

NORTH EAST LINDSEY DRAINAGE BOARD

Minutes of a meeting of North East Lindsey Drainage Board held on Tuesday 23rd May 2017 at The Amethyst Hotel, East Halton, North Lincolnshire, DN40 3NS.

Present:

Mr. M Archer
Cllr. P. Clark
Cllr. I. Colquhoun
Cllr. M. Cracknell
Mr J. Finch
Mr. L. Grooby
Mr. J. F. D. Hargreaves
Mr. P. Hoyes
Alderman P. Mills
Cllr. B. Parkinson
Mr. C. Read
Cllr. D Wells

Vice Chairman
Chairman

In Attendance:

Mrs. J. E. Froggatt, Chief Executive.
Mr. S. Larter, Finance Consultant
Mr. M. J. Shilling, Director of Operations & Engineering.
Mrs. G. Scott, Ratings & Administrative Officer.
Miss. J. Flower, Executive Assistant.
Mr. S. Shepherd (Observer)
Miss. S. Ireland, Environment & GIS Officer.

1. Apologies

Apologies for absence were received from Cllr. R. Sutton, Mr. G. Turner, Mr. J. M. Dodds, Cllr. H. Hudson, Cllr. J. Hyldon-King, Cllr. T. Mickelburgh and Mr. E Shepherd.

2. Declaration of Members' interests.

Members nominated by the North Lincolnshire and North East Lincolnshire Councils declared interests relating to their respective Councils.

3. Chairman's Announcements.

The Chairman opened the meeting by putting on record the Board's sincere sorrow at the tragic events that had occurred on the late evening of Monday 22nd May in Manchester City centre. Members held a minutes silence in respect for such a tragic loss of life.

Members were welcomed to the May meeting, the first for 31 years without Trevor Vessey, former Chief Executive, who had retired on 09th April. Introductions were made to the team in attendance. Mr Hargreaves advised members that the agenda would necessarily be focussed on governance and financial reporting, as the Board considers the Risk Register, a

letter from retiring Internal Auditor Robert Peyton and the end of year 31st March 2017 financial position.

The Chairman confirmed that a Mr Rodney Clayton will be contacted with regard to joining the Board as a co-opted member (in order to fill the vacant seat for the electoral ward of Barnoldby, Bradley, Cleethorpes, Humberstone, Irby, Laceby, Riby, Waltham and Weelsby).

It was re-iterated that a second vacant seat on the Board is still carried for a third member to be nominated by North Lincolnshire Council and the Chief Executive confirmed this does not need to be an Elected Councillor, the Council could nominate an officer or lay member.

Gloria Scott attended her final Board meeting, and the Chairman thanked Gloria for her long service to the Board, ahead of her planned retirement on 01st September.

It was confirmed the Board is waiting to hear formally from North East Lincolnshire Council but there is informal notice from Cllr. Ray Sutton that although he sends his apologies for today's meeting, he will not be nominated as a member of the Board for the forthcoming year.

The Chairman then stated to members that he attended the FloodEx 2017 event at Peterborough Arena last week. The event is led by ADA and attracted exhibition stands and provided a variety of seminars on Flood Risk and Water Levels Management topics.

The four Boards are jointly providing an annual training morning for all staff, Operatives and Contractors tomorrow morning from 8am at the Pyewipe Inn near Lincoln (just off the A46). This covers topics like invasive species identification, health and safety updates, what the four Boards have approved in Estimates for this new financial year 2017/18.

Members are asked to note that the four Boards' joint Summer Inspection will be held this year on Wednesday, 19th July. The programme has yet to be finalised but is likely to start at 2pm at Witham Third DIB's depot in Woodhall Spa. After visiting various sites, the coach will return to Woodhall Spa for about 6.30pm and then dinner will be at 7pm for 7.30pm. Members were asked to indicate whether or not they would like to attend on 19th July.

4. Minutes of the Board meeting held on 24.01.17.

The minutes of the Board's previous meeting held on Tuesday 24th January 2017 were proposed by Mr Martin Archer, seconded by Alderman Peter Mills and APPROVED as an accurate record.

MATTERS ARISING:

There were no matters arising, all being covered by the agenda.

5. Minutes of the Joint Services Committee 15.05.17.

The minutes of the Joint Services Committee meeting between the Group of four Boards held on 15th May had been circulated with the agenda and were received and NOTED.

MATTERS ARISING:

5.1 Joint Services Budget for 2017/18 (minute 5.1 refers).

It was noted that the previous Group of three Drainage Boards had now extended to four Boards, with North East Lindsey having joined the partnership from 01.04.17. The revised Joint Services Agreement had been signed by all four Chairmen, with authority delegated to them to do so at the January round of Board meetings, and was operational from 01.04.17. The Boards had each approved percentage contribution rates and estimates containing the Joint Services Budget at their January 2017 meetings, as follows:

UW at	33.40%	£260,705
NEL at	16.50%	£125,345
W1st at	20.90%	£158,768
W3rd at	29.20%	£242,751
Total	<u>100.00%</u>	<u>£787,569</u>

5.2 Pay Settlement 2017/18.

The Chief Executive drew attention to the discussion at the Joint Services Committee meeting and the recommendation from the Committee (which differed from her own and the then three Boards' Internal Auditor's advice).

The JSC was recommending to all four Boards that the ADA Lincolnshire Branch's recommended pay settlement be paid in full, i.e. the 1% consolidated into all wages and salary scales plus a further 0.4% unconsolidated payment for 2017/18 only, across all wages and salary scales. She asked members to consider this recommendation alongside the next agenda item.

It was confirmed that North East Lindsey held three seats on the Joint Service Committee, members being the Chairman, Vice Chairman and Mr Phillip Hoyes.

The Vice Chairman raised the issue of the nine days working fortnight in operation within the other three Boards and suggested this may be appropriate for the Board's Works Supervisor. Discussion followed on how the three Boards work a 76 hours fortnight, over nine days, rather than a 38 hour week (with an alternate non-working Friday). **It was AGREED that this flexibility should be extended to Mr. Darren Scott, Works Supervisor.**

6. Members Code of Conduct and Register of Members' Interests.

A Register of Members' Interests blank form had been circulated with the agenda papers and the Chief Executive highlighted that the Board had in place a Members' Code of Conduct approved on 29.01.13 but that there was a governance requirement for the Board to hold an up-to-date Register of Members' Interests. This was good practice and a protection for the Board and also to individual members. She proposed that the register be created and updated annually at the November AGM.

Discussion followed on the content of information being requested and where it would be published. It was confirmed that the Register would not be published on the Board's website but that the Register would be held at the Board's Witham House Office. It would be available for public inspection. After discussion members reaffirmed the existing Members' Code of Conduct and APPROVED the "Register of Members Interests" form, members agreeing to

complete the form as the basis of the Register immediately operative to the November 2017 AGM.

7. Chief Executive's Report and 2017/18 Pay Settlement.

The Chief Executive's report had been circulated with the agenda. Items highlighted included insurance renewals, as follows:

North East Lindsey DB (renewal 22.04.17)

Policy Type	2017 Renewal Premium £	2016 Renewal Premium £
Business Combined	11,594.83	11,734.75
Loss Recovery	292.60	291.27
Engineering Inspection	1,923.64	1,915.14
Engineering Insurance	520.68	510.08
Management Liability	1,203.53	1,189.83
Professional Indemnity	1,658.63	1,642.85
Personal Accident	186.93	Incl. Combined
Excess Liability	Incl. within Combined Premium	586.70
Commercial legal expenses	55.00	54.75
Total	17,435.84	17,925.37
Cyber Liability	930.00	Not in place
Revised total	18,365.84*	17,925.37*

*: excludes Commercial Vehicle Policy due for renewal 22.10.17 (cost in 2016 was £550.00 for Isuzu FY65 KBZ)

It was confirmed that the 'new insurance' taken out for this forthcoming year was the cyber liability insurance at £930 (rather than take the net saving otherwise of £489.53). This was after an assessment of risks facing the Board (eg increased on-line financial transactions and remote ICT devices connected to the server). In response to a question, it was confirmed that in 2016 a new server was purchased for Witham House and as part of that upgrade all back up systems were reviewed. The arrangement is now that the main server is backed up within the office, this in turn is backed up to the ICT provider's separate site in Lincoln and they in turn back up to a third site.

Members were asked to determine what they wished to approve as the 2017/18 pay settlement, having regard to the ADA Lincolnshire Branch's recommendation and the discussion at the four Boards' Joint Services Committee meeting on 15.05.17 which recommended a 1% uplift to all salaries and wages for 2017/18 with a further 0.4% discretionary unconsolidated uplift for 2017/18 only. **After discussion, it was RESOLVED that the 2017/18 pay settlement should be the 1% uplift consolidated across all salary**

and wage scales plus the payment of a further discretionary 0.4% unconsolidated sum for this year only.

Members then discussed the need to procure an new Internal Audit Service, Mr Robert Peyton having decided to retire after 17 years as Internal Auditor to the Board and the other three IDBs in the Group similarly facing the retirement of their Internal Auditor. It was noted that the Joint Services Committee would oversee the procurement process for a replacement service to all four Boards (a specification having been drafted to test the market).

Members noted that in respect of Killingholme Marshes Pumping Station, North Lincolnshire Council as lead procurement body had established a Delivery Group. The last meeting had been on 02.05.17 when both the Chief Executive and Director of Operations and Engineering attended. Key points from that meeting included:

- Tender documentation 28.03.17 and North Lincolnshire Council issued invitations to tender 30.03.17 (using the Environment Agency's WEM framework).
- Tender period extended slightly to 15.05.17
- Tenders evaluation panel convened for 22.05.17
- Aim is to sign a contract with the appointed contractor on 01.06.17 (no contractual need for a "stand still" period of 10 days, evaluation panel will determine).
- Able UK provided an update on three culverts and enabling works. NELDB representatives had expressed some concerns about the enabling works and a meeting of both parties plus a North Lincolnshire Council representative had been held on 10.05.17. A verbal update was provided on that meeting.
- A project risk log for the proposed new pumping station had been established (at NELDB request, in use date of the Pumping Station plus warranties was added)
- Scheme attracts ERDF funding for completion 31.03.18 (and invoices payable up to 30.06.18), so the "First Claim Process" had been outlined on 02.05.17.

Finally, members received and noted an Organisational Structure Chart for the four Boards. Members received and noted the Chief Executive's report and verbal update.

8. Risk Register

The Board's existing Risk Register had been circulated with the agenda, for consideration prior to members being asked to sign off the Statement of Accounts and IDB Return for 2017/18.

Members were content to APPROVE the existing Risk Register and AGREED that a revised Corporate Risk Register for all four Boards should be developed for the January 2018 Board meeting, to be considered prior to the approval of 2018/19 estimates.

9. Internal Auditor's letter to the Board on 2016/17 (Mr. Robert Peyton).

The Internal Auditor's independent report on 2016/17 had been circulated with the agenda. It was noted this was Mr Robert Peyton's final report to the Board. In his absence, the report was outlined to members by the Financial Consultant. Key points arising were:

- The audit on 2016/17 was complete
- The letter set out rates arrear as at 31.03.16 as £7,132 and rates charged for 2016/17 as £23,861 (i.e. totalling £30,993 collectable). Of this, the Board had collected £21,862 leaving a year end debtor as at 31.03.17 of £9,131 of this the IA advised £6,472 had been provided against as potential bad debts (Members were reminded that the write – off of drainage rates is a matter reserved to the Board).

- The payments schedule was found to contain some errors, not material in nature. These were caused by reporting to a date within a month, causing items either to be double counted or omitted. (Members were advised that the Schedule of Expenditure will be in future done to each month end).

Overall, the Internal Auditor provided an audit opinion that systems are “adequate” and members NOTED and accepted that audit opinion and that no errors were found which would have a material effect in the annual accounts.

In addition, members received and NOTED the Internal Auditor’s completed annual internal audit report for 2016/17 (which forms part of the Board’s IDB return).

10. Schedule of Expenditure, for 01.01.17 to 31.03.17.

Members had received with the agenda a Schedule of the Expenditure incurred for the last three months of 2016/17 to 31st March 2017

Gross expenditure for the period totalled £217,305.25 or, net of £12,577.04 reclaimable VAT from HMRC, £204,728.21 net.

Issue raised included:

- Item 78: BACS payment of £68.06 (net) to Mr D. L. Scott for the costs of a puncture repair.
- Item 39: £249.50 to the Ashbourne Hotel. It was confirmed that this payment was for the cost of hiring a room and providing a light working lunch for those involved in a meeting about Killingholme Marshes Pumping Station at the end of January 2017.

Members received and NOTED the expenditure incurred.

11. Financial Performance Outturn Report 2016/17, as at 31.03.17.

The financial performance report for 2016/17, as at 31st March 2017 had been circulated with the agenda and was presented by the Finance Consultant.

This provided a summary position, split to show the Income and Expenditure Account separately from the Board’s costs to be met from Reserves.

On income, there were minimal variances on actual income received by the Board compared to the budget. The main variance was bank interest received of (£2k).

On expenditure, the variances relate to the IDB precept paid to the EA, where an inflationary increase had been included in estimates and, a zero increase was applied by the EA. This gave a slight underspend of (£2k). Also, administration costs underspent by (£11k) and corresponding maintenance costs overspent by £13k.

Overall therefore on Income and Expenditure, there was a net underspend position against estimate of (£2k), which is a 0.4% variance and therefore a healthy 31.03.17 year end position.

On reserves some expenditure was met from Earmarked reserves, totalling £68,017 but with a £2,500 receipt for Rosper Road Pits this gives a net reserves expenditure of £65,517. Also, it was noted that in order to meet residual North East Lindsey only staffing costs following

the joint arrangements established from 01.04.17, the former Chief Executive had included in the accounts a fund transfer of £20,000 from the Pumping Station / Drain Improvement Reserve to the Board Management reserve.

Discussion followed, particularly on the drainage rates invoices posted out to account holders for 2017/18 (£25k is budgeted for and £28k invoiced).

After discussion, members:

- NOTED the financial performance 01st April 2016 to 31st March 2017.
- APPROVED the 31.03.17 surplus of (£2,187) be deployed to the Revenue Account Reserve.
- NOTED that the net expenditure of £65,517 had been charged to the earmarked Reserves Fund.
- APPROVED a fund transfer of £20,000 from the Pumping Station / Drain Improvement Reserve to the Board Management Reserve to meet residual NEL staffing costs.
- NOTED that this outturn position as at 31.03.17 had been used as the source document in the compilation of the Statement of Accounts, the IDB Annual Return and the IDB1 Return for 2016/17.

12. Annual Governance Statement 2016/17.

Members had received with the agenda a blank copy of the Annual Governance Statement 2016/17 which, when completed, forms part of the IDB Annual Return submitted to the External Auditor.

The Chairman talked members through the applicable eight governance statements. Members confirmed that 'yes' satisfactory arrangements had been put in place in respect of all statements. Accordingly, the Chairman and Chief Executive were authorised to complete and sign off the Governance Statement on behalf of the Board.

13. Unaudited Statement of Accounts for 2016/17.

The Finance Consultant presented the Statement of Accounts for 2016/17 which had been prepared by the former Chief Executive and Internal Auditor. Although these would be uploaded to the Board's website, as there is currently no formal requirement to prepare a Statement of Accounts their status remains as 'unaudited'.

The Statement of Accounts 2016/17 were proposed, seconded and APPROVED as a true and fair representation of the Board's financial position.

14. IDB Annual Return for 2016/17.

Section 2 of the IDB Annual Return for 2016/17 had been circulated with the agenda, i.e. the Accounting Statements.

Members APPROVED the Accounting Statements 2016/17, to be signed by the Chairman and Chief Executive and submitted to the External Auditors.

15. IDB1 Report 2016/17

The IDB1 Report for 2016/17 is awaited from Defra (and should be available shortly after the 08.06.17 General Election). A draft report had been completed for 2016/17, based on last

year and this would be updated with additional information likely to be requested by Defra for submission by 31.08.17. Members APPROVED the draft IDB1 Report for 2016/17.

16. The Board's new website, launched on 20.04.17

The Chairman welcomed the four Boards' GIS and Environment Officer to the meeting. Samantha Ireland gave a presentation on the Board's new website www.northeastlindsey-idb.org.uk and the information it contains. In particular, demonstrations of the interactive maps, GIS and DRS ratings information.

There followed discussion on the now few outstanding 'red areas of land' where no land ownership has yet been established despite Land registry searches. Large scale maps had been provided and members offered to help with local knowledge after the meeting. It was confirmed that the website can be updated in-house. One suggestion was that it would be useful to have a link to tide times and it was agreed to include this.

Members received and NOTED the presentation about the facilities on the Board's new website.

17. Health and Safety

An update was provided on Health and Safety issues across the four Boards. It was confirmed that the Board's new contractor from 15.07.17 was being included in the invitation to the Operatives' training morning on 24.05.17 and a set up meeting would be arranged prior to the weed cutting season starting in July.

18. Director of Operations & Engineering Services' Report.

A report had been circulated with the agenda. Highlights included:

- **Little Buck Beck Pumping Station – System No.1**

General building repairs had been completed at this station. These works included repointing of the external brickwork, repainting of window frames and removal of the existing security grills to the windows.

This work was completed by G. Morrell Builders at a total cost of £3,600.

The security grills were fabricated and installed by T & J Fletcher Ltd. at a cost of £933.

- **Rosper Road Access Culvert – System No.9**

This culvert was provided as part of the major improvements provided by the A160 Immingham Project which included major road improvements in the vicinity. The structure will ensure improved access to the Rosper Road pit which is a conservation site maintained and promoted by the Board.

- **Coniston Crescent Flood Alleviation Scheme – System No.1B**

This scheme has been promoted and managed by North East Lincolnshire Council [NELC] and is now approaching substantial completion. Contributions were sought from other flood risk management authorities as they would receive some betterment from the project. The original scheme estimate was £144,000 which attracted a contribution from the Board of £30,000, which was agreed at a previous meeting. The

successful tenderer submitted a contract price of £43,507 reducing the overall project cost to approximately £75,000.

Therefore it has been agreed with NELC to reduce the Board's contribution '*pro rata*' to £15,000. An invoice has been requested accordingly on 11.05.17.

This scheme has been designed to divert excess flows from the Board maintained system onto adjacent grass area/football pitches, where the water will be stored temporarily until such time it can drain back into the system under gravity.

Members received and NOTED the report and verbal update.

19. Engineering Services' Report.

A report had been circulated with the agenda which provided information on the planning applications received by the Board and detail of the comments submitted to the relevant Local Planning Authority (LPA).

Members discussed the content and NOTED the report.

20. Consents & Enforcements.

There was no written report to the Board. Members noted that a consent application form had been uploaded to the website for ease of use.

21. Engineer's Report including a briefing on recent BMW storage application from Able UK and and update on Killingholme Marshes Pumping Station.

A written update had been circulated with the agenda. Highlights included:

- **Able Marine Energy Park Development**

Since January a number of meetings had been attended by the Board's officers in relation to this development. These have range in content from the overall strategic plan for the site to the very detailed discussions relating future access and maintenance of various structures and channels. Discussions have focused on two main areas.

- **Proposed Killingholme Marshes Pumping Station**

This element of the development is the key stone to the future arrangements for the disposal of all surface water from the existing land based part of the site. It is designed to provided capacity for the next 100 years and will have the total capacity to deal with water emanating from a one in 100 yr [1% chance in any one year] rainfall event and accommodate future predicted climate change.

A meeting was attended by the Board's Chairman and officers with Able UK and their design consultant in January, where the original outline design was considered and substantially amended following the Board's comments. These comments related to the long-term operation and maintenance of the station and associated drainage channel. Able UK and North Lincolnshire Council are now progressing the procurement and construction of this station. Upon its completion and receipt of an appropriate commuted sum, the Board will be asked to consider its adoption.

More recently, the Board's Chief Executive and officers attended a meeting on 10.05.17 with Able UK to discuss the results of a hydraulic modelling exercise that confirmed that the existing arrangements for the disposal of surface water would not result in flooding to any third party. This assurance came with some caveats and points to be clarified at the Board's request.

Should this be the case, then many of the Board's past concerns about the performance of the site's drainage will have been answered and allayed. The Board will monitor the progress of works within the site to ensure, wherever possible, works are completed in accordance with those consents issued by the Board or required by the permission of others.

- **Area E1 and E2 Development – BMW Car Storage**

Work has commenced on site to provide storage relating to the importation of BMW cars. The Board has received an application for consent to install a number of surface water drainage outfalls into drain 10A. Comments have been provided to the applicant and we await an amended design.

Run-off from this site, which is to be raised and surfaced with concrete, is allowed for in the amended hydraulic design work referred to earlier. Details of other works relating to the drainage of the site are to be provided to the Board in due course.

Members discussed and NOTED the position in relation to both the BMW storage facility site requirements and the proposed Killingholme Marshes Pumping Stations.

22. Environmental Report for 2016/17 and plans for 2017/18.

The Environment and GIS Officer, Miss Samantha Ireland, introduced this item and explained that the purpose of the report is to assess the previous years' progress and also to set focus for the next year. The Board will focus on locating and recording species. It was confirmed that an Owl box monitoring camera will be installed within the Board's area.

It is the intention to identify vertical banks that can be used for kingfisher sites.

In the other three Boards' areas it had been interesting to trial water vole recording, by using a simple GPS unit which is to be pressed when a water vole is sighted by Operatives, one will be purchased for North East Lindsey.

With regard to Rosper Road Pit, members were updated on the work done last year, which has improved the area for wading birds. Eight islands have been created in the pit itself. On a recent visit many birds and deer were sighted. The priority now for the Board is to allow the site to recover.

The "ADA Lincolnshire Branch Quick Wins for Biodiversity Guide" was introduced. This will be uploaded to the website.

Members discussed the issue of Otter control and migration and Miss Ireland advised that as Otters are a biodiversity action plan species we should be promoting them so there are no measures against otters. Members were informed that work is currently being undertaken to install an artificial otter hole in Witham Third DIDB. Any requests for Otter fencing are submitted via consent application (eg at fishing lakes). Members understood that residents have advised them that they have an otter problem in garden ponds in the Board's district.

Members received and NOTED the report on 2016/17 and plans for 2017/18, NOTING also that this will be submitted to the Greater Lincolnshire Nature Partnership (GLNP) as the Annual Report.

23. Any other business.

23.1 Board Membership.

The Chairman thanked Mr. Christopher Read for his eight years' service to the Board. Mr Read was standing down as a member and would be replaced by Mr. Sam Bedford, Farm Manager for the Brocklesby Estate.

23.2 Drain in Barton-upon-Humber.

Cllr. Peter Clark raised the issue of residents' concerns about a drain in Barton (Ings Lane, behind Wren Factory, off Falklands Way). There is a culvert under the road and the open channel requires clearing, as the drain is backing up. Access is an issue due to hedges either side. It was agreed to investigate.

23.3 Summer Inspection, 19th July 2017.

Members were reminded to indicate whether or not they would be attending the Summer Inspection on 19th July 2017 at 2pm.

23.4 Retirement of Mrs Gloria Scott.

The Chairman thanked Mrs Gloria Scott for her 17 years' service to the Board and wished her a long and happy retirement from September 2017.

24. Date, Time and Place of Next Meeting.

The next meeting of the Board was confirmed for Tuesday, 12th September 2017 at The Amethyst Hotel, East Halton. It will commence at 2.30pm. *¹

.....Chairman.....Date

NEL BM 23.05.17.

*¹ : The meeting planned for Tuesday, 12th September was movd to Tuesday, 26th September 2017, the venue and time of the meeting remain as stated.