

**NORTH LEVEL DISTRICT
INTERNAL DRAINAGE BOARD
MINUTES OF GOVERNANCE AND AUDIT COMMITTEE MEETING
9th January 2018**

Present:	J. W. J. Sly Councillor C. J. T. H. Brewis J. A. Clarke N. J. Harris Councillor J. Holdich OBE Councillor Mrs K. Mayor A. J. Wadsley	Chairman
In Attendance:	P. D. Sharman J. Stubley S. Drew S. Smith	Chief Executive Operations Engineer Finance Officer Secretary

1 APOLOGIES

There were no apologies.

The Chairman welcomed A. J. Wadsley to his first meeting as a new Member of the Governance and Audit Committee.

2 MINUTES OF LAST MEETING

The Minutes of the Meeting held on the 6th June 2017, copies of which having been circulated with the Agenda, be taken as read and being a correct record of the business of such meeting.

3 MATTERS ARISING OUT OF THE MINUTES

There were no matters arising out of the Minutes of the Meeting held on 6th June 2017.

4 TERMS OF REFERENCE FOR THE GOVERNANCE AND AUDIT COMMITTEE

Following discussion by Members it was proposed by Councillor Brewis, seconded by Councillor Holdich OBE and agreed by the Committee that the Terms of Reference would remain as is with no changes.

5 TO REVIEW THE BOARD'S STRATEGY PLAN 2018

The Chief Executive took the Committee through the Strategy Plan and pointed out that any amendments were shown in red, confirming that they were minor amendments only.

A Member of the Committee asked for details about the Pilot Study on page 8, called Partnership Approach to Catchment Management (PACM). The Chief Executive explained that five pilot studies are being carried out across Lincolnshire and Northamptonshire, including one for North Level looking at catchment management in the Lower Nene and the Nene Washes, in particular Mortons Leam area. The Pilot is timed to finish by April 2018, some pilots are further ahead than others and the aim is engage all parties, gain feedback and work collectively to provide guidance for the future management in all areas of the country.

A Member of the Committee referred to page 11 and asked what progress had been made regarding the hydraulic model of the North Level's entire catchment. The Chief Executive responded that the work is being carried out by the Board's Engineering Technician with assistance from JBA Consulting, with the aim being to share the results from it with the NFU and insurance companies. However, this is a large piece of work and will take a number of years to complete.

The Strategy Plan was Approved and accepted by the Governance and Audit Committee, subject to changing O2.1 to 'The Board's website was upgraded in 2014' and the Timescale under objective O2.2 to be changed from 2017 to 'Ongoing'.

Members agreed that the Board's Strategy Plan would continue to be reviewed annually.

6 TO CONSIDER THE 2018/19 INTERNAL AUDIT PLAN

The Chief Executive confirmed that the new auditors for the Board are Moore Stephens, who are local and have knowledge of Drainage Boards. He confirmed that three companies had been contacted for the work, two quotes had been tendered and Moore Stephens had been successful at a cost of circa £2,000.

The Finance Officer confirmed that Moore Stephens have requested information in order to formulate their Internal Audit Plan, these include the Board's Governance and Audit Policy list, finance related policies and Finance Regulations and they are aware that they are required to complete the works by the end of April 2018.

Following a brief discussion the Committee accepted and noted the contents of the 2018/19 Internal Audit Plan.

Following the discussion it was
Agreed that the Board be **RECOMMENDED** to:

- (a) Approve and accept the 2018/19 Internal Audit Plan.

7 TO REVIEW THE FOLLOWING POLICIES

- (a) Business Continuity Plan (Former Succession Planning Policy)
- (b) Culverting Policy
- (c) Data Protection Policy
- (d) Development Levies
- (e) Drainage Rate and Special Levies Policy
- (f) Fraud and Corruption Policy
- (g) Freedom of Information Publication Scheme
- (h) Proceedings and Standing Orders

As part of the review of the above policies the Committee considered the review dates and amended them as they considered reasonable and in line with any statutory deadlines.

- (a) Business Continuity Plan (Former Succession Planning Policy): The Chief Executive explained that the changes to this Policy were mainly to ensure that plans are in place to address any staff changes for those in key positions within the organisation.

Members of the Committee acknowledged that the changes make sense and are more comprehensive. They agreed that the title of the policy should be called Succession Planning and Business Continuity Plan to incorporate both of these aspects.

Members of the Committee feel that upskilling staff is important, ideas from staff should be credited to them and this should be made more prominent within the Policy.

The Chief Executive confirmed that there are training records for all staff, Staff Meetings are held regularly, training is ongoing across roles within the organisation to provide cover and enhance the skills of staff. It was noted that the Operations Engineer is well qualified, Operatives regularly receive training for their roles and Health and Safety is key across the organisation.

Members asked what incentives there are for staff to do well. The Chief Executive confirmed that staff are on a graded system, which is supported by the Board. He stated that if staff do well and it is recognised that a higher grade is required to recognise enhanced skill levels this is put to the Board for them to agree which in turn ensures that the whole Board recognise staff achievements.

Following discussions in relation to the proposed fixed-term for a Chairman of the Board Members agreed that they should be elected by the Board every three years up to a maximum of three terms in office.

The Committee agreed that this Policy will be reviewed in June 2018, pending a more robust plan setting out skills, training and staff appraisals.

- (b) Culverting Policy: This Policy remains unchanged and the Committee agreed that it will be reviewed in January 2023.
- (c) Data Protection: Members of the Committee were advised there are changes to this policy, but as further guidance is awaited it was agreed that this Policy be deferred for consideration in June 2018.
- (d) Development Levies: The Chief Executive explained that this Policy has been amended to include an amended '*Equivalent run-off rates*' table and the Committee agreed that it will be reviewed in January 2023.
- (e) Drainage Rate and Special Levies Policy: This was a new Policy in 2017. The Chief Executive advised Members that this policy has been amended to take account of the revised procedure to instigate Court Proceedings at Appendix 4. The Committee agreed that it will be reviewed in June 2022.
- (f) Fraud and Corruption Policy: The Chief Executive informed Members that there are minor amendments to this policy, namely name changes and telephone numbers. The Committee agreed that it will be reviewed in January 2023.
- (g) Freedom of Information Publication Scheme: The Administrative Clerk informed Members that the Freedom of Information Policy and Publication Scheme have been amalgamated into a simpler format in line with Government guidelines. The Committee agreed that it will be reviewed in January 2023.
- (h) Proceedings and Standing Orders: This Policy has two minor amendments and the Committee agreed that it will be reviewed in January 2023.

The following Policies were reviewed, amended and accepted by the Governance and Audit Committee:

- (a) Approve and accept the Succession Planning Policy and Business Continuity Plan, with further detail to be included around skills, training and staff appraisals, to be reviewed in June 2018;
- (b) Approve and accept the Culverting Policy, to be reviewed in January 2023;

- (c) Defer the Data Protection Policy, pending further guidance, with amended Policy to be reviewed in June 2018;
- (d) Approve and accept the Development Levies, to be reviewed in January 2023;
- (e) Approve and accept the Drainage Rate and Special Levies Policy, to be reviewed in June 2023;
- (f) Approve and accept the Fraud and Corruption Policy, to be reviewed in January 2023;
- (g) Approve and accept the Freedom of Information Publication Scheme, to be reviewed in January 2023;
- (h) Approve and accept the Proceedings and Standing Orders, to be reviewed in January 2023.

8 GOVERNANCE AND AUDIT COMMITTEE – ANNUAL REPORT 2017/18

The Chairman advised the Committee that they were required to consider and approve the Governance and Audit Committee Annual Report 2017/18.

It was agreed that the Board be **RECOMMENDED** to Approve and accept the Governance and Audit Committee Annual Report 2017/18.

9 TO CONSIDER THE FINANCIAL ESTIMATES FOR 2018/19

The Chief Executive referred to his estimates of the financial requirements of the Board for the twelve months ending 31st March 2019, a copy of which being included with the Agenda of the meeting.

The Chief Executive gave a detailed explanation of the estimated items before recommending that rates for all three drainage districts be increased by an average of 2%, with a small increase proposed annually, this would help to address the cost implications of pay awards and the increase in pension contributions.

The Chief Executive explained that the 2% increase covers only current works and jobs and engineering costs are spread across the works undertaken by the Board. He stated that he no longer includes uncertain promised grants if they are not guaranteed as this can be detrimental to the accuracy of the estimates.

The Committee agreed that modest increases across the board long-term is the sensible option.

Mr Clarke suggested that it would be useful to Members if the Chief Executive could write an introductory page explaining the logic behind the estimates. The Chief Executive agreed that he would provide this information in the future.

Councillor Mrs Mayor commented that the Actual figures are a proportion of the way through the year and it would be useful if Members could be provided with the final figures for 2017/18 at the June meeting.

The Committee queried what the Actual, and Estimated values under the heading 'Other expenses' on the Combined Area Estimates were for.

The Chief Executive explained that this had been used to record payments for the Board's shared Planning Officer who was on the Welland and Deepings IDB payroll, for future employment and salary for consultants for Grant in Aid applications.

After a full discussion with the Chief Executive answering Member's questions in connection with his estimates

It was agreed that the Board be **RECOMMENDED** to:

Approve the drainage rate for **Area 1** for the financial year ending 31st March 2019 be fixed at 11.43p in the pound (£)

And

The following Special Levies are issued for the year:

Fenland District Council	£339,456
Peterborough City Council	£290,679
South Holland District Council	£138,369

It was also agreed that the Board be **RECOMMENDED** to:

Approve the drainage rate for **Area 2** for the financial year ending 31st March 2019 be fixed at 7.90p in the pound (£)

And

A Special Levy is issued for the year on:

Fenland District Council	£15,700
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It was also agreed that the Board be **RECOMMENDED** to:

Approve the drainage rate for **Area 3** for the financial year ending 31st March 2018 be fixed at 3.47p in the pound (£)

And

A Special Levy is issued for the year on:

Peterborough City Council	£10,714.
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10 ANY OTHER BUSINESS

Committee Members requested that consideration be given to changing the date of the next meeting due to some Members being unable to attend. It was agreed that the Administrative Clerk would look at a more suitable date for the meeting.

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Chairman