

NORTH LEVEL DISTRICT INTERNAL DRAINAGE BOARD

MINUTES OF GOVERNANCE AND AUDIT COMMITTEE MEETING 6th June 2023

Present:	J W J Sly A J N Gee N J Harris P T R Hurn Alderman J Holdich OBE Councillor C J T H Brewis Councillor Mrs K Mayor	Chairman
In Attendance:	P D Sharman J Stubbley S Drew S Smith	Chief Executive Engineer to the Board Finance Officer Secretary

1 APOLOGIES

There were no apologies.

2 MINUTES OF LAST MEETING

The Minutes of the Meeting held on the 10th January 2023, 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.

4 TO REVIEW THE FOLLOWING POLICIES

- (a) Anti-Bribery Policy
- (b) Computer Use and Internet Policy
- (c) Culverting Policy
- (d) Health and Safety Policy
- (e) Risk Register

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.

The Chairman and the Committee agreed that the policies would be discussed, accepted with any amendments and approved collectively following the discussion.

- (a) Anti-Bribery Policy: The Chief Executive explained that the policy remains unchanged. The Policy will be reviewed in June 2028.
- (b) Computer Use and Internet Policy: It was noted and agreed that the Data Protection Act 1998 under heading 8 on page 4 be changed to read '*Data Protection Act 2018*' in line with the rest of the policy. In answer to a question from P Hurn, the Engineer to the Board explained that the Operatives use their own personal mobile phones and use a free app for Lone Working.

The Chief Executive explained that the policy remains unchanged. The Policy will be reviewed in June 2028.

- (c) Culverting Policy: The Chief Executive explained that the Culverting Policy is also included as an Appendix in the full Planning Policy, however, having a separate Culverting Policy allows the Board to send this out for information when the full Planning Policy is not required. The Chief Executive explained that the only changes to the policy are the '*Commuted Maintenance fee due*' which are adjusted annually in line with RPI, the rest of the policy remains unchanged. The Policy will be reviewed in June 2028.
- (d) Health and Safety Policy: This policy has no changes and is in line with current legislation. It will be reviewed annually in line with statutory requirements, in June 2024.
- (e) Risk Register: The Chief Executive explained that the Risk Register had been subject to some deletions that were considered duplications or were no longer considered to be a risk. The Committee agreed that this Policy will be reviewed in June 2024.

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

- (a) Approve and accept the Anti-Bribery Policy, to be reviewed in June 2028;
- (b) Approve and accept the Computer Use and Internet Policy, to be reviewed in June 2028;
- (c) Approve and accept the Culverting Policy, to be reviewed in June 2028;
- (d) Approve and accept the Health and Safety Policy, to be reviewed in June 2024;
- (e) Approve and accept the Risk Register, to be reviewed in June 2024.

5 TO CONSIDER THE ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN FOR THE YEAR ENDED 31st MARCH 2023

The Chairman and Chief Executive advised the Committee that they were required to consider and approve the Annual Governance Statement and Accounting Statements.

The Finance Officer attended the meeting to explain the Board's compliance with the Annual Governance Statement, opening balances, income and expenditure and to aid understanding if required.

- (a) Section 1 – Annual Governance Statement 2022/23;
- (b) Section 2 - Accounting Statements 2022/23;
- (c) Annual Internal Audit Report.

The Annual Governance and Accountability Return for the year ended 31st March 2023, a copy of which having been included with the Agenda of the Meeting, was considered.

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

- (a) Approve and accept the Annual Governance Statement;
- (b) Approve and accept the Accounting Statements.

The Chief Executive and Finance Officer explained the likely outcome of the Internal Audit Report which was outstanding at the time of the meeting.

6 TO RECEIVE THE MANAGEMENT ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2023

The Chief Executive briefly explained the background to the Management Accounts. He explained the figures in the Management Accounts that made up the Accounting Statements on the Annual Return for the year ended 31st March 2023, a copy of which having been included with the Agenda.

The Chief Executive and the Finance Officer further explained the Net Operating Deficit for the year of £-388,674 which takes into account the work done by the Board including all income and expenditure.

The committee acknowledged the Development Levies and Commuted Sum of £126,243 which are ring-fenced for that purpose. It was confirmed that the Nene Washlands Slacker Fund is also ring-fenced for future expenditure for refurbishment of 5 slackers in the Nene Washlands area.

The committee acknowledged that the closing Revenue reserve balances by comparison from 2019/20 of £494,993, 2020/2021 of £379,248, 2021/2022 of £263,758 to £-252,129 show a direction of travel that highlights how quickly general reserves can be depleted.

The Engineer to the Board explained the overspend in relation to emergency repairs at Foul Anchor of £700,763 and how he had adjusted other works to offset the costs incurred.

In answer to a question regarding power surge protection at the Boards pumping stations it was confirmed that following an incident at Cross Guns pumping station that circuit breakers have been fitted, to prevent such an occurrence.

A further question in relation to the Boards ability to run on alternative fuels, it was confirmed that the Boards fleet of vans run on HVO. The Engineer to the Board explained that following discussions at the Project and Operations Committee an NFU Energy consultant had been engaged to consider further energy savings for the Board.

The Chairman of the Governance and Audit Committee thanked the team for their hard work in preparing the Management Accounts.

The committee agreed that they were happy with the AGAR and Management Accounts as presented at this meeting and

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

- (a) Management Accounts for the year ended 31st March 2023.

7 APPOINTMENT OF THE INTERNAL AUDITOR

The Chief Executive explained that Moore East Midlands (formerly Moore Stephens) had provided Internal Audit services for the Board from 2017. He recommended they be engaged for a further period of minimum three years.

The Finance Officer confirmed that the costs for the Internal Auditor as explained in the Management Accounts had been allowed as £2,250 and also explained that the External Auditor costs had increased up to the next band to £4,362.

The committee agreed that Moore East Midlands be engaged as the Boards Internal Auditor for a further three years and a Letter of Engagement be drawn up and signed between the two parties.

8 ANY OTHER BUSINESS

The Engineer to the Board explained that the Engineering Assistant had left prior to the last Board Meeting in April. A new Technical Engineer post was advertised and an appointment has now been made and starts on Monday 12 June 2023.

He explained that the Vice-Chairman to the Board had been involved in the interview process and the appointed candidate had been described as stand out with a good background in drainage boards.

The Chief Executive declared an interest due to the new Technical Engineer being his son.

The Chief Executive explained that Peterborough College had been approached for a Civil Engineering student to join the Board and a response is awaited.

There was no other business for consideration.

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Chairman

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Date