

BLACK SLUICE

INTERNAL DRAINAGE BOARD



Executive Meeting

Wednesday 4th June 2014 at 2pm

Station Road, Swineshead, Lincolnshire. PE20 3PW

AGENDA

1. Apologies for absence
2. Declarations of Interest
3. To receive and if correct sign the Minutes of the Executive Meeting held on 15th January 2014 (pages 1 - 6).
4. Matters Arising.
5. To receive (unaudited) 2013/14 Financial Statements and Balance Sheet (under separate cover).
6. To receive the 2013/14 Internal Audit Report (pages 7 - 12).
7. To review and approve accounts of Bourne Fen Farm Account (pages 13 & 14).
8. To receive the 2014/15 Internal Audit Strategy and Plan (pages 15 - 18).
9. To review the Pension Discretion Policies (page 19).
 - (a) Local Government Pension Scheme prior to 1st April 2008 (pages 20 - 25).
 - (b) Discretionary Compensation on Early Termination of Employment (pages 26 - 29).
 - (c) Post 2014 (pages 30 – 39).
10. To consider Period 1 Management Accounts (pages 40 - 46).
11. To consider future investments of the Board (pages 47 & 48).
12. To review the 2014/15 Works Schemes (page 49).
13. To consider works to be funded from the Development fund (page 50).
14. To consider installation of Solar Panels on the Headquarters roof (page 51).
15. Staff/Workforce Matters
 - (a) Administration Apprentice (page 52).
 - (b) Martin Henton (pages 53 & 54).
16. Any Other Business:
 - (a) Health & Safety Consultants (page 55).
 - (b) Riparian Enforcement Sub-Committee (verbal).
 - (c) Member's expenses claim forms (verbal).

BLACK SLUICE INTERNAL DRAINAGE BOARD

MINUTES

of the proceedings of a meeting of the Executive Committee

held at the Offices of the Board on
15th January 2014 at 9am

Members

Chairman - * Mr M J Scott

* Cllr P Bedford
Mr R Leggott
* Mr J R Wray

* Cllr M Brookes
Mr K C Casswell

* Member Present

In attendance: Mr I Warsap (Chief Executive)
Mr D Withnall (Finance Manager)

477 APOLOGIES FOR ABSENCE

Apologies were received from Mr R Leggott and Mr K C Casswell.

478 MINUTES OF THE EXECUTIVE MEETING

Minutes of the last meeting held on 6th November 2013, copies of which had been circulated, were considered and it was agreed that they should be signed as a true record.

479 MATTERS ARISING

(a) Sale of Carlton Road - Minute Number 454(c)

The Finance Manager stated that the purchasers' surveyors have met the criteria for change of use and an application has been made to Boston Borough Council.

The Gas contract is due for renewal on 4 April 2014 and if the property is not sold by 31 March 2014 then this will be reviewed.

(b) Eight Year Plant Estimates - Minute No 459

The Chief Executive stated that the Hitachi 70LC has been sold to a Midlands Plant Dealer for £17,000 and the funds have been received. The Operations Manager is still in negotiations with suppliers for the new machine. Local traders have been told of the availability for sale of the dump trailer. Major, the supplier of the jetter are showing interest to come to the Swineshead Depot to view and offer a price.

480 Period 9 Management Accounts - Agenda Item 4

The Finance Manager presented the summary of the Period 9 Management accounts and forecast copies of which have been circulated. He highlighted the following points to the Committee:

- Overall £138k favourable compared to budget.
- Pumping Station Maintenance is favourable £47k due to £30k less being spent on electric compared to the previous year.
- Drain maintenance is £75k favourable;
 - able to complete more capital works before cutting season causing a phasing issue
- Administration & Establishment;
 - £7k favourable on salaries
 - £4k favourable new office
 - £2k adverse Boston office
 - £5k not spent on equipment
 - £5k favourable Depot
- Balance Sheet – Accruals and prepayments includes £138,276 EA Precept due 30th November 2013 which has not been paid as waiting on outcome of highland water payments discussions and do not appear to be getting any further.
- Forecast – updated for third quarter and shows expected surplus to be £64k more than budget.

The Chairman requested that the layout of the balance sheet be presented in a new format for the Board meeting and the Work in Progress separated out from prepayments.

481 The 2014/15 Budget and Ten Year Projections - Agenda Item 5

The Finance Manager explained that the recommendations for the budget have been produced on the decision from the Executive Committee meeting on the 6th November 2013 that the penny rate be increased by 1.23% to 12.30p.

- **Penny Rate** – At a rate of 12.30p in the £ the projected estimated income is £1,982,729 in 2014/15. The ten year projections include for a rate increase of approximately 1.65% (to 12.50p) in 2015/16, and approximately 2% each year in the next 8 years.
- **Investment interest** - Interest rates are not expected to increase on investments in 2014/15 therefore an income of £8,000 has been included in the budget.
- **Grants** - Flood Defence Grant in Aid awarded £611k to fund capital works in 2014/15. This may be reduced by the Environment Agency due to the East of England sea surge damage. If reduced FDGiA, Wyberton Road Culvert may need to be funded from development fund.

The Chief Executive is attending the RFCC meeting this Friday to observe the approval of the applications already made and the Environment Agency are in the process of applying to Defra for additional funds for sea bank improvement.

- **Rental Income** - The Committee discussed the rental income which was last reviewed in 2011/12;
 - The Environment Agency rent a section of compound at the Swineshead Depot at a charge of £4,000 pa since 2008. The Chief Executive recommended that the rent be professionally revalued to include all sundries. The Committee AGREED to a professional revaluation.
 - The Committee AGREED to increase the rental on the Boards Bungalow from 1st April 2014 to £3,600 per annum (£300 pm).
 - The Committee also discussed rental of the 2.4 acre field at the rear of the Swineshead Depot and AGREED to increase it to £500 per annum.
- **Drain Asset Schemes and Pumping Stations Schemes**

The Chief Executive presented to the Executive Committee the Drain Schemes and the general culvert replacement following the inspections using the traffic light system. He stated that the quality of the culverts inspected are in better condition than expected.

The Graft drain which runs from Northgate to Pinchbeck and was viewed at the Southern Works Inspection, has circa 25 culverts within the scheme to be replaced and/or some removed.

The Chief Executive stated that a high priority is to replace the culvert at Wyberton Roads Culvert. Lincolnshire County Council have replaced culverts further up stream which has increased the water volume at Wyberton Road Culvert during the recent tidal event. He proposed that a scheme be put together to increase the diameter to create an increase in flow through this culvert. The Committee AGREED to recommend this proposal using the Development Account if the FDGiA claim is rejected.

The Committee RESOLVED to recommend to the Board the schemes budget.

- **Pumping Station Maintenance** - A moderate increase in budget from £350,000 to £355,000 has been included.
- **Drain Maintenance** - £660,000 has been included in the 2014/15 budget and this breaks down to £377,000 for the summer cutting operations and £283,000 for the rest of the year on cleansing works.
- **Environmental Works** - the budget has been maintained at £30,000 for 2014/15.

- **Administration & Establishment**

- The Chairman highlighted the Employers Superannuation due to the deficit recovery the actuaries triennial valuation produced a rate of 22.5% plus a cash amount of £54,000 in 2014/15.
- The Local Government Pension Scheme (LGPS) restructures on 1st April 2014 and it may be necessary to implement a new payroll and/or accounts systems and a contingency of £20,000 has been included. This was previously allocated for the upgrade/replacement of a server in 2014/15 and this will proceed if the funds are available.
- The Chief Executive recommended further alterations to the depot for a secure storage area for hand held plant spare parts and chemicals. An initial quote for £22,000 has been received, we are waiting for other quotations.
- The Finance Manager further recommended a redesign of the Boards website to include facilities to pay online and view scheduled works with a budget of £2,000.

- **Wages On-Cost** – recharge rate maintained at 240% with 14 Workmen.

The Committee RESOLVED to recommend the 2014/15 budget to the Board.

482 Plant and Vehicle Replacement Fund Budget 2014/15 - Agenda Item 6

The Chief Executive presented the proposals for plant purchases 2014/15 in conjunction with the Eight Year Plant Plan agreed by the Executive Committee on 6th November 2013.

The Chairman raised the question regarding direct labour competitiveness compared to work being completed by contractors. The Chief Executive explained that as well as the works, the workmen are called upon to attend pumping stations and in the recent tidal event if it had extended to a further day we would not have had the manpower to cover.

483 Development Consent Fee Account - Agenda Item 7

The Development Account was presented to the Committee and discussed.

The Committee AGREED to the recommendation that the administration charge be maintained at £5,000 for 2014/15.

484 Bourne North Fen Farm Account - Agenda Item 8

The Finance Manager presented his report which included an estimated value of the investments and cash for 2014/15.

The Committee RESOLVED that the rate alleviation for 2014/15 should be the same rate as 2013/14, which is 2.4p in the £.

485 ADA Review of Tidal Flood Response on 5th & 6th December 2013 - Agenda Item 9

The Board's Officers have attended various debriefs and this review has been put together by Peter Bateson. The main outcome is what can the Board learn from this and where the Board goes from here.

486 To Receive a report on the Black Sluice Strategy following the Tidal Surge - Agenda Item 10

The Chief Executive lead on from the previous agenda point, the Black Sluice Catchment Strategy will be presented on 22nd January 2014, outlining the options for consideration.

The Chief Executive will be attending the RFCC meeting on 17th January 2014 where the option will be discussed regarding the Black Sluice IDB taking over the Black Sluice Pumping Station in a transfer of assets.

A Bellwin claim will be submitted via Boston Borough Council for flood emergency to the value of £82,500.

487 To Consider the Lincolnshire IDB Enforcement Policy - Agenda Item 11

The Chief Executive presented the IDB Enforcement Policy which ADA and Lincolnshire Legal Services have both reviewed. As Contractors of Lincolnshire County Council we are covered by these Legal Services. The Enforcement Policy will be the same for each Internal Drainage Board.

488 To approve Business Plan for 2014/15 - Agenda Item 12

The Chief Executive presented the Business Plan advising the Committee of the adjustments that have been made. In the future it is proposed that the plan is to be restructured to incorporate a five year plan.

The Committee discussed the following amendments:

- Remove last sentence on page 2.
- A different picture on the front page.

The Committee RESOLVED to adopt the Business Plan 2014/15 with the above amendments and recommend to the Board.

489 Any Other Business - Agenda Item 13

(a) Members Travelling Expenses

Councillor's expenses that have been identified as being paid by their nominated authority will be reversed from the Chairman's Fund.

(b) Out of Hours Telephone Calls

The Duty Officer out of hours telephone number is identified on the answer machine and internet. The Chairman queried the number of calls, how often and how they were logged. The Finance Manager referred to a call received at 4am on Boxing Day alerting the Helpringham Pumping Station power being switched off.

Generally there are only a few and usually they are important and urgent.

There being no further business the meeting closed at 11:23am.

GOWING INTERNAL AUDIT SERVICES LTD

DRAFT

**ANNUAL INTERNAL
AUDIT REPORT**

**Black Sluice
Internal Drainage Board
May 2014**

INTERNAL AUDIT REPORT

1 EXECUTIVE SUMMARY

- 1.1** I have completed the 2013/14 internal audit of the Black Sluice Internal Drainage Board in accordance with the Public Sector Internal Audit Standards and with regard to the ADA Practitioners guide.
- 1.2** The statutory basis for internal audit in local authorities in England (which includes Drainage boards) is a specific requirement in the Accounts and Audit regulations which requires that the organisation must maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control.
- 1.3** The internal audit service is an assurance function that provides an independent and objective opinion to the organisation on the control environment by evaluating its effectiveness in achieving the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper economic, efficient and effective use of resources.
- 1.4** This audit included an implementation review of previous audit recommendations, review of any system changes, sample testing of 2013/14 transactions and provision of best practice advice gained through my audit of other IDBs.
- 1.5** The main findings were:-
- all agreed recommendations from my 2012/13 audit have been implemented
 - good rating records to support agricultural rates and special levy calculations
 - accurate records and transactions and good budget monitoring
 - the web-site has been significantly improved with much relevant information. This demonstrates good governance
 - although most of the information required for publication in accordance with Data Transparency legislation is within the web-site it is not easy to locate.
 - the system changes and increased segregation of duties as a result of the appointment of the finance assistant has improved financial control.
 - a pension discretion policy has been agreed by the Audit and Risk Committee for approval by the Board
 - it was difficult to check compliance with the procurement policy as from my sample check the appropriate quotes could not easily be located.

A detailed control test programme and results is available upon request.

- 1.6 Recommendations have been proposed, discussed and agreed with the Chief Executive. A management action plan is in Section 3.
- 1.8 A follow-up audit will be undertaken in October / November to ensure successful implementation of the recommendations.
- 1.9 It is my opinion that, in respect of the areas covered by this report I am pleased to now be able to provide **substantial assurance** on the system of controls.
- 1.10 I would like to place on record my thanks for the co-operation and assistance given by all staff during this audit.

David Gowing
Gowing Internal Audit Services Ltd.
May 2014

EVALUATION CRITERIA

Substantial Assurance	There is a sound system of control designed to achieve the system objectives and the controls are being consistently applied.
Adequate Assurance	While there is a basically sound system, there are weaknesses that put a minority of the system objectives at risk and/or there is evidence that the level of non-compliance with some of the controls may put a minority of the system objectives at risk.
Limited Assurance	Weaknesses in the system of controls are such as to put most or all of the system objectives at risk and/or the level of non-compliance puts most or all of the system objectives at risk.
No Assurance	Control is poor, leaving the system open to significant error or abuse and/or significant non-compliance with basic controls.

2 FINDINGS

2.1 The annual return for boards with annual income or expenditure under £6.5million requires internal audit to provide certification on the following ten key control objectives. Any comment or issue on an objective is noted below otherwise the objective can be considered to be fully met:-

a) Appropriate books of account have been properly kept throughout the year.

b) Financial Regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.

c) The Board assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

d) The annual rating requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

e) Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

f) Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.

g) Salaries to employees and allowances to Board members were paid in accordance with Board approvals and PAYE and NI requirements were properly applied.

h) Asset and investment registers were complete and accurate and properly maintained.

i) Periodic and year-end bank reconciliations were properly carried out.

j) Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments /income and expenditure), agreed to the cash book, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.

3 MANAGEMENT ACTION PLAN

This action plan has been fully discussed and agreed with management.

The priority is based on the following:-

Critical

A control failure that is critical to the organisation's aims and objectives. This will require immediate action by management.

High

A significant control weakness which is a significant risk to the service or organisation and is likely to lead to material loss or significant public criticism. This will require immediate action by management.

Medium

A control that undermines the effectiveness of internal control and may lead to some loss or some public criticism but does not represent a significant risk to the organisation. This will require prompt action by management.

Low

This might be important to the service but does not represent a significant risk for the service or organisation. This will require action by management but not necessarily immediate.

Ref:	Recommendation	Priority	Management Comments	Responsibility for implementation and date
05.01.01	Staff to be reminded to comply fully with the procurement policy when seeking quotes and to note details on the office (green) copy of the official order. If this is not possible the reasons to be stated on the order and approved by the Chief Executive or Board.	M	Implemented. Details are recorded by the managers. The finance assistant checks the information on the order / invoice to ensure compliance.	April 2014
A	A "Data Transparency" page to be added to the web-site with all of the required information or links to information.	M	The Board is currently developing its new website and a Data Transparency page will be added including links to all the sections required by the Accounts and Audit regulations.	June 2014

Bourne Fen Farm Trust Fund

Revenue Account for Year Ended 31st March 2014

Income	2014	2013
	£	£
Investment Income	14,810	11,454
 Expenditure		
Contribution to Rates	9,239	9,239
Bank Charges	62	
Contribution to Administration	4,263	2,166
	13,564	11,406
Surplus	1,246	48

Balance Sheet as at 31st March 2014

Capital Assets	Note	2014	2013
Investments	A	313,020	306,067
 Current Assets			
Bank Account		9,437	6,691
Debtors		1,761	1,761
		11,198	8,452
 Current Assets			
Creditors		1,500	
Net Current Assets		322,718	314,519
 Fund Balances & Reserves			
Revaluation Reserve		213,957	207,004
Capital Fund		104,120	104,120
Revenue Reserve		4,641	3,395
		322,718	314,519
Reserves		322,718	314,519

The above represents a trust fund which was vested in the Black Sluice IDB to fund rate alleviations to the rate payers in the area of Bourne North Fen.

Bourne Fen Farm Trust Fund

Valuation By Brewin Dolphin Stockbrokers

NOTE A

	2013	2012	2013	2012
	% of	% of		
Analysis By Sector	Value	Value	Value £	Value £
UK Government Securities	9.05	33.22	28,339	30,641
UK Equities	40.37	31.21	126,359	122,966
Qualifying Corporate Bonds	19.32	23.47	60,461	60,875
Fixed Interest	7.45	0.00	23,308	22,943
Overseas Equities	17.56	8.25	54,977	50,996
Hedge Funds	0.54	2.59	1,677	4,576
Property	1.40	1.06	4,378	3,570
Private Equity	2.77	0.00	8,686	7,607
Cash	1.54	0.20	4,835	1,893
TOTALS	100.00	100.00	313,020	306,067

BLACK SLUICE INTERNAL DRAINAGE BOARD

INTERNAL AUDIT STRATEGY AND AUDIT PLAN

2014 - 2015

INTERNAL AUDIT STRATEGY

- 1.1** This Audit Strategy is designed to be a high level statement of how the Internal Audit Service will be delivered and developed.
- 1.2** The internal audit service is an assurance function that provides an independent and objective opinion to the organisation on the control environment by evaluating its effectiveness in achieving the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper economic, efficient and effective use of resources.
- 1.3** The Accounts and Audit Regulations 2011 state that the Board is responsible for ensuring the financial management of the organisation is adequate and effective and that the Board has sound systems of internal control which facilitate the effective exercise of their functions (including risk management). The Board should conduct a review, at least once a year, of the effectiveness of its systems of internal control. The Regulations also require that following the review, the Board must approve an annual governance statement, prepared in accordance with proper practices in relation to internal control. The Internal Audit Service is a key independent and objective source of assurance for the Board.
- 1.4** The authority of Internal Audit is included within Financial Regulations.

2 RESOURCES

- 2.1** The Internal Audit Service is to be provided by an external contractor, appointed by the Board, who is an experienced and qualified internal auditor.

3 AREAS OF WORK

- 3.1** All internal audit work will be undertaken with due regard to the Governance and Accountability in Internal Drainage Boards – a Practitioners' Guide and the Public Sector Internal Audit Standards.
- 3.2** The annual audit plan will be devised through discussions and agreement with the Chief Executive, Board Members and the External Auditor.
- 3.3** The following paragraphs describe the main areas of audit work. The work concentrates on assurance and risk-based audits, traditional probity checks, assistance with risk management and provision of advice.

3.3.1 Assurance Audits

Financial systems are to be reviewed to provide assurance to the Board and for the annual return. Where appropriate probity audits will be undertaken and the propriety, accuracy and recording of transactions sample tested. A risk based approach will be adopted so detailed checking of all systems and transactions will not be undertaken.

3.3.2 Risk Management

The risk register will be used to determine the main areas of audit. If the risk register is not fully developed assistance will be given if required to complete an operational document. This approach offers flexibility to address the Board's risks as they arise and establishes greater synergy between internal audit and the management of risks facing the Board.

3.3.3 Consultancy and Advice

Internal Audit will be available to assist the Board with control or operational issues. During the year there might be emerging risks or issues that need an independent view or review. In addition, internal audit will be pro-active with suggestions and advice to management from information gained through experience, other IDBs and organisations and networking groups.

3.3.4 Anti-fraud and Corruption

Internal Audit will be pro-active in counter fraud work. Although it is not a function of Internal Audit to detect fraud (this is a responsibility of management and good system control) work will be undertaken to help ensure there are adequate systems and procedures to highlight potential instances.

3.3.5 Value for Money (VFM)

As a part of the audit review, systems and controls established by management to secure VFM will be examined and evaluated. Internal audit can undertake detailed VFM reviews upon request.

4.0 Audit Reports

- 4.1** At the completion of each audit a report will be produced and agreed with the Chief Executive. This details the terms of reference and scope of the audit, findings, recommendations and a management action plan. An executive summary which includes an audit opinion on controls will be included.
- 4.2** An annual internal audit report shall be produced to the Board to provide an overall opinion on controls and detail the audit work for the year.

Internal Audit Plan

April 2014 to March 2015

Audit Areas	Plan Days
Follow-up of 2013/14 audit and Implementation of action plan	1
Planning, discussions, advice and reporting.	1
Systems Review	0.5
Transaction Tests	1.5
Testing and completion of Annual Return	0.5
TOTAL	4.5

This plan is based on the current ADA practitioner's guide which requires revision especially with the introduction of the Local Audit and Accountability Act 2014. This could result in increased internal audit work.

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE – 4th JUNE 2014

AGENDA ITEM No 9

Pension Discretion Policies

1. The original policies were produced and reviewed by the Audit and Risk Committee at the previous meeting in September 2013 and recommended to the Board in November 2013. The Board felt that as these policies could have significant impact on the Board expert advice should be sought and the policies reviewed by the Audit and Risk Committee again which was undertaken at the meeting on 9th April 2014.
2. After approaching the administrators of the Pension Scheme, Mouchel, the Chairman of this committee and the Finance Manager attended a meeting with Mouchel to discuss the finer details of the policies and the potential impact on the Board. They advised not closing off the discretions entirely but using terms such as "The Board does not expect to utilise this policy but each case can be considered on its own merits."
3. There are effectively three sets of policies that need to be approved by the Board and they are based upon when an employee leaves the employment of the Board and they are;
 - a. Pre 31st March 2008
 - b. Between 1st April 2008 and 31st March 2014
 - c. Post 2014

In the case of a. and b. the employees have already left and therefore the policies cannot be changed. We are therefore tied into using the policies of Lincolnshire County Council which we have stated in the past we follow. These can be found at Annex A and B.

4. For the policies that are to be followed Post 2014 we have those which are already in place which the Board has until the end of April to review and then new policies that are required which need to be agreed before end June 2014. These can all be found at Annex C with the new policies marked.
5. A Statement of Policy regarding the exercise of discretions concerning injury, Allowances and Gratuities whilst not required, it is required for the Board to state they are not going to have a policy. The Board has Insurance to cover for these circumstances so a policy is not required.

Daniel Withnall
Finance Manager

Lincolnshire County Council

County Offices










Newland


Lincoln

LN1 1YL

Discretions from 1.4.08 in relation to post 31.3.08 active members (excluding councillor members) and post 31.3.08 leavers (excluding councillor members), being discretions under:

- **The Local Government Pension Scheme (Administration) Regulations 2008 [prefix A]**
- **The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 [prefix B]**
- **The Local Government Pension Scheme (Transitional Provisions) Regulations 2008 [prefix T]**
- **The Local Government Pension Scheme Regulations 1997 [prefix L]**



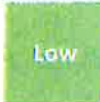




Importance	Discretion	Regulation	Employer Policy
	To whom to offer membership of the LGPS (designation bodies)	A4(3) & ASch2(Pt2) & A8(1)	Not applicable as the Council is a Scheduled Body.
	Whether to extend the 12 month options for aggregation of deferred benefits	A16(4)(b)(ii)	Requests to extend the 12 month time period will be dealt with on a case by case basis.
	Determine rate of employees' contributions	B3 & T9	SAP system automatically calculates each employees pensionable pay and on the 1 April each year assigns them to the appropriate pension contribution band.
	Specify in an employee's contract what other payments or benefits, other than those specified in B4(1)(a) are to be pensionable	B4(1)(b)	Schedule TC2 specifies in an individual's terms and conditions document any allowances which are payable.
	Whether to allow a late application by member to pay optional contributions for a period of unpaid child related leave, strike, or unpaid leave of absence beyond 30 days	A22(2)	Requests to extend the 30 day time period be considered on a case by case basis.
	Whether to augment membership of an active member (by up to 10 years)	B12	The decision to award additional membership will be considered on a case by case basis in exceptional circumstances.
	Whether to grant additional pension to a member (by up to £5,000 pa)	B13	The decision to award additional pension will be considered on a case by case basis in exceptional circumstances.
	Agree method of paying augmented membership granted under B12 or additional pension granted under B13	A40 (2) & (4)	Expectation is that payments will be made within one month of date of benefits being paid. In exceptional cases, may consider an extension to this time period and will discuss with Pension Fund the consequences of this.
	Whether to extend the one month period within which a lump sum payment by the employer under A40 (2) has to be made (to pay for any augmented membership granted under B12 or additional	A40(9)(b)	Expectation that any lump sum payments will be made within one month.



	pension granted under B13		
	Whether, how much, and in what circumstances to contribute to a shared cost AVC scheme	A25(3) B15(3)	& This discretion will not be adopted.
	No right to return of contributions due to offence of a fraudulent character or grave misconduct unless employer directs a total or partial refund is to be made	A47(2)	Expectation is that a refund of contributions would not be made to employees who are dismissed from their employment as a result of fraudulent misconduct however the decision to allow a partial or full refund will be considered in exceptional circumstances.
	Whether to extend six month period to lodge a stage one IDR appeal	A58(7)(b)	Expectation is that extensions will not be given for the six month period to lodge a Stage One IDR Appeal however this will be considered in exceptional circumstances.
	Whether to apply to Secretary of State for a forfeiture certificate (where member is convicted of a relevant offence)	A72(1) & (6)	Dealt with on a case by case basis taking into account any financial implications.
	Where forfeiture certificate is issued, whether to direct that benefits are to be forfeited	A72(3)	Dealt with on a case by case basis taking into account any financial implications.
	Where forfeiture certificate is issued, whether to direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits	A73(1) & (2)	Dealt with on a case by case basis taking into account any financial implications.
	Whether to recover from Fund any monetary obligation or, if less, the value of the member's benefits (other than transferred in pension rights or AVCs/SCAVCs) where the obligation was incurred as a result of a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left employment	A74(2)	Dealt with on a case by case basis taking into account any financial implications.
	Whether to recover from Fund any financial loss caused by fraudulent offence or grave misconduct of employee (who has left because of that), or amount of refund if less	A76(2) & (3)	Dealt with on a case by case basis taking into account any financial implications.
	Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	A83(8)	Requests to extend the 12 month period will be dealt with on a case by case basis taking into account any financial implications.

	Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement)	B18(1)	Dealt in accordance with the Council's Flexible Retirement Policy.
	Whether to waive, in whole or in part, actuarial reduction on benefits paid due to flexible retirement	B18(3)	Dealt in accordance with the Council's Flexible Retirement Policy.
	Whether to grant application for early payment of benefits on or after age 55 and before age 60	B30(2)	Current employees – dealt with in accordance with the Council's Redundancy and Early Retirement Policy. Deferred members – dealt with on a case by case basis taking into account any financial implications.
	Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early	B30(5)	Dealt with on a case by case basis taking into account any financial implications. Council's definition of compassion is "situations of severe personal distress resulting from non-financial circumstances affecting the individual or close relative (eg spouse, child, parent) leading to unavoidable financial hardship". In all cases, some form of independent corroboration will be required.
	Whether to grant an application for reinstatement of a suspended tier 3 ill health pension on or after age 55 and before age 60	B30A(3)	Dealt with on a case by case basis taking into account any financial implications.
	Whether to waive, on compassionate grounds, the actuarial reduction applied to reinstated tier 3 pension benefits paid early	B30A(5)	Dealt with on a case by case basis taking into account any financial implications. Council's definition of compassion is "situations of severe personal distress resulting from non-financial circumstances affecting the individual or close relative (eg spouse, child, parent) leading to unavoidable financial hardship". In all cases, some form of independent corroboration will be required.
	Decide whether deferred beneficiary meets permanent ill health and reduced likelihood of gainful employment criteria	B31(4)	Dealt with on a case by case basis, taking into account medical advice from the Council's occupational health provider.
	Decide which ill health tier leaver falls into	B20	Dealt in accordance with the Council's guidance note on employer approval of permanent ill-health benefits under the LGPS



taking into account medical advice from the Council's occupational health provider.

Discretions under the Local Government Pension Scheme Regulations 1997 (as amended) in relation to pre 1.4.08 scheme leavers

Importance	Discretion	Regulation	Employer Policy
 High	Grant application for early payment of benefits on or after age 50/55 and before age 60	31(2)	Dealt with on a case by case basis taking into account any financial implications.
 High	Waive, on compassionate grounds, the actuarial reduction applied to benefits paid early to a pre 1.4.08 leaver.	31(5)	Dealt with on a case by case basis taking into account any financial implications. Council's definition of compassion is "situations of severe personal distress resulting from non-financial circumstances affecting the individual or close relative (eg spouse, child, parent) leading to unavoidable financial hardship". In all cases, some form of independent corroboration will be required.
 Low	Pre 1.4.08 optants out only to get benefits paid from NRD if employer agrees	31(7A)	Dealt with on a case by case basis.
 Low	Decide, in the absence from a post 31.3.98 / pre 1.4.08 leaver of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership	34(1)(b)	Dealt with on a case by case basis
 Mid	No right to return of contributions due to offence of a fraudulent character unless employer directs a total or partial refund is to be made (pre 1.4.08 leavers)	88(2)	Expectation is that a refund of contributions would not be made to employees who are dismissed from their employment as a result of fraudulent misconduct however the decision to allow a partial or full refund will be considered in exceptional circumstances.
 Mid	Forfeiture of pension rights on issue of Secretary of State's certificate (councillor and pre 1.4.08 leavers)	111(2) & (5)	Dealt with on a case by case basis taking into account any financial implications.
 Mid	Where forfeiture certificate is issued, direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits (pre 1.4.08 leavers)	112(1)	Dealt with on a case by case basis taking into account any financial implications.

 Mid	Recovery from Fund of monetary obligation owed by former employee or, if less, the value of the member's benefits (other than transferred in pension rights) (councillors and pre 1.4.08 leavers)	113(2)	Dealt with on a case by case basis taking into account any financial implications.
 Mid	Recovery from Fund of financial loss caused by employee, or amount of refund if less (councillors and pre 1.4.08 leavers)	115(2) & (3)	Dealt with on a case by case basis taking into account any financial implications.

Discretions under the Local Government Pension Scheme Regulations 1995 (as amended) in relation to pre 1.4.98 scheme leavers

Importance	Discretion	Regulation	Employer Policy
 Mid	Grant application from a pre 1.4.98 leaver for early payment of deferred benefits on or after age 50 on compassionate grounds	D11(2)(c)	<p>Dealt with on a case by case basis with final decision taken by the Head of People Management.</p> <p>Council's definition of compassion is "situations of severe personal distress resulting from non-financial circumstances affecting the individual or close relative (eg spouse, child, parent) leading to unavoidable financial hardship".</p> <p>In all cases, some form of independent corroboration will be required.</p>
 Low	Decide, in the absence from a pre 1.4.98 leaver of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership	D10	Dealt with on a case by case basis.

I warrant that the above policies reflect the policy intention of [Authority/Organisation] as at [date].

Signed:



Position:

Official Seal/Company stamp:




**STATEMENT OF POLICY REGARDING THE EXERCISE OF DISCRETIONS CONCERNING
DISCRETIONARY COMPENSATION ON EARLY TERMINATION OF EMPLOYMENT**




Lincolnshire County Council
County Offices
Newland
Lincoln
LN1 1YL

Discretions under the Local Government (Early Termination of Employment)(Discretionary Compensation) (England and Wales) Regulations 2006 (as amended)

Importance	Discretion	Regulation	Employer Policy
 High	To base redundancy payments on an actual weeks pay where this exceeds the statutory weeks pay limit.	5	Dealt in accordance with the Council's Redundancy and Early Retirements Policy.
 High	To award lump sum compensation of up to 104 weeks pay in cases of redundancy, termination of employment on efficiency grounds, or cessation of a joint appointment.	6	Dealt in accordance with the Council's Redundancy and Early Retirements Policy.

Discretions under the Local Government (Early Termination of Employment)(Discretionary Compensation) (England and Wales) Regulations 2000 (as amended)

Importance	Discretion	Regulation	Description Considerations
 High	How to apportion any surviving spouse's or civil partner's annual compensatory added years payment where the deceased person is survived by more than one spouse or civil partner	21(4)	Dealt with on a case by case basis.
 High	How it will decide to whom any children's annual compensatory added years payments are to be paid where children's pensions are not payable under the LGPS (because the employee had not joined the LGPS) and, in such a case, how the annual added years will be apportioned amongst the eligible children	25(2)	Dealt with on a case by case basis.
 High	Whether, in respect of the spouse of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries, enters	21(7)	The Council's approach is not to suspend/abate pension in circumstances of re-marriage, civil partnership or co-habitee where it applies to compensation added years.

	<p>into a new civil partnership or cohabits after 1 April 1998, the normal pension suspension rules should be disapplied i.e. whether the spouse's or civil partner's annual compensatory added years payments should continue to be paid.</p>		
	<p>If, under the preceding decision, the authority's policy is to apply the normal suspension rules, whether the spouse's or civil partner's annual compensatory added years payment should be reinstated after the end of the remarriage, now civil partnership or cohabitation.</p>	21(5)	Not applicable.
	<p>Whether, in respect of the spouse of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries or cohabits or enters into a civil partnership on or after 1 April 1998 with another person who is also entitled to a spouse's or civil partners annual CAY payment, the normal rule requiring one of them to forego payment whilst the period of marriage, civil partnership or cohabitation lasts, should be disapplied ie whether the spouses' or civil partners' annual CAY payments should continue to be paid to both of them</p>	21(7)	The Council's approach is not to require one of the parties to forgo payment where both parties are in receipt of compensatory added years payments.
	<p>How to reduce the member's annual compensatory added years payment following the cessation of a period or re-employment in local government</p>	19	The Council will retain the policy of non-betterment in relation to an individual re-employed within Local Government and eligible to join the Local Government Pension Scheme.

I warrant that the above policies reflect the policy intention of [Authority/Organisation] as at [date].

Signed:.....P Moore.....

Position:.....Director of Resources & Community Safety.....

Official Seal/Company stamp:

**STATEMENT OF POLICY REGARDING THE EXERCISE OF DISCRETIONS WITHIN THE
LOCAL GOVERNMENT PENSION SCHEME**

Black Sluice Internal Drainage Board

Station Road

Swineshead

Boston

Lincolnshire

PE20 3PW

Please complete this pro forma and return a copy to:-

Mouchel Pensions Unit

Mill House

Brayford Wharf North

Lincoln







LN1 1YT

Or e-mail

pensions_notifications@mouchel-lincoln.com

Discretions from 1.4.14 in relation to post 31.3.14 active members and post 31.3.14 leavers being discretions under:

- The Local Government Pension Scheme Regulations 2013 [prefix R]
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 [prefix TP]
- The Local Government Pension Scheme (Administration) Regulations 2008 [prefix A]
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended) [prefix B]
- The Local Government Pension Scheme (Transitional Provisions) Regulations 2008 [prefix T]
- The Local Government Pension Scheme Regulations 1997 (as amended) [prefix L]

Importance	Discretion	Regulation	Employer Policy
 Mid	To whom to offer membership of the LGPS (designation bodies)	R3(1)(b) & RSch 2, part 2	All Employees who's engagement exceeds 3 months.
 Mid	Which employees to designate for membership (admission bodies)	R3(1)(c) & R4(2)(b)	All Employees who's engagement exceeds 3 months.
 Mid	Determine rate of employees' contributions	R9(1) & R9(3)	Rates are determined on estimated pay, taking into consideration the previous years pay, in March each year for the following financial year.
 High	Whether, how much, and in what circumstances to contribute to a shared cost APC scheme	R16(2)(e) & R16(4)(d)	New discretion - This discretion will not be adopted.
 Low	Whether, how much, and in what circumstances to contribute to a shared cost AVC arrangement entered into on or after 1.4.14	R17(1) & definition of SCAVC in RSch 1	New discretion - This discretion will not be adopted.
 Low	Whether, how much, and in what circumstances to contribute to a shared cost AVC arrangement entered into before 1.4.14	TP15(1)(d) & A25(3)	This discretion will not be adopted.
 Low	Allow late application to convert scheme AVCs into membership credit i.e. allow application more than 30 days after cessation of active membership (where AVC arrangement was entered into before 13.11.01)	TP15(1)(b) & L66(8) & former L66(9)(b)	New discretion - This discretion will not be adopted.







	No right to return of contributions if member left due to offence of a fraudulent character or grave misconduct unless employer directs a total or partial refund is to be made	R19(2)	Expectation is that a refund of contributions would not be made to employees who are dismissed from their employment as a result of fraudulent misconduct however the decision to allow a partial or full refund will be considered in exceptional circumstances.
	Specify in an employee's contract what other payments or benefits, other than those specified in R20(1)(a) and not otherwise precluded by R20(2), are to be pensionable	R20(1)(b)	The Lincolnshire ADA Wages and Salaries and conditions of service book (White Book) specifies any allowances which are payable.
	In determining Assumed Pensionable Pay, whether a lump sum payment made in the previous 12 months is a "regular lump sum"	R21(5)	New discretion – All Lump Sum payments will be excluded when determining Assumed Pensionable Pay.
	Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with a new employment	R22(8)(b)	New discretion – The 12 month period can only be extended to correct administrative errors.
	Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with an ongoing concurrent employment	R22(7)(b)	New discretion – The 12 month period can only be extended to correct administrative errors.
	Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement)	R30(6) & TP11(2)	Dealt with on a case by case basis taking into account any financial implications.
	Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement	R30(8)	Dealt with on a case by case basis taking into account any financial implications.
	Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age	R30(8)	Dealt with on a case by case basis taking into account any financial implications.
	Whether to "switch on" the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60	TPSch 2, paras 2(1) and 2(2)	Dealt with on a case by case basis taking into account any financial implications.

	Whether to waive any actuarial reduction on pre and/or post April 2014 benefits	TP3(1), TPSch 2, paras 2(1) and 2(2), B30(5) and B30A(5)	Dealt with on a case by case basis taking into account any financial implications.
	Whether to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6,500 pa)	R31	The decision to award additional pension will be considered on a case by case basis in exceptional circumstances.
	Whether to use a certificate produced by an IRMP (Independent Registered Medical Practitioner) under the 2008 Scheme for the purposes of making an ill health determination under the 2014 Scheme	TP12(6)	Dealt with on a case by case basis and still taking into account medical advice from the Board's occupational health provider.
	Determine whether a member is entitled to an ill health retirement pension, and what tier of benefit to be awarded.	R36	Dealt with on a case by case basis, taking into account medical advice from the Board's occupational health provider.
	Whether to recover any overpaid Tier 3 pension following commencement of gainful employment	R37(3)	Dealt with on a case by case basis, taking into account medical advice from the Board's occupational health provider.
	Decide whether deferred beneficiary meets criteria of being permanently incapable of former job because of ill health and is unlikely to be capable of undertaking gainful employment before normal pension age or for at least three years, whichever is the sooner	R38(3)	Dealt with on a case by case basis, taking into account medical advice from the Board's occupational health provider.
	Decide whether a suspended ill health tier 3 member is unlikely to be capable of undertaking gainful employment before normal pension age because of ill health	R38(6)	Dealt with on a case by case basis taking into account any financial implications.
	Whether to extend six month period to lodge a stage one IDRP appeal	R74(4)	Expectation is that extensions will not be given for the six month period to lodge a Stage One IDRP Appeal however this will be considered, by the stage 1 Adjudicator, in exceptional circumstances.
	Whether to apply to Secretary of State for a forfeiture certificate (where member is convicted of a relevant offence)	R91(1) & (8)	Dealt with on a case by case basis taking into account any financial implications.

Mid	Where forfeiture certificate is issued, whether to direct that benefits are to be forfeited (other than rights to GMP – but see R95 below	R91(4)	Dealt with on a case by case basis taking into account any financial implications.
Mid	Where forfeiture certificate is issued, whether to direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits	R92(1) & (2)	Dealt with on a case by case basis taking into account any financial implications.
Mid	Whether to recover from Fund any monetary obligation or, if less, the value of the member's benefits (other than benefits from transferred in pension rights or APCs or AVCs or subject to R95 below, in respect of any GMP) where the obligation was incurred as a result of a grave misconduct or a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left employment	R93 (2)	Dealt with on a case by case basis taking into account any financial implications.
Low	Whether, if the member has committed treason or been imprisoned for at least 10 years for one or more offences under the Official Secrets Acts, forfeiture under R91 or recovery of a monetary obligation under R93 should deprive the member or member's surviving spouse or civil partner of any GMP entitlement.	R95	Dealt with on a case by case basis taking into account any financial implications.
Mid	Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	R100(68)	Requests to extend the 12 month period will be dealt with on a case by case basis taking into account any financial implications.

Discretions in relation to scheme members who ceased active membership on or after 1.4.08 and before 1.4.14, being discretions under:

- The Local Government Pension Scheme (Administration) Regulations 2008 [prefix A]
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 [prefix B]
- The Local Government Pension Scheme (Transitional Provisions) Regulations 2008 [prefix T]
- The Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014 [prefix TP]
- The Local Government Pension Scheme Regulations 2013 [prefix R]
- The Local Government Pension Scheme Regulations 1997 (as amended) [prefix L]

Importance	Discretion	Regulation	Employer Policy
	Whether, for a member leaving on the grounds of redundancy or business efficiency on or before 31 st March 2014, to augment membership (by up to 10 years). The resolution to do so would have to be made within 6 months of the date of leaving. Hence this discretion is spent entirely after 30 th September 2014.	B12	The decision to award additional membership will be considered on a case by case basis in exceptional circumstances.
	Allow late application to convert scheme AVCs into membership credit i.e. allow application more than 30 days after cessation of active membership	Tsch1 & L66(8) & former L66(9)(b)	Requests to extend the 30 day time period be considered on a case by case basis.
	No right to return of contributions due to offence of a fraudulent character or grave misconduct unless employer directs a total or partial refund is to be made	A47(2)	Expectation is that a refund of contributions would not be made to employees who are dismissed from their employment as a result of fraudulent misconduct however the decision to allow a partial or full refund will be considered in exceptional circumstances.
	Whether to apply to Secretary of State for a forfeiture certificate (where member is convicted of a relevant offence)	A72(1) & (6)	Dealt with on a case by case basis taking into account any financial implications.
	Where forfeiture certificate is issued, whether to direct that benefits are to be forfeited	A72(3)	Dealt with on a case by case basis taking into account any financial implications.
	Where forfeiture certificate is issued, whether to direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits	A73(1) & (2)	Dealt with on a case by case basis taking into account any financial implications.








	Whether to recover from Fund any monetary obligation or, if less, the value of the member's benefits (other than transferred in pension rights or AVCs/SCAVCs) where the obligation was incurred as a result of a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left employment	A74(2)	Dealt with on a case by case basis taking into account any financial implications.
	Whether to recover from Fund any financial loss caused by fraudulent offence or grave misconduct of employee (who has left because of that), or amount of refund if less	A76(2) & (3)	Dealt with on a case by case basis taking into account any financial implications.
	Whether to grant application for early payment of deferred benefits on or after age 55 and before age 60	B30(2)	Dealt with on a case by case basis taking into account any financial implications.
	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30	B30(5)	Dealt with on a case by case basis taking into account any financial implications. Board's definition of compassion is "situations of severe personal distress resulting from non-financial circumstances affecting the individual or close relative (eg spouse, child, parent) leading to unavoidable financial hardship". In all cases, some form of independent corroboration will be required.
	Whether to grant an application for early payment of a suspended tier 3 ill health pension on or after age 55 and before age 60	B30A(3)	Dealt with on a case by case basis taking into account any financial implications.
	Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A	B30A(5)	Dealt with on a case by case basis taking into account any financial implications. Board's definition of compassion is "situations of severe personal distress resulting from non-financial circumstances affecting the individual or close relative (eg spouse, child, parent) leading to unavoidable financial hardship". In all cases, some form of independent corroboration will be required.
	Decide whether deferred beneficiary meets permanent ill health and reduced likelihood of gainful employment criteria	B31(4)	Dealt with on a case by case basis, taking into account medical advice from the Board's occupational health provider.



Mid

Decide whether a suspended ill health tier 3 member is permanently incapable of undertaking any gainful employment B31(7)

Dealt with on a case by case basis, taking into account medical advice from the Board's occupational health provider.



Discretions under the Local Government Pension Scheme Regulations 1997 (as amended) in relation to scheme members who ceased active membership on or after 1.4.98 and before 1.4.08

Importance	Discretion	Regulation	Employer Policy
 High	Grant application from a post 31.3.98 / pre 1.4.08 leaver for early payment of benefits on or after age 50/55 and before age 60 (see Note below)	31(2)	Dealt with on a case by case basis taking into account any financial implications.
 High	Waive, on compassionate grounds, the actuarial reduction applied to benefits paid early to a post 31.3.98 / pre 1.4.08 leaver.	31(5)	Dealt with on a case by case basis taking into account any financial implications. Board's definition of compassion is "situations of severe personal distress resulting from non-financial circumstances affecting the individual or close relative (eg spouse, child, parent) leading to unavoidable financial hardship". In all cases, some form of independent corroboration will be required.
 High	Pre 1.4.08 optants out only to get benefits paid from NRD if employer agrees	31(7A)	Dealt with on a case by case basis.
 Low	Decide, in the absence from a post 31.3.98 / pre 1.4.08 leaver of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership	34(1)(b)	Dealt with on a case by case basis.
 Mid	No right to return of contributions due to offence of a fraudulent character unless employer directs a total or partial refund is to be made (pre 1.4.08 leavers)	88(2)	Expectation is that a refund of contributions would not be made to employees who are dismissed from their employment as a result of fraudulent misconduct however the decision to allow a partial or full refund will be considered in exceptional circumstances.
 Mid	Forfeiture of pension rights on issue of Secretary of State's certificate (pre 1.4.08 leavers)	111(2) & (5)	Dealt with on a case by case basis taking into account any financial implications.
 Mid	Where forfeiture certificate is issued, direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits (pre	112(1)	Dealt with on a case by case basis taking into account any financial implications.

	1.4.08 leavers)		
	Recovery from Fund of monetary obligation owed by former employee or, if less, the value of the member's benefits (other than transferred in pension rights) (pre 1.4.08 leavers)	113(2)	Dealt with on a case by case basis taking into account any financial implications.
	Recovery from Fund of financial loss caused by employee, or amount of refund if less (pre 1.4.08 leavers)	115(2) & (3)	Dealt with on a case by case basis taking into account any financial implications.

Note: benefits paid on or after age 50 and before age 55 are subject to an unauthorised payments charge and, where applicable, an unauthorised payments surcharge under the Finance Act 2006. Also, any part of the benefits which had accrued after 5 April 2006 would generate a scheme sanction charge.

Discretions under the Local Government Pension Scheme Regulations 1995 (as amended) in relation to pre 1.4.98 scheme leavers

Importance	Discretion	Regulation	Employer Policy
	Grant application from a pre 1.4.98 leaver for early payment of deferred benefits on or after age 50 on compassionate grounds (see Note below)	D11(2)(c)	<p>Dealt with on a case by case basis with final decision taken by the Head of People Management.</p> <p>Board's definition of compassion is "situations of severe personal distress resulting from non-financial circumstances affecting the individual or close relative (eg spouse, child, parent) leading to unavoidable financial hardship".</p> <p>In all cases, some form of independent corroboration will be required.</p>
	Decide, in the absence from a pre 1.4.98 leaver of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership	D10	Dealt with on a case by case basis.

Note: benefits paid on or after age 50 and before age 55 are subject to an unauthorised payments charge and, where applicable, an unauthorised payments surcharge under the Finance Act 2006. However, as the benefits had accrued prior to 6 April 2006, they would not generate a scheme sanction charge.

I warrant that the above policies reflect the policy intention of Black Sluice Internal Drainage Board as at 25th June 2014.

Signed:.....

Position:.....

Official Seal/Company stamp:

Black Sluice Internal Drainage Board

Project Summary

2014/15

Period 1 - April 2014

	2014/15 Current Period	2014/15 Actual YTD	2014/15 Budget	Actual / Budget Variance	2014/15 Forecast	Actual / Forecast Variance	2013/14 Actual YTD	2013/14 Variance
Rates & Levies	167,705	167,705	203,196	(35,491)	0	167,705	205,882	(38,177)
Interest & Grants	462	462	667	(205)	0	462	573	(111)
Other Income	4,166	4,166	3,016	1,150	0	4,166	3,126	1,040
Rechargeable Profit	22	22	0	22	0	(22)	(5,800)	5,822
Total Income	172,356	172,356	206,879	(34,523)	0	172,311	203,781	(31,426)
Schemes	17,960	17,960	0	(17,960)	0	17,960	13,432	(4,528)
Pumping Station Schemes	1	1	0	(1)	0	1	0	(1)
Pumping Station Maintenance	15,849	15,849	27,626	619	0	27,007	20,261	4,413
Electricity	11,158	11,158					12,179	1,021
Drain Maintenance	14,351	14,351	25,283	10,932	0	14,351	24,193	9,842
Environmental Schemes	1,644	1,644	2,224	580	0	1,644	1,120	(524)
Administration & Establishment	34,234	34,234	45,379	11,145	0	34,234	50,648	16,414
EA Precept	0	0	0	0	0	0	0	0
Total Expenditure	95,196	95,196	100,512	5,316	0	95,196	121,834	26,638
Surplus / (Deficit)	77,160	77,160	106,367	(29,207)	0	77,160	81,947	(4,787)
Movement on reserves								
Development Reserve								
Plant Reserve	(4,262)	(4,262)	(4,006)	256	0	(4,262)	5,362	9,624
Wages oncost Reserve	8,853	8,853	0	(8,853)	0	8,853	(1,741)	(10,594)
Surplus / (Deficit)	72,569	72,569	110,373	(20,610)	0	72,569	78,326	(3,817)

Black Sluice Internal Drainage Board

Income & Expenditure Summary

2014/15

Period 1 - April 2014

	2013/14	2012/13	Variance
Drainage Rates	167,705	205,882	(38,177)
Special Levies	0	0	0
Recoverable	712	6,397	(5,686)
Misc Income	4,700	3,699	1,000
	173,117	215,979	(42,862)
Employment Costs	69,999	84,751	14,751
Property	10,150	15,752	5,602
General Expenses	10,712	51,626	40,914
Materials / Stock	(17,042)	1,666	18,708
Motor & Plant	11,605	20,601	8,995
Miscellaneous	(93,834)	2,396	96,230
Recharges	88,014	(64,261)	(152,275)
Plant	20,944	25,122	4,179
Total Expenditure	100,548	137,653	37,104
Net Surplus / (Deficit)	72,568	78,326	(5,758)

Black Sluice Internal Drainage Board

Balance Sheet at Period End

2014/15

Period 1 - April 2014

	<u>2014/15</u>		<u>2013/14</u>	
	£	£	£	£
Operational Land & Buildings Cost	937,739		937,739	
Pumping Stations Cost	3,861,354		3,861,354	
Non-operational Property Cost	90,000		90,000	
Vehicles, Plant & Machinery Cost	402,185		426,534	
Fixed Assets		5,291,278		5,315,627
Stores Cont	29,910		37,295	
Debtors Cont	3,406		(6,508)	
VAT	33,986		36,771	
Grants Debtor	(94,006)		0	
Car Loans	0		9,963	
Prepayments	74,353		41,528	
Draw Acc	2,300		(56,835)	
Call Acc	235,195		235,536	
Petty Cash	439		343	
Rechargeable Work in Progress	(35,740)		0	
Natwest Government Procurement C	(169)		(1,740)	
Reserve Account	638,293		398,569	
Total Current Assets		887,967		694,922
Trade Creditors	(78,060)		(54,478)	
PAYE & NI Control Account	(14,563)		(18,338)	
Superannuation Contrl Account	(14,806)		(19,422)	
Union Subs Control Account	(57)		(147)	
AVC Control Account	(25)		(20)	
Accruals	(14,717)		0	
Wag & Sal Cont	0		(6,209)	
Suspense	0		0	
Total Liabilities		(122,228)		(98,614)
Pension Liability		(2,919,000)		(2,403,000)
		3,138,017		3,508,935
Capital Outlay	5,291,278		5,306,127	
Pension Reserve	(2,919,000)		(2,403,000)	
Total Capital		2,372,278		2,903,127
General Reserve	344,335		313,582	
Development Reserve	134,767		105,605	
Plant Reserve	112,025		50,186	
Wage On-Cost Reserve	102,043		58,110	
Surplus/Deficit in Period	72,568		78,326	
Total Reserves		765,739		605,809
		3,138,017	0	3,508,935
<u>Cash & Bank Balances</u>				
Drawings Account		2,300		
Call Account		35,195	235,195	
Natwest Reserve Account @ 0.50%		638,293		
Petty Cash		439		
Chargecard		(169)		
Monmouthshire BS @ 1.75%		200,000	30 Day Notice	
		876,058		

Black Sluice Internal Drainage Board

Schemes Expenditure

2014/15

Period 1 - April 2014

Drain Schemes				
Code	Scheme	2014/15 YTD	2014/15 Approved Budget	Budget (Over)/Under Spend
1030	Graft Drain	5,830	300,000	294,171
1032	Siltside Improvement	12,130	50,000	37,870
1033	General Culvert Replacement	0	49,000	49,000
1034	Sempringham Lode Drain Improve	0	25,000	25,000
1035	Kirton Meeres Long Culvert	0	31,000	31,000
1036	Swineshead Phase 1 Culverts	0	80,000	80,000
		17,960	535,000	517,040

Pumping Station Schemes				
Code	Scheme	2014/15 YTD	2014/15 Approved Budget	Budget (Over)/Under Spend
1136	Horbling Fen PS Weedscreen	0	0	(0)
1137	Kirton Marsh PS Resilience	0	0	(0)
1138	Sempringham PS Weedscreen Clnr	0	81,000	81,000
1139	Dowsby Fen PS - New Roof	0	13,000	13,000
1140	Helpringham PS VSD Motor Contr	0	14,000	14,000
1141	Swineshead PS Suction Bays	0	39,000	39,000
1142	Ewerby PS Pump Refurbishment	0	20,000	20,000
1143	Bicker Eau Pump Replacement	0	14,000	14,000
1144	Eel Passes	0	80,000	80,000
1145	Eel Pass Studies	0	50,000	50,000
		1	311,000	310,999

Black Sluice Internal Drainage Board

Wages Oncost Reserve Analysis

2014/15

Period 1 - April 2014

		2014/15	2013/14	Variance
1001	Basic Pay	22,960	15,653	-7,308
1002	Overtime	0	1,353	1,353
1003	Bonus	0	87	87
1005	Holiday Pay	0	3,799	3,799
1006	Sick Pay	0	244	244
1008	Ess User	3,347	3,416	69
1010	Mileage	2	2,777	2,775
1014	ERs Superan	0	5,500	5,500
1102	ERs NI	1,749	1,656	-92
1103	ERs Superan	6,040	0	-6,040
1107	Subsistance	0	68	68
2008	Cleaning	36	0	-36
3001	Telephone	600	413	-187
3008	H&S	204	33	-171
3017	Training	0	616	616
7001	Labour	631	167	-464
8155	Wages Rech	-35,489	-45,698	-10,209
8002	Workshop Oncost	-60	-266	-206
8004	Pump Engineer Oncost	1,075	1,007	-68
8005	Supervisor Oncost	7,758	7,436	-322

Reserve B/F @ 1st April	(102,044)	(58,110)	43,934
(Surplus)/Deficit	8,853	(1,741)	(10,594)
Reserve C/F @ end of period	(93,191)	(59,851)	33,340

Black Sluice Internal Drainage Board

Rechargeable Summary

2014/15

Period 1 - April 2014

Code		Invoiced	Balance
7001	Recoverable Income General	249.50	(0.87)
7393	EA Culvert 2835 Wyberton	0.00	0.35
7395	Paul Holmes Jetting	115.50	(5.50)
7398	J Fowler Jetting	346.50	(16.50)
7997	Emergency Response Dec 13	0.00	0.36
		<u>711.50</u>	<u>(22.16)</u>

Black Sluice Internal Drainage Board

Plant Account Analysis

2014/15

Period 1 - April 2014

Code	Description	Expenditure £	Generated £	Total £	Last Year Actual £	Variance (Adverse)/ Favourable £
9052	Hltachi (WX03 OJA)	0	0	0	129	(129)
9059	JCB130 (FJ05 CUH)	0	0	0	701	(701)
9072	JCB 220 LR (FJ07 HKK)	523	2,622	2,099	2,065	34
9082	JCB JS-130 (YN09 EJU)	(192)	0	192	1,511	(1,319)
9088	JCB 160 (YN60 EER)	135	1,913	1,778	39	1,739
9096	JCB 145 (YR63 THX)	77	919	841	0	841
9067	J Deere Tractor (FX06 HJE)	31	0	(31)	428	(459)
9076	Claas Tractor (FX08 FNH)	240	1,350	1,110	(607)	1,718
9089	Energreen (AU11 EVB)	0	0	0	1,688	(1,688)
9013	Forklift (EFE 964X)	112	180	88	108	(40)
9080	Unimog (AJ58 VDN)	6,536	6,615	79	2,966	(2,887)
9094	JCB531-70 Teleporter(YN12 DXD)	172	1,300	1,128	309	819
9087	Nissan Navara (HJ60 LDK) -IWAR	278	0	(278)	708	(986)
9090	Isuzu (FY11 GFE) - PN	96	138	41	584	(543)
9091	Isuzu (FY11 GFG) - SM	51	330	280	148	132
9092	Nissan Navara (FT11 NZZ) - CR	54	664	610	678	(68)
9093	Vauxhall Vivaro Van (LN12 YPY)	74	241	167	175	(7)
9095	Vauxhall Movano Truck-VN12 GUH	0	613	613	897	(284)
9034	Cutting Buckets - General	6,051	0	(6,051)	(14,377)	8,326
9078	Grenadier on 9076	0	0	0	(913)	913
9020	Pump Recharges Only	0	1,710	1,710	1,450	260
9021	Pump 6"	200	0	(200)	(256)	56
9047	Other Plant	1,530	204	(1,326)	(957)	(370)
9057	Chieftain Low Loader Trailer	820	1,089	469	(2,756)	3,225
9058	Chieftain Dump Trailer No.1	47	1,056	1,010	315	694
9071	Chieftain Dump Trailer No.2	0	0	0	(109)	109
9077	Jetter	0	0	0	(85)	85
9083	Fuel Bowsers	47	0	(47)	(140)	93
9086	Mobile Steam Cleaner	0	0	0	(62)	62
		16,682	20,944	4,262	(5,362)	9,624

SUMMARY

Excavators	543	5,453	4,910	4,445	465	
Tractors	270	1,350	1,080	1,509	(430)	
Unimog / Manitou / Forklift	6,820	8,095	1,275	3,383	(2,108)	
Vehicles	554	1,987	1,433	3,189	(1,756)	
Herder Buckets / Flails	6,051	0	(6,051)	(15,290)	9,239	
Small Plant / Trailers / Jetter	2,444	4,059	1,615	(2,600)	4,215	
		16,682	20,944	4,262	(5,362)	9,624

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE – 4th JUNE 2014

AGENDA ITEM No 11

INVESTMENTS

1. In the recent past the Board have been complacent with keeping the majority of our surplus funds in the Natwest Reserve account due to the favourable interest rates we have been receiving. Unfortunately these have been drastically reducing over the past 6 months and are now at a rate of 0.50%.
2. We currently have £200,000 in the Monmouthshire Building Society which attracts a rate of 1.75% with withdrawals requiring 30 days notice. The balance held in the Natwest Reserve account as of 14th May 2014 is £849,446 with £485,740 due in Special Levies at the end of May and the sale of Carlton Road expected to complete soon.
3. Opportunities for investment are very limited at the current time and accounts such as we have with Monmouthshire with comparable interest rates are almost non-existent.
4. At Appendix A I have attached a summary of my research and I recommend that;
 - a. An additional £100,000 is invested in Monmouthshire Building Society to maximise the balance permitted in any one investment account.
 - b. £300,000 is invested with Bank of Cyprus UK Ltd for a fixed period of 3 months at an interest rate of 1.50%.
 - c. £300,000 is invested with Aldermore for a fixed period of 6 months at an interest rate of 1.50%.
5. I have confirmed that all three companies are regulated by the Financial Conduct Authority and are included on the register.

Daniel Withnall
Finance Officer

Black Sluice Internal Drainage Board

Investments as at 8th May 2014

Company	From	to	Notice	Days	Interest Rate	Current Balance	To Invest
Aldermore	£1,000	£1,000,000	0 Days	0	1.00%		
Nationwide	£1,000	£1,000,000	0 Days	0	0.80%		
Beverley Building Society	£250,000	£1,000,000	0 Days	0	0.70%		
Beverley Building Society	£50,000	£250,000	0 Days	0	0.65%		
Natwest	£0	£1,000,000	0 Days	0	0.50%	£ 816,847	£500,000 in Special Levies & Sale of Carlton Road at the end of May.
Barclays	£0	£5,000,000	0 Days	0	0.50%		
Monmouthshire Building Society	£5,000	£1,000,000	30 Days	30	1.75%	£ 200,000	£ 100,000
Santander	£5,000	£1,000,000	30 Days	30	1.00%		
Bank of Cyprus UK	£0	£5,000,000	35 Day	30	1.00%		
Natwest	£0	£1,000,000	30 Days	30	0.55%		
Co-operative Bank	£25,000	£1,000,000	30 Days	30	0.37%		
Bank of Cyprus UK	£95,000	£5,000,000	95 Day	91	1.50%		£ 300,000
Aldermore	£300,000	£300,000	3 Month	91	1.35%		
Nationwide	£10,000	£500,000	95 Day	91	0.90%		
Co-operative Bank	£25,000	£1,000,000	3 Month	91	0.71%		
Aldermore	£1,000	£1,000,000	6 Month	183	1.50%		£ 300,000
Nationwide	£10,000	£5,000,000	6 Month	183	1.20%		
Co-operative Bank	£25,000	£1,000,000	6 Month	183	0.87%		
Aldermore	£1,000	£1,000,000	1 Year	365	1.75%		
Co-operative Bank	£25,000	£1,000,000	1 Year	365	1.50%		
Nationwide	£10,000	£5,000,000	1 Year	365	1.20%		

Black Sluice Internal Drainage Board

Executive Committee - 4th June 2014

Agenda Item 12

2014/15 Schemes Budget

Description	1	2	3	4	5	6	7	8	9	10	11	12
Total	50,000	11,384	1,500	5,000	7,000	0	0	0	5,000	12,000	158,000	32,111
Siltside Improvement	9,000	11,384	1,500	5,000	7,000	0	0	0	5,000	12,000	158,000	32,111
Culvert 2588 - Dowsby Fen	16,000	9,000	9,000	16,000	7,000	0	0	0	5,000	5,000	30,000	40,000
Culvert 1999 - Trinity College	6,400	3,000	3,000	16,000	7,000	0	0	0	5,000	7,000	40,000	69,177
Culvert 818 - Hacconby Drove	9,000	3,000	3,000	3,400	3,400	0	0	0	5,000	7,000	75,000	40,000
Culvert 1265 - Horbling	30,000	3,000	6,000	6,000	3,400	0	0	0	5,000	7,000	75,000	69,177
Culvert 150 - Dowsby Fen	80,000	5,830										
Kirton Meeres Long Culvert	150,000	5,830										
Swineshead Phase 1 Culverts	5,000											
Graft Drain Improvement	5,000											
Culvert 2983 - Damford	7,000											
Culvert 756 - South Kyme	7,000											
Culvert 3004 - South Kyme	7,000											
Culvert 1281 - Dowsby Fen	7,000											
Culvert 1282 - Dowsby Fen	6,000											
Culvert Contributions	(2,400)											
Grant in Aid	250,000											(2,400)
Schemes	135,000	17,214	13,500	30,000	10,400	0	0	0	5,000	12,000	158,000	(111,174)
Sempingham Pump Stn Weedscreen Cleaner	81,000											
Dowsby Fen PS, New Roof	13,000											
Helpingham PS, VSD motor control	14,000					13,000						
Swineshead PS, alterations to suction bays	39,000			14,000								
Ewerby PS, Refurbish pump 1 & 2.	20,000			10,000	19,000							
Bicker Eau Pump Replace 2xPumps	14,000			10,000	10,000							
Cooks Lock & Chain Bridge Eel passes	80,000				14,000							
Pumping Station Eel Pass Studies (10No)	50,000						40,000					
Grant in Aid	(211,000)						40,000					
Pumping Station Schemes	100,000	0	0	24,000	24,000	33,000	40,000	50,000	10,000	10,000	60,000	(170,000)

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE – 4th JUNE 2014

AGENDA ITEM No 13

**TO CONSIDER WORKS TO BE FUNDED
FROM THE DEVELOPMENT FUND**

1. Wyberton Roads Culvert

This 1200mm diameter culvert was constructed in 1967 and is on the main Wyberton Marsh pumping drain. This is a high consequence water course taking water away from the Boston Marsh Industrial Estate.

The pipe diameter now restricts high flash flood flows and requires increasing in diameter.

Other bridges along the same watercourse have been replaced over recent years with 2.10m diameter pipes and this diameter allows unrestricted flows in high water periods.

The Board would replace the bridge in house in order to reduce the cost of its replacement, LCC have been contacted and responded that they will not contribute towards the costs.

An Environmental Assessment has been completed resulting in no issues.

The works have been introduced to the Northern Works Committee Item 028(e) on the 12th October 2011 and Item 142(d) on the 7th March 2012. The Executive Committee in their meeting held 17th January 2013 (Item 342) AGREED that plans should be made to reconstruct this culvert which should be funded from the Development Account.

The budget figure has been calculated at £70,000 and subject to a traffic diversion order from LCC it is proposed to complete these works later this financial year running into next year.

Ian Warsap
Chief Executive

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE – 4th JUNE 2014

AGENDA ITEM No 14

SOLAR PANELS

1. With the available investment opportunities currently on the Market we have been looking into other opportunities to invest the Board's surplus funds, especially with the imminent sale of Carlton Road.
2. With the assistance of Lark Energy Western power have confirmed that there is a capacity for a 40 KW system to be installed on the roof of our Headquarters building. The roof will take up to a 69KW system.
3. We approached Lark Energy, Navitron and PCE installations for quotes to install various systems but as we are restricted to a 40KW system I included details below.

a. 40KW installation using assuming 50% of the power generated will be used.

Company	Installation Cost	20 Year Return	Annual %
Lark Energy	£55,448	£168,507	15.20%
Navitron	£46,362	£165,526	17.85%
PCE Installations	Failed to update 2011 Quote		

b. 30KW installation where it is deemed that 50% of the power generated has been used (The more we use over 50% the more we benefit)

Company	Installation Cost	20 Year Return	Annual %
Lark Energy	£42,145	£129,704	15.39%
Navitron	£34,092	£126,672	18.58%
PCE Installations	Failed to update 2011 Quote		

4. Whilst the 30KW installation from Navitron has the better annual return percentage I would recommend the larger investment of the 40KW site if the Board wishes to proceed to maximise our potential return.
5. There is a possibility of upgrading the Western Power system to enable a larger installation but the cost of this would have to be considered with the additional benefits.

Daniel Withnall
Finance Manager

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

2. The second part of the document outlines the specific procedures and protocols that must be followed to ensure that all records are properly maintained and updated.

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE – 4th JUNE 2014

AGENDA ITEM No 15(a)

ADMINISTRATION APPRENTICE

1. During the move from Swineshead to Boston the administration function of the Board was reviewed and it was reviewed again as part of the restructure that took place in 2012/13.
2. The primary purpose of the restructure was to reduce expenditure on Administration whilst increasing the efficiencies of the Board. This has resulted in the workload of the current Administration Assistants that job share being increased, in addition to the increase already experienced when we moved offices, and this needs to be addressed to ensure that the Board's administration is beyond reproach.
3. To rectify this situation we recommend employing a new staff member in the position of Administration Apprentice.
4. We currently have [REDACTED] and [REDACTED] both working part time as Administration Assistants, a new full time Apprentice Administrator would:-
 - Offer good succession planning
 - Cover in times of annual leave and sickness (stopping others from doing so)
 - Be fulltime with a half or full day at college
 - Would free up [REDACTED] time to enable more focus on one off tasks such as minutes, minute books, inspections etc
 - Reception and phones would be covered at all times
 - Would offer a better level of consistency, reducing issues with work handovers
 - Would assist with other officers, helping to reduce their own admin roles etc
 - To commence on Scale point 2 (£12,849)
 - Employers Superannuation @ 22.5% (£2,891)
 - Employers NI @ 10.6% (£519)
 - Total cost to Board £16,259 (we would look for any suitable recovery apprentice costs from Government bodies)

Ian Warsap
Chief Executive

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE - 4th JUNE 2014

AGENDA ITEM No 16(a)

HEALTH & SAFETY CONSULTANTS

1. The Board changed from Cope Safety Management Ltd (Copes) to NFU Mutual Risk Management Services Ltd (NFU) in early 2012 for a two year period which is now up for evaluation.
2. We have requested quotations from the two companies to include:-
 - a retained 24/7 Health & Safety advisory service
 - upkeep of our Safety Policy
 - guidance and advise on our risk assessment preparation
 - a safety management system tailored to suite our needs
 - COSHH system and advice
 - safety audit and being kept up to date with changes in legislation
 - H&S training advice
 - site safety inspections
3. The quotations are:-
 - NFU - £1,170.00 per annum and £585.00 per additional day(s)
 - Copes - £1,344.00 per annum and £500.00 per additional day(s)

This includes for the 24/7 retained advisory role and two full days per annum to cover the subjects in item 2 above.

4. The Board now has one NEBOSH and one IOSH qualified members of staff and we have reverted back to Copes for an extended five year term for the following reasons:-
 - five years of continuity
 - ease of contact and localism
 - members area web page (we can download information requests)
 - fixed price
 - plant training using our own site and plant (reduced costs)
 - user friendly safety manual

Ian Warsap

BLACK SLUICE INTERNAL DRAINAGE BOARD

MINUTES

of the proceedings of a meeting of the Executive Committee

held at the Offices of the Board on
4th June 2014 at 2pm

Members

Chairman - * Mr M J Scott

* Cllr P Bedford	* Cllr M Brookes
* Mr R Leggott	* Mr K C Casswell
* Mr J R Wray	

* Member Present

In attendance: Mr I Warsap (Chief Executive)
Mr D Withnall (Finance Manager)

544 APOLOGIES FOR ABSENCE

There were no apologies for absence.

545 DECLARATIONS OF INTEREST

There were no declarations of interest.

546 MINUTES OF THE EXECUTIVE MEETING

Minutes of the last meeting held on 15th January 2014, copies of which had been circulated, were considered and it was agreed that they should be signed as a true record.

547 MATTERS ARISING

(a) Sale of Carlton Road - Minute No 479(a)

The Finance Manager stated that the purchasers are awaiting approval of their mortgage loan and an appointment has been booked for a Bank representative to inspect the property.

The Committee asked if there were any other interested parties, the Finance Manager stated that there is a second bidder and the property was still on the market. The Committee AGREED that if no exchange of contract is forthcoming then the Finance Manager should contact the other party.

(b) Eight Year Plant Estimates - Minute No 479(b)

The Chief Executive stated that Irelands had viewed and given valuations on the jetter and dump trailer. They are then going to be placed on the new website for tender.

(c) 2014/15 Budget and Ten Year Projections - Minute No 481

The Finance Manager stated that all employees of the Board are now paid monthly and this has enabled us to continue using our existing accounts and wages software. HBP are working towards the installation of a new server and, as stated in the risk register, UPS to provide emergency power to the comms cabinet for a short time in the event of a power cut.

The Finance Manager demonstrated the new Board's website, he added that it has been very popular at weekends and evenings for paying drainage rates justifying the addition of the paypal feature on the site.

Mr Leggott asked for a comparison on drainage rate collection. The Finance Manager stated that at Period 2 it was down by £10k to last year. There has been an increase in the number of payments by debit card by telephone.

The additional alterations to the depot secure storage area are awaiting Building Regulations approval.

(d) Black Sluice Strategy following the Tidal Surge - Minute No 486

The Finance Manager stated that Boston Borough Council has paid the £49,000 claimed in relation to the Bellwin claim and an additional £18,500 has been received from the Environment Agency for the culvert works at Slippery Gowt for the Boards initial first response and repair works. There may also be further funds available via the FDGiA system.

548 TO RECEIVE (UNAUDITED) 2013/14 FINANCIAL STATEMENTS AND BALANCE SHEET - Agenda Item 5

The Finance Manager presented the unaudited financial statements to the Committee summarising the following points:

- These accounts are to be approved and signed off at the next meeting of the entire Board.
- The annual governance statement included in the Financial Statements is identical to that which the Board will consider as part of the Annual Return.
- There have been no changes to the statement of responsibilities and Accounting Policies.

(i) Income and Expenditure

- 76% increase in Rechargeable works compared to previous year. £118k
 - £85k May Gurney Dams and Diversion

- £41k Bellwin Payment from BBC
- £18.5k Payment from EA for Culvert repairs at Slippery Gowt
- 623% increase in FDGiA received, hopefully will be even higher in 2014/15 assuming that all our maintenance and schemes can be completed or we can use contractors.
- Interest down 55.28%. Only interest relating to General Reserve is shown. Six years ago this figure was £51,000
- Scheme Works completed with the assistance of FDGiA £493k spent against a budget of £202k.
 - £169k on Drains with £40k deferred into 2014/15 and £33k of culvert replacements not completed.
 - £324k of Pumping Station Schemes
- Pumping Station Maintenance Expenditure returned to more normal levels after the excessive pumping and electric charges in Winter 2012/13.
- Administration Costs reduced in excess of the calculation in the Restructure Proposals and the target set for 2015/16 should be easily achieved.
 - Admin & Establishment 16.38% of Income in 2013/14
 - 24.94% in 2012/13
 - Target for 2015/16 is 20% or £400,000 + inflation from January 2013
- Depot Operational costs were also reduced by 14.72%

(ii) Balance Sheet

- Fixed Assets – Comparable after movements to last year
- Current Assets –
 - Stock Comparable – Fuel Management System now installed and working well.
 - Trade debtors reduced by £30k
 - Cash held artificially high due to Grants and Bellwin payments received but not spent until 2014/15
- Current Liabilities –
 - Trade Creditors up £61k – Timing issue with Payment Run.
- Pension Liability as provided on the FRS17 Report produced by Hymans Robertson (The actuary LCC use for our LGPS) –
 - Increased by £516,000!
 - Increased by £2,222,000 since it was first included in the restated accounts of 2007/08.
- Reserves
 - General Reserve increased by the £30k surplus on the I&E
 - Development Reserve - £30k increase due to large payment made by Double Days for Swineshead development

- Plant Reserve – £25k up on budget approved in January
 - £8635 additional generated
 - Hitachi Sold early at £17k
- Wages On-cost Reserve
 - 122 sick days compared to 153 in previous year
 - Reduction in expenses charged to Reserve
 - Rate unchanged since April 2011 and may be able to be reduced if the current trend continues.

The Chairman asked the Committee to consider a change in the labour recharge rate which currently is 240%. The Committee discussed the impact on budget and the wages oncost reserve and RESOLVED that the rate be reduced to 220% for internal works from the beginning of period 3 and the Finance Manager would monitor the impact.

The Committee AGREED to recommend the accounts to the Board.

549 TO RECEIVE THE 2013/14 INTERNAL AUDIT REPORT - Agenda Item 6

The Finance Manager stated that the aim from the Restructure was to obtain a Substantial Assurance rating. David Gowing confirmed this rating stating that the Black Sluice IDB is the only IDB to attain this.

All the recommendations within the report were highlighted to the Committee and they were satisfied that the management comments and subsequent actions were satisfactory.

The Finance Manager reported to the Committee that Staff had been reminded to comply fully with the Procurement Policy. This has been completed and also the recording and checking of quotes being obtained has been improved.

A Data Transparency Page is to be included on the new website as an index to all the items required by the Accounts and Audit Regulations 2014. IDB's are now legally required to comply with this Act.

550 Bourne North Fen Farm Account - Agenda Item 7

The Finance Manager presented his report stating that income had increased with an additional £2,100 portfolio management costs. Net result is an increase in the surplus to £1,246.

551 TO RECEIVE THE 2014/15 INTERNAL AUDIT STRATEGY AND PLAN - Agenda Item 8

The Finance Manager stated that the proposed Internal Audit Strategy and Plan is standard. A provision for additional work has been added if there is a requirement due to compliance with the new practitioners guide if and when it surfaces and the Audit and Accountability Act 2014.

552 TO REVIEW THE PENSION DISCRETION POLICIES - Agenda Item 9

The Finance Manager presented the new Pension Discretion Policy which has been reviewed by the Audit & Risk and will be presented to the Board on 25th June 2014.

In the past the Board has stated that they follow the policies of Lincolnshire County Council but from 2008 it became a requirement for the Board to have their own Discretion policies. The following three sets of policies are based upon when an employee leaves the employment of the Board. Only the "Post 2014" policy can be changed and all policies need to be approved by the Board by 30th June 2014.

(a) Discretion for Employees

This policy refers to members of staff who left the Boards employed before 31st March 2008 and cannot be changed.

(b) Discretionary Compensation on Early Termination of Employment

This policy came into force 1st April 2008 and has been replaced with the new pension scheme from 1st April 2014 and cannot be changed.

(c) Exercise of Discretions within the Local Government Pension Scheme

The Finance Manager updated the committee on the meeting held with Mouchel, administrators of the Lincolnshire County Council Pension Scheme and the way the policy was reviewed at the Audit and Risk Committee.

It was noted by the committee that most options had been left to be reviewed on a case by case basis giving consideration to the financial implications.

The Committee RESOLVED to recommend that the above policies be approved by the Board.

553 PERIOD 1 MANAGEMENT ACCOUNT - Agenda Item 10

The Finance Manager stated that the accounts reporting software has been updated with additional training undertaken by the Finance Manager and Finance Assistant. He presented a view of a new set of reports which has been developed to enable the effective financial management of the Board.

These are easier to produce and update at anytime. The Committee were requested to outline which summary pages are required for review by the Executive and Board in the future.

554 TO CONSIDER FUTURE INVESTMENTS OF THE BOARD - Agenda Item 11

The Finance Manager stated that currently interest rates are very low. He presented a schedule reporting a range of opportunities for investment and recommendations to the Committee.

2000

1000

500

250

125

100

The Committee AGREED to the following investments;

- (a) An additional [REDACTED] is invested in Monmouthshire Building Society.
- (b) [REDACTED] to be invested in Nationwide for six months.
- (c) The remainder to remain in the Natwest Reserve account.

555 TO REVIEW THE 2014/15 WORKS SCHEMES - Agenda Item 12

The Chief Executive updated the Committee on the current works schemes;

- Summer cutting works progressing
- FDGiA for drainage schemes Kirton Meeres
- Cooks Lock £80k eel passes scheme
- FDGiA Graft drain grant split over two years
- Northgate to West Pinchbeck drainage improvements with 30 culverts, to start at Money Bridge Lane.

556 TO CONSIDER WORKS TO BE FUNDED FROM THE DEVELOPMENT FUND - Agenda Item 13

The Chief Executive outlined the proposal in the Agenda papers to reconstruct the Wyberton Roads culvert with a 2.10m diameter pipe and requested confirmation that £70k be funded from the Development Account to complete these works.

The Committee AGREED to recommend to the Board.

557 TO CONSIDER INSTALLATION OF SOLAR PANELS ON THE HEADQUARTERS ROOF - Agenda Item 14

The Committee discussed the proposal in principle, Members were in agreement that installation of solar panels on the Headquarters would be beneficial given the current lack of investment opportunities in the financial market. The Committee requested further quotations to be sourced.

558 STAFF & WORKFORCE MATTERS - Agenda Item 15

(a) Administration Apprentice

The Committee reviewed the report produced and following discussions approved the employment of an Administration Apprentice.

559 ANY OTHER BUSINESS - Agenda Item 16

(a) Health & Safety Consultants

The Chief Executive outlined the proposal for Health & Safety Consultants to the Board. He informed the committee that the contract has been placed with Copes for 5 years.

(b) Riparian Enforcement Sub-Committee

The Chief Executive stated that, he considers there is a requirement for a Sub-Committee to review Riparian problems and the methodology and policy for commencing enforcement action.

The Committee discussed and AGREED that the Culverts & Bridges Committee could review this subject with the addition of both Vice Chairman from the Southern and Northern Works Committees.

(c) Members Expenses Claim Forms

The Finance Manager proposed the issue of an expenses claim form for elected members to consent for expenses to be transferred to Chairman's account for social activities and to state they haven't claimed them from elsewhere.

Mr Leggott informed the committee that Welland & Deepings IDB have issued all their members with claim forms, the Committee requested that the Finance Manager investigate and follow suit.

(d) Ditch Management Guidance for IDBs

The Chief Executive handed the Committee a report on Ditch management and compliance with Environmental Stewardship schemes. The Committee Members discussed and came to the conclusion that it needs simplifying and involvement from the NFU.

The Chairman agreed to review this report.

There being no further business the meeting closed at 4pm.

