

BLACK SLUICE INTERNAL DRAINAGE BOARD

MINUTES

of the proceedings of a meeting of the Executive Committee

held at the Offices of the Board on
14th December 2016 at 9am

Members

Chairman - * Mr K C Casswell

* Cllr P Bedford * Cllr M Brookes
* Mr J Fowler * Mr P Holmes
* Mr M Rollinson

* Member Present

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

1055 APOLOGIES FOR ABSENCE

There were no apologies.

1056 MINUTES OF THE LAST MEETING

Minutes of the last meeting held on 13th September 2016, copies of which had been circulated, were considered and it was agreed that they should be signed as a true record.

1057 MATTERS ARISING

(a) Works Committee Membership- Minute No 994(a)

The Chairman asked both Works Committee Chairmen if they had progressed any further with their discussions on membership. Mr Rollinson agreed that both himself and Mr Holmes should meet up to discuss this especially with the inspection days in March 2017.

The Chairman added that a request has been received from Mr N Morris from Welland & Deepings IDB who would like to visit on the Southern Works Inspection Day.

The Chairman concluded that it will be left for the Works Committee Chairmen to discuss and present at the Board Meeting on the 8th February 2017.

(b) Drainage Rate Account 2781 - Minute No 995(3)

The Chairman asked if payment has been received for this account. The Finance Manager answered no - £8,815.75 being drainage rate charge levied to the 'old' company which has been submitted to the administrators, however due to the value of assets left it is unlikely that this will be recovered.

The 'new' company has been sent an apportioned drainage rate bill for £21,113.02 which is at the stage of having been sent a first reminder. He stated that the new company have indicated that payment should be received this month. He also added that he believed that North Level IDB, who had a similar drainage rate bill, has received payment, he concluded that he has requested the Rating Officer to investigate.

(c) Review of Purchases, Upgrades & Contract Renewals - Minute No 1000

The Finance Manager informed the Committee Members;

(i) Telephone system

The Finance Manager stated he had obtained an additional quote from Timico, coincidentally he attended a Cyber Security briefing hosted by Natwest which was at Timico's premises therefore he received a demonstration but unfortunately he was not impressed. Later that same day he viewed a demonstration by BT who produced a better system for a more competitive quotation, therefore an order has been placed with BT.

(ii) IT Support Contract

The Finance Manager stated that he had relayed the Executive Committees decision regarding the three year IT support contract with HBP and that HBP have accepted the yearly payment scheme.

(iii) CCTV System

The Finance Manager stated that the additional three digital cameras have now been installed. He explained it is a hybrid system which has both views but the quality of the digital picture compared to the analogue is shocking, it shows how bad the picture quality is using analogue cameras compared to the digital on screen.

He stated that these analogue cameras were installed in 1997 and that as cameras breakdown they should be replaced with digital ones; it will be a case of upgrade as required but at some time a decision could be made when there are only a few remaining that they will all be replaced.

Mr Rollinson asked how many cameras are there? He responded 7 analogue plus the 3 additional digital ones.

(iv) Entrance Signage

The Finance Manager stated that an order has been placed to produce the signs using a colour match from the signage at the front of the building.

The Chairman stated that coming along the A17 he had struggled to see the building sometimes when the hedges are full and thought they would need to be trimmed. The Chief Executive and Finance Manager both added that they can view from a section on the A17 as they are more aware of where the gaps are.

The Chief Executive stated that when the contractor comes back with signage suggestions for the rear of the building it will be offered up and viewed from the A17 before a decision is made. The Chairman added that yes it would be better in the Spring when the leaves are out to see if it can be viewed.

Mr Holmes agreed that with the full growth on the hedges and trees it is difficult to view the rear of the building from the A17 and asked if we have access and/or control of them; the Chief Executive responded that we control the shrubs on the landscaping banks but he was unsure about the roadside trees.

The Chief Executive clarified that the signage had only been a request from ADA to raise the profile of drainage boards.

(v) Solar Panel Maintenance

The Finance Manager stated that a request has been submitted for the contract which still has not been received and the contracts are due now and concluded he will be chasing it.

1058 TO RECEIVE THE PERIOD 8 MANAGEMENT ACCOUNTS - Agenda Item 4

The Finance Manager presented the period 8 management accounts and highlighted the following items;

- Drainage Rates & Levies – (£32,000) still due which is an unusual position made up of £29,000 single unpaid drainage rate with the remaining rates under recovery action.
- Interest & Grants - £60,000 this is a number of FDGiA schemes which will be off set in the schemes later on.
- Schemes – the amended forecast figures are complete now and will appear in Period 9.
- Pumping Station Maintenance – the situation with British Gas invoices is all 34 pumping stations have transferred over from May 2015 but a considerable amount of estimated bills are still being received. All the pumping stations have smart meters fitted, which is frustrating, that we cannot receive accurate bills. Five years ago the tender stipulated that smart meters were to be fitted to all pumping stations. British Gas' contract is up for renewal in April/May 2017 and the Finance Manager would not be recommending them going forward because of the lack of value for money and estimated bills.

Mr Holmes commented that there still may be a difficulty drawing a line under the contract with British Gas. The Finance Manager responded that at the changeover point it will be a case of going out to every pumping station and taking photographic evidence of each meter reading on the changeover day. The Chief Executive agreed that this could be done by the workforce.

Mr Rollinson offered information on a company called Stark who can organise the smart meter readings be sent to the office. The Finance Manager agreed to look into this, he stated he uses Orsis for the PV. It will help give an idea for budgeting purposes even if British Gas would not accept the smart meter readings.

The Chairman added that we are in the position that over this contracted period we have had a low pumping period, it could have been that we were pumping continually and this would have led to the bills being thousands out which could have been very serious for the Board.

The Finance Manager also added that he has spent the equivalent of days trying to sort this situation out, plus the Finance Assistant has spent weeks in time costs, as each month she does a reconciliation for each of the pumping stations to try and work out what is based on actual v estimated readings, and over the last 18 months it has a cost to the Board. An administrative claim has been submitted through the Brokers and we await to see the outcome.

The Chairman asked if we could pursue a complaint at a higher level; the Finance Manager responded Ofgem – we have followed British Gas' complaints procedure and they have not even attempted to resolve it. The next step is to go to Ofgem for them to resolve it, the Members agreed that this should be done.

Mr Fowler added that he has endured similar problems with British Gas and has moved his supply to the buyer group 'Woldmarsh' to hand them the problem and potentially they will be able to deal with the power distributors.

The Finance Manager asked if when tendering for renewal of the contract next year should he go through the Broker and Woldmarsh. The Members felt it should be explored through Woldmarsh who use a yearly contract.

- Drain Maintenance – some recovery savings have been made in period 6 and 7 but unfortunately in period 8 it is (£13,000) these accounts were produced on 7th December and investigations have not been initiated.
- Environmental – is under spent.
- Administration & Establishment – regarding the budget for the Business Administrative Apprentice, the recruitment process has been progressed, 21 applications received, with a shortlisted of four for interview and the position has been offered to Jessica Baxter who will be starting in January 2017.
- EA precepts – timing issue.
- Solar panel – no expenses currently because they have not sorted the contract out yet.

Balance Sheet

The Finance Manager outlined some amendments on the balance sheet;

- Monmouthshire BS @ 0.60% from 1st October 2016
- Co-op Community Account finishes in April 2017
- Natwest Reserve Account @ 0.01%

He stated that Natwest have increased their charges estimated at (£2,500) per year, at the recent Natwest Banking Manager meeting there was nothing they could do and more or less said if we did not like it we could move banks.

The Finance Manager stated that if we were to look into a new bank it would be too tight for April 2017 it would need to be considered for April 2018. Reminding Members that the change of bank from Lloyds to Natwest was due to difficulty paying in cheques, but now that Natwest Kirton branch has closed alternatives are Sleaford and Spalding. The Finance Manager concluded that he could investigate lower bank charges, he noted Lloyds were offering 0.7% balance interest. The Chairman stated that Lloyds still have Donington branch with concise opening times. The Chief Executive added that payments can be paid into the Post Office.

The Chairman reiterated perhaps it could be looked into for April 2018 Members AGREED.

1059 TO CONSIDER THE 2017/18 BUDGET AND TEN YEAR PROJECTIONS -
Agenda Item 5

The Chairman wanted to thank the Finance Manager for putting together a budget at this point in the year because he normally has a few more weeks in which to prepare these.

The Finance Manager presented the 2017/18 budget and stating that there are some similarities in the presentation documents but due to the difficulties in drain maintenance early on in the year he has reviewed how this could be looked at in more detail. He stated that these reports are produced anyway so to be included for the Committee was not a problem. He pointed out that the important change is in the way we have worked out the plant recharges & labour recharges, by the hour of each week throughout the year because this way gives a better grip on what labour and what plant we have used. He stated that we had £2.6 million income two years ago, £2.3 million last year and this year we could achieve £2.1 million therefore it has reduced by half a million in two years. It is the labour and plant recharges plus the extra money from FDGiA and rechargeable works that has been keeping the men employed and the plant working. At the end of this year we were £100,000 short on labour recharge and £63,000 on plant recharge. Consideration needs to be given to how we use our workforce and labour, and how we monitor it month by month.

The Chief Executive stated that this information is produced for the Senior Managers and asked whether the Members of this Committee would like to see it in this detail.

The Finance Manager summarised:

- (a) Rates & Levies – maintaining the rate at 12.60p therefore zero increase, he noted that there is a substantial development in Boston Borough Councils' area which relates to a 2.4% increase but that is all from land being developed from agricultural use to residential use.
- (b) Interest – details have been given at the Balance sheet there is nothing which will happen to improve the market, he added that it may not meet the £5,000 budget.
- (c) Development Fund – there is no planned expenditure from this fund at the moment however this is assuming that the Quadrant development

funding will be used from monies they have paid for their development charge.

- (d) Rental Income – the mast at the rear of the depot, currently has a 2G microcell this is going to be upgraded to a 2G/4G transmitter. The difference being a couple more cabinets in the 3m x 3m space which is provided is not a problem but as part of the ten year lease with them from 2000 which has rolled over the last 5/6 years they pay £300 for electricity which on a 2G microcell, a lower power cell, was sufficient. They are going to upgrade the power from a 16mm 40W supply to a 25mm 63W supply which would suggest the new mast is going to use more power. The contractor has nothing to do with EE and the company that arranges the lease has nothing to do with EE the people dealing with electricity are different to those who deal with the lease and the Finance Manager has not been able to speak to anyone to sort the lease out.

Mr Rollinson asked if there is potential for the rental on the mast to increase? The Finance Manager answered subject to a rent review in 2015 which has not happened and the electricity is part of the lease and therefore we require a new lease and a whole new negotiation. He clarified that the Board can give them one months' notice but the problem is getting in touch with them.

- (e) Hessle Drive rent is at the same rate as 2016/17 as is the Swineshead, Bourne Slipes and New Hammond Beck land rental.
- (f) The Port of Boston still continues to use electricity and is charged £115.50 per quarter.
- (g) Other Income – consent applications nominal figure remains the same. Highland water that is based on actual costs and paying 16% admin charge, this remains the same.
- (h) Solar Panel Income – detailed information regarding the solar panels is at appendix 9, page 27. Mr Rollinson asked about the rate of return on the capital cost as a percentage. The Finance Manager responded, they are producing above the government projected rate. Office electricity is being saved by approximately £500 per month during the summer months and all the pumping stations are performing better than budget.
- (i) Capital Schemes – the Chief Executive referred to the scheme detail listed and highlighted the secured £60,000 FDGiA for Malting Lane, Donington which is scheduled to commence and be completed this financial year. For general culvert replacement, if there is any balance, to move to culvert replacements.
- (j) Pumping Station Maintenance – we have managed to work within the budget for 3 years now and still maintaining it at the £370,000 without any increase for inflation. The only reason this may increase is if additional electricity is required for pumping due to rainfall. Mr Holmes believed that as we have had 3 years of reasonable rainfall we are probably due a wet one. The Chairman added that we need to be mindful of setting a tight budget that it could get blown out of the water with a fortnights serious rainfall.

When you are running a budget really tight this could mean paying out of reserves at some point if there is say a £50,000/£60,000 electricity bill. The Chief Executive stated at the Clerks meeting he asked a general question regarding levels of reserves by other IDBs and most IDBs are running at a very similar position to ours, c20% of annual expenditure.

- (k) Drain Maintenance – this has increased by £10,000 to £710,000 the operations programme now matches the budget programme so the two should work hand in hand next year. It will be monitored week by week to make sure that when it says that this man is going to this job for 38 hours that is what he is actually doing, if not or for additional overtime which has not been included in the budget, it can be challenged week by week rather than month by month.

The Chairman added there are not many areas where you can make huge savings without compromising what we are about as a Board or what we are meant to be doing which could be a challenge.

The Finance Manager stated that the Board could reduce the workforce but when they are needed for cutting and they are not available it could be a problem. He added that either we need to put more resources into drain maintenance because the budget is tight or consider losing a man or two.

Cllr Brookes asked would it be practical to have seasonal workers; The Chief Executive answered yes it could be explored, we do hire in one specialist machine with hired operator and put our own cutting basket on for 12 weeks.

Cllr Brookes asked would there be any flexibility with working with other IDBs; Chief Executive answered we are regularly questioned by other Councils and Members and yes it is a genuine question but we all bush at the same time because of the environmental reasons, we all summer cut because its summer cutting, we all cleanse because its winter cleansing, I think the only realistic approach is to change the recognised format of maintenance. By bushing in the summer it would be more expensive because there would be more environmental inspections but if it is an option for splitting a specialist hedge cutting machine between two boards it may be a way in the future.

Mr Holmes expressed that looking forward it may be that if we take on extra highland work or South Forty Foot work we are going to need to call upon skilled operatives and it would be silly to let them go for 6 months when in 12 months' time we are going to need them.

The Chairman stated that the budget has to be set to what we know now and not what might be.

- (l) Environmental Works – this has been reduced by £10,000 which was transferred to drain maintenance, on the Chairman's instruction.
- (m) Environment Agency Precept – the Finance Manager and Chief Executive attended the RFCC meeting in January 2017 to approve the current year's precept.

There was warning that this year they would be looking to increasing the EA precept, and if they increased the IDBs then they will also increase the Councils contributions. However, the authority which covers Bedford have increased their precept by 2% in this last year so there is a precedent. It has been fixed for 6/7 years and if they put it up now I think the Board would challenge. At the RFCC meeting in January 2017 they may go for an increase; the Chairman concluded that all IDBs should show a united front.

- (n) Administration & Establishment – the Finance Manager stated admin salaries are as agreed at the September 2016 meeting and the Chairman has a pink paper later on in this meeting. This year has been the tri-annual evaluation of the pension fund. The contribution rate was 22.5%, it has reduced to 16.8% and they have increased the deficit payment from £66,000 to £93,000. This works out at £7,000 savings assuming that current staff remain and if we secure the EA work and take more people on then it will be a bigger saving because instead of paying the 22.5% employers contribution we will only be paying 16.8% - it has become cheaper to employ people and the reasons they are doing this is because most public workforces are shrinking, by keeping that deficit at a fixed amount they are getting more money from it.

An allowance has been included for a pay award of 2% but assume it will be 1%. There is still no Pay & Conditions Committee. At the Clerks meeting on 13th December 2016 it was noted that no IDBs had informed them who was joining the Committee. The Finance Manager stated that the Chairman had communicated and he had followed it up in writing to confirm that the Chairman and the Finance Manager will be members on this committee. The Chief Executive added that Mr D Withnall has volunteered to become Secretary of this committee, within the terms it is recommended that you cannot have a chairman and secretary from the same IDB. The Chairman then added that Welland & Deeping IDB are not going to participate within the Pay & Conditions Committee.

The Chief Executive reported that they do not have a strong union representation across the IDBs if something happens to Welland & Deepings IDB members the union could call on other members in other IDBs in the County and surrounding area to act in industrial action on their behalf. For Welland & Deeping to say they are not involved or don't want to be involved it is putting all IDBs in a very difficult position.

- (o) Office – costs remain the same also included details of increase plant charges in the administration.
- (p) Inspection – The Chairman requested that £3,500 be included for a study trip in 2017/18.
- (q) Equipment – previously at £20,000 for the last two years now £15,000. The Finance Manager then introduced an anti-virus type system called Sophos Intercept X and presented a video presentation. The system will monitor our systems more comprehensively than it does at the present time, it will physically stop a crypto locker virus by its behaviour rather than by name or what it looks like and if it misses it can then unencrypt and go back to the previous set up.

The Finance Manager had looked into it stating we currently pay £2,000 for our antivirus solutions for 3 year period for this system to be installed the intercept X plus Sophos advance it comes out at £7,000 for 3 years less the £2,000.

He clarified that whatever happened the Board wants the security training which is committed, to do a days' worth of cyber security training with the staff.

The Finance Manager stated that this system at £7k needs to be looked into in more depth but he wanted to ascertain the Committees initial thoughts. He clarified that the previous crypto locker attack took 2.5 days plus half days' work to return the system to where it was, asking is that worth £7,000?

The Chairman believed this attack was caught whilst in progress and asked if you had not, how many days would it have been; the Finance Manager responded HBP's cost at £1,300 per day, time for the staff, the worst case scenario would be a fortnight lost work unless it was at the wrong time of year ie rate sending out time it could be worse.

He also felt that it needed an offsite back up system in place because if we evacuate for a fire all the backups are in the office on site. He stated that he has arranged to take a backup tape to Scunthorpe and they are going to set up a virtual system of our servers to prove that it works it should be possible to be set up as a virtual set up and use the system as if we were sat in the office. From a disaster recovery point of view, we have got a solution if it's a cyber-attack encrypting files.

Cllr Bedford asked about possible suspicious email, are they always sent to spam? He suggested the Finance Manager talk to the Clerk at BBC as they have a system where as every email comes through, if it is not recognised it is placed as possible spam.

The Chairman asked Members if the Finance Manager needed to look into this more and put a report together to the Members – all agreed; The Finance Manager reminded Members that Towergate are putting together insurance against crypto locker attack, actually these could be tied together, we may not need the insurance cover or vice versa.

- (r) Depot – included as previous years because the solar panels have worked well this year and reduced electricity costs.
- (s) Bungalow - as discussed in September, budget remains at £200 plus £3,500 to replace the driveway - quotations to be requested.
- (t) Admin - The Finance Manager stated that Admin overall has increased by 4.03% which equates to £19,320 real costs which is included in the budget.
- (u) Wages On Cost Reserve – the figures which go through the budget which are in the wages on cost account on page 23; £668,286 to recharge rates which matches the figures on page 24, on cost rate has been increased from 240% to 260% to cover the ever increasing unavoidable employment costs such as pensions and employer national insurance.

- (v) 8 Year Plant Estimates – the plant replacement budget on page 25 again we have £142,500 generated in the plant estimates which used to be separate to the budgets; the amount calculated after recharges and expenditure will actually be available to this account each year. This exercise will be completed to make sure that the operational plans match the budget plans this will hopefully give a better view of the position and control the costs.
- (w) General Reserve – the target is to be at 20% in 2026/27, this spreadsheet with an allowance for 2% inflation we are at 20.45% maintaining the rate for 2 years then an average increase of 1.76% for the other eight years.

The Chairman asked if Members had any questions? The Chairman asked, if the rate is held for two years what is the situation for Boston Borough, Council as our biggest contributor, in two years' time; Cllr Bedford answered he did not know but we are the only Board that has committed to doing it for 2 years.

Mr Rollinson asked if other IDBs were completing a 10 year budget; the Chairman answered; no, adding that they started as 5 year projections and have progressed to 10 years which is something Mr M Scott had instigated. It gives a longer term plan and it helps to make decisions when you see the longer term impact of a rate change.

Mr Holmes suggested that ADA could encourage other IDBs to investigate producing 10 year budgets, it might be a good idea to put it in the mind of ADA to advise other IDBs.

The Chairman concluded that more should be done to encourage MPs within this County which is a large area prone to flooding, informing them that from drainage rates collected by the County Councils the government is keeping 40%. Boston Borough Council is only receiving 60% back and the MPs need to see the whole area because the East coast is getting kicked by central government

The Committee AGREED to recommend to the Board a penny rate of 12.60p for 2017/18 with an average 1.76% increase for the following eight years.

1060 TO CONSIDER THE OPERATIONS MANAGER VEHICLE ARRANGEMENTS - Agenda Item 6

The Chief Executive informed the Committee that he has been approached by Mr P Nicholson (Operations Manager). Mr Nicholson has requested, due to personally circumstances, to amend his terms & conditions to an essential car user.

The Chief Executive stated that he made Mr Nicholson aware that if this was agreed then there would be a requirement for him to purchase a high ground clearance 4 x 4 type vehicle which Mr Nicholson agreed. He also informed him that there would be no adjustment or review of his current salary due to any changes. Mr Nicholson stated that he would accept these proposed requirements if the essential users allowance was at the top of band D. If the decision was yes, but the annual essential user rate was lower, he would have to keep his company vehicle; he is aware that it is a financial decision.

The Chief Executive stated that the Finance Manager has reviewed and outlined the financial implications for the Board in the last three paragraphs on page 28 and asked for any questions from the Committee.

Mr Holmes asked was the works vehicle due to be replaced in 2019/20. The Finance Manager responded that the costs allowed for on page 28 are the charge out rates that allow for replacement of the vehicle, made up of the 56p a mile less the Operations Managers contribution of 29p for private miles, this allows them to be replaced every 4 years. This is the true cost of the vehicle and what it would cost to put him on essential user. The Finance Manager added that there is the option for a 4x4 vehicle requirement for the pumping station groundsman there is options to move things around from this point of view.

Mr Holmes asked if the vehicle was sign written and if this is beneficial; the Chief Executive responded he was amazed by the vehicle recognition, within a week or two people had challenged him and would approach, but then they become accustomed to his vehicle.

The Chief Executive stated that the agenda item has been viewed by the Operations Manager.

The Finance Manager clarified that as part of the budgetary process all salaries are reviewed.

The Chairman recommended for the Operations Manager to be informed that he can either keep his BSIDB vehicle or be placed on the essential user rate top of rate C (£2,147) to include no adjustment or review of his current salary. The Members AGREED.

1061 TO RECEIVE VERBAL UPDATE ON ENVIRONMENT AGENCY AND CATCHMENT MATTERS - Agenda Item 7

The Chief Executive presented a number of verbal reports on the following items:

(a) Boston Barrier and Haven Banks Works

The Chief Executive has received a document which is available for distribution if Members would like to review a copy.

He stated that Defra are holding a public local enquiry into the Boston Barrier application and the timeframe is unknown, he referred to the document from the Transport and Works enquiry procedure briefly outlining; there were 34 responses during the 42 day submission period - 24 letters classified as objections and 7 were classified as representations and 3 letters in support of the scheme, one of which was a letter of support from BSIDB.

Objections were:

- the efficiency of the proposed barrier
- the location of barrier at the mouth of the Haven and its effectiveness
- the increase fluvial flood risk
- the increased tidal flooding at Wyberton, Fishtoft and Frampton
- the flood banks navigation predicted increase in flow rates
- navigation safety during construction and operation of the proposed barrier, securing navigation mitigating measures
- removal of water level management
- inclusion of a lock
- permanent relocation of fishing fleet
- impact on the Port of Boston
- impact on Frontier Agricultural Ltd
- impact on utilities
- impact on cultural heritage
- a complaint about the consultation
- alternative locations
- Royal Mail
- Witham 4th IDB has submitted a representation seeking confirmation that the Agency's works would not prevent it from carrying out its functions. The Agency will continue to work with Witham 4th IDB to ensure that, as far as reasonably practicable, access to its existing apparatus is maintained and that the Agency will not impede the discharge of water from the existing apparatus in the Plots. It is anticipated by the Agency that any concerns that the Witham 4th IDB might have will be addressed prior to the inquiry.

Within this document there are the EA responses to all of those concerns above and their statement which they will state at the public enquiry. The Chief Executive asked if anyone wants a copy of the document to please let him know and he will forward a copy.

He believed that with all probability the BSIDB and Witham 4th will be involved in raising the levels of both Haven banks through their PSCA, it will be c£1 million from Defra/EA with a matched funding bid for £1 million. Once approved BSIDB will be approached in line with the construction programme of the barrier to carry out these flood bank raising/protection works. The proposed construction programme being November 2017 - December 2019.

Mark Robinson (EA) is in discussions with Ian Russell the ADA liaison officer at EA to make slight changes to the wording of the PSCA to include front line defence bank work and to use the Black Sluice IDB as we are professed to be the more readily acceptable contractor. This will result in a substantial income to the Board.

(b) Black Sluice Catchment (South Forty Foot Catchment) Steering Group

The Chief Executive reluctantly reported that this group last met on 30th June 2016, after being challenged with producing a 20 year maintenance expenditure programme for all EA assets and main river maintenance (c£50m) which included bringing existing assets back to their original condition (c£13m).

Figures were submitted to the EA on 2nd August 2016, but with no response to date. The Chief Executive has been recently informed, after several complaints, that the EA will be responding in the very near future.

Due to lack of response there was no purpose in arranging a further meeting and arguably the Defra initiative Black Sluice Catchment Frontrunner Project has taken over.

ADA have complained higher up the EA management structure. The Chief Executive stated that he received an email on 7th December 2016 – quoting from the email received from Deborah Campbell (EA Area Flood & Coastal Risk Manager) saying;

“there seems to have been some confusion with progression of the Operational Plan. Kevin was waiting for me to have a conversation with you about it before progressing any further so it would appear the delay is of my making. Apologies for this.

I have a number of comments that were produced on the submission you made which require further discussion. I think this would be easier done as a face to face meeting with probably yourself and your team. I will ask our new Local Delivery Lead (tbc imminently) to get a date in the diary as soon as possible. My apologies again”.

(c) Water Resource East (WRE)

The Chief Executive reported that a WRE Black Sluice Case Study Group on the 25th November 2016 at Spalding was attended by around 90 persons.

He explained that there are various long term concepts revolving around water transfer and collection through our catchment (north to south) initially for AWS who are trying to identify a reliable and sustainable c150 mega litres per day source for public water supply. (NB; 2.5 mega litres is one Olympic sized swimming pool, therefore 60 swimming pools a day).

This catchment has c200 mega litres of water per day running off the catchment and being discarded into the River Haven on an average rainfall of 600mm per year. Using 22nd November 2016 as an example following heavy rainfall over 3-4 days averaging 10 - 20mm a day the water volumes flowing out to sea can be four fold the average for up to two weeks before the catchment recovers.

Further water supply/use is required by others partners, for example the Fens Agricultural Water Group (agricultural irrigation) and the South Lincolnshire Fens Partnership (wet fenland recreation).

This can only be guaranteed by partial transfer from other sources, in our case primarily the River Witham or the Kyme Eau (higher quality). Therefore, there would be a requirement to link into the River Witham north of our catchment, at the same time enhancing the 36km length of the SFF drain to create a 'river reservoir' thereafter to continue the water transfer by further linking into other main rivers to the south or to purpose built reservoirs in south Lincolnshire in order to continue with the AWS transfer requirements.

The new enhanced SFF drain would not only benefit our catchment by increasing flood resilience, it will also offer multiple benefits for agricultural growth, environmental enhancements, tourism & leisure, navigation, WLM benefits at Boston etc.

Black Sluice IDB Direct Benefits

- Increasing the South Forty Foot Drain's (SFFD) capacity along with river bank enhancements and improvements, at the same time introducing an alternative SFFD southern outfall will create and offer a reduction in flood risk throughout the entire catchment.
- Reducing the flows from the SFFD into the River Haven will also reduce the pumping requirements at the Black Sluice Pumping Station (BSPS).
- A 'fit for purpose' increased capacity SFFD with a reduction in the pumping requirements at BSPS will offer a reduction to the overall catchment operating expenditure.

Next steps are an official presentation and launch event in April 2017 to the WRE Leadership Group (Henry Cator is Chairman) seeking approval for AWS to continue. Possible development of a limited company or trust, the main question being who owns the water? Answer no one 'owns' the water without a licence.

EA 'Slowing the Flow' i.e. Swaton Catchment

Awaiting confirmation from DEFRA that the financial application has been approved, BSIDB prepared to contribute £18k from our capital fund.

(d) Partnership Approach to Catchment Management (PACM)

This project started in December 2015 when numerous risk management authorities were informed by the EA about their impending 'Unfunded Watercourse' approach.

They were reviewing how to develop a partnership approach in order to develop a catchment wide approach to the management of their systems and develop a long term maintenance programme with a focus on efficiencies and lining up the objectives of the all risk management authorities and local deliveries partners.

This work is being funded by the RFCC and a report is being delivered at the April 2017 RFCC meeting for review.

Relevant to the Black Sluice catchment, 'Electricity UK plc' ref Bicker Fen National Grid connections, Network Rail through our catchment and Weston Power distribution depots within our catchments all require increased flood resilience and financial contributions for unfunded or part funded systems should be sought from these organisations.

(e) SFFD De-Silting Works through our PSCA

The Chief Executive confirmed that he has received verbal approval to go ahead with the de-silting works from the Black Hole Drove pumping station to Neslam Bridge circa 7km. Our quotation is c£586k and we have now identified a UK based company which can offer a similar process for the silt cutting and pumping work and we are waiting for their quotation. Hopefully an order will be received to commence works on site in January 2017 through to early June.

We have indicated the financial benefits in retaining the specialist equipment on site in order to continue the de-silting works through to the A52 and await a response.

The Chief Executive believes there could be a potential order for c£200k this financial year with a further c£800k in 2017/18.

All the silt will be pumped into silt lagoons and retained for up to 5 years or at land owners' discretion to spread and level it within that time period.

(f) Public Sector Co-operation Agreement

The Chief Executive stated that the EA have agreed a 3 year order for at least the minimum of the works completed last year and there is a meeting on 15th December 2016 to look to increase the work load along with possible associated bank machinery access works. The Operations team have built up a programme and proved to the EA that there is a reason why some of their drains have not been maintained for a number of years because they cannot access them by mechanical means as the bank tops are not physically wide enough and for whatever reason their local management team have failed to identify this and they have just not carried out maintenance works.

Within the 3 year timeframe the BSIDB is hoping to negotiate a 2 year additional term and then within that 5 year timeframe negotiate a further 5 year option, we are hopeful our PSCA will turn into a 10 year programme. This will enable us to review our own labour resources and the type of machinery we currently use on the raised bank works.

(g) DEFRA/EA Frontrunner Project - South Forty Foot Catchment

The Chief Executive stated that the EA have recently appointed a Catchment Front Runner Adviser.

He explained that simplistically he wants to look at the asset transfer of the Black Sluice pumping station and the Tongue End pumping station on the Bourne Eau. The Advisor has indicated that before the end of January 2017 they will be able to indicate a single figure offer calculated from a 3 year expenditure profile and paid in an upfront lump sum, it will also include any deduction of the current land values at the two pumping stations.

The Advisor is reviewing watercourse de-maining, the EA have identified 24km which are made up of smaller lower consequent highland runner within the catchment.

The EA have told us there will be no income coming with any of these de-mained but of the 24km there is perhaps 2 or 3km of bank that they own which would be transferred into BSIDB ownership. The Advisor could not answer the question if they were being evaluated for asset value which could be deducted.

The Advisor is also looking at how we best extend the catchment area to include our upper catchment which would include a drainage rate recovery and the Advisor is waiting a DEFRA paper. The question regarding precept reduction was asked and as part of the de-maining again the advisor is waiting for a DEFRA paper.

Conclusion to all these scenarios

- The pumping stations asset transfer
- De-maining
- Catchment extension
- Precept reduction
- Long term 10 year PSCA
- PSCA SFFD De-Silting works

The Chief Executive expressed that all the above must come together as a collective negotiation package with a view to try to finalising that negotiation for April 2018. The EA are generally in agreement with that. He explained that no one item can be negotiated without thought about the others.

The long term PSCA will commence in April 2017 which will lead to the restructure of the current operations and admin teams. This will need to be approved by the Executive and Board. A change towards our current management / supervision levels, increased workforce and changes to types of plant. All with the guarantee through our PSCA of a 5% return on expenditure.

The Chief Executive stated that currently there is no guarantee, on what amounts of monies will come with the two pumping stations, or what main river lengths are going to be de-mained. Regarding the catchment extension negotiations, we don't know at this moment in time what the income will be.

He explained that the precept in simplistic terms is a sum paid to the EA and the EA then pay the Board back to carry out our PSCA works. Our precept payment is currently £276,552 and we believe there should be a huge reduction in order to move forward. With this in mind the Chief Executive has started negotiations with a reduction in precept of £200k.

The Chairman confirmed that nothing can be included in the budgets until an order has been placed and it is signed up.

Mr Rollinson, asked if all the lagoon locations have been resolved; the Chief Executive responded yes a number of locations have been identified, he confirmed that he has informed the landowners what the Board wants to do, how it will be achieved and over what period of time. He has not given any indication of financial reward at the moment until an order is received. He added that consideration has been given to extending the de silting works to progress further to A52 Mallard Hurn, therefore further lagoon sites may be required.

The Chief Executive invited questions and opinions from any Members stating "don't hesitate to contact me" as all these opportunities and initiatives are continuously being updated.

Mr Rollinson asked on whose land were these lagoons being considered; the Chief Executive responded 1 Board Member, 1 Works Committee Member and 2 other landowners. Mr Rollinson then asked should these 2 other landowners be considered to be invited to the Inspection days in March 2017. The Chief Executive responded yes.

1062 ANY OTHER BUSINESS - Agenda Item 8

(a) Black Sluice IDB - Logo

The Chief Executive made the observation that the current Black Sluice IDB logo is dated and could very soon not represent what the Black Sluice will be in the future. He showed Members the North Level logo where they have used a traditional crest. He stated that he had looked at our past documents but could not find a Black Sluice Commissioners crest.

Cllr Brookes suggested that it would be advantageous to involve local schools as an initiative and raise the Boards profile. Mr Holmes added that it wants to represent what the Board is involved with ie water, environment. The Members agreed that it should be looked into further.

(b) Whistleblower Incidents

The Chairman reported that Mr D Gowing has contacted both himself and the Chairman of the Audit & Risk Committee with a number of whistle blower incidents.

1. Incident 1 – A question was raised regarding the level of the Chief Executive essential user rate. The Chairman stated that he did not feel that there was a problem as it had been through due diligence, Mr Gowing had made the observation that it should have been minuted as an "executive vehicle". Cllr Brookes clarified that it should have been a written report and the minute should have fully reflected the reason that the Committee had agreed. Cllr Brookes clarified it should have said a vehicle commensurate with the position of Chief Executive. Cllr Brookes added that the incident also included "was not ratified by the board", the Chairman confirmed that the minutes of the Executive Committee dated 27th January 2016 where presented to the Board on 12th February 2016. Cllr Brookes confirmed that the Board moved the minutes and any recommendations contained therein.

2. Incident 2 – A question was raised regarding the level of training particularly for the Twiga machines. The Chairman stated that it has been suggested there should be a certificate but the difficulty being that the manufacturing company is not UK based. The Operations Manager and Operations Supervisor have agreed there will be additional training for the Twiga machine drivers.
3. Incident 3 – A question has been raised regarding the lone worker phones, the Chairman stated that there will be more training on the use of these phones.

The Chief Executive expressed his disappointment, and had explained to Mr D Gowing that the one or numerous whistle blowers felt they could not go to their line managers. Cllr Brookes added that he had also expressed this sentiment.

The Chief Executive explained that a training day has been scheduled for the 22nd December 2016 and the Operations Manager and Operations Supervisor have been tasked to identify and build up some factual data on where we are with regards to line management, supervision, trust and moral with all the various views. The Chief Executive wants to express this to the workforce on the 22nd December and genuinely say to all that if they feel there is a problem they can approach their respective line managers with confidence.

The Chief Executive clarified that some of the questions/problems presented to Mr Gowing were inflated and untrue. One of the queries being that the BSIDB has instantaneous access to their phones as a tracking device, he believed that if you have nothing to hide then what are you worried about, he further expanded that they had reviewed the data and several men are out on machines lone working and every phone which was switched on was on green mode so they are not being used correctly. The Chief Executive stated that there will be further training undertaken on the 22nd December, he suggested that consideration may need to be given for some disciplinary measures taken if the lone worker phones are not being used correctly.

Cllr Brookes pointed out that if the lone worker phones don't go into the correct mode for some reason then they should report that they are not working properly and not just leave it.

The Chief Executive made the Committee aware that Mr Gowings' involvement in this matter could have a cost to the Board. He suggested that if any whistle blower feels they cannot come to himself or line management then it might be beneficial to have one or two significant or experienced Board Members to be able to be contacted rather than Mr Gowing.

The Chairman asked if the Executive Committee members, aside from himself as the policy states that if a case could be progressed further he would then need to be involved, would be prepared to be contacted by a whistle blower, who could be a member of the workforce or general public. All Members AGREED.

Mr Gowing had stated to the Chief Executive that it has shown that the Board is open and transparent and the Boards policies and minutes are being read.

There being no further business the meeting closed at 11:40am.

