUCE RISK	1. ADA's good governance guide will be sent to all drainage Board members <b>14/12/2018</b> 2. Members will be encouraged to attend ADA IDB governance workshop <b>20/03/2018 @ Doncaster Knights Rugby Club</b> 3. Seminar sessions will be provided at board meetings	Clerk- Jan Meeting
			Training Courses for board members						
			Legislative/Industry developments promoted on the website and in meetings						
		Board Structure- Limited diversity of members background	Elected/Nominated split dependant on Annual Values	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE		Next Review 30/06/19
			Nominated members typically have knowledge of WLM						
			Elected members must be nominated by Landowners in the district						
		Short Termism- Reduction of cost philosophy	STP/MTP/LTP	Med	Likely	4	REDUCE- ACTION REQUIRED TO REDUCE RISK	1. Presentation to be given at Jan meeting incorporating the mid-term & Long-term plan. Highlighting the impact short-term decisions have overall 2. Annual review of the boards WLM and KPI's/Goals & CSF's	FO- Jan 2019 SGAT- Annual
			Long Term Forecasting, 20 years Budget plans, Long Term Capital plan						
		Unsuitable members appointed to the Board	Elected members must be nominated by Landowners in the district Members register of interest	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE		Next Review 30/06/19

# Danvm Drainage Commissioners- Risk Register Jan 2019

OBJECTIVE		RISK	Current Controls/Assurances	Risk			Status	Mitigation/Action Plan	Owner/Target Date
				Impact	Likelihood	Score			
STAKEHOLDER VALUE	Objective 5: To be a self sufficient IDB that provides value to ‘our’ stakeholders at all times	Reduction in income to the Board to maintain an appropriate provision of services	Systems and processes to maximise income opportunities and collection	High	Unlikely	3	REDUCE- ACTION REQUIRED TO REDUCE RISK	1. SFO to approach Hook Two Sisters and invite to sit on the board. 2. Provide all significant ratepayers with the Long-Term forecast, allowing them to make provisions accordingly.	Senior Finance Officer Mar 19
			Timely invoicing of Drainage Rates account holders annually, monitoring of collection rates and take follow-up action when non-payment.						
			Submit Highland Water claims to the EA.						
		Overspending, not obtaining value for money	Monthly Budget reviews, Budget to date and out turn analysed by members at meetings	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE		Next Review 30/06/19
			Financial Regulations- >£5000 2 quotes > £20,000 Tender Process						
			Approved Suppliers List with specific criteria that is regularly monitored						
		Perception that this isn't the case	Internal/External Audits & IDB1 forms	Med	Likely	4	REDUCE- ACTION REQUIRED TO REDUCE RISK	Promote the board, shout about the good work Danvm DC do Tap into to Social Media to do this	SGAT- Ongoing
			Website promoting board Activities						
			Lead Role in partnership working/PSCA agreements						
		Flood damage to third party	Insurance Policies to cover main risks including asset failure and indemnity for third party damage	High	Unlikely	3	REDUCE- ACTION REQUIRED TO REDUCE RISK	Insurance policies reviewed annually for the Board and risks required changes to cover reassessed.	SFO- Jan 2019
	Catchment Mapping completed								
	Objective 6: To be a champion of partnership working, work collaboratively where this can deliver shared research objectives more cost-effectively and for the wider good of all connected	Miscommunication causing differing expectations/goals	Close working relationships with all connected stakeholders	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE	Monitor all relationships with all connected stakeholders, continue to be a champion of partnership working	Next Review 30/06/19
			Historic Agreements						
			Drive for partnership working						
		Lack of formal structure and clear risk-sharing arrangements	Good working relationship with LLFA	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE	Monitor all relationships with all connected stakeholders, continue to be a champion of partnership working	Next Review 30/06/19
			Clear definition of role between IDB & other Stakeholders						
		Internal & External Conflicts, which could create a lack of trust	Conflict Management Policy	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE	Monitor all relationships with all connected stakeholders, continue to be a champion of partnership working	Next Review 30/06/19
	Open & Honest- 100% Transparent- Minutes on website								
COMPLIANCE	Objective 7: Ensure that the board always complies with all recommended accounting practices	Adverse audit reports, legal action and loss of confidence in the IDB.	Put in place a satisfactory Governance framework, including: - Internal Audit contract & access to the Boards. - External Audit Service - Financial regulations in place for each Board - Business continuity & recovery plan - Insurance Policies proportionate to identified risks - Appropriate ICT systems to support key functions (Ratings, Finance and GIs). - ADA Practitioners’ Guide (2006), as revised 2017 - Data processing, handling and retention in compliance with ICO’s Guidance & Licence for each Board.	High	Unlikely	3	REDUCE- ACTION REQUIRED TO REDUCE RISK	1. Continue to work with Internal Auditor to always minimise risks associated with accounting practices, especially when new risks emerge 2. Review current SGAT processes & procedures and update where appropriate	Finance Team- May 2019 & Ongoing
			Adhere to Board Approved Financial Regulations						
			Experienced and suitably qualified finance officers						
			Bank Mandate in place, always two signorities needed						
			All Purchase Ledger Transactions are reviewed by the board						
			Adequate Insurance to cover such Losses						
		Loss of Cash through error or fraud		High	Unlikely	3	REDUCE- ACTION REQUIRED TO REDUCE RISK	1. Create & Implement process with regard to new suppliers & also existing suppliers who request to change bank details 2. Review current SGAT processes & procedures and update where appropriate	Finance Team- May 2019 & Ongoing
		Loss of Control through inadequate processes.	Audit approved documented processes, that have a clear segregation of duties	High	Unlikely	3	REDUCE- ACTION REQUIRED TO REDUCE RISK	Review current SGAT processes & procedures and update where appropriate	Finance Team- May 2019 & Ongoing
			Bank Mandate in place, always two signorities needed						
	Liquidity issues, lack of reserves	The Board has adopted a reserves policy	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE	Review Reserves level (30%) at the monthly budget meetings	Next Review 30/06/19	
		Short, Mid & Long Term Budgetted							
		Boards financial postion presented at Board meetings							
	Objective 8: Ensure that at all times the board complies with all current EU & UK legislation	Risk to Board Members	Qualified & experiecned staff attempt to advise the board	Med	Unlikely	2	ACCEPT- RISK LEVEL ACCEPTABLE	Monitor any changes to current EU & UK legislation	Next Review 30/06/19
			Ultimately, all decisions should be discussed and made as a collective						
			Adequate Insurance underaken						
		Non-compliance with legislation, regulations good practice resulting in prosecution, fines /penalties / sanctions and loss of confidence in the Board(s).	Access specialist advice as required, eg Finance, Legal, H&S, Insurance, etc.	High	Unlikely	3	REDUCE- ACTION REQUIRED TO REDUCE RISK	Monitor any changes to current EU & UK legislation	Next Review 30/06/19
			Peer Group support, e.g. ADA's Policy & Finance and Technical Committees						
Inter-agency working amongst FRM authorities									



## **7. APPENDIX C: DRAFT Minutes F&P Committee 2.11.2018 and 7.12.2018**

### **Minutes of Finance & Policy Committee Meeting on 2 November 2018**

Present: Andrew Cooke (Committee Chair)  
Paul Maddison (PM)  
Catherine Anderson (CAnd)  
Kyle Heydon (KH)  
Neil Welburn (NW)  
Gillian Ivey (GI)

Officers: Martin Spoor (AssetM)  
Alison Briggs (Admin/EO)

#### **Apologies for absence**

2018.71 Apologies were received from Richard Thompson, Steve Lomas, David Atkinson, Martin Falkingham

#### **Declaration of Interest**

2018.72 None

#### **Purpose of Meeting**

2018.73 Noted agreed at last meeting to discuss 3 new site options. Structural survey on the Chase identified not cost beneficial either to renovate or demolish/rebuild.

2018.74 AssetM gave first presentation to set out the Process gone through to date by T&F Group and Committee to arrive at the decision to pursue an alternative depot site. Alternative depot options considered by T&F including remain at current site, lease/rent, build on board land or procure land and build.

2018.75 Kirk Bramwith depot – issues with Broadband had now been rectified. Other negatives included

- access/egress in terms of weight restriction over Canal of 7t, the River Don of 3t dictate the only available route
- the potential weight restrictions may be made on a bridge close to The Rectory over Wrancarr Drain on Low Lane, Kirk Bramwith to get to the available route. Weight restriction or closure for repair of this bridge would prohibit any maintenance out of Kirk Bramwith.
- flood risk from the Don (2007 event)
- poor location on the edge of Board District,
- not secure in terms of theft,
- plant uncovered to the elements relating to lack of space with limited ability to extend building footprint because of buried structures
- The Board currently cannot use its own trailer to move plant due to DVSA restrictions, planning permission for Operators Licence Change of Use to Haulage Depot is required. A new site will provide an appropriate base for HGV operations. Members were advised the Board does not qualify for exemptions available to farmers as the Board's use is not agricultural. This ruling has also been applied to the EA which uses third parties for equipment movement. Transport Manager will be required, vehicle inspections needed in accordance with hauling equipment, a service bought in by the EA.

2018.76 Rental/lease building – there are industrial complexes along A19 corridor however lease rental costs are significant, and this option was discounted by T&F, supported by Finance Committee. Members considered a Board owned depot associated with a one-off cost more appropriate.

2018.77 Board owned land at Lake Drain – Following original idea to use, disadvantages associated with development costs were later identified, land was formerly marsh requiring significant piling and ground making which it was identified outweigh potential benefits. There would also be issues associated with

building within Green Belt, building of a depot does not fall within Board's Permitted Development Rights. Significant costs associated with the laying of services some 2km from A19. Difficulties anticipated with complaints from residential property on Common Lane associated with maintain and repair this unmade, unadopted road. Road provides access to Board land and used as a depot would significantly increase the volume of traffic through additional vehicle use on a daily basis.

2018.78 Purchase land and build – Former cycle shop was identified as appropriate location, access to all services including superfast broadband, gas, electricity, water. Current development use is industrial workshop/sales but may require change of class use which will require investigation however change of use still sits within current use. Site has benefit of outline planning permission for residential development therefore as an investment will retain significant resale value.

2018.79 The Chase – Site subsequently identified by the Chairman. As previously discussed, not financially viable to renovate or demolish and rebuild.

2018.80 Based on 50-year lifetime for all options, broad costs had been identified which had been set out in the presentation given to T&F Group and today.

2018.81 Members considered a second presentation on the requirements to move from Kirk Bramwith associated with significant movement and time constraints in journeys out from current site. Moving to a site more central to the District with better access to A roads, 16 catchments would benefit, 3 would not and one would remain the same. Savings to be made per journey and therefore loss of productivity equated roughly £9-12 for plant and machinery, staff savings average £3.75-5.00 per journey and fuel savings between £0.45-£0.90 per journey. Difficult to precisely quantify as the same maintenance is not undertaken year in year out.

2018.82 Slight savings are associated with movement from Kirk Bramwith in terms of electricity usage in the region of £5,000.

2018.83 GI concerned the Board may not get planning permission, querying other availability within A19 corridor. EO advised Change of Use possibly required for depot but would require permission for agricultural building. AssetM advised Askern Sawmills available however whole site was being promoted as a business park requiring development.

2018.84 PM advised the question was whether the Board requires a new Depot and he would consider it did, in terms of development of the Board moving forward, the existing Depot was not viable to put money into and the ideal scenario is to move. **GI proposed board withdraws offer The Chase, seconded AC, all in agreement. NW proposed Board not proceed any further with Lake Drain, seconded KH, all in agreement.**

2018.85 EO advised the Committee did not have delegated power to proceed to decision to purchase, this would require full Board approval.

## **DRAFT Minutes of Finance & Policy Committee Meeting on 7 December 2018**

**Present:** John Gilliver (substitute Andrew Cooke) (JG)  
Paul Maddison (PM)  
Steve Lomas (SL)  
Martin Falkingham (MF)  
Catherine Anderson (CAnd)  
Kyle Heydon (KH)  
Neil Welburn (NW)  
Gillian Ivey (GI)

**Officers:** Craig Benson (FO)  
David Blake (DB)  
Ian Benn (CEO)  
Paul Jones (Eng)  
Martin Spoor (AssetM)  
Alison Briggs (Admin/EO)

### **Apologies for absence**

2018.86 Andrew Cooke, Richard Thompson. GI requested Chair the meeting. Members in agreement.

### **Declaration of Interest**

2018.87            None

**Minutes of 5th October 2018 and 2nd November 2018**

2018.88 Matters arising not discussed elsewhere. 5th October 2018 – Minute 2018.57 AssetM requested to update Committee on VFDs. Report had been produced to Chair, Finance Committee & Board. Price increase associated with original specification of VFD at upper end of operational range of that station. View was, Board should look at larger VFD for trial to ensure use of correct piece of equipment to test with possibility for future use. Cost approximately £5,000, smaller unit £3,800, site installation 3-5th January 2019. In response to question, discussed filter used in association with pump. MF queried future use and tendering the work. Advised other VFDs on market, reason for proceeding with this trial because only one marketed purely for water industry. Others are made to fit the required environment rather than specific design. Coal Authority has changed some VFDs previously installed and now looking for consistency of type. Recommendation to date would be there is a case for consistency of use.

JG attended 10:05.

Minute 2018.63 and commencement of asset condition inspections. Eng. advised specification remained with EA on its PDU framework of contractors to price. Had followed up again this morning and awaiting information from EA. KH queried why work not being delivered by MEICA team. Advised not a core MEICA service, intrusive asset inspection outside their scope, involving considerably more than M&E work. Management is considering stations for inspection being those MTP due in near future. MS advised similar approach had been taken by EA at Bentley Ings to identify current status before that work was promoted. Results will help shape MTP in terms of identified replacement life. KH proposed Minutes 5.10.2018 recorded as true record, CA seconded, all in favour.

**2018.89 PM proposed Minutes 2.11.2018 recorded as true record, KH seconded, all in agreement**

**Policy**

2018.90 Policy – Health & Safety – CEO advised he had recently spoken with workforce regarding health, safety and particularly wellbeing of employees

2018.91 Task & Finish Group – A group was required to consider new policy requirements of the Board. **PM, CA, GI and MF** volunteered for T&F Policy Group, preferring end of January for meeting. Doodle poll to be issued.

**2018.92 Chair proposed to move to Item 7 Finances before discussing spending requirements. All in agreement**

**Finance**

2018.93 Long term budget estimate – DB reiterated advice previously provided regarding capital funding requirements. Presentation showed in graphical form the type of expenditure split for 2019/20 financial year. Total estimated capital cost of stations was already on the EA MTP. 2019/20 PWLB repayments would represent less than 1% of total expenditure.

11 stations are due to be repaired or replaced within decade, advising historically the Board had not saved to fund capital outlay and borrowing would be required for this work.

Calculations on repayments had been made using current PWLB interest rates. By 2028/29 Board expenditure could potentially be £2mil, with loan repayments representing 20%. To deliver that programmed work, drainage rate needs to increase over next decade to fund.

Duplicating information from presentations given to previous meetings, DB showed the effect of 0.25p and 0.5p year-on-year rate increase, which illustrated lack of available funds to deliver required investment in either 2022 or 2024 dependent upon rate increase. Potentially GiA would be available however there remains a large amount of Board funded expenditure.

Eng. advised MTP submission update completed earlier this year, he warned of the need to avoid double counting and necessity for EA to fund its defence works, Councils to fund surface water schemes and IDBs to fund their schemes, all accessing the same GiA fund. Benefits associated with houses was required by EA and Councils, the Board's input into MTP is based on agricultural damages alone. In previous years the draft list allocation has been received Oct-Dec and the final list released Feb-April, but this has not occurred in recent years.

Eng. advised MTP did not guarantee future capital work schemes would receive GiA funding, all dependent upon monies available from Government. AssetM advised information presented was a worst-case scenario for managing Board asset base considering uncertainties.

Eng. advised discussions with EA reveal it wishes to utilise all properties available within Board District to protect flood risk asset funding. Every authority is putting schemes into MTP and Defra will reveal the amount of funding available in due course, advising government objectives may be changed irrespective of EU Exit. Board can demonstrate the need for funding, but Defra will decide what GiA is available and to which body.

PM aware of Workshops to be delivered on surface water flooding and considered there a lack of understanding by Defra and others what an IDB does, advising work was required as a group to raise Board profile.

Members were advised GiA not available for protection of businesses and land is not valued as equivalent of housing in terms of partnership funding calculator.

Eng. advised in receipt of outputs from model, these will update the surface water flood maps across Danvm District. Advised great dependency in Danvm area on pumping surface water as low-lying geological basin suffering mining subsidence. Water was effectively impounded; if pumping was removed, the flood risk for Doncaster and surrounding area greatly increased. Members enquired speed at which model outputs would be available for consideration in view of 11 station refurbishments/renewals within next decade. Eng. had provided some output information and advised on extent of input required to MTP. CA queried Board position on GiA line of applicants. Eng. advised should EA did receive GiA for flood defence projects on River Don defences, IDB function would be lost in any event.

Eng. showed Members modelling outlines under “do nothing scenario” for northern part of District and the extent of flooding, including motorway effectively revealing outline of Humber basin. Numerous scenarios had been modelled from 2-year event to 1000-year event and a series of events on saturated catchments and a 24-hour pump station failure. Do nothing outline represents the worst-case scenario, 1 in 10-year event on saturated catchment (1/4” run-off within 24 hours) could have devastating impact on Highways England infrastructure, and impounding water north of motorway.

AssetM advised Sykehouse residents claiming pumps ineffective to protect property, however stations not designed to protect property from flooding; perception of IDB function needs to be changed.

JG queried whether modelling accounted for national resilience, and length of time water would be standing. Eng. advised model demonstrates first attempt at understanding risk and Board response plans will follow out of modelling outputs. Members reminded Board is not an emergency responder under Civil Contingencies Act, and Board may consider whether it has a role in supporting those Emergency Responders, as workforce previously done associated with 2007 floods and December 2013 flood.

Flood outlines are being compared with EA surface water flood maps. National risk maps reflect rain over topography using LiDAR whereas Board model had detailed topographic surveys giving more realistic understanding of surface water overland flow.

Eng. showed HEC-RES model to Members. Model can be used to predict what will happen under certain circumstances, some scenarios model blockages at specific locations to understand where Board attention should be focussed if that should occur.

DB returned to long-term budget estimate, advising detailed asset inspections have potential to move stations forward or back and potentially reduce capital outlay within MTP. If Board is in receipt of indicated GiA for station sites, rate increase required in 10 years may reduce from 16.0p to 13.0p. Eng. meeting with EA next week and hopes to receive steer on MTP current status.

FO advised potential rate budgeted for next year is not affected by GiA or borrowing. Board could postpone any increase however effect would be larger increase required in future. Smooth steady rate increases are better for all ratepayers. He cautioned Committee to look long-term where 13 stations required work within second decade. Reserve balance higher than 30% are required allowing Board to build monies for asset replacement.

2018.94      5-year plan – FO advised operational costs increase by inflation, electricity use is linked to pumping activity, dependent on rainfall, noting there can be £100k difference in electricity costs year-on-year.

Capital replacements are dominating reason for rate increases. CEO advised budget prepared on behalf of Board is realistic; pump station assets are toward end of design life. Chair agreed advising presentations were clear, required rate increases were associated with required capital work. CEO advised Board made decision several years ago to borrow to deliver asset refurbishment/replacement, not to save.

A Member suggested Board needed to view hydraulic model outputs and results of asset inspections before any decisions could be made on drainage rate. Eng. advised model and asset condition surveys were designed to provide better information however, the 5-year plan is fixed in terms of end of asset residual life.

NW advised Committee the Board must pump water in perpetuity if the land is to be farmed or developed. He supported a rate increase suggesting the Board must protect the increased income received until work required. CEO advised insufficient time existed to save adequate funds to cover required work; to be effective this should have commenced when assets built. Some IDBs are saving Boards however pre-amalgamation Boards did not consider appropriate, retaining a low drainage rate considered greater importance which has been the case to date.

A Member suggested the Board needed to review operational workforce, depot, plant, machinery and vehicles. All were reminded this had been discussed in T&F meetings from 2017, supported by Finance Committee and received by Board. Chair considered operational resource to be relatively small part of a bigger picture. Officers advised it represented 37% of current expenditure and was an area where savings could be made. Admin. noted DMBC budgets for £100,000 year-on-year increase in Levy raised on behalf of EA and IDBs, which is received but spent elsewhere. This was acknowledged by DMBC Member informing there remained £2.4 million gap in Council budget.

PM advised Board reaches this point annually and Members must look at requirements of the Board; if Councils wish to alter Special Levy raising, that requires a change in legislation. It was appropriate the Board advised Local Authorities of its future financial requirements, but legislation covers special levy raising. PM proposed a workshop/seminar for all Board Members to specifically discuss and agree future WLM Strategy. All in agreement. Date for workshop to be arranged for early New Year.

Members advised all major development within Board area significantly increased special levy requirement from local authorities but that was generally dominated by commercial units, not residential.

CA suggested when asset condition inspection costs are available it may be appropriate to undertake all at once as there may be efficiency savings.

AssetM advised substantial number of stations managed for Coal Authority which make significant difference to water level management across district. Doncaster Area Drainage Acts apply requiring Coal Authority commitment to maintaining its assets in perpetuity. Board should uphold that position with Coal Authority, without which, should Authority seek to reduce its legislative responsibility, the Board would risk losing control of water level management across its District. Members requested to consider implications of Coal Authority doing so and where that responsibility might subsequently fall.

Based on Board requirements, suggestion is for an increase of 0.25p to recommend to Board. KH requested cash balance sheet for next meeting.

**2018.95 NW proposed recommendation to Board 0.25p rate increase and increased income be set aside MF seconded, 7 in favour, 2 against, no abstentions.**

2018.96 Meeting with local authority finance departments to keep authorities informed. **GI, JG, AC, PM** volunteered attendance. 24th or 25th January.

2018.97 Budget for y/e 31.3.2020 - noted

2018.98 List of payments – No queries raised. **DA proposed approved, SL seconded, all in favour**

2018.99 Financial Regulation amendment – Chair advised red changes had already been to Board, further changes made to sections 11.3 to 11.7 by Members. Chair requested Committee to support to move forward.

CEO advised proposed changes sought to incorporate into Policy amendment of Management contractual T&C. Changes proposed to 11.3 now referenced MTP which contradicts NEC3 core services. Specialist Services in Contract defines production of contract documentation, tender submission, appraisal and contract award, preparation of GiA and Local Levy submissions all to be Specialist Services. Clause 11.7 also varied contract in terms of additional responsibilities and production of monthly reports to Chairman. PM advised he read proposed clause 11.7 to pass the Board's burden onto Responsible Finance officer.

AssetM advised proposed changes to 11.7, if implemented, could become unworkable in terms of station sites managed by Board on behalf of third parties to which it was also a contributor and some sites were managed on behalf of multiple third parties. Members discussed work done by MEICA team for Coal

Authority. CEO confirmed suggested wording would cover electricity use currently procured by Board and recharged to third parties; no contributing party would pay in advance.

Questions were raised as to location of Board Contract and what document DMBC Member had consulted which informed opinion on matter of specialist services. It was agreed the requirement for a post-Christmas meeting to discuss what may or may not be core services under current NEC3 Contract.

CA agreed a need to draft something that covered the large CA funded works currently paid in advance. Chair advised remit of Committee was to report to Board on final changes to Regulations. Members agreed to respond to suggestions by email.

#### Asset Management

2018.100 Town Drain PS Consultation – Members considered reasons for proposed consultation. PM declared an interest as WMDC officer. Chair requested PM remain in the meeting, his input was valuable. Asset M advised station built at request of WMDC and Yorkshire Water in 1980's. 87.5% capital investment from Yorkshire Water, remainder cost WMDC however when sum due, its budgetary constraints meant Board funded its share. No contribution ever received from Yorkshire Water since either for maintenance or electricity. Yorkshire Water is in receipt of all relevant information for site however it does not wish to accept transfer of the asset. Legal Advice suggested initial engagement with Yorkshire Water then need to consult with others. PM advised internally requested to arrange meetings within WMDC to discuss. Members reviewed legal opinion noting Board at 2nd stage. Members required to advise Management on extent of public consultation it required. Chair considered it "political" consultation and question was how much consultation there should be, noting that potentially this might be unpopular with residents and important that the Board does not have to take any blame. AssetM agreed however case can be made the Board has no liability for this site but it must go through correct process to ensure it avoids judicial review and similar. **Chair requested AssetM continue with the process, agreeing a joint approach between Board and Wakefield MDC would be appropriate. All Members in agreement.**

2018.101 Maintenance Statement 2019 – meeting with landowners suggested for late April/May. Last year's rates contained information on access requirement and April/May is closer to maintenance commencement. Crops already planted and if there is to be a margin it will be incorporated already however the meeting is required to set out the approach Board will take where there is no margin and if access is denied where there is a standing crop. **Agreed DA, MF, NW and SL will attend representing Board.** Dates to be sent out.

2018.102 Board owned Assets – Monies received from sales currently in current account and not yet invested; Management awaiting instruction as to where capital fund is to be used.

2018.103 Norton Common Access – noted new options identified since last Board meeting following Member agreement appropriate for use by third parties. Chair noted the Board's infrequent use of track and considered it inappropriate for third parties to use. In response to question, it was confirmed a lifting beam was used for pump removal however once pump outside building it has to be transported from site to main road and existing bridge weight limit an issue. Weed screen requires crane to lift and is primary issue, ground conditions at this time of year create impossible access. DA suggested it appropriate for Board to secure a spare pump at the building for circa. £50,000 and remove any faulty pumps from site during dry periods. Weed screen cleaner main issue, ground conditions at this time of year create huge access difficulty. **KH proposed Board proceed with less cost Option 3, CA seconded, all in agreement.**

2018.104 Alternative Depot – KH considered no comment could be made in absence of business case in support of a move.

Chair advised of another site which she considered visiting to ascertain suitability. AssetM confirmed viewing of site, which offered sufficient space and location suitable for Board use however there were concerns that site has been submitted for reallocation for housing within DMBC core strategy. AssetM could make initial contact exploring potential site, enquiring if land on market for industrial use if Committee wished. JG considered the site worth exploring however would like to see business case for moving site in first instance.

AssetM advised a comparison of sites for a new depot needs to be considered aside the Board's position on the level of maintenance it intends to deliver in future, considering earlier budget discussions, noting approximately 40% of Board expenditure is associated with operational maintenance. Management requires Board instruction on future level of maintenance required. Information provided to this meeting was previously delivered to T&F Group, it made recommendations then supported by this Committee and

Board. Chair confirmed today's presentation extremely important and Board must plan for future. The FO has advised Board for several years of the considerable future expenditure required and advised of need to increase drainage rate.

Eng. confirmed hydraulic model shows difference between undertaking maintenance and not doing so, advising Highways England, Canal & Rivers Trust, and Network Rail all understand the IDB does not have any duty to undertake maintenance, which remains a riparian owner responsibility in Common Law, but which landowners appear not to accept. Board could be enforcing body serving notice to cleanse systems for greater good of the District.

PM agreed, advising essential if Board wished to review future maintenance activity, it must be done quickly as it was only a year since this exercise was last undertaken associated with the T&F Group work.

2018.105 Vehicle & Plant – Members considered no decision be taken in view of earlier discussions. AssetM advised to try and extend Komatsu life further would increase the regular additional costs associated with its maintenance for with residual value bottomed out; additional costs this year were in the region of £18,000. PM suggested with reference to earlier discussions Board needed to retain Komatsu and continue with its maintenance, reviewing within 12 months; biggest risk to the Board was its pump stations whereas maintenance is a permissive power. **Members agreed Board required a meeting early January as a workshop/seminar to discuss pump station refurbishment, maintenance and funding.**

Pump station assets

2018.106 Committee Chair had requested report. PM thought spreadsheet particularly useful and informative. Members expressed concern at the number of automated weed screens not working, now requiring manual raking. Members were advised most sites were Coal Authority funded, the screens were 10-15 years old and at end of operational life. Operational work was recharged to Coal Authority. Management continues to push Coal Authority in relation to issues with its station sites and weed screens. Eng. advised currently trying to find someone capable of replacing electronic element of weed screens rather than complete structure.

2018.107 Meeting closed 13.20

## **8. APPENDIX D: DRAFT Financial Regulations**

### **1. GENERAL**

1.1 These Regulations shall apply to all aspects of the Board financial matters.

1.2 The Chief Executive officer (CEO) shall be responsible, under the direction of the Board or Finance sub-committee for the proper administration of the Board's financial affairs

1.3 Reference in these Regulations to the "responsible officer" are to any employee specifically nominated by the CEO or Board to carry out a prescribed function of the Board

1.4 The responsible officer shall be responsible for the keeping of all accounting and financial records of the Board and the production of such records to the Board and the Board's Auditors.

1.5 Each responsible officer shall consult with the CEO with respect to any matter within their area of responsibility that may affect materially the finances of the Board.

### **2. AUDIT**

2.1 The responsible officer shall arrange for the internal audit of the Board's financial management, accounting and all other financial matters. This audit shall be carried out by external personnel and in accordance with the Local Audit & Accountability Act 2014 and the Account and Audit Regulations 2015.

2.2 The responsible officer shall prepare all the Board's account for submission to the internal auditor and Audit Commission as required.

2.3 The responsible officer shall ensure that the Board is presented with the Internal Audit Report each year and review the management team's performance

2.4 The responsible officer shall collate and send all requested information to the external auditor within prescribed time limits. The officer shall also respond to all other requests for information from the External Auditor, Internal Auditor and National Audit Office.

### **3. BANK**

3.1 All the Board's accounts shall bear the name of the Board and no new accounts shall be opened without the express approval of the Board.

3.2 The following account shall be maintained as appropriate: -

- Business Current Account

3.3 The bank shall honor all cheques or instructions signed by the Chairman or Vice-Chairman and countersigned by any one of other two signatories named on the authorised signatory sheet from the CEO's office. The bank shall also honor cheques or instructions signed by the two signatories from the signatory sheet in accordance with section 10.3.

### **4. CONTRACTS**

4.1 The responsible officer shall keep details of all contracts entered into by the Board and of payments made under such contracts.

4.2 On completion of a contract the responsible officer shall examine the final account for arithmetical accuracy.

### **5. DISPOSAL OF ASSETS**

5.1 The responsible officer shall maintain a register of all the Board's main assets which will



be included within the Board's Annual Accounts.

5.2 Items surplus to requirement or obsolete property shall be brought to the Board's attention for its approval for disposal by an approved method that may include but not exclusively part-exchange and competitive tendering.

## **6. ESTIMATES**

6.1 The CEO, together with the appropriate responsible officer shall prepare for the forthcoming financial year an estimate of expenditure and income. Such estimates together with any necessary supporting documentation shall be submitted to the Board and any sub-committee in order that the rate and special levy for the year may be determined.

6.2 The determination of the rate and levy for the year shall be completed by 15th February of that year as required by the Land Drainage Act 1991.

6.3 The Board meeting immediately before 15th February each year will set and seal the Rate for the forthcoming financial year.

6.4 The responsible officer shall advise the Board/Committee at its next available meeting should a Billing Authority fail to make its Special Levy payment at the agreed time, or where significant Drainage Rates due become doubtful.

6.5 The responsible officer will report actual figures against estimates at every Board or Committee Meeting as required to keep Members apprised of the Board's financial affairs.

## **7. INCOME**

7.1 The CEO shall be responsible for the supervision and the making and maintaining of adequate arrangements for:

- The collection, custody, control, disposal and prompt proper accounting of all the Board's income.
- The financial organisation and accounting arrangements to ensure the proper recording of all sums due to the Board.

7.2 All money received on the Board's behalf shall be deposited promptly with the responsible officer.

7.3 All official receipt forms, books, issue notes, order books and other documents representing moneys' worth shall be ordered, controlled, and issued by the responsible officer.

7.4 The responsible officer shall ensure that all invoices are submitted promptly for the recovery of income due.

7.5 The responsible officer shall maintain and promptly enter up in chronological order full and accurate details of the total money received by them each day on behalf of the Board, and details of the date and the extent to which that money has been deposited with the Board's bankers. All money collected and exceeding £1,000 in total shall be banked no later than the first working day following that on which it was collected and, in any case not less frequently than once a week.

7.6 The responsible officer shall prepare receipts as requested by debtors. Any debts not recoverable should only be written off with the Board's approval if over £100.

## **8. INSURANCE**

8.1 The responsible officer shall ensure that all the Board's insurable risks are adequately covered, maintain the necessary records, and make all claims on behalf of the Board.

8.2 All employees shall promptly notify the responsible officer of all new risks needing to be insured and of any alterations affecting existing insurances

8.3 All employees of the Board shall immediately notify the responsible officer of any loss, liability or damage which occurs, and which may be covered by the Board's policies.

8.4 The provision of insurance cover shall be reviewed on a tri-annual basis unless a long-term agreement has been entered. In this instance the policies shall be reviewed before the end of the period and before the next renewal date.

## **9. IRREGULARITIES**

9.1 In any case where irregularity is suspected in connection with financial or accounting transactions it shall be the duty of the member or employee suspecting this irregularity to bring it to the CEO's attention who will in turn inform the Chairman and the Board's Auditors.

9.2 Any financial irregularity involving an employee of the Board will be considered as gross misconduct and treated accordingly.

## **10. PURCHASE OF GOODS AND SERVICES**

10.1 All orders for goods or works shall be issued in writing. Details of price and discount (if any) shall be detailed. Verbal orders shall be confirmed with a written order.

10.2 The CEO should seek to ensure the best value for money by testing the market where appropriate before any expenditure is committed. All goods and services should be procured in accordance with the procurement procedure.

10.3 The CEO shall have the authority to purchase goods and services up to the value of £5,000

10.4 Where this would represent a conflict of interest for the management service provider, the procurement process referred to at 11.2 will be followed.

10.5 The Board's or Chairman's approval shall be sought for amounts in excess of the above figure unless the goods or services have been approved as part of the Board's annual expenditure and accounted for within the approved estimates. In which case the Procurement Procedure referred to as 11.1 shall be employed in the procurement of goods and services, unless the goods or services are a single source supply.

10.6 The requirement under Financial Regulation 10.5 may be dispensed with if the goods or services are required urgently such that it would not be feasible or practical to obtain Chairman's approval. In such cases, the Board's ratification shall be obtained retrospectively for such urgent actions.

## 11. PROCUREMENT PROCESS

11.1 The following procedures shall be employed in the procurement of goods and services;

Estimated Value of Goods and Services (per	Procedure
Up to £5,000	At the CEO's discretion or the Chairman's discretion in relation to specialist service provided by the management services
£ 5,000 to £20,000	Obtain two quotations/estimates and agree with Chairman, except as specified and paid for by a third-party funder
£20,000 and over	Obtain 3 tenders, consult Board and obtain Board approval, except as specified and paid for by a third-party funder. Compliance with EU Procurement legislation where applicable.

11.2 The process document ***P1. Procurement Process & Management of Conflict of interests*** will be followed where a potential conflict of interest has been identified.

11.3 The Board agrees where IDB Management Team is asked by the Board to produce a Contract, Specification, Tender Process or Quotation for Capital Works, this work will be undertaken as provision of Specialist Services under the Management Services Contract. Cost of each specialist service to be presented to the Chairman for approval beforehand

11.4 The CEO shall have the authority to purchase of goods and services each up to the value of £5,000, except where the specialist service can be provided by the Management Services supplier, which will be at the discretion of the Chairman.

11.5 The Board's or Chairman's approval shall be sought for goods/services when the value is >£5,000 and <£20,000. This will be excepted where goods are specified and paid for by a third party – only applicable to third parties named on an approved third-party list. The Board will obtain confirmation from that third-party funder its own procurement procedures have been adhered to in specifying goods to purchase. The Board will require a summary copy of the third-party procurement procedures.

11.6 Tendering may be selective or open, although whenever possible, selective tendering shall be used from the 'approved suppliers' list when the value of good or service is >£20,000. This will be excepted where goods are specified and paid for by a third party. The Board will require confirmation from the third-party that its own procurement procedures have been adhered to in specifying goods to purchase. The Board will require a summary copy of the third-party procurement procedures

11.7 Excepting general maintenance and utility supply, where goods, services and works are specified and paid for by an above-mentioned third party, the responsible officer shall ensure that the Board is not exposed to any additional financial or procurement risk by checking that funding from the third party or parties is received prior to any payments or commitments being made by the Board. A report shall be prepared for the Chairman on a monthly basis before such payments are made. Goods, services and works provided under a PSCA agreement will be subject to the normal procurement procedure.

11.8 Tenders will be invited by 3 such suppliers whenever this is reasonably practicable, and the documentation prepared by the officers shall always be proportionate to the value of the contract, as estimated by the CEO. If the service can be carried out by the Management service supplier, then a 3rd party will be appointed to carry out the invitation and evaluation stages of the tender process.

11.9 All tenders received by the Board shall be opened in the presence of the

Chairman or Vice Chairman and the CEO (or 3<sup>rd</sup> party). Tenders must be returned without any evidence of return Sender otherwise will be regarded as non-compliant and void. Tenders must be returned on the correct format paperwork otherwise will be regarded as non-compliant and void. Tenders should be returned with the correct return labels otherwise will be regarded as non-compliant and void.

11.10 The Board shall not be obliged to accept the lowest quotation or tender but shall consider all aspects of the submitted documents to determine that best value for money is being obtained.

11.11 Exception to procurement procedure;

In exceptional circumstances where it is necessary because of an unforeseen emergency, involving immediate risk to persons or infrastructure then the board permits the appointment of an approved contractor based upon previously provided rates

Other Exceptions include;

- goods/services deemed proprietary and cannot be obtained by any other source
- where it is deemed an extreme urgency
- where the marketplace is limited and/or restricted (e.g. by quality standards) where an existing framework agreement is in place which can be accessed by the Board
- if, following the tender process or quotation exercise the required number of quotes did not meet the minimum required

The Chairman will be notified of any exception purchases >£5000 which will be reported to the Board/Committee at its next available meeting

## 12. PAYMENT OF ACCOUNTS

12.1 The responsible officer shall check, code, and certify all invoices, claims and accounts prior to payment.

12.2 The responsible officer shall make all payments ensuring that all and any early payment discounts are taken. A schedule of payments made shall be submitted to the Board for approval. A copy of each schedule shall be kept by the responsible officer for audit purposes.

12.3 The responsible officer shall undertake an examination of all cheques, Direct Debits Standing Orders and BACs payments cleared through the Board's accounts and shall arrange for the reconciliation of cash and bank accounts on a regular basis but at least at quarterly intervals

## 13. RETENTION OF DOCUMENTS

13.1 All documents relating to the accounts, salaries, pensions, insurances shall be kept for the relevant statutory period following which they can be destroyed.

## 14. REVIEW OF REGULATIONS

14.1 If the CEO at any time considers that these Financial Regulations are inadequate and should be reviewed the matter should be brought to the Board's attention.

14.2 Notwithstanding the above these Regulations should be reviewed every five years following their adoption.  
Approved adopted by the Board at its  
Meeting xxxxxxxxx

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