

BLACK SLUICE

INTERNAL DRAINAGE BOARD



Executive Committee Meeting

Wednesday, 10th June 2020 at 3pm

Virtual Meeting



Black Sluice Internal Drainage Board

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Our Ref: IW/DPW/B10_1

Your Ref:

Date: 3rd June 2020

To the Chairman and Members of the Executive Committee

Notice is hereby given that a Meeting of the Executive Committee will be held remotely on **Wednesday, 10th June 2020 at 3:00pm** at which your attendance is requested.

Due to COVID-19, this meeting will be held remotely in accordance with The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020.

Chief Executive

AGENDA

1. Apologies for absence.
2. Declarations of interest.
3. To receive and, if correct, sign the Minutes of the Executive Meeting held on 23rd January 2020 (**pages 1 - 11**)
4. **CONFIDENTIAL** - To receive and, if correct, sign the Confidential Minutes of the Executive Meeting held on the 23rd January 2020 (**page 12**)
5. Matters arising.
6. To receive a report on the 2019/20 accounts:
 - (a) Period 12 Management Accounts (**pages 13 - 21**)
 - (b) Draft 2019/20 Unaudited Financial Statements (**under separate cover**)
 - (c) Annual Governance & Accountability Return for the year ended 31st March 2020 (AGAR) (**pages 22 - 27**)
7. To receive the 2019/20 Annual Internal Audit Report (**pages 28 - 38**)
8. To review and approve accounts of Bourne Fen Farm Account (**pages 39 & 40**)
9. To receive a report on Finance & Rating (**page 41**)
10. To consider Period 01 Management Accounts (**pages 42 - 48**)
11. To receive the amended ten year plant replacement budget (**page 49**)
12. To consider the ADA proposed revisions to the model IDB Land Drainage Byelaws (**pages 50 - 52**)
13. To review The Business Continuity Plan – COVID-19 (**Pages 53 - 61**)
14. **CONFIDENTIAL** - Workforce, Pay & Conditions (**verbal report**)
15. **CONFIDENTIAL** - Board Members involvement (**verbal report**)
16. To review outstanding matters from cancelled committee meetings, due to COVID-19 restrictions (**pages 62 & 63**):
 - (a) Structures Committee
 - (b) Environment Committee
 - (c) Northern Works Committee
17. **CONFIDENTIAL** - EA Precept (**verbal report**)
18. Any other business.

BLACK SLUICE INTERNAL DRAINAGE BOARD

MINUTES

of the proceedings of a meeting of the Executive Committee

held at the Offices of the Board on
23rd January 2020 at 2pm

Members

Chairman - * Mr K C Casswell

* Cllr P Bedford
Mr J Fowler
Mr M Rollinson

* Mr M Brookes
* Mr P Holmes

* Member Present

In attendance: Mr I Warsap (Chief Executive)
Mr D Withnall (Finance Manager)
Mr J Scott (Brewin Dolphin Divisional Director)

Mr J Scott, of Brewin Dolphin, was welcomed by the Chairman.

1560 APOLOGIES FOR ABSENCE - Agenda Item 1

Apologies of absence were received from Mr J Fowler and Mr M Rollinson.

1561 DECLARATIONS OF INTEREST - Agenda Item 2

No declarations of interest were received.

1562 MINUTES OF THE LAST MEETING - Agenda Item 3

Minutes of the last meeting held on 4th December 2019, copies of which had been circulated, were considered and it was AGREED that they should be signed as a true record with the following amendments:

- Minute 1557, paragraph two – ‘tri-annual’ should be ‘triennial’
- Minute 1557, paragraph three – change ‘...the Board is taking’ to ‘...the Board is paying’
- Minute 1558(d), title ‘Housing, Communities and Local Government Meeting’ needs amending to ‘Ministry of Housing, Communities and Local Government’
- Minute 1558(d), ‘Housing, Communities and Local Government’ needs amending to ‘Ministry of Housing, Communities and Local Government’ within the minute.

1563 CONFIDENTIAL MINUTES OF THE LAST MEETING - Agenda Item 4

It was agreed and thereby RESOLVED to exclude the public from the next part of the meeting due to the confidential nature of the business to be transacted, in accordance with section 2 of the Public Bodies (Admission to Meetings) Act 1960.

1564 MATTERS ARISING - Agenda Item 5

(a) FENCE AT B&M'S & DUNELMS - Minute 1554(b)

The Finance Manager informed the committee that it has been noted that there is still a lot of rubbish entering the drain from the retail park site. Photos were displayed on screen. A fence has been erected, which is doing its job, but this has only been put up around the bin store, and not around the stock yard. They have been written to and told it will be cleared by Black Sluice IDB and invoiced to them accordingly. They have responded that they are disappointed and it will be passed to their Manager. It is hoped that once they keep receiving invoices for clearing the rubbish they will erect a fence around the stock yard to avoid having to pay for the work of the Black Sluice IDB clearing it time after time.

(b) PERIOD 07 MANAGEMENT ACCOUNTS - Minute 1555

The Finance Manager made reference to recovering costs from the Environment Agency (EA) for having to move unnecessary water during the recent rainfall event. It has been concluded that it will be such a small amount that could be recovered that it would take more work to calculate than what would be recovered.

The Chairman added that there is a proposal to put a claim in as a collective from all of the local drainage boards for excessive pumping that has been required generally.

(c) PERIOD 07 MANAGEMENT ACCOUNTS - Minute 1555

The Chief Executive noted that the Network Rail flooding incident seems to have come to a halt at the moment, but it is believed the landowner is attending the NFU meeting in February to be held by the Board and so more information may be obtained then. It was felt that the Board have a responsibility to keep an eye on this matter.

(d) PERIOD 07 MANAGEMENT ACCOUNTS - Minute 1555

The Finance Manager noted that a structural engineer is being sourced to come and check on the three pumping stations that were affected by water from Environment Agency watercourse returning to our system around and under our pumping stations.

(e) MEETING WITH IRELANDS FARM MACHINERY - Minute 1558(b)

Mr P Holmes stated that he felt this meeting went well and that progress was made.

The Chief Executive added that the Operations Manager was attending Irelands Farm Machinery (IFM) because one of the Twiga's has been in their yard since before Christmas, five weeks, and is still not fixed. There is a dispute between IFM, Spearhead and Energreen about the extended warranty of the machine and whether the part in question should be replaced or re-built. Therefore, the Operations Manager is going to convey to IFM that the service is less than satisfactory and not pleasing, especially following a meeting to address this issue.

The Chairman questioned whom the warranty is paid to? The Chief Executive responded that it is paid to IFM, the dealer. The committee felt it was therefore the responsibility of IFM to resolve, they are the Board's point of contact, the Board shouldn't have to or be able to speak to Spearhead or Energreen, that should be the responsibility of IFM. IFM should get the machine running again as soon as possible.

Following the meeting, it was made known to IFM that for any further purchases, there would be purchasing conditions included as follows; 'following the third day of the machine being unusable by a factory fault at the IFM workshop, it should be replaced with a like for like machine or a £500 credit should be issued to Black Sluice per day for every day without the machine following'. IFM were not agreeable to this and so it was suggested that machines could be purchased from elsewhere in the future.

(f) STAFF TRAINING DAY - Minute 1558(c)

Mr P Holmes added that he felt the training lunch and gift of thanks presented to employees was successful. The Chairman thanked Mr P Holmes for his attendance.

(g) MINISTRY OF HOUSING, COMMUNITIES & LOCAL GOVERNMENT MEETING - Minute 1558(d)

The Chief Executive informed the committee that the outline submission has been accepted, with an approval project cost of £835,000.

The formal bid is currently being written which covers the smart water metering of the catchment. There will be gravity feed flow sensors, rainfall sensors, soil moisture content sensors, amongst others. These will be linked to the existing telemetry.

A letter to the Board will be received from the SLWP regarding partner contributions. The Finance Manager has suggested that the Board contributes £57,000 in addition to in kind offerings such as hosting meetings. The £57,000 is the amount that has been approved by the Board for the updates to the telemetry system and gauge boards.

(h) NFU MEETING - 11 FEBRUARY 2020 - Minute 1558(e)

The Chief Executive reminded the committee that the NFU meeting is to be held on the 11th February 2020. The hope is to focus the meeting around the Environment Agency (EA) and the implementation of the Black Sluice gravity contingency plan. The telemetry can be shown to demonstrate the successfulness of the navigation lock in comparison to when the Black Sluice Pumping Station (Boston) was active.

(i) DESILTING OF THE SOUTH FORTY FOOT DRAIN - Minute 1558(g)

The Chief Executive explained that the Environment Agency (EA) representative met with the Operations Manager last week; the EA have the funding for the next length of desilting. It is still unsure what type of desilting is to be carried out, a survey will be undertaken to decide this. It is likely that the desilting of the next 3km will take place in October 2020. It is also hoped that it will continue on from the desilting of the North Forty Foot Drain.

The Chief Executive noted that there is another new technique of desilting developing, high pressure water jet silt cutting on an outgoing fluvial tide. ADA want to demonstrate this technique and cutter suction desilting in built up areas to the industry. Therefore, next time the Royal Smals cutter suction dredger is in the area, ADA want to come and promote it nationally.

(j) CO-OPTED MEMBERS - Minute 1558(f)

It was noted that more co-opted members will be thought about closer to the time of the inspections.

1565 TO REVIEW THE TWO BREWIN DOLPHIN PORTFOLIOS WITH JAMES SCOTT - Agenda Item 6

Mr James Scott, Divisional Director at Brewin Dolphin, handed out portfolios for both investment accounts held with Brewin Dolphin, detailing the last twelve months of the investments.

A brief overview was given as follows;

The older of the two portfolios, the Bourne Fen Farm account, is at risk level 5 in comparison to the newer investment of reserve funds being at risk level 3. The initial investment of reserve funds was £500,000. Both have the same general objectives and structure in relation to income generation, with a lean towards income production as opposed to capital generation.

Mr J Scott highlighted that both investments have had a good previous twelve months, with the bench marks outperformed. The Bourne Fen Farm portfolio has achieved 15.9% in comparison to a benchmark of 14.36%, the reserve funds investment has achieved 10.74% in comparison to a bench mark of 8.55%. Mr J Scott added that the markets have been good since the last quarter of 2018, which was the worst quarter seen since the financial crisis.

Mr P Holmes questioned who sets the benchmarks? Mr J Scott responded that there is no industry wide benchmark and so they are set by Brewin Dolphin by looking at factors including risk level, which are then broken down further into smaller categories, using various indexes. These are declared at the beginning, sent out to the client and is static to ensure it cannot be changed to make the portfolio appear to be performing better. Therefore, Brewin Dolphin's competitor's benchmarks could differ. There is an organisation called ARC, Asset Risk Consultants, whose aim is to try and normalise the data across the industry. They take data from Brewin Dolphin and all of its major competitors and put these companies into quartiles based on their performance. This ARC data can be passed onto the Finance Manager to show how Brewin Dolphin compare to others in the industry, most of which shows Brewin Dolphin within the top quartile.

The Chairman questioned how long he felt the low interest rates would continue? Mr J Scott explained that, in his opinion, they will continue until inflation is 'out of control' due to the world being indebted and money being lent out with no cover behind it.

Mr J Scott added that monetary policy is crucially important, and whilst that stays loose, the likely opportunity for markets to push forward should remain.

There are also things that will be completely unexpected, such as the recent virus outbreak in China. Discussion took place around the political dynamics of the world and the possible effects different scenarios may bring.

Mr J Scott referred back to the portfolios, with the main difference between them being that there is a high fixed income content in the new reserve fund portfolio, at almost 40%, whereas this is closer to the mid 20% mark in the Bourne Fen Farm portfolio.

The Finance Manager noted that last year the yields of the two portfolios with different risk levels were looked at, which was a difference in yield of about 0.4%. This year, it shows that the difference in yield between the two portfolios is 0.03%. The Finance Manager did a further calculation to show the growth of the portfolio including the income, which was 6.34% for the newer reserve fund portfolio at risk level 3 and 11.12% for the Bourne Fen Farm portfolio at risk level 5. Therefore, there has been a lot more growth, but not income with the Bourne Fen Farm portfolio.

Mr J Scott added that the income of the portfolio will stay relatively consistent, whereas the growth will vary.

The Finance Manager considered the risk levels of the two portfolios, noting that the two portfolios are generating the same yield despite the difference in risk level.

Mr J Scott responded that risk and yield do not necessarily correspond with each other, the lower risk portfolio will not grow as quickly as the risk level 5 portfolio because the types of investments being invested in are less volatile; the peaks and troughs should be shallow, in comparison to deeper peaks and troughs in the higher risk portfolio.

Mr J Scott questioned how long the investment is expected to be invested for, as this should be considered when thinking about setting the risk level of the portfolios. If it is quite a short period of time, then the risk level should probably be lower. If the money is not going to be needed and can therefore be invested for a longer period then a higher risk may be set.

The Finance Manager noted that the 10 Year Estimates show that there will be money available in the reserves, without having to use money from the portfolios.

The Chairman felt that the newer investment was put at risk level 3 for a reason and suggested it should be kept at that.

Mr J Scott made reference to the difference in fee structure between the two portfolios; the Bourne Fen Farm portfolio is on fee and commission, with the newer reserve fund investment is on fee only. The fee and commission structure means that there is an annual management charge of 0.75% + VAT in addition to a commission charge every time something is purchased or sold, the commission charge is 1.25% on the first £15,000 and a contract charge of £20. With the fee only structure, the annual management charge is 1.3% + VAT, with the contract charge of £20 but no commission fee associated with buying and selling.

There is currently an approximate 0.2% difference because of the differing structures, with the portfolio with the fee and commission structure being the cheaper option. He added that the newer portfolio was set up initially as fee only to save with the upfront costs.

Mr J Scott also made reference to the difference in instruction and signatories between the two portfolios; the Bourne Fen Farm portfolio has the Finance Manager, Chief Executive and Chairman as signatories, with instruction being required from two out of three, whereas the newer investment there are only two signatories; the Finance Manager and Chief Executive and only one of their instruction is required. However, money can only ever be transferred back to the Board's bank account on Brewin Dolphin's system. The Finance Manager felt there was no requirement for them to be different and that the newer account could be changed to two out of three signatories required to align the two portfolios. The Chairman felt that there was no need, as it can only come back to the Board's bank account anyway.

The Finance Manager stated that the reserve fund portfolio was initially set up as fee only, with a view to change this to fee and commission after a year. All AGREED.

Mr J Scott added that it would be helpful if he could view the most recent set of accounts, March 2019. The Finance Manager noted that the audited accounts are on the website and he will send over the more detailed unaudited accounts following the meeting.

The committee thanked Mr J Scott for his presence at the meeting.

Mr J Scott left the meeting.

1566 TO CONSIDER PERIOD 09 MANAGEMENT ACCOUNTS - Agenda Item 7

The Finance Manager presented the period nine management accounts, highlighting the following to the committee:

Expenditure

- Drain schemes - the £50,000 budget with only £2,900 spent so far is for the Dowsby Lode Improvements Scheme
- Emergency works: large slips = £21,500, emergency working = £72,500
- Pumping Station Maintenance = £230,000 over budget
- Emergency works total: £324,000

The Finance Manager added that it will be approximately £373,000 overspent on budget. It was further noted that this time last year the Board had spent £76,000 on electricity, this year the Board has spent £284,000.

1567 TO CONSIDER A REPORT ON THE 2020/21 BUDGET & TEN YEAR ESTIMATES - Agenda Item 8

Rates & Levies

The Finance Manager presented a particular case, the Triton Knoll development, on screen. He questioned with the committee whether they felt it should be taken out of agricultural rates and transferred to the special levy?

The terminology usually used is that it is transferred to special levy when substantially complete.

The Finance Manager has spoken with the Finance Officer, from Boston Borough Council, who is of the opinion that this development won't complete for two years and so there won't be any income from it for another two years.

Mr P Holmes questioned when it was last under the plough? It was thought it was approximately two years since it was last agriculturally farmed. Mr P Holmes felt that if with a housing development it is transferred at 50% occupancy then this development is at about 50% if it hasn't been agricultural for two years and has another two years to go until completion. Therefore, Mr P Holmes felt it should be transferred to special levy.

Cllr P Bedford noted that there is business rates on the development at the moment, but it has been proposed that the government will take rating away from national infrastructure. Cllr P Bedford further added that their latest update has stated that the development will be completed by 2021.

All AGREED that the Triton Knoll development can no longer be classed as agricultural and should therefore be transferred to the special levy.

As a result of this decision, the agricultural rate is 50.005% and the special levy is 49.995%. This therefore means that the Board make up won't require changing until 1st April 2023. The Finance Manager displayed on screen details of each of the councils increase to the special levy due to development and rate rise.

Discussion took place around the increase in rate at different local drainage boards. Mr P Holmes added that costs, i.e. fuel, electricity, pay award, are all increasing and so is 1.9% really sustainable? The Finance Manager responded that it is only a 1.9% increase this financial year and a 2.5% increase following. The Finance Manager noted that he uses 2% inflation rate on years 2 – 10 in the ten year projections, which currently deliver the result the Board wants. The current 10 year projection, with the increase of 2.5% each year from 2021/22, can be amended, it doesn't have to be stuck to. Mr M Brookes also noted that the reserve was increased from 20% of expenditure to 25%.

Mr P Holmes responded that he appreciates all of this, but is mindful about factors that can't be budgeted for, such as the increase in pay award. The Finance Manager added that this will be addressed when compiling the following years budgets. The Chairman also noted that the guideline being used at the ADA Pay & Conditions Committee to establish the pay award would be very unlikely to get out of hand in terms of increase.

The Finance Manager concluded that the budgets and ten-year projections prove that the Board can afford to have a rate increase of 1.9% in the next financial year. He further added that the ten-year projections have not yet been updated to include the increase in special levy that will be received from the councils. The Chairman added that, at this point, it seems to work.

The Finance Manager suggested that it may be beneficial to show the detail of the increase to the special levy to the Board and councils. All AGREED.

Interest & Investment Income

The Finance Manager displayed on screen an updated summary of the Brewin Dolphin investment portfolio.

(a) BUDGET WITH 10 YEAR ESTIMATES

The Finance Manager highlighted that the ten-year estimates give a reserve of £799,874 in financial year 2029/30, a balanced budget, which is 26.43% of expenditure that year.

(b) 2020/21 SUMMARY BUDGET BY MONTH

Mr P Holmes noted that it looks like there will be a deficit of £400,741? The Finance Manager responded that this is because of factors such as grants being received in the financial year 2019/20 but spent in the following year. Therefore, the income is shown in year 2019/20 and the expenditure shown in year 2020/21.

(c) 2020/21 DETAILED BUDGET BY MONTH

The Finance Manager presented, as read.

(d) 10 YEAR CAPITAL SCHEMES

The Finance Manager noted that this has been updated to show the accurate figures and when the money will be spent, in particular in relation to the £57,000 for the upgrade to the telemetry systems, it proposed to spend £22,000 of that in the current financial year and £35,000 next financial year. It was also noted that the North Forty Foot Drain grant has been received in this financial year but £350,000 of it won't be spent until the next financial year.

(e) 2020/21 WAGES ON-COST RESERVE BUDGET

The Finance Manager noted that due to the vacancy of the Works & Engineering Manager for the previous twelve months, there appears to be a large positive figure at the end of 2020/21, however, this will hopefully breakeven once this salary is reflected within. The recharge rate will be maintained at 240%.

(f) 10 YEAR PLANT REPLACEMENT

The Finance Manager noted that the committee authorised the £112,000, currently shown in financial year 2020/21, for the replacement Unimog to be moved into the current financial year, at the meeting held on the 4th December 2019.

The Chief Executive added that the Unimog has been purchased, drawing the committee's attention to the £18,000 allocated for the replacement of the low loader trailer in 2020/21. The Chief Executive proposed that if the appropriate trailer was found in today's market and could be tied in with the delivery of the new Unimog, could the allocated money be brought forward into this financial year?

It was clarified that the trailer is not used with anything other than the Unimog.

Mr P Holmes noted that it had been previously requested that the hours of each machine were included on the spreadsheet. The Chief Executive apologised, adding that he has used the old format of spreadsheet.

Mr P Holmes further noted that significance of 'Twiga / Herder?' as opposed to just 'Twiga', further adding that he felt £20,000 was not a very high trade-in value. The Chief Executive responded that he will look into it.

The Chief Executive also added that he would like to reduce the replacement age if the Board can afford to, as with age, comes more problems. Mr P Holmes also noted the possibility of contract hire basis.

It was noted that Herder, now have machines in the country and the parent company of Spearhead are also now the parent company of Herder. Discussion took place around other similar possible machines being developed, including JCB, noting that by the time the Board is ready to replace one of the Twiga's there could be a lot more competitors within the market.

All AGREED that the £18,000 allocated within 2020/21 for the replacement of the low loader trailer can be brought forward to be spent within this financial year if a suitable trailer is found.

(g) SOLAR PANEL CUMULATIVE REPORT

The Finance Manager noted that Swineshead Pumping Station Solar Installation has now paid for itself, with £809 net profit without savings from generated electricity used.

All AGREED that the above reports and budgets be recommended to the Board for approval. The Chairman also noted that once ratified at the Board meeting, it should be sent to the councils so that they are aware of the Board's intentions going forward. The Finance Manager added that it might also be worth sending the graph showing how much water has been pumped to give the council an explanation as to why the situation has changed since speaking in September 2019.

1568 TO CONSIDER ADVICE PROVIDED FROM THE ADA HEALTH, SAFETY & WELFARE SURVEY 2018 - Agenda Item 9

The Finance Manager stated that the Internal Auditor has been at the Board's Offices during the week and has awarded 'Substantial Assurance' again. However, Health & Safety will be raised as a level 3 recommendation in the report, with his concern being that it is not given the prominence it requires. More specifically, he referred to better control being exercised, health & safety documents being updated on the website, improvement to register of training and training requirements, and the proper recording of near misses including near misses from other IDBs to learn from.

The Chairman highlighted that ADA are now pushing the importance of Health & Safety and felt it should be referred to the Audit & Risk Committee to identify areas to work on.

The Chief Executive highlighted the low response rate of just under 75% for the Health, Safety & Welfare Survey. Mr P Holmes added that it would be interesting to know the makeup of the 25% that didn't respond by area coverage, stating that it would be expected that the 25% is made up of the really small IDBs. The Chairman responded that he will ask if this information is available at the next meeting.

Mr P Holmes made reference to the 'blame' culture and trying to get away from it. He also felt that results of the questionnaire should be distributed to be able to learn from others mistakes. The Chief Executive referred back to the blame culture, explaining that emphasis is put on 'no blame' with the operations team; we need to know to learn.

The Chairman added that you can have the best health and safety training, but it is still a human being who can make mistakes. Mr M Brookes responded that as long as the reasonable measures have been taken to try and prevent the incident, a case would hold in court.

Mr P Holmes made particular reference to a welfare facilities and ensuring that all employees have access to appropriate toilet and mess facilities when working away from the office / depot. He felt this would be a struggle given the nature of the industry. The Chief Executive responded that the pumping stations are used as a toilet facility. Mr P Holmes felt that it is easier for a gang, but the nature of the IDB work has individuals scattered all over the catchment working alone. The Finance Manager questioned whether there is a need for it and the only way to determine that would be to look at where employees are working and the facilities around them.

The Chairman also noted that ADA are going to be pushing the importance of environmental issues. The Chairperson of the Environment Agency (EA) has also relayed an aspiration to be carbon neutral by 2030, which will affect the work of the Board.

Mr P Holmes felt that factors such as changing to variable pumps would help the Board as the electricity bill will reduce, however, there would be a high expenditure to change to variable pumps in the first instance. The Finance Manager added that he felt, based on the recent rainfall events, that variable pumps cost more money as opposed to save money due to where there are variable pumps, it has now not stopped pumping for the last few months and therefore the electricity bill is high. However, they have run without problem.

1569 ANY OTHER BUSINESS - Agenda Item 10

(a) ADA RESERVES RECOMMENDATION

Mr P Holmes noted that he was under the impression that ADA are going to put out a directive that total reserve should match the turnover. The Finance Manager responded that the recommendation is three months of expenditure but the Internal Auditor suggested a maximum for all reserves may be introduced.

(b) UPPER CATCHMENT NATURAL FLOOD MANAGEMENT STRATEGY

The Chief Executive gave an update on the upper catchment natural flood management strategy. The upper catchment has been split into seven sub catchments, one of which is Swaton. Lesley Sharpe, of Sharpe's Ltd, has been employed. This has all been approved and so £25,000 will be received this year and £75,000 next year to employ Lesley and an agricultural advisor to walk every catchment and produce business plans specialising in natural flood management, these cases can then be used to apply for money for implementation.

(c) WITHAM 4TH IDB PURCHASE OF VANS

Cllr P Bedford noted that Witham 4th IDB are purchasing twelve vans for their machine operators, kitted out with the required tools etc.

(d) WORKS & ENGINEERING MANAGER

The Chief Executive informed the committee that the agency used to employ the hand roding gang in the summer months has been used to try and source a suitable Works & Engineering Manager. Three candidates have been selected for interview next week.

There being no further business the meeting closed at 16:09.

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE - 10 JUNE 2020

AGENDA ITEM No 06(a)

PERIOD 12 MANAGEMENT ACCOUNTS

Income

- Drainage Rates and Special Levies are pretty much where we expected them to be.
- Although the accounts show a credit there was still £149.37 Drainage Rates outstanding at year end.
- £4,405 additional income was received from investments and interest
- £127,136 less income was received from Grants than expected due to changes in how the NFFD scheme and Sempringham PS are being funded. Contingencies are expected to be paid in 2020/21 for these schemes.
- £700 more was received in Consent applications than budgeted for (Equates to an additional 14 Consent applications but still 20 less than last year)
- The Highland Water Claim from the EA is £8,589 more than the initial budget of £5,500 at £14,089. As discussed I have forecast 50% of this year's PS figures for next year.
- Due to delays progressing on the desilting of the SFFD Recoverable Income is £184,347 less than budget. Despite this £66,778 profit has been generated from recoverable work compared to the £32,952 in the budget.
- The income from the Solar panels were £1,097 down against budget. 6.2%

Expenditure

- The actual expenditure on Schemes have very little resemblance to the original budget due to the adaptations that had to be made due to incidents during the year which have been widely reported on by the Board's Officers.
 - £86,781 has been spent repairing large slips
 - The Graft Drain Scheme was overspent by £49,176
 - Jetting of Major Pipelines was overspent by £5,050
 - No. 3 pump at Ewerby PS had to be repaired out of budget costing £12,812
 - No. 2 pump at Dyke Fen had to be repaired out of budget costing £30,979
 - Emergency working totalled £75,089 which was not included in the budget.
 - Works on Dowsby Lode and Wyberton Towns Drain re-alignment were delayed to realise in year savings of 70,600.
 - £11,730 was spent on the PS automation and guage boards of the £57,000 for next year.
 - An additional £187,308 was spent on 2019/20 compared to budget
- £676,429 was spent against a Pumping Station Maintenance budget of £370,010
 - £389,576 was spent on Electricity compared to £119,189 last year, an increase of £270,387 (227% increase)
 - An additional £20,668 of Labour was expended compared to last year and £16,527 Plant costs. (Analysis for the past 10 years attached)
- Drain Maintenance is overall £116,208 underspent on budget.
 - Summer Cutting works were eventually completed but cost an additional £35,098
 - Desilting was 32% less than budget due to emergency works.
 - Bushing and Jetting works were not completed to realise £72,732 of in year savings.
- Admin and Establishment Costs were as expected except
 - Depot Costs which were £7,968 over spent

Balance Sheet

- Plant reserve has generating £235,649 compared to the original budget of £169,000 later updated to £210,000
- Overall the plant reserve is £16,593 negative which is £40,200 better than expected at year end.
- The Wages Oncost Account concludes the year with a £29,902.83 negative balance which is disappointing after being positive most the year. With the new Works manager in post the recharge rate may need increasing in year.
- The Brewin Dolphin Investment value is recorded at the end of each month and reached a peak of £504,538 on 31 December 2020, On the 31 March towards the beginning of the Coronavirus crash the value of the fund was £442,849 having been as low as £407,640 on 20 March 2020. The value of the fund today is £449,728.

Compared to the original budget set in January/February 2019 the amount to be taken from the General Reserve on the Face off it look like it is £100,000 favourable but due to the new regulations stating Grant related income and Expenditure have to be shown in the year it is received or expended this skews the figures. Grant money has been received for the NFF scheme and Sempringham PS refurbishment with £335,747 yet to be spent.

The overall result is that an additional £219,880 will be withdrawn from the General Reserve in 2019/20 than budget which is a better position than we were expecting to be in although some works have had to be delayed.

D Withnall
Finance Manager

Black Sluice Internal Drainage Board

Project Summary

2019/20

Period 12 - March 2020

Description	Period Current Year			Year To Date					Last Year	
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Variance	Actual YTD	Variance to Current Year
Rates & Levies	(138)	125	(263)	2,094,287	2,092,801	1,486	2,094,291	(4)	2,091,886	2,401
Interest & Grants	26,076	535,442	(509,366)	428,856	551,500	(122,644)	564,864	(136,008)	121,810	307,046
Development Fund	5,000	5,000	0	5,000	5,000	0	13,000	(8,000)	5,000	0
Other Income	4,246	6,650	(2,404)	24,308	21,866	2,442	27,706	(3,398)	85,838	(61,530)
Rechargeable Income	105,693	462,834	(357,141)	507,653	692,000	(184,347)	547,133	(39,480)	505,373	2,280
Solar Panel Income	642	1,479	(837)	16,605	17,702	(1,097)	18,068	(1,463)	17,562	(957)
Total Income	141,518	1,011,530	(870,012)	3,076,709	3,380,869	(304,160)	3,265,062	(188,353)	2,827,468	249,241
Schemes	96,669	56,000	(40,669)	365,338	558,373	193,035	367,085	1,747	170,596	(194,742)
Pumping Station Schemes	26,565	0	(26,565)	95,185	267,175	171,990	119,478	24,293	129,746	34,561
Pumping Station Maintenance	26,061	41,980	2,168	286,854	370,010	(306,419)	598,604	(77,825)	229,352	(327,888)
Electricity	13,751			389,576					119,189	0
Drain Maintenance	29,063	94,054	64,991	683,540	799,748	116,208	779,849	96,309	771,101	87,560
Environmental Schemes	81	12,510	12,429	5,283	19,998	14,715	11,724	6,441	17,071	11,787
Administration & Establishment	59,373	52,563	(6,810)	552,154	544,500	(7,654)	538,053	(14,101)	563,069	10,915
EA Precept	0	0	0	276,552	276,552	0	276,552	0	276,552	0
Rechargeable Expenditure	49,849	440,794	(384,950)	440,875	659,048	218,172	517,649	76,774	474,797	36,202
Solar Panel Expenses	(105)	0	105	2,433	2,483	50	2,533	100	780	(1,653)
Total Expenditure	301,307	697,901	(379,301)	3,097,792	3,497,887	400,095	3,211,527	113,735	2,752,253	(343,258)
Surplus / (Deficit)	(159,789)	313,629	(473,418)	(21,083)	(117,018)	95,935	53,535	(74,618)	75,215	(96,298)
Movement on reserves										
Plant Reserve	240,498	274,332	33,834	0	1	1	0	0	0	0
Wages oncost Reserve	27,714	0	(27,714)	0	0	0	0	0	0	0
Grants Manager	(24,812)	0	24,812	0	0	0	0	0	0	0
Surplus / (Deficit)	(403,188)	39,297	(504,350)	(21,083)	(117,019)	95,934	53,535	(74,618)	75,215	(96,298)

Black Sluice Internal Drainage Board Drainage Rates & Special Levies

2019/20

Period 12 - March 2020

Drainage Rates & Special Levies Due

Drainage Rates

Annual Drainage Rates - Land and/or buildings	1,054,355.66	
Land/Property - Value Decreased	(5,600.26)	
Land/Property - Value Increased	3,632.83	
New Assessment	1,910.98	
Write Offs & Irrecoverables	(84.04)	
Adjustments required for Special Levy	4.78	
Summons Collection Costs	475.00	

Balance	1,054,694.95	50.36%
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Special Levies

Boston Borough Council	787,059.25	
South Holland District Council	126,222.77	
North Kesteven District Council	68,197.12	
South Kesteven District Council	58,113.22	

	1,039,592.36	49.64%
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Total Due	2,094,287.31	100.00%
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Drainage Rates & Special Levies Collected

B/F Arrears/(Allowances)	(217.91)	
Payments Posted	1,045,997.34	
Returned Amount	(73.33)	100.01%
Paid Refund	(105.97)	
Bourne North Fen Trust Contribution	9,244.19	
Special Levies Received	1,039,592.36	100.00%

Total Received	2,094,436.68	
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Drainage Rates & Special Levies Debtors

Special Levy Outstanding	(0.00)	0.00%
Drainage Rates Outstanding	(149.37)	-0.01%

	(149.37)	
--	-----------------	--

	2,094,287.31	
--	---------------------	--

Black Sluice Internal Drainage Board
Income & Expenditure Summary
2019/20
Period 12 - March 2020

	This Year	Last Year	Variance
Drainage Rates	1,054,695	1,054,817	(122)
Special Levies	1,039,592	1,037,069	2,524
Recoverable	507,653	505,373	2,280
Misc Income	459,850	214,468	245,382
Solar Panel Income	16,605	17,562	(957)
	3,078,395	2,829,288	249,107
Employment Costs	1,199,214	1,109,305	(89,909)
Property	440,566	174,385	(266,181)
General Expenses	192,741	198,082	5,341
Materials / Stock	58,944	15,582	(43,363)
Motor & Plant	323,502	321,866	(1,636)
Miscellaneous	645,666	756,033	110,367
Recharges	(367,673)	(389,807)	(22,134)
Plant	606,518	568,628	(37,890)
Total Expenditure	3,099,478	2,754,073	(345,404)
Net Surplus / (Deficit)	(21,082)	75,215	(96,298)

Black Sluice Internal Drainage Board

Balance Sheet at Period End

2019/20

Period 12 - March 2020

	<u>This Year</u>		<u>Last Year</u>	
	£	£	£	£
Operational Land & Buildings Cost	739,350		739,350	
Pumping Stations Cost	3,861,354		3,861,354	
Non-operational Property Cost	130,000		130,000	
Vehicles, Plant & Machinery Cost	830,948		723,609	
Fixed Assets		5,561,652		5,454,313
Stock	30,399		32,900	
Debtors Control	108,684		131,879	
VAT	15,191		(60,483)	
Drainage Rates Control	(149)		218	
Car Loans	16,838		22,390	
Prepayments	47,037		71,126	
Drawings Bank Account	10,000		10,000	
Call Bank Account	311,200		310,886	
Petty Cash	278		200	
Highland Water	3,220		2,059	
Work in Progress	0		5,730	
Nat West Government Procurement C	(422)		(48)	
Brewin Dolphin Investment	442,850		490,809	
Natwest Reserve Account	548,326		915,626	
Total Current Assets		1,533,451		1,933,293
Trade Creditors	(113,343)		(278,993)	
PAYE & NI Control Account	0		0	
Superannuation Contrl Account	0		0	
Accruals	(117,104)		(266,317)	
Total Liabilities		(230,447)		(545,309)
Pension Liability		(2,744,000)		(3,655,000)
		4,120,656		3,187,297
Capital Reserve	5,561,654		5,454,315	
Pension Reserve	(2,744,000)		(3,655,000)	
Brewin Dolphin Revaluation	(57,150)		(9,191)	
Total Capital		2,760,503		1,790,124
Revenue Reserve	1,242,026		1,166,811	
Development Reserve	182,703		155,103	
Plant Reserve	(16,592)		29,922	
Wag Oncost Reserve	(26,902)		(29,878)	
General Resere	(21,082)		75,215	
Total Reserves		1,360,152		1,397,173
		4,120,656	0	3,187,297
<u>Cash & Bank Balances</u>				
Drawings Account		10,000		
Call Account		11,200	311,200	
Natwest Reserve Account @ 0.01%		548,326		
Petty Cash		278		
Chargecard		(422)		
Monmouthshire BS @ 0.40%		300,000	30 Day Notice	
		869,382		

Black Sluice Internal Drainage Board Investment Summary 2019/20 Period 12 - March 2020

OWNER NAME Black Sluice Internal Drainage Board - New Account

PORTFOLIO P1684066 VALUATION DATE 28 Apr 2020

31/03/2019 - 31/03/2020

Portfolio Overview

PERFORMANCE FROM 31/03/2019 - 31/03/2020

-5.04%



TOTAL VALUE

442,849.62 GBP

ESTIMATED ANNUAL INCOME

17,535.00 GBP

Performance

CHART

Portfolio Value

PORTFOLIO VALUE

DATE: 31 Mar 2020 PORTFOLIO VALUE: 442,849.62 GBP PERIODIC PERFORMANCE: -8.68%
CUMULATIVE PERFORMANCE: -5.04%



Portfolio Summary

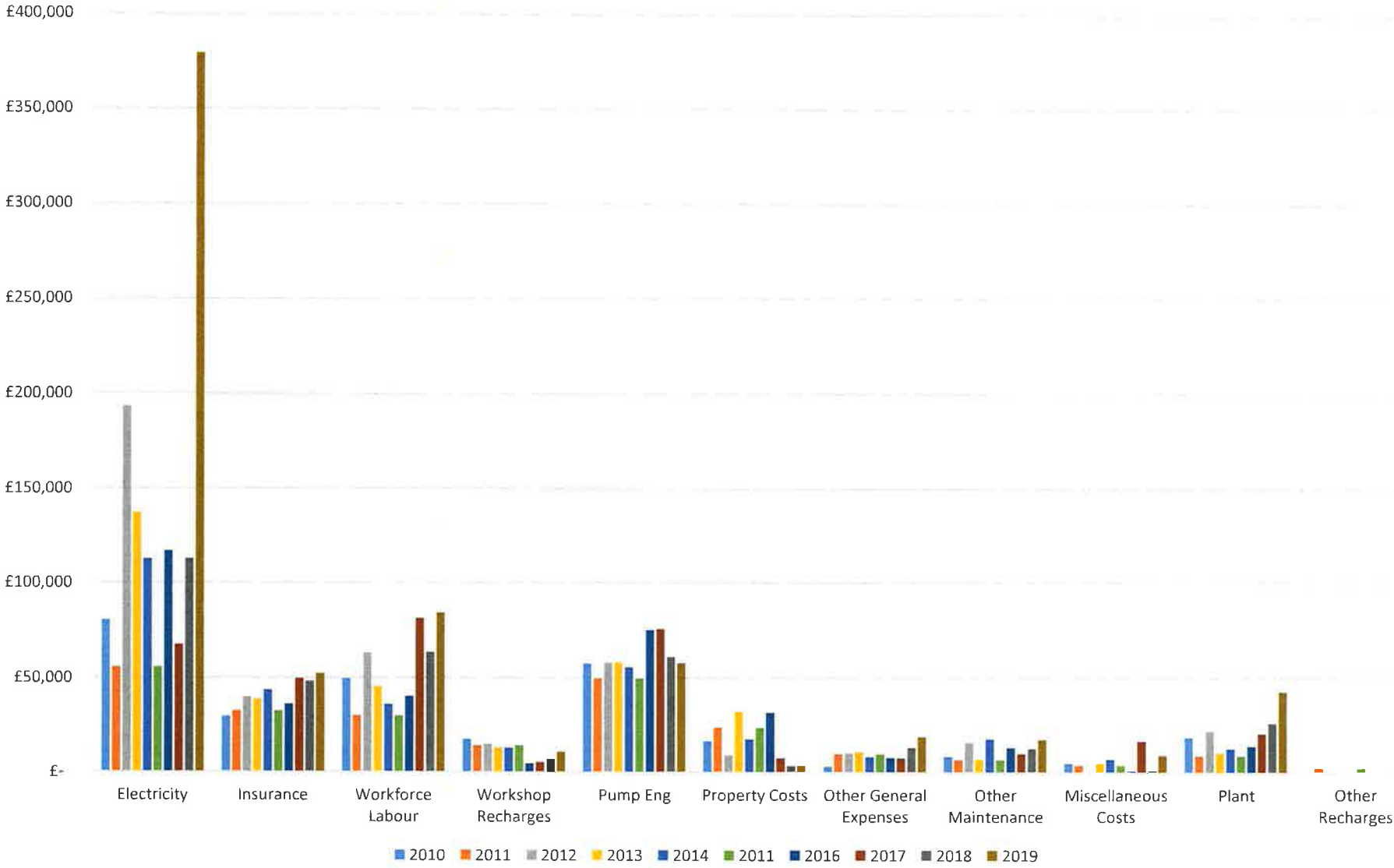
BOOK COST
490,315.28 GBP

OVERALL GAIN OR LOSS
-9.68%

ESTIMATED ANNUAL INCOME
17,535.00 GBP

ESTIMATED YIELD %
3.96%

Pumping Station Maintenance Year v's Year



Projec	Description	2010	2011	2012	2013	2014	2011	2016	2017	2018	2019	Total
2001	Allen House	£ 1,100	£ 787	£ 694	£ 1,006	£ 1,939	£ 787	£ 1,303	£ 1,623	£ 1,325	£ 1,026	£ 11,590
2002	Bicker Eau	-£ 2,357	£ 2,436	£ 3,855	£ 2,915	£ 3,889	£ 2,436	£ 5,232	£ 612	£ 2,855	£ 7,778	£ 29,650
2003	Bicker Fen	£ 408	£ 1,984	£ 6,169	£ 4,414	£ 3,150	£ 1,984	£ 2,196	£ 14,631	£ 6,317	£ 8,325	£ 49,578
2004	Swineshead	£ 13,902	£ 9,419	£ 18,858	£ 11,454	£ 13,104	£ 9,419	£ 6,731	£ 20,905	£ 13,849	£ 27,701	£ 145,341
2005	Chain Bridge	£ 9,126	£ 7,574	£ 15,994	£ 16,596	£ 8,663	£ 7,574	£ 10,805	£ 8,354	£ 7,674	£ 29,662	£ 122,022
2006	Wyberton Marsh	£ 13,243	£ 11,065	£ 18,183	£ 15,820	£ 12,377	£ 11,065	£ 11,824	£ 11,572	£ 9,048	£ 24,414	£ 138,610
2007	Kirton Marsh	£ 5,547	£ 5,642	£ 13,120	£ 6,228	£ 6,696	£ 5,642	£ 10,664	-£ 3,265	£ 8,582	£ 17,003	£ 75,860
2008	Ewerby	£ 4,173	£ 4,077	£ 9,933	£ 4,492	£ 6,145	£ 4,077	£ 10,260	£ 127	£ 7,747	£ 13,135	£ 64,167
2009	Heckington	£ 4,368	£ 3,694	£ 7,511	£ 6,168	£ 4,552	£ 3,694	£ 3,996	£ 5,914	£ 5,982	£ 17,576	£ 63,455
2010	Great / Little Hale	£ 6,676	£ 6,221	£ 9,784	£ 6,901	£ 5,576	£ 6,221	£ 7,044	£ 5,462	£ 6,528	£ 19,179	£ 79,592
2011	Holland Fen	£ 9,908	£ 8,451	£ 19,290	£ 15,269	£ 11,191	£ 8,451	£ 8,665	£ 11,995	£ 11,488	£ 37,668	£ 142,376
2012	Cooks Lock	£ 5,619	£ 4,620	£ 6,434	£ 13,959	£ 7,723	£ 4,620	£ 31,573	£ 8,981	£ 7,648	£ 21,314	£ 112,491
2013	Damford	£ 10,542	£ 4,053	£ 8,347	£ 5,978	£ 6,774	£ 4,053	£ 2,970	£ 6,165	£ 5,877	£ 13,521	£ 68,278
2014	South Kyme	£ 4,188	£ 2,862	£ 5,677	£ 7,160	£ 4,023	£ 2,862	£ 3,651	£ 6,921	£ 4,112	£ 9,970	£ 51,426
2015	Amber Hill / Trinity College	£ 8,168	£ 3,447	£ 7,356	£ 7,099	£ 5,486	£ 3,447	£ 2,103	£ 8,363	£ 3,210	£ 9,715	£ 58,395
2016	Helpringham	£ 2,222	£ 2,106	£ 4,281	£ 3,287	£ 3,815	£ 2,106	£ 2,257	£ 5,529	£ 3,884	£ 13,779	£ 43,266
2017	Swaton	£ 2,367	£ 2,637	£ 4,107	£ 3,289	£ 3,085	£ 2,637	£ 3,063	£ 5,566	£ 5,063	£ 11,147	£ 42,961
2018	Horbling	£ 4,752	£ 2,145	£ 12,527	£ 8,119	£ 6,939	£ 2,145	£ 6,458	£ 4,258	£ 8,203	£ 21,715	£ 77,261
2019	Billingborough	£ 2,484	£ 2,545	£ 4,344	£ 4,545	£ 2,697	£ 2,545	£ 3,005	£ 5,244	£ 3,274	£ 8,061	£ 38,744
2020	Sempringham	£ 4,075	£ 2,641	£ 5,451	£ 4,761	£ 4,563	£ 2,641	£ 5,100	£ 5,908	£ 5,599	£ 10,970	£ 51,708
2021	Dowsby Fen	£ 4,308	£ 2,969	£ 3,184	£ 2,637	£ 7,977	£ 2,969	£ 2,397	£ 2,505	£ 3,952	£ 15,512	£ 48,408
2022	Gosberton	£ 13,910	£ 8,142	£ 21,367	£ 14,390	£ 13,314	£ 8,142	£ 9,027	£ 10,176	£ 9,639	£ 24,194	£ 132,301
2023	Dowsby Lode	£ 780	£ 1,453	£ 3,674	£ 2,528	£ 2,027	£ 1,453	£ 3,512	£ 2,723	£ 1,519	£ 11,347	£ 31,016
2024	Rippingale	£ 3,958	£ 2,383	£ 6,630	£ 4,367	£ 2,668	£ 2,383	£ 3,153	£ 4,664	£ 3,559	£ 6,704	£ 40,468
2025	Dunsby	£ 8,157	£ 2,467	£ 4,813	£ 4,528	£ 4,960	£ 2,467	£ 1,826	£ 2,878	£ 3,851	£ 6,972	£ 42,918
2026	Pinchbeck	£ 1,390	£ 1,756	£ 2,849	£ 4,455	£ 491	£ 1,756	£ 1,739	£ 4,272	£ 4,831	£ 5,118	£ 28,657
2027	Hacconby	£ 2,457	£ 3,338	£ 4,424	£ 4,095	£ 3,445	£ 3,338	£ 3,142	£ 4,122	£ 5,121	£ 7,405	£ 40,885
2028	Black Hole	£ 20,926	£ 10,170	£ 24,897	£ 23,024	£ 22,176	£ 10,170	£ 9,615	£ 10,586	£ 14,079	£ 36,257	£ 181,899
2029	Twenty	£ 2,387	£ 1,907	£ 3,037	£ 2,294	£ 1,409	£ 1,907	£ 1,782	£ 2,788	£ 2,095	£ 5,100	£ 24,708
2030	Dyke Fen	£ 12,231	£ 10,805	£ 17,776	£ 14,765	£ 14,697	£ 10,805	£ 11,943	£ 10,347	£ 15,745	£ 32,239	£ 151,356
2031	Quadring Low Fen	£ 4,900	£ 2,926	£ 6,346	£ 4,045	£ 2,719	£ 2,926	£ 3,512	£ 4,875	£ 3,237	£ 14,199	£ 49,685
2032	Donington North Ings	£ 13,038	£ 5,731	£ 16,195	£ 14,721	£ 14,118	£ 5,731	£ 6,629	£ 8,678	£ 10,505	£ 24,767	£ 120,112
2033	Donington Mallard Hirn	£ 1,390	£ 1,490	£ 2,271	£ 3,819	£ 3,407	£ 1,490	£ 8,465	-£ 2,445	£ 7,986	£ 12,402	£ 40,275
2034	Donington Wykes	£ 3,420	£ 2,466	£ 4,581	£ 3,031	£ 3,825	£ 2,466	£ 15,251	£ 2,897	£ 3,325	£ 6,528	£ 47,790
2050	PS General	£ 82,480	£ 90,792	£ 122,762	£ 105,968	£ 104,067	£ 90,792	£ 119,604	£ 137,635	£ 130,833	£ 144,026	£ 1,128,960
Total		£ 286,242	£ 237,198	£ 426,724	£ 358,129	£ 323,689	£ 237,198	£ 340,495	£ 341,563	£ 348,541	£ 676,429	£ 3,576,209

Projec	Description	2010	2011	2012	2013	2014	2011	2016	2017	2018	2019	Total
2003	Electricity	£ 80,123	£ 55,493	£ 193,360	£ 137,019	£ 112,365	£ 55,493	£ 116,726	£ 67,381	£ 112,643	£ 379,559	£ 1,310,161
3013	Insurance	£ 29,553	£ 32,412	£ 39,790	£ 38,729	£ 43,427	£ 32,412	£ 36,054	£ 49,515	£ 48,046	£ 52,167	£ 402,105
7001	Workforce Labour	£ 49,560	£ 29,923	£ 63,095	£ 45,283	£ 35,877	£ 29,923	£ 40,188	£ 81,079	£ 63,459	£ 84,127	£ 522,513
7060	Workshop Recharges	£ 17,633	£ 14,198	£ 14,835	£ 13,129	£ 12,989	£ 14,198	£ 4,500	£ 5,255	£ 6,981	£ 10,878	£ 114,594
<<100	Pump Eng	£ 57,604	£ 49,735	£ 57,969	£ 58,179	£ 55,521	£ 49,735	£ 75,196	£ 75,687	£ 60,891	£ 57,740	£ 598,257
<<200	Property Costs	£ 16,667	£ 23,846	£ 9,163	£ 32,174	£ 17,644	£ 23,846	£ 31,692	£ 7,541	£ 3,389	£ 3,553	£ 169,515
<<300	Other General Expenses	£ 3,174	£ 9,792	£ 10,152	£ 10,848	£ 8,249	£ 9,792	£ 7,942	£ 7,699	£ 13,271	£ 19,051	£ 99,970
<<400	Other Maintenance	£ 8,465	£ 6,775	£ 15,856	£ 7,135	£ 17,842	£ 6,775	£ 13,234	£ 10,044	£ 12,734	£ 17,491	£ 116,349
<<600	Miscellaneous Costs	£ 4,715	£ 3,801	£ 535	£ 5,040	£ 6,967	£ 3,801	£ 934	£ 16,672	£ 945	£ 9,156	£ 52,566
<<900	Plant	£ 18,748	£ 8,956	£ 21,969	£ 10,593	£ 12,808	£ 8,956	£ 14,029	£ 20,692	£ 26,182	£ 42,709	£ 185,643
<<815	Other Recharges	£ -	£ 2,268	£ -	£ -	£ -	£ 2,268	£ -	£ -	£ -	£ -	£ 4,537
Total		£ 286,242	£ 237,198	£ 426,724	£ 358,129	£ 323,689	£ 237,198	£ 340,495	£ 341,563	£ 348,541	£ 676,429	£ 3,576,209
% Increase		#REF!	-17%	80%	-16%	-10%	-17%	44%	-20%	-3%	109%	
% Increase excluding Electric & Insurance		#REF!	-15%	30%	-6%	-8%	-15%	26%	16%	3%	46%	

Annual Governance and Accountability Return 2019/20 Part 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2019/20

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Part 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:
 - The **Annual Internal Audit Report** is completed by the authority's internal auditor.
 - **Sections 1 and 2** are to be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published **before 1 July 2020**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2020**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2020
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2019/20

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on a publicly accessible website:

Before 1 July 2020 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2019/20**, approved and signed, page 4
- **Section 2 - Accounting Statements 2019/20**, approved and signed, page 5

Not later than 30 September 2020 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2019/20

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this Annual Governance and Accountability Return. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the Annual Governance and Accountability Return is complete (no highlighted boxes left empty), and is properly signed and dated. Where amendments are made by the authority to the AGAR after it has been approved by the authority and before it has been reviewed by the external auditor, the Chairman and RFO should initial the amendments and if necessary republish the amended AGAR and recommence the period for the exercise of public rights. If the AGAR contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the annual internal audit report if possible before approving the annual governance statement and the accounts.
- Use the checklist provided below to review the Annual Governance and Accountability Return for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2020.
- Do not send the external auditor any information not specifically requested. However, **you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the Annual Governance and Accountability Return covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2019) equals the balance brought forward in the current year (Box 1 of 2020).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the period for the exercise of public rights. From the commencement date for a single period of 30 consecutive working days, the approved accounts and accounting records can be inspected. Whatever period the RFO sets it **must** include a common inspection period – during which the accounts and accounting records of all smaller authorities must be available for public inspection – of the first ten working days of July.
- The authority **must** publish the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2020**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?		
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?		
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', has an explanation been published?		
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?		
	Has an explanation of significant variations from last year to this year been published?		
	Has the bank reconciliation as at 31 March 2020 been reconciled to Box 8?		
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.		

***Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices**, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2019/20

Black Sluice Internal Drainage Board

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2020.

The internal audit for 2019/20 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates 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, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. IF the authority certified itself as exempt from a limited assurance review in 2018/19, it met the exemption criteria and correctly declared itself exempt. <i>(if the authority had a limited assurance review of its 2018/19 AGAR tick "not covered")</i>			✓
L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	✓		
M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee			

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

21/01/20 22/01/20

Name of person who carried out the internal audit

CHRISTOPHER R. HARRIS

Signature of person who carried out the internal audit



Date

27/05/20

*If the response is 'no' you must include a note to state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

Black Sluice Internal Drainage Board

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2020, that:

	Agreed		'Yes' means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.		✓	during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			✓
			has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

Other information required by the Transparency Codes (not part of Annual Governance Statement)

Authority web address

www.blacksluiceidb.gov.uk

Section 2 – Accounting Statements 2019/20 for

Black Sluice Internal Drainage Board

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	1,215,291	897,175	<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies	2,091,886	2,094,287	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	735,582	982,421	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	1,109,305	1,199,214	<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
5. (-) Loan interest/capital repayments	0	0	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	2,036,279	1,914,515	<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	897,175	860,154	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	1,236,663	869,382	<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.</i>
9. Total fixed assets plus long term investments and assets	5,954,313	6,061,652	<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings	0	0	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	<i>The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets. N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

I certify that for the year ended 31 March 2020 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

SIGNATURE REQUIRED

Date

19/05/2020

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YY

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chairman of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

Section 3 – External Auditor Report and Certificate 2019/20

In respect of

Black Sluice Internal Drainage Board

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2020; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2019/20

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2019/20

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2020.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY

*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)



Internal Audit

FINAL

Black Sluice Internal Drainage Board

Assurance Review of Governance, Risk and Control

2019/20

February 2020

Executive Summary

OVERALL ASSURANCE ASSESSMENT



OVERALL CONCLUSION

Overall, the Black Sluice Internal Drainage Board has good systems in place and the governance, risk and control framework is working well.

- All matters arising from the previous internal audit report in 2018/19 have been satisfactorily resolved.
- Health and Safety, whilst working well, could be improved by a more structured approach to provide better management and monitoring of H & S matters.

SCOPE

The scope included the following:

- Follow up of recommendations from previous audit work;
- For payroll this year to validate that staff have been appropriately appointed and are on the correct salaries;
- To continue to review risk management to enable Boards to focus on what are truly important risks for them to manage;
- To verify (if time permits) the actual existence of a sample of assets held;
- To examine pension arrangements;
- To undertake sufficient audit work to be able to sign off the Annual Governance and Accountability Return for Internal Audit.

ACTION POINTS

Urgent	Important	Routine	Operational
0	0	1	0

Management Action Plan - Priority 1, 2 and 3 Recommendations

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	<p>There are two risks in the register for Health and Safety and these were reviewed during this audit. Areas where improvement could be made are:</p> <p>1) To keep the website up to date with the annual review and issue of the Board's Health and Safety Booklet.</p> <p>2) To maintain a comprehensive and accessible spreadsheet/log of all operatives' health and safety training, of future training needs, and refresher training which can then form part (an appendix) of the annual report on health and safety to the Board.</p> <p>3) To have accessible a recording platform and to encourage the reporting and logging of "near misses" and these to be included in training exercises.</p>	<p>The management, monitoring and reporting on Health and Safety be reviewed and improved to provide a more robust and resilient process to include: keeping the Health and safety booklet up to date and the latest version on the website; to have a comprehensive single spreadsheet that monitors all operatives' health and safety requirements; to create a near misses log and to encourage operatives to record their near misses; to consider a regular test for all operatives to confirm their health and safety competence.</p>	3	<p><i>Following representation from National ADA the Executive Committee agreed at their meeting on 23 January 2020 that the Audit and Risk Committee would delve deep into the Board's arrangements for Health and Safety and make recommendations to the Board on how this could be improved.</i></p>	13/05/2020	Chief Executive
					<p>1) <i>The Website has been updated with the most recent version of the H&S leaflet for employees</i></p>	22/01/2020	Operations Manager
					<p>2) <i>The existing spreadsheet which records all the training undertaken will be expanded to show future training requirements.</i></p>	31/03/2020	Operations Manager
					<p>3) <i>A spreadsheet will be set up to record all accidents and near misses anonymously.</i></p> <p><i>We will also open dialogue with other Lincolnshire IDB's for the</i></p>	31/03/2020	Operations Manager
						03/03/2020	Chief Executive

PRIORITY GRADINGS

1 URGENT Fundamental control issue on which action should be taken immediately.

2 IMPORTANT Control issue on which action should be taken at the earliest opportunity.

3 ROUTINE Control issue on which action should be taken.

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
		4) To be able to demonstrate that all operatives are fully trained and competent and to consider introducing regular tests to confirm operatives understanding and compliance.			<p><i>sharing of near misses amongst each other for identification of patterns and training.</i></p> <p>4) <i>All operatives have the certificates relating to their training on their personnel files and monitored as per item 2. Briefings and training are provided to the workforce in July and December each year predominantly in relation to H&S. If any patterns in relation to near misses are identified then the risks are identified with Risk Assessments being reviewed and toolbox talks used to disseminate this information.</i></p>		

PRIORITY GRADINGS

1 URGENT Fundamental control issue on which action should be taken immediately.

2 IMPORTANT Control issue on which action should be taken at the earliest opportunity.

3 ROUTINE Control issue on which action should be taken.

Operational Effectiveness Matters

Ref	Risk Area	Item	Management Comments
No Operational Effectiveness Matters were identified.			

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Detailed Findings

Introduction

1. This review was carried out in January 2020 as part of the planned internal audit work for 2019/20. Based on the work carried out an overall assessment of the overall adequacy of the arrangements to mitigate the key control risk areas is provided in the Executive Summary.

Background

2. The Black Sluice Internal Drainage board is an authority set up to control water levels and reduce the risk of flooding within the Board's area. It operates 34 pumping stations and maintains 500 miles of watercourses within its area, and has a policy of undertaking this work with regard to protecting and enhancing the environmental features in these watercourses.

Materiality

3. The annual turnover for the Black Sluice Internal Drainage Board is £3.5 million. Black Sluice Internal Drainage Board requires an annual internal audit in accordance with Governance and Accountability for Smaller Authorities in England Practitioners Guide.

Key Findings & Action Points

4. The key control and operational practice findings that need to be addressed in order to strengthen the control environment are set out in the Management and Operational Effectiveness Action Plans. Recommendations for improvements should be assessed for their full impact before they are implemented.

Scope and Limitations of the Review

5. The scope included the following:
 - Follow up of recommendations from previous audit work;
 - For payroll this year to validate that staff have been appropriately appointed and are on the correct salaries;
 - To continue to review risk management to enable Boards to focus on what are truly important risks for them to manage;
 - To verify (if time permits) the actual existence of a sample of assets held;
 - To examine pension arrangements;
 - To undertake sufficient audit work to be able to sign off the Annual Governance and Accountability Return for Internal Audit.
6. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan.

Disclaimer

7. The matters raised in this report are only those that came to the attention of the auditor during the course of the internal audit review and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Risk Area Assurance Assessments

8. The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

9. We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

10. The table below sets out the history of this report.

Date draft report issued:	3 rd February 2020
Date management responses received:	4 th February 2020
Date final report issued:	5 th February 2020

11. The following matters were identified in reviewing the Key Risk Control Objective:

Directed Risk: Failure to direct the process through approved policy & procedures.

Previous Internal audit outcomes 2018/19

- 11.1 One recommendation was made during the 2018/19 internal audit. Recommendation 1 (priority 3) "Section 4.1 of the Procurement Policy be updated to clarify the procedure when either fewer than three quotations are received or other than the lowest quotation is to be accepted." A revised section 4.1 of the Procurement Policy was approved at the Board meeting on the 26 June 2019.

Board and Committees

- 11.2 Agendas and minutes of the two Board meetings (26 June 2019 and the 30 October 2019) that were held during 2019/20 have been reviewed and decisions taken have been acted upon.
- 11.3 Agendas and minutes of the two Audit and Risk Committee meetings (1 May 2019 and the 9 October 2019) that were held during 2019/20 have been reviewed and decisions taken have been acted upon. The auditor was present at the A & R Committee on the 1 May 2019 and was able to view the process and operation of this Committee. The Committee was well attended and appropriate governance was observed throughout the meeting. In addition, the auditor was given free access to the Committee Members as for a period of time all officers from the IDB left the meeting so that a private un-minuted session could be held with the auditor.

Risk Management/Register

- 11.4 The review of risks is a standing item for the Audit and Risk Committee and Members go through each risk in detail and challenge the scoring and relevance of the risk. This has been evidenced by attending the Audit and Risk Committee. In addition, the Board receive a summary spreadsheet of all risks in the register.
- 11.5 There are two risks in the register for Health and Safety and these were reviewed during this audit. Areas where improvement could be made are:
- To keep the website up to date with the annual review and issue of the Board's Health and Safety Booklet.
 - To maintain a comprehensive and accessible spreadsheet/log of all operatives' health and safety training, of future training needs, and refresher training which can then form part (an appendix) of the annual report on health and safety to the Board.
 - To have accessible a recording platform and to encourage the reporting and logging of "near misses" and these to be included in training exercises.
 - To be able to demonstrate that all operatives are fully trained and competent and to consider introducing regular tests to confirm operatives understanding and compliance.

Recommendation: 1

Priority: 3

The management, monitoring and reporting on Health and Safety be reviewed and improved to provide a more robust and resilient process to include: keeping the Health and Safety booklet up to date and the latest version on the website; to have a comprehensive single spreadsheet that monitors all operatives health and safety requirements; to create a near misses log and to encourage operatives to record their near misses; to consider a regular test for all operatives to confirm their health and safety competence.

11.6 The Health and Safety report is an annual report to the Board. The last report was dated 30 October 2019.

Compliance Risk: Failure to comply with approved policy and procedure leads to potential losses.

Accounting System

- 11.7 "Opera" is the main accounting package for the IDB. Opera is part of a suite of software solutions provided by Pegasus, a software developer.
- 11.8 Management accounts are submitted to every Board meeting to inform Members of the current financial state of the IDB with year to date figures. Drainage Rates and Special Levies are also reported on a regular basis to each Board meeting.
- 11.9 At the time of the audit, 21 January 2020, a trial balance was requested which showed the accounting system to be in balance. The accounting records are in order and up to date.

Accounts Payable/Purchase Order

- 11.10 The Purchase Order system was reviewed and it was confirmed that where appropriate to use the Purchase Order system, goods received had been confirmed and invoices had been matched back to the purchase order. The approval process was in accordance with Financial Regulations/Procurement policy.
- 11.11 A number of creditors were selected for review and the approval process validated. The sample selected were as follows:
- Lincolnshire County Council - Pensions Payment 13 June 2019 - £21,247.93.
 - Wells Plant Hire Payment 13 June 2019 - £37,374.00.
 - Woldmarsh Producers Ltd Payment 20 June 2019 - £15,302.68 and Payment 20 December 2019 - £73,677.85.
 - Mastenbrock Environmental Services Ltd Payment 31 July 2019 - £16,140.00.
 - Unique Employment Services Ltd Payment 31 July 2019 - £2,789.28.
 - Philip G Wright Excavations Ltd Payment 11 July 2019 - £63,528.00.

- 11.12 The above creditor payments were examined in detailed and found to be in order with appropriate documentation obtained/retained and the IDBs Regulations followed regarding purchase. It was noted that the Philip G Wright Excavations invoice for £63,528.00 was work undertaken by the IDB but on the instructions of the Environment Agency.

Budgeting

- 11.13 Budgetary arrangements are well established and are regularly reviewed and reported to Members.

Rating

- 11.14 The rate setting, precepts, special levy and Environment Agency contributions are well established. The drainage rate and levies were reviewed and found to be in order.

Management Accounts, Reserves and Future Forecasting

- 11.15 Management accounts including budget data is reported regularly to Members and the Board.
- 11.16 Reserves are regularly reviewed with an aim to maintain them at around 20% of expenditure. 2019/20 has, however, been a challenging year for drainage boards with unusually inclement weather. This has meant that pumps have been running considerably more than an average year with the consequential additional expenditure on electricity in particular. This will mean an overspend is likely in 2019/20 which will be covered from the reserves.
- 11.17 The Board maintain a 10 year forecast which enable future increases in both the penny rate and precept to be calculated and for such bodies as the precept authorities to be consulted well in advance of any increases being made.

Accounts Receivable

- 11.18 Apart from the rates system and rechargeable accounts, few miscellaneous accounts are raised for debts due. An aged debtors report was examined with eight entries. A satisfactory explanation was given for the aged debts.

Recharges

- 11.19 A detailed review was undertaken of the recharge system. A recharge will occur when the IDB undertake work for a third party such as dredging works for a farmer. The accounting system will hold details of the labour, plant, machinery and materials used against a unique budget code and once the works are complete along with an administration charge the recipient of the works will be recharged. The recharge system was working well.
- 11.20 The majority of recharges relates to internal project work. For instance a machine working on a particular project for the Board will be recharged as an internal transaction to this project. This enables the true cost of projects to be accurately identified.

Income

- 11.21 Miscellaneous accounts are issued as required to identify income due to the IDB. A collection procedure for this income is now identified within Financial Regulations Section 5.
- 11.22 Debt collection procedures for the Drainage Rate is clearly defined and flows from the date the invoices are sent out (usually April) with court action being instigated normally around September each year for non-payment. Outstanding drainage rates at the time of the audit amounted to £1,443.13 which included £429.56 of credit items.

11.23 The majority of income is received via a bank transfer. Cash is normally retained and used as petty cash. Cheques are banked at the local Post Office as and when received. The recording and banking of income was working well.

Petty Cash

11.24 Petty cash is maintained on a rolling basis with cash received added to the petty cash and cash payments made as required. The petty cash is reconciled monthly and signed off by the Finance Manager

11.25 Petty cash is only used for purchases such as milk, car parking, petrol, and biscuits. Although the maximum amount of the petty cash float is £500 due to the nature of retaining cash received, the Board were operating at the time of audit with a balance of £407.13. The petty cash for December 2019 was checked and verified to be correct. VAT is accounted for as required.

Payroll

11.26 Payroll is part of the Opera suite of software applications and therefore interfaces with the main Opera accounting system.

11.27 A sample of three employees was checked and it was confirmed that their pay data was in order. Monthly payments are made in accordance with HMRC requirements.

Pensions

11.28 A review was undertaken into the arrangements for pensions - both employee requirements and those of the employer. New employees to the Board are automatically enrolled into the local government pension scheme and their rate of deduction from salary is in accordance with a predetermined percentage as prescribed by the pension board depending upon their annual salary. The employer's contribution is reviewed every three years and the pension body (Lincolnshire County Council) then inform all admitted bodies what the new pension contribution is for the next three years.

11.29 Individual employee's data was examined along with the Board's contribution. A selection of pension sums paid over to Lincolnshire CC were also reviewed. The pension administration, sums collected and sums paid over were all in order.

Asset Register

11.30 The asset register was reviewed. It was noted that this was update annually so did not include the recent plant and machinery purchases made in 2019/20. The register is comprehensive and includes the large items of plant and vehicles as well as depot tools and machinery.

11.31 A large number of the assets recorded in the asset register were actually identified in the depot and therefore their existence was verified.

Bank Reconciliations

11.32 Bank reconciliations have been regularly carried out.

Accounting Statements

11.33 Accounting Statements are undertaken and these reconcile to the cash book.

11.34 Data feeding into the Accounting Statements was confirmed to be correct.

Bourne Fen Farm Trust Fund

Revenue Account for Year Ended 31st March 2020

<i>Income</i>	2020	2019
	£	£
Investment Income	15,709	18,052
 <i>Expenditure</i>		
Contribution to Rates	9,244	9,249
Bank Charges	60	60
Contribution to Administration	4,760	6,797
	14,064	14,117
Surplus	1,645	3,935

Balance Sheet as at 31st March 2020

<i>Capital Assets</i>	<i>Note</i>	2020	2019
Investments	A	308,640	354,311
 <i>Current Assets</i>			
Bank Account		15,325	13,587
Debtors		989	1,081
		16,314	14,668
 <i>Current Assets</i>			
Creditors			
Net Current Assets		324,954	368,979
 <i>Fund Balances & Reserves</i>			
Revaluation Reserve		209,577	255,248
Capital Fund		104,120	104,120
Revenue Reserve		11,256	9,611
		324,954	368,979
Reserves		324,954	368,979

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

Analysis By Sector	2020	2019	2020	2019
	% of Value	% of Value	Value £	Value £
UK Equities	22.33	31.68	68,913	88,955
Overseas Equities	31.47	25.83	97,115	115,526
Qualifying Corporate Bonds	24.25	25.37	74,847	86,517
Overseas Bonds	4.02	4.57	12,408	15,357
Absolute Return	7.13	4.01	22,013	14,225
Property	4.11	3.95	12,690	13,575
Other Investments	5.24	3.89	16,180	16,500
Cash	1.45	0.70	4,474	3,656
UK Government Securities	0.00	0.00		0
TOTALS	100.00	100.00	308,640	354,311

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE MEETING - 10 JUNE 2020

AGENDA ITEM No 9

FINANCE & ADMINISTRATION REPORT

Whilst the collection of Drainage Rates is only slightly down in Period 1 compared to last year we are expecting that some people may require longer to pay their rates due to the weather conditions last year and the COVID restrictions in 2020.

We have so far only received one request, outside of the usual requests, to extend the collection timescales and we have agreed a payment plan with payment of a third of what is due in May, August and November.

A schedule of dates for previous years and proposed for the future is shown below;

	Exec 2012	2019/20 Actuals	2020/21 Proposal	
Rate Demand sent out	Early April	02/04/2019	02/04/2020	
Account Overdue Notice	End May	12/06/2019	15/06/2020	10 weeks
Reminder Letter	End June	01/08/2019	24/08/2020	10 weeks
Final Demand	End July	30/08/2019	05/10/2020	6 weeks
Notice of Legal Proceedings	End August	19/09/2019	16/11/2020	6 weeks
Attend court for distress warrants	September	28/10/2019	Jan 2021	Min 7 weeks inc. Xmas

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE - 10 JUNE 2020

AGENDA ITEM No 10

PERIOD 01 MANAGEMENT ACCOUNTS

Period 1 management accounts do not usually have a lot to report as the new year beds in and it is early to start making observations but there are some of note this year.

Income

- Drainage Rate income is substantially down.
 - 18.76% less than budget (£69,140)
 - We have still collected over a third of the rates due for the year @.34.31% in period 1 (Some Boards have still not got their demands out)
 - Drainage Rate demands were posted out on Friday 03 April 2020
 - On Monday 06 April we took twice as many card payments as the equivalent day last year and a total of 132 payment being made. The next day we were prepared for a similar sort of day and took only 10 card payments.
 - Only time will tell what impact the current situation will have on collections, we are working up a revised timetable for enforcement action this year which will be presented at the Executive Committee Meeting.
- Investment income is showing down slightly, £543, compared to what was expected but the income for the year is still estimated to be £17,306.
- Recoverable is down compared to budget and last year but this is due to a delay in receiving EA PSCA orders which have now been received and work has commenced
- Overall income is £72k less than expected in the budget but this should all recover further into the year.

Expenditure

- Schemes
 - Work was due to commence on the NFFD revetments and pipeline in April but due to a delay in desilting the bushing works will have to wait until October 2020 now and the pipeline replacement could not be done ensuring Social distancing.
 - The Graft Drain improvements have not been commenced in April for the same reasons.
 - Work on the Dowsby Lode improvements were due to be completed in 2019/20 but as previously reported these have been delayed and started in April.
 - Further work on the Pumping Station Automation and Guage Boards have been delayed due to the Pump Engineer Shielding and will be picked up alongside the SLWP work later in the year.
- PS Maintenance is £3k overspent spread across numerous items
 - I have included a new report showing the expense headings with PS Maintenance for comparison with last year, we don't break it down to this level in the budget.
 - Labour is up £4,817 but the Pump Engineers recharges are down £3,349 on last year
 - Electricity is down £2,118 on last year (touch wood it stays that way this year)
 - Plant is £1,200 up on last year
- Drain Maintenance is £16,028 overspent
 - Desilting is £20,300 overspent due to delays in the programme
 - Summer cutting is £4,272 underspent

- Admin & Establishment overall is £4,052 underspent
 - £2,500 of this is for Equipment and building Maintenance (there are extensive costs for this in P2 for screens around desks etc. but no computers have been replaced as planned yet due to not being in the office)
- Overall Expenditure is underspent by £40k

Balance Sheet

- The value of the investment is £451,363 at end of Period 1. It had been as high as £504,538 at the end of 2019.
 - It has generated £26,263.11 in income since the initial investment in August 2018. (£23k more than at 0.4% we are getting at Monmouthshire Building Society)
 - Today the fund value stands at £455,798

Overall the Board is in a pretty neutral position at the end of period one and differences to budget are generally timing issues related to the delay in works, due to the events at the end of 2019, or the COVID 19 considerations from this year.

Black Sluice Internal Drainage Board

Project Summary

2019/20

Period 01 - April 2020

Description	Period Current Year			Year To Date			Last Year	
	Actual	Budget	Variance	Actual	Budget	Variance	Actual YTD	Variance to Current Year
Rates & Levies	368,495	437,635	(69,140)	368,495	437,635	(69,140)	428,650	(60,154)
Interest & Grants	1,681	2,142	(461)	1,681	2,142	(461)	14,183	(12,502)
Development Fund	0	0	0	0	0	0	0	0
Other Income	5,065	4,015	1,050	5,065	4,015	1,050	15,665	(10,600)
Rechargeable Income	5,498	9,345	(3,847)	5,498	9,345	(3,847)	8,199	(2,701)
Solar Panel Income	2,301	1,960	341	2,301	1,960	341	2,010	291
Total Income	383,041	455,097	(72,056)	383,041	455,097	(72,056)	468,707	(85,666)
Schemes	13,416	53,750	40,334	13,416	53,750	40,334	1,413	(12,003)
Pumping Station Schemes	0	12,000	12,000	0	12,000	12,000	91	91
Pumping Station Maintenance	21,616	29,945	(2,963)	21,616	29,945	(2,963)	16,867	(1,430)
Electricity	11,293			11,293			14,611	0
Drain Maintenance	46,928	30,900	(16,028)	46,928	30,900	(16,028)	35,250	(11,678)
Environmental Schemes	161	1,496	1,335	161	1,496	1,335	1,615	1,454
Administration & Establishment	41,813	45,865	4,052	41,813	45,865	4,052	43,319	1,506
EA Precept	0	0	0	0	0	0	0	0
Rechargeable Expenditure	5,498	8,495	(8,495)	5,498	8,495	2,997	8,199	0
Solar Panel Expenses	2,077	0	(2,077)	2,077	0	(2,077)	2,288	211
Total Expenditure	142,801	182,451	28,158	142,801	182,451	39,651	123,653	(21,849)
Surplus / (Deficit)	240,240	272,646	(32,405)	240,240	272,646	(32,405)	345,054	(104,814)
Movement on reserves								
Plant Reserve	(22,892)	8,495	31,387	(22,892)	(8,495)	14,397	(13,512)	9,380
Pump Engineer Oncost	3,646	0	(3,646)	3,646	0	(3,646)	491	(3,154)
Wages oncost Reserve	(1,982)	0	1,982	(1,982)	0	1,982	(9,661)	(7,679)
Grants Manager	0	0	0	0	0	0	4,131	4,131
Surplus / (Deficit)	261,468	264,151	(62,129)	261,468	281,141	(45,139)	363,605	(107,491)

Black Sluice Internal Drainage Board

Drainage Rates & Special Levies

2019/20

Period 01 - April 2020

Drainage Rates & Special Levies Due

Drainage Rates

Annual Drainage Rates - Land and/or buildings	1,073,939.99	
Land/Property - Value Decreased	(705.19)	
Land/Property - Value Increased	692.99	
New Assessment		
Write Offs & Irrecoverables		
Adjustments required for Special Levy		
Summons Collection Costs		

Balance	1,073,927.79	50.02%
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Special Levies

Boston Borough Council	813,156.42	
South Holland District Council	131,037.08	
North Kesteven District Council	69,496.10	
South Kesteven District Council	59,220.12	
	1.69	
	1,072,911.41	49.98%

Total Due	2,146,839.20	100.00%
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Drainage Rates & Special Levies Collected

B/F Arrears/(Allowances)	149.37	
Payments Posted	368,346.00	
Returned Amount		34.31%
Paid Refund		
Bourne North Fen Trust Contribution		
Special Levies Received	0.00	0.00%

Total Received	368,495.37	
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Drainage Rates & Special Levies Debtors

Special Levy Outstanding	1,072,911.41	100.00%
Drainage Rates Outstanding	705,432.42	65.69%

	1,778,343.83	
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	2,146,839.20	
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Black Sluice Internal Drainage Board

Income & Expenditure Summary

2019/20

Period 01 - April 2020

	This Year	Last Year	Variance
Drainage Rates	368,495	428,650	(60,154)
Special Levies	0	0	0
Recoverable	5,498	8,199	(2,701)
Misc Income	6,883	30,013	(23,130)
Solar Panel Income	2,301	2,010	291
	383,177	468,872	(85,694)
Employment Costs	86,388	80,894	(5,494)
Property	17,784	19,610	1,826
General Expenses	8,544	12,320	3,776
Materials / Stock	1,712	800	(912)
Motor & Plant	4,148	14,601	10,453
Miscellaneous	3,133	(22,957)	(26,091)
Recharges	(39,039)	(42,625)	(3,586)
Plant	39,039	42,625	3,586
Total Expenditure	121,709	105,267	(16,442)
Net Surplus / (Deficit)	261,468	363,605	(102,137)

Black Sluice Internal Drainage Board

Balance Sheet at Period End

2019/20

Period 01 - April 2020

	<u>This Year</u>		<u>Last Year</u>	
	£	£	£	£
Operational Land & Buildings Cost	739,350		739,350	
Pumping Stations Cost	3,861,354		3,861,354	
Non-operational Property Cost	130,000		130,000	
Vehicles, Plant & Machinery Cost	978,948		723,609	
Fixed Assets		<u>5,709,652</u>		<u>5,454,313</u>
Stock	38,581		32,425	
Debtors Control	53,908		18,402	
VAT	59,236		(15,166)	
Drainage Rates Control	0		0	
Car Loans	15,966		21,599	
Prepayments	67,120		56,247	
Drawings Bank Account	(145,767)		(54,382)	
Call Bank Account	311,515		310,886	
Petty Cash	188		492	
Highland Water	3,220		2,059	
Work in Progress	(82,556)		(232,073)	
Nat West Government Procurement (0		0	
Brewin Dolphin Investment	451,364		491,343	
Natwest Reserve Account	813,919		1,165,964	
Total Current Assets		<u>1,586,694</u>		<u>1,797,796</u>
Trade Creditors	(11,971)		37,429	
PAYE & NI Control Account	(19,713)		(18,590)	
Superannuation Contrl Account	(14,710)		(12,575)	
Accruals	(79,313)		(51,938)	
Total Liabilities		<u>(125,708)</u>		<u>(45,673)</u>
Pension Liability		(2,744,000)		(3,655,000)
		<u><u>4,426,638</u></u>		<u><u>3,551,436</u></u>
Capital Reserve	5,561,654		5,454,315	
Pension Reserve	(2,744,000)		(3,655,000)	
Brewin Dolphin Revaluation	(48,636)		(8,657)	
Total Capital		<u>2,769,018</u>		<u>1,790,658</u>
Revenue Reserve	1,220,944		1,242,026	
Development Reserve	182,703		155,103	
Plant Reserve	19,408		29,922	
Wages Oncost Reserve	(26,902)		(29,878)	
General Resere	261,468		363,605	
Total Reserves		<u>1,657,621</u>		<u>1,760,778</u>
		<u><u>4,426,638</u></u> 0		<u><u>3,551,436</u></u>
<u>Cash & Bank Balances</u>				
Drawings Account		(145,767)		
Call Account		10,000	311,515	
Natwest Reserve Account @ 0.01%		813,919		
Petty Cash		188		
Chargecard		0		
Monmouthshire BS @ 0.40%		301,515	30 Day Notice	
		<u>979,856</u>		

Black Sluice Internal Drainage Board Investment Summary 2019/20 Period 01 - April 2020

OWNER NAME Black Sluice Internal Drainage Board - New Account

PORTFOLIO P1684056

VALUATION DATE 19 May 2020

03/05/2019 - 03/05/2020

Portfolio Overview

PERFORMANCE FROM 03/05/2019 -
03/05/2020

-4.34%



TOTAL VALUE

451,363.04 GBP

ESTIMATED ANNUAL INCOME

17,306.26 GBP

Performance

CHART

▼ Portfolio Value

PORTFOLIO VALUE

DATE: 03 May 2019 PORTFOLIO VALUE: 495,172.75 GBP PERIODIC PERFORMANCE: 0.00%

CUMULATIVE PERFORMANCE: 0.00%



PLANT REPLACEMENT BUDGETS 2020/21 - Updated for Exec Meeting June 2020

Existing Plant/Equipment	Year Purchased	Hours / Miles	Age	Replace Year	New Plant	Cost	Trade in	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Brought Forward								-£16,952	£30,048	£74,848	£145,524	£267,154	£153,316	£356,091	£153,316	£356,091	£356,062	£288,566
Twiga SPV2 (2015)	2015/16	4586 hrs	9 years	2024/25	Twiga/Herder?	£200,000	£20,000					£180,000						
Twiga SPV2 (2019)	2019/20	863 hrs	9 years	2028/29	Twiga/Herder?	£200,000	£20,000									£180,000		
Twiga SPV2 (2017)	2017/18	2169 hrs	9 years	2026/27	Twiga/Herder?	£205,000	£20,000							£185,000				
Aebi & Flail	2016/17	2039 hrs	9 years	2028/29	Rear Side Flail	£15,000										£10,000		
Hitachi ZX 210LC-5B	2016/17	4294 hrs	8 years	2024/25	20T Excavator	£150,000	£35,000					£115,000						
Unimog	2009/10	272,397km	11 years	2020/21	New unimog	£148,000	£36,000	£112,000										
JCB 130 Telescopic LR	2019/20	1591 hrs	10 Years	2029/30	13T Telescopic Exc.	£105,000	£18,500										£86,500	
JCB 145 Telescopic LR	2019/20	611 hrs	9 years	2028/29	13T LR	£138,000	£20,000									£118,000		
JCB 145 Telescopic LR	2013/14	7346 hrs	8 years	2021/22	16T Telescopic Exc	£120,000	£19,000		£101,000								£110,000	
JCB 130 Telescopic LR	2014/15	7612 hrs	8 years	2022/23	13T Telescopic Exc.	£110,000	£17,000			£93,000								
JCB 531 Teleporter	2012/13	2385 hrs																
Vauxhall (Fitter)	2019/20	12,408 miles	7 years	2026/27	Fitters Van	£17,000	£3,000							£16,000				
Mitsubishi(Pump Engineer)	2019/20	17,393 miles	4 years	2023/24	Pick-Up	£22,000	£5,000				£17,000				£19,000			
Mitsubishi(Works Supervisor)	2019/20	27,255 miles	4 years	2023/24	Pick-Up	£22,000	£5,000				£17,000				£19,000			
Mitsubishi(Pump Maintenance)	2019/20	10,601 miles	4 years	2023/24	Pick-Up	£22,000	£5,000				£17,000				£19,000			
Mitsubishi (Works Manager)	2019/20	2,303 miles	4 years	2023/24	Pick-Up	£22,000					£22,000				£19,000			
Vauxhall Tipper	2012/13	76,565 miles	8 years	2020/21	Tipper	£25,000	£8,000		£17,000							£19,000		
Dump Trailer 1	2006				Dump Trailer					£12,500								
Low Loader Trailer	2004		16 years	2020/21	Low Loader	£27,000	£2,000	£25,000										
Tipping Trailer									£5,000									
4m Trailer									£5,000									
100mm Self priming Pump			15 years			£15,000				£15,000								
Vibrating piling hammer	2015/16		20 years	2035/36														
150mm Portable Pump	2006		15 years	2021/22		£15,000			£15,000									
Compressor	2008		18 years	2023/24		£6,000								£6,000				
Weedbaskets								£6,000	£6,000	£6,500	£7,000	£7,000	£7,000	£7,000	£7,000	£7,000	£8,000	
Lawnmower & Trailer etc	2016/17	783 hrs	8 Years	2024/25		£17,000	£2,000					£15,000						
Fuel Tanks												£2,500						£3,000
Net Spend from Plant Reserve								£143,000	£149,000	£127,000	£80,000	£319,500	£7,000	£214,000	£83,000	£334,000	£207,500	
Generated								£190,000	£193,800	£197,676	£201,630	£205,662	£209,775	£213,971	£218,250	£222,615	£227,068	£231,609
Balance C/F								£30,048	£74,848	£145,524	£267,154	£153,316	£356,091	£356,062	£288,566	£244,706	£375,629	£520,175



Representing Drainage Water Level & Flood Risk Management Authorities

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ADA Briefing | 20.05.2020

Revising Model IDB Land Drainage Byelaws

Ian Moodie, Technical Manager, ADA

At the request of ADA's Policy & Finance Committee an ADA working group of IDB officers has been investigating revisions to the existing model set of IDB Land Drainage Byelaws.

A future step will be for the Working Group to investigate, and produce guidance on, the enforcement and prosecution procedures that should be followed in relation to Byelaws and Land Drainage Consents.

In summary the changes being sought by ADA are to:

1. **Offline Assets** | Ensure offline assets and systems within an internal drainage district are covered by the byelaws, (e.g. attenuation and larger scale SuDS features that may be adopted by an IDB as a result of development that are not otherwise classified as an ordinary watercourse or owned by the IDB).
2. **Non-development water discharges** | Remove a restriction in Byelaw 3 that limits its application to water discharges that are the result of development within drainage districts.
3. **Linear features along watercourses and fences** | Consider how alterations along a watercourse embankment are covered by the existing byelaws, including removing a potential conflict between Byelaws 10 and 17 in relation to fences.
4. **Savings for other bodies** | Byelaw 27 lists the savings provisions for certain other bodies and works. ADA was seeking some clarifications around these and their application.

ADA had a number of meetings and conversations with Defra on proposed changes to IDB byelaws throughout 2019. This culminated in an ADA email to Defra with the precise changes being requested and the rationale for change on 1 November 2019.

ADA and Defra had a very busy winter period given the general election and flood events, but we were finally able to convene a conference call between members of the ADA Working Group, and Defra Flood Risk and Legal officers on 23 April 2020. This was a very detailed and productive meeting and ADA is satisfied with the outcome and the next steps to update the model byelaws that have been agreed.

1. **Offline Assets** | ADA had proposed a changes in Byelaw 2 to remove the wording '*vested in and under the control of*' and to add reference to '*flood risk management infrastructure*', a term defined in the Flood & Water Management Act 2020.
In discussion with Defra legal it was accepted that '*vested in and under the control of*' should remain in the byelaws as this terminology derives from the Land Drainage Act 1991 and establishes that the byelaws apply to all watercourses over which IDBs have statutory powers. The ADA Working Group was previously concerned that this terminology may be limited to those ordinary watercourses within a district that an IDB routinely manages and maintains and

ADA – representing drainage, water level and flood risk management authorities

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not the wider network within the drainage district. Given Defra Legal's view on its meaning ADA is satisfied that the wording '*vested in and under the control of*' should remain in Byelaw 2.

Defra proposed alternative wording to '*flood risk management infrastructure*', instead suggesting the term '*drainage system*' as this is a term already used within Section 66 of the Land Drainage Act 1991 that covers IDBs' powers to make byelaws. In ADA's view the consequence of both terminology is the same and by including the term '*drainage system*' within Byelaw 2 would ensure that the IDB byelaws would cover offline assets that may otherwise have been excluded from regulatory control by IDBs' byelaws. Defra stated that they would not define what a '*drainage system*' is, given that it is a term used in legislation and would therefore ultimately be for interpretation by a court of law. That said, it would be reasonable for ADA to propose a working definition for the interpretation of the term by IDBs in the future if the change to the byelaws is agreed.

- 2. Non-development water discharges** | ADA had requested an alteration to Byelaw 3 to make it clear that its restriction on changes to water discharges are not limited to those as a result of development (within the meaning of Section 55 of the Town and Country Planning Act 1990 as amended). Defra has supported ADA's request for changes to Byelaw 3 by proposing that a revised Byelaw 3 will start: '*No person shall for any purpose, including as a result of development,...*'. ADA welcomes this proposed change.

However, on a further point raised by ADA about water introduced '*into a district*' from outside, Defra Legal explained that it would be difficult from a legal stand point for IDBs to regulate through their byelaws water entering their district from a development outside of it. ADA acknowledged Defra's position and would not pursue this change at the present time. It is recommended that in relation to development outside of a drainage district that impacts an IDB's system, the IDB should make representations through the planning process.

- 3. Linear features along watercourses and fences** | Defra proposed amending Byelaw 10 to read '*No person without the previous consent of the Board shall erect any building, structure (including a fence), whether temporary or permanent...*'. This change was to remove any ambiguity as to whether fences were caught by the restriction on obstructions within X metres (typically 9 metres) of the edge of the watercourse. The proposed change was supported by ADA.

ADA had also asked for consideration of adding the word '*along*' to Byelaw 17, given concerns from an IDB about linear features such as pipework and cables interfering with the edge of a watercourse. Defra Legal were of the opinion that the existing wording '*in, over or through the bank*' would already capture works undertaken along a bank. Further Defra Legal were concerned that by including the term '*along*' might give rise to confusion and misinterpretation by suggesting that the byelaw applies alongside (and beyond) the bank. ADA agreed not to pursue the addition of the word '*along*' to Byelaw 17.



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4. **Savings for other bodies** | Defra Legal highlighted Section 67 and Schedule 6 of the Land Drainage Act 1991 provides further detail regarding protected undertakings. Schedule 6 also explains the appropriate dispute arbitration process, should a conflict arise in relation to protected undertakings. ADA is satisfied that these are suitably clear and reference will be included in future guidance by ADA in relation to byelaws and land drainage consent procedures.

Next Steps

Defra Legal took away an action to explore further using the term '*drainage system*' in the application of the byelaws without defining what drainage system is. The next step will then be for Defra to redraft the existing model Land Drainage Byelaws for IDBs with those agreed modification made. Defra would then need to consult on the revised Byelaws in order to alert everyone to the changes before a final version of the model byelaws is published on gov.uk.

These model byelaws would then be available for individual IDBs to formally adopt via application to Defra. As per Section 66 (5) of the Land Drainage Act 1991, byelaws made by an IDB are not valid until they are confirmed by the relevant Minister, the process would be similar to those for IDB Standing Orders and could be handled in batches by ADA to speed things up.

Land Drainage Act Section 23 Consents Charges

The land drainage consent fee is currently set at £50 in Section 23 of the Land Drainage Act 1991. Defra have been undertaking some work to explore increasing the land drainage consent fee via a Statutory Instrument. The Local Government Association has previously carried out some research on land drainage consents and this provided information on a potential increase to around £250, which ADA in principle supports.

Defra would welcome the views of IDBs on such a change and are looking to set up a working group on the consent charges. This topic will be raised at ADA's next Policy and Finance Committee meeting on 17 June 2020 and an ADA/IDB representative will be sought from the Committee's membership.

Black Sluice Internal Drainage Board

Policy No: 47

COVID-19 Business Continuity plan

Review Dates:

Reviewed	29 May 2020
Board Approved	

Introduction

A coronavirus is a type of virus. As a group, coronaviruses are common across the world. COVID-19 is a new strain of coronavirus first identified in Wuhan City, China in January 2020.

The incubation period of COVID-19 is between 2 to 14 days. This means that if a person remains well 14 days after contact with someone with confirmed coronavirus, they have not been infected.

Stay aware of the latest information on the COVID-19 outbreak, available on the World Health Organisation website and through your national and local public health authority. Many countries around the world have seen cases of COVID-19 and several have seen outbreaks. Authorities in China and some other countries have succeeded in slowing or stopping their outbreaks. However, the situation is unpredictable so check regularly for the latest news.

The latest information on COVID 19 in the UK can be found at <https://www.gov.uk/guidance/coronavirus-covid-19-information-for-the-public>

Phases and Actions

- 1. Contain Phase.** Across the whole of the UK, public health agencies and authorities, the NHS, and Health and Social Care NI (HSCNI) have established plans and procedures to detect and isolate the first cases of COVID-19 as they emerge in the UK.
 - Anyone visiting infected areas in the previous 14 days should self-isolate and contact NHS 111 or use the NHS 111 online tool.
 - Anyone that has been in contact with someone with confirmed COVID-19 should self-isolate and contact NHS 111 or use the NHS 111 online tool.
 - Anyone experiencing COVID-19 symptoms (fever, dry cough, tiredness) should stay at home and contact NHS 111 or use the NHS 111 online tool.
 - Make sure the Sickness reporting procedures are followed.
 - Is it necessary to shake hands?
 - If you have any plans to travel abroad please discuss these with your line manager.
- 2. Delay Phase.** The Delay phase buys time for the testing of drugs and initial development of vaccines and/or improved therapies or tests to help reduce the impact of the disease.
 - Continue actions as per Contain Phase
 - People with Flu like symptoms may be asked to self-isolate by the authorities
 - If you have any plans to travel abroad please discuss these with your line manager.

- Consider postponing or cancelling meetings. Given the age of Board members some will be at greater risk of death if they were to contract COVID-19. Could meetings be held by Webinar if this phase became prolonged?
- Workforce
 - Encourage Lone-working – 1 person per machine
 - Don't congregate – e.g scan and send timesheets (install adobe scan on work phones)
- Office Staff
 - Clean surfaces regularly, daily as a minimum (Desks, keyboards, phones, light switches, door handles, anything you touch)
 - Can you work from home? Discuss with your line manager
 - Consider Reception and phone answering functions – rota basis from home? (Jill, Alex, Jess)
 - Restrict visitors to the office, can the outcome be achieved with a phone call or remote meeting? (The Board is setting up web/phone conferencing)
 - **As at 29 May 2020 the advice is still "Work from home if you can"**

3. Research Phase It is possible that an outbreak or pandemic of COVID-19 could occur in multiple waves (it is not known yet if the disease will have a seasonal pattern, like flu) and therefore, depending upon what the emerging evidence starts to tell us, it may be necessary to ensure readiness for a future wave of activity.

The intention is to gather evidence about effective interventions in order to inform decision-making going forward. The UK government will keep emerging research needs under close review and progress research activities set out above.

4. Mitigate Phase As and when the disease moves into different phases, for example if transmission of the virus becomes established in the UK population, the nature and scale of the response will change. The chief focus will be to provide essential services, helping those most at risk to access the right treatment.

General Advice to Prevent the Spread of COVID-19

Public Health England (PHE) recommends that the following general cold and flu precautions are taken to help prevent people from catching and spreading COVID-19:

- cover your mouth and nose with a tissue or your sleeve (not your hands) when you cough or sneeze.
- put used tissues in the bin straight away
- wash your hands with soap and water often – use hand sanitiser gel or the provided wipes if soap and water are not available.
- try to avoid close contact with people who are unwell
- clean and disinfect frequently touched objects and surfaces
- do not touch your eyes, nose or mouth if your hands are not clean
- **Avoid being face to face with people outside your household**

Face Coverings

Advice from the government is "If you can, wear a face covering in enclosed public spaces where social distancing isn't possible and where you will come into contact with people you do not normally meet. This is most relevant for short periods indoors in crowded areas, for example, on public transport or in some shops"

Whilst working social distancing should be adhered to at all times, if this is not possible to complete as specific task then you should discuss this with your Line Manager.

COVID Secure

COVID Secure is the terminology used for an employer to demonstrate it has taken all the necessary considerations to allow its employees to work in as safe an environment as possible. The actions taken so far for the workforce and in preparation for the office re-opening include;

1. Purchase of divider screens for shared offices and offices that are or will become thoroughfares.
2. Screens purchased for reception to barrier public from staff. (Public will only be permitted to enter the office in exceptional circumstances.)
3. Contractors will only be permitted on site if necessary and if they can work adhering to Social Distancing guidelines. (2m Apart) All surfaces where they have worked to be cleaned when they have left.
4. Daily temperature monitoring of all employees in the office/depot and regularly for workforce working remotely.
5. Introduced limitations to number of people in each part of the building with signage as follows;
 - a. Reception
 - i. Public side – 1 person
 - ii. Staff Side – 2 people
 - b. Administration Office
 - i. 3 people
 - c. Rear Administration Office (Photocopier) – 2 People
 - d. Strong room – 1 Person
 - e. Toilets – 2 People
 - f. Operations Office – 5 People (3 desks + 2)
 - g. Chief Executive Officer Office – 4 People
 - h. Finance Manager Office – 3 People
 - i. Boardroom – 10 People (we can set out tables and measure later?)
 - j. Kitchen – 1 Person
 - k. Drawing Office – 4 People (2 desks + 2)
 - l. Server room – 1 Person
 - m. Meeting room – 2 People
 - n. Operations Manager – 3 People
 - o. Fitter – 2 People
 - p. Workforce Handwash/Toilet – 2 People
 - q. Canteen – 2 People
 - r. Small Workshop – 2 People
 - s. Pump Store – 1 Person
 - t. General Store – 1 Person
 - u. Workshop – Keep 2m apart
 - v. Store – Keep 2m apart
6. Hand sanitiser stations have been set up at the foot entrance to the Workshop, at the entrance to the canteen, staff entrance to the office and public entrance to the office.
7. Workforce have all been provided hand wipes to clean hands whilst on site without access to hand washing facilities.
8. COVID-19 Risk Assessments have been completed for Office, Construction and Outdoors and Use of Vehicles

9. Regular cleansing of all multiple user hard surfaces (e.g. Light switches, door handles, photocopiers, printers, stair banisters, telephones, Multiple user Machines)
10. Staff to be encouraged to open windows and doors regularly to aid ventilation.
11. Staff to use assigned printers and photocopiers etc.
12. Paper towels to be re-instated in toilets for drying of hands and then opening doors.
13. Non fire doors are to be propped open to avoid having to touch more door handles than necessary.

Appendixes

Please see attached the following documents:

1. Safe System of Work for Protecting the Workforce During COVID-19
2. Risk Assessment Coronavirus – COVID-19

Policy Review

Due to the requirement of this policy to be adaptable according to the situation, responsibility to review the policy will be delegated to the CEO with the Executive Committee and Board reviewing retrospectively.

Safe System of Work for Protecting the Workforce During COVID-19

Precautions to be taken by management include:

- All Managers and Supervisors are empowered to enforce the measures adopted. Managers will ensure employees are fully briefed so that they have a clear understanding of why measures must be adopted, what measures have been adopted and what the consequences are if the measures are not followed;
- Every effort is made to ensure that working from home is the first option, where this is possible;
- Where working from home is not possible, every effort will be made to comply with the social distancing guidelines set out by the Government (see below);
- Vulnerable or extremely vulnerable employees, as well as persons who live with them, will be identified and supported following the recommendations set out by the Government¹;
- **No employees / visitors who are unwell with symptoms of COVID-19 (a high temperature ($\geq 37.8^{\circ}\text{C}$) or a new persistent cough) are permitted to travel to work and / or enter the place of work;**
- Signage will be placed at entrances reminding employees / visitors not to enter the place of work if they have any symptoms;
- Where employees / visitors who are unwell with symptoms do travel to work and / or enter the premises, this will be dealt with and the area cleaned in accordance with the Government advice²;
- Work times / break times will be staggered to reduce the risk of employees meeting at such times;
- The number of washing / toilet facilities will be increased, where possible, and / or limits will be imposed to the numbers of employees using them at any one time (with signage applied to doors), again to reduce the risk of employees meeting. Signage and other resources can be accessed at Public Health England³;
- Access / egress points to the site will be improved, wherever possible, to enable social distancing, e.g. using different doors / one-way systems;
- Entry systems that require skin contact, e.g. fingerprint scanners, will be disabled. Where necessary, an alternative system to record who is on site will be kept for emergency purposes;
- Enough space will be provided between workstations and areas where employees need to wait e.g. changing rooms. This will be achieved using signage and / or floor markings, e.g. spaced at 2 metres;
- Employees will be encouraged to use alternative means of travel to work other than public transport or the sharing of vehicles;
- Where employees do use public transport, they are advised to avoid peak times (05:45 -07:30 and 16:00 – 17:30); and
- Managers are to refer employees to Human Resources for further guidance regarding statutory sick pay, sick notes etc.

Precautions to be taken to mitigate of reduce the risk of transmission between employees when at work include:

- **Travel to Work:**
 - Employees will, wherever possible, travel to work alone using their own transport;
 - If employees need to share transport the following measures need to be complied with:
 - Journeys should be with the same individuals with numbers kept to a minimum, e.g. two;
 - Improve ventilation by opening windows back and front, face away from each or one in the rear and front;
 - Regularly clean vehicles with standard cleaning products. Gloves should be worn when undertaking this task. Particular attention should be paid to door handles and other areas that may have been touched; and

¹ <https://www.gov.uk/government/publications/guidance-on-shielding-and-protecting-extremely-vulnerable-persons-from-covid-19>

² <https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/guidance-for-employers-and-businesses-on-coronavirus-covid-19>

³ <https://coronavirusresources.phe.gov.uk/>

- On arrival all employees must wash their hands with soap and water for 20 seconds.
- **Work Access:**
 - Stop all non-essential visitors, see below with regards to maintenance / visitors;
 - Use access / egress point, if assigned, and stand at least 2 metres apart or follow the floor markings if present; and
 - Wash hands for 20 seconds with soap and water.
- **Toilet/Changing Rooms and Hand Washing Facilities:**
 - Wash hands frequently during the working day;
 - Use the designated facilities for your area if assigned, keep the 2 metre distance if waiting outside or when inside facility, and keep to the numbers allowed;
 - Ensure that there is plenty of soap and paper towels, inform management if supplies are running low;
 - If provided, use a wipe disinfectant cloth to clean any surface that you may have touched; for example, door handles, toilet flush handle and taps etc; and
 - Dispose of all paper towels in bin provided (keep lid open or use the foot operated version) and empty bin if full.
- **Canteen/Rest Areas:**
 - Bring your own food and drinks and **DO NOT** leave site to use local shops or visit food takeaway vans;
 - Abide by the numbers allowed into the facility and if allocated a time of use;
 - Wash hands before entering;
 - Maintain 2 metre distancing - do not remove tape if used to screen off tables / chairs;
 - Area to be kept clean with all rubbish placed in the bins provided;
 - Avoid using drink machines - if used then they should be cleaned regularly, and individuals should wash hands after use;
 - If there is a need for a monetary transaction, then it should be done by means of contactless card if possible;
 - Crockery, including cups should not be used unless they are disposable or cleaned between use;
- **Driving for Work:**
 - If travelling between sites or undertaking deliveries / collections, then where possible this should be undertaken alone;
 - If not possible then the vehicle should be shared by the same person or minimum required to undertake task;
 - Keep windows open and face away from each other or site one to the front, and rear seats, before entering and getting out of vehicle;
 - Wash hands with soap and water or hand sanitiser if not available;
 - Obey client site rules for social distancing etc; and
 - Regularly clean vehicle using gloves and with standard cleaning products, paying attention to door handles and other surfaces that may have been touched during the journey.
- **Cleaning:**
 - Cleaning across the workplace will be enhanced, especially communal areas and at touch points:
 - Taps and washing facilities;
 - Toilet flush and seats;
 - Door handles and push plates;
 - Handrails on staircases and corridors;
 - Lift controls;
 - Machinery and equipment controls;
 - Canteen / welfare areas will be cleaned between breaktimes and shifts, include chairs, vending machines, and any payment devices;
 - Telephone equipment;
 - Keyboards, photocopier, and other office equipment; and
 - Rubbish collection and storage areas will be emptied regularly throughout the day and at the end of each day.

- **Work Planning:**

- Below is an overview of how the risk of transmission will be reduced where work activities must be undertaken. An accompanying checklist will be used to assist with recording.

Eliminate	<ul style="list-style-type: none"> • Workers who are unwell with symptoms of COVID-19 will not travel to work. • Tasks will be rearranged to enable them to be done by either one person, or by maintaining social distancing (2 metres). • Skin to skin and face to face contact will be avoided. • Stairs will be used rather than lifts. • Alternative or additional mechanical aids will be considered to reduce the need for worker interface e.g. two persons lifts. • Site meetings will be avoided or will be conducted by telephone or video conferencing. • Where meetings must take place, only necessary meeting participants should attend, attendees will be kept 2 metres apart from each other, rooms will be well ventilated / windows kept open to all air circulation or held outside.
Reduce	<p>Where the social distancing rules cannot be achieved:</p> <ul style="list-style-type: none"> • The time and frequency employees are within 2 metres of each other will be minimised. • The number of employees involved will be reduced to a minimum. • Employees will work side by side or face away from each other not face to face. • Where lifts must be used, the capacity will be reduced to reduce congestion. • Common touch points, doors, buttons, handles, vehicle cabs, tools, equipment etc., will be regularly cleaned. • The ventilation in enclosed areas will be increased – open doors or windows where possible. • Workers will be reminded to wash their hands regularly during the working day not just on arrival or before break time.
Isolate	<ul style="list-style-type: none"> • Shifts and teams will be kept together. • The sizes of shifts and teams will be kept as small as possible. • Shifts and teams will be kept away from other works where possible.
Control	<p>Where face to face working is ESSENTIAL to undertake a task and social distancing cannot be achieved:</p> <ul style="list-style-type: none"> • The work will be kept to 15 minutes or less. • Authorisation processes, such as a permit to work, will be used. • Additional supervision will be provided to monitor compliance.
Personal Protective Equipment (PPE)	<p>Sites should not need to use Respiratory Protective Equipment (RPE) for COVID-19 where the 2 metre social distancing guidelines are met.</p> <ul style="list-style-type: none"> • Where it is not possible to maintain a 2 metre distance, each activity will be assessed using the hierarchy of controls and any sector-specific guidance. The use of PPE and RPE is a last resort. • Re-usable RPE will be cleaned between use and NOT shared. • Single use PPE / RPE will be disposed of so it cannot be reused. • If works must take place in areas where persons have symptoms, are shielding or have confirmed cases, e.g. healthcare facilities, additional PPE will be required, and information will be sought before attending site.

Safe System of Work Progress and Review Sheet


Issue:	1	Task:	Safe System of Work for Protecting the Workforce During COVID-19
Company Name:			

Date:	Details of Progress Made:	Initials:

Date:	Details/Reason for Review:	Initials:

RAF4 Rev2 ©Cope Safety Management 2012
www.jwcope.co.uk

Risk Assessment

Risk Assessment No:		Issue:	1	Task:	Coronavirus – COVID-19		
Company Name:	Black Sluice Internal Drainage Board	Signature & Position:			Operations Manager	Date:	27.04.2020

Probability	Severity		The following guidelines should be applied to risk factors after control measures have been applied:
5	Very Likely	Risk Factor = Probability x Severity Low Risk = 1 to 6 Medium = 7 to 11 High = 12 +	Risk factor after control measures: 1 – 6 OK to proceed Risk factor after control measures: 7 – 11 Further control measures should be applied. Seek further advice if unsure. Risk factor after control measures: 12+ Unacceptable – Do not proceed
4	Likely		
3	Probable		
2	Possible		
1	Very Unlikely		
5	Fatality		
4	Major Injury		
3	Medical Injury		
2	Minor Injury		
1	No Injury		

Relevant legislation <i>This list is not exhaustive</i>	Health and Safety at Work Etc. Act 1974 Management of Health and Safety at Work Regulations 1999 (as amended) Manual Handling Operations Regulations 1992 (as amended) Control of Substances Hazardous to Health Regulations 2002 (as amended)	Provision and Use of Work Equipment Regulations 1998 Lifting Operations and Lifting Equipment Regulations 1998 Personal Protective Equipment Regulations 1992 Workplace (Health, Safety, Welfare) Regulations 1992 (as amended)
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Hazard:	Risk:	Risk Factor Before Control:	Control Measure	Risk Factor After Control:																																																																								
Employees attending work showing symptoms of COVID-19	Infecting people who are in close vicinity. Persons contracting COVID-19	<table border="1" style="width: 100%; text-align: center;"> <tr><td>5</td><td>Green</td><td>Yellow</td><td>Red</td><td>Red</td><td>Red</td></tr> <tr><td>4</td><td>Green</td><td>Yellow</td><td>Red</td><td>Red</td><td>Red</td></tr> <tr><td>3</td><td>Green</td><td>Green</td><td>Yellow</td><td>Red</td><td>Red</td></tr> <tr><td>2</td><td>Green</td><td>Green</td><td>Green</td><td>Yellow</td><td>Yellow</td></tr> <tr><td>1</td><td>Green</td><td>Green</td><td>Green</td><td>Green</td><td>Green</td></tr> <tr><td>0</td><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr> </table>	5	Green	Yellow	Red	Red	Red	4	Green	Yellow	Red	Red	Red	3	Green	Green	Yellow	Red	Red	2	Green	Green	Green	Yellow	Yellow	1	Green	Green	Green	Green	Green	0	1	2	3	4	5	Current Control Measures: <ul style="list-style-type: none"> Employees who experience symptoms of continuous coughing and a high temperature (37.8 degrees centigrade or higher) are advised to stay at home, self-isolate and follow NHS current advice. Current advice can be found on www.nhs.uk/coronavirus and https://www.gov.uk/government/collections/coronavirus-covid-19-list-of-guidance, including where a person becomes ill at work. All other employees undertaking thorough personal hygiene and cough etiquette. Recommended Control Measures: <ul style="list-style-type: none"> Monitor and review. 	<table border="1" style="width: 100%; text-align: center;"> <tr><td>5</td><td>Green</td><td>Yellow</td><td>Red</td><td>Red</td><td>Red</td></tr> <tr><td>4</td><td>Green</td><td>Yellow</td><td>Red</td><td>Red</td><td>Red</td></tr> <tr><td>3</td><td>Green</td><td>Green</td><td>Yellow</td><td>Red</td><td>Red</td></tr> <tr><td>2</td><td>Green</td><td>Green</td><td>Green</td><td>Yellow</td><td>Yellow</td></tr> <tr><td>1</td><td>Green</td><td>Green</td><td>Green</td><td>Green</td><td>Green</td></tr> <tr><td>0</td><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr> </table>	5	Green	Yellow	Red	Red	Red	4	Green	Yellow	Red	Red	Red	3	Green	Green	Yellow	Red	Red	2	Green	Green	Green	Yellow	Yellow	1	Green	Green	Green	Green	Green	0	1	2	3	4	5
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BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE - 10 JUNE 2020

AGENDA ITEM No 16

CANCELLED COMMITTEE MEETINGS

1. Structures Committee

The Structure Committee Meeting due to be held on 25th March 2020 was cancelled due to COVID-19 constraints.

Recommend the Executive Committee agreed to continue (no revision) with the current Structure Replacement Policy until the next Structures Committee review in 2021.

2. Environment Committee

The Environment Committee Meeting due to be held on 22nd April 2020 was cancelled due to COVID-19 constraints.

Recommend the Executive Committee agree to continue (no revision) with the current Biodiversity Action Plan until the next Environment Committee review in 2021.

The environmental works and involvement proposals amounts to a budget figure of £20,400 for 2020/21. Recommend to forward this to the Chairman of the Environment Committee for further comment and approval.

3. Northern Works Committee

The Northern Works Inspection and Committee Meeting due to be held on 8th April 2020 was cancelled due to COVID-19 constraints.

The following works descriptions are the major 2020, 2021 & 2022 works proposal updates.

2020/21

(a) Wyberton Marsh p/s Weedscreen cleaner replacement budget of £110,000

Site visits were completed 05.05.2020 with the preferred supplier of this equipment, we have now received quotations and placed orders for these works in line with the budget.

(b) NFF revetment £350,000

Works were started on this scheme February 2020, to include bushing works upstream of Boston Tennis Club, where access with Board's own plant and resource was possible, and able to be completed prior to current working conditions.

Dams were placed and water levels reduced to gain access under the pumping station, to remove silt, and inspect the condition of the intake side of the station including replacement of connecting bolts to the sections of the pump intake shaft and bell housing.

Further bushing works will require completing and removal of all vegetation from the watercourse prior to any desilting works being completed.

It is anticipated that Royal Smals will complete the cutter suction dredging, subject to acceptance of a revised quote which has been delayed due to the Coronavirus pandemic.

Planned works to replace/line the c250m of pipeline which outfalls into the North Forty Foot drain have been postponed until at least October 2020, due to the Coronavirus pandemic.

(c) Jetting to major pipelines £50,000

Continue to complete sections from Kirton/Wyberton and Donington areas, not completed in 2019/20.

2021/22

(d) Proposed refurbish weedscreen cleaner at Great Hale pumping station £46,000

(e) Proposed new roof Kirton Marsh p/s £10,000

(f) Kirton Drain – adjacent to Balaclava Cottage (AOB at Joint Works in November 2019)

The Occupier has offered to pay £10k towards the cost for the repairs to the bank.

Question for consideration is are the Board prepared to make a contribution as per previously upstream of this site adjacent to another residential property, albeit in this case it is believed that the problems with the bank stability have been caused by placement of fence posts on top of the bank and addition of a porch extension

Estimated cost to place interlocking trench sheet piling at a raised level to reduce the gradient for a linear length c16m, estimated £8k.

Black Sluice Internal Drainage Board

Unaudited Financial Statements

For The Year Ended 31st March 2020

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Black Sluice Internal Drainage Board - Members

Elected Members		Electoral District
Mr K C Casswell	Chairman - Board	E
	Chairman - Executive Committee	
Mr P Holmes	Vice Chairman - Board	G
	Chairman - Northern Works	
	Chairman - Environment Committee	
Mr M Rollinson	Chairman - Southern Works	F
Mr J Fowler	Chairman - Bridges & Culverts	G
Mr W Ash		D
Mr J F Atkinson		D
Mr V A Barker		C
Mr R Leggott		A
Mr P Robinson		B
Mr N Scott		B
Mr J R Wray		E

Members Appointed by District Councils

Boston Borough Council	
Mr T Ashton	
Mr R Austin	
Mr P Bedford	
Mr M Brookes	Chairman - Audit & Risk Committee
Mr C Brotherton	
Mr M Cooper	
Mr P Skinner	

South Holland District Council	
Mr S Walsh	

South Kesteven District Council	
Mr C Benn	

North Kesteven District Council	
Mr M Head	

Senior Officers	
Mr Ian Warsap Bsc. C Eng	Chief Executive Officer
Mr Daniel Withnall MCGI MInstLM FMAAT	Finance Manager

ANNUAL REPORT

Introduction

The Black Sluice Internal Drainage Board is an independent body created under land drainage statutes responsible for flood risk, land drainage and water level management works, other than on main rivers, in the Black Sluice IDB area. Board Members are either elected by and represent the occupiers of land in the area or are nominated by the District Councils in the Board's area. The Board consists of 11 elected members and 10 nominated members. Further details are on page 3.

The Board secures income mainly from drainage levies on farmers and other occupiers and from special levies on local authorities. The Board also pays levies to the Environment Agency to fund works on main rivers that protect the drainage district.

This document is the statement of accounts of Black Sluice IDB for the financial year ending 31st March 2020, set out on pages 6 to 14. The accounts consist of:

The Annual Governance Statement

The system of internal control is designed to manage the risk to a reasonable level, the IDB's statement details how this is achieved.

The Statement of Responsibilities

This statement identifies the officer who is responsible for the proper administration of the Board's financial affairs.

The Statement of Accounting Policies

This statement details the legislation and source of accounting principles on which the financial statements are prepared.

The Income and Expenditure Account

This statement summarises the resources that have been generated and consumed in providing services and managing the IDB during the last year.

The Balance Sheet

This statement is fundamental to the understanding of the Board's financial position at the year end. It shows the balances and reserves at the Board's disposal and the fixed and net current assets employed in its operation, together with summarised information on the fixed assets held. The statement also includes assets and liabilities of the Board.

Notes to the Accounts

The notes relating to the statements above are detailed after the core statements.

THE ANNUAL GOVERNANCE STATEMENT

We acknowledge as the Members of the Black Sluice Internal Drainage Board our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31st March 2020, that:

	Agreed - Yes or No	Yes' means that the board:
1 We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	Yes	prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	Yes	made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3 We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and proper practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	Yes	has only done what it has the legal power to do and has complied with proper practices in doing so.
4 We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	No	during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5 We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	Yes	considered and documented the financial and other risks it faces and has dealt with them properly.
6 We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	Yes	arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7 We took appropriate action on all matters raised in reports from internal and external audit.	Yes	responded to matters brought to its attention by internal and external audit.
8 We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	Yes	disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.

This annual governance statement is approved by the body and recorded as minute reference dated XX July 2020.

Signed on behalf of Black Sluice Internal Drainage Board.

.....
Mr Keith Casswell
Chairman
XX July 2020

.....
Mr Daniel Withnall
Finance Manager
XX July 2020

THE STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

The Board is required:

- a) to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Board, that officer is the Finance Manager.
- b) to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The Finance Manager's Responsibilities

The Finance Manager is responsible for the preparation of the Board's Statement of Accounts which is required to present a true and fair view of the financial position of the Board at the accounting date and its income and expenditure for the year ended 31st March 2020.

In preparing this statement of accounts, the Finance Manager has:-

- a) selected suitable accounting policies and then applied them consistently,
- b) made judgement and estimates that were reasonable and prudent,
- c) compiled the accounts in accordance with UK Generally Accepted Accounting Practices,
- d) applied the accounting concept of a 'going concern' by assuming that the IDB will continue to operate for the foreseeable future.

The Finance Manager has also:-

- a) kept proper accounting records which were up to date;
- b) taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certificate of the Finance Manager

These Financial Statements present a true and fair view of the financial position of the Board at 31st March 2020 and its income and expenditure for the year then ended.

.....
Mr Daniel Withnall

XX July 2020

Certificate of the Chairman of the Board

I confirm that these accounts have been approved by the Black Sluice Internal Drainage Board at a meeting held on the XX July 2020.

.....
Mr Keith Casswell

XX July 2020

STATEMENT OF ACCOUNTING POLICIES

1. General

These accounts have been prepared in accordance with the following accounting concepts:- Accruals, Relevance, Consistency, Reliability, Comparability, Understandability, Materiality and Going Concern.

2. Fixed Assets

Fixed assets are recognised as expenditure on acquisition, creation or enhancements with a value in excess of £5,000 and a useful life in excess of one year.

Fixed assets are valued on the following basis:-

- a) Land is included at historic cost.
- b) Operational Buildings are included in the balance sheet at valuation. The Offices and Depot were valued on 31st March 2016 by Mr Robert J Hurst FRICS FAAV, Chartered Surveyor, at market value. It is the Boards intention to value Operational Buildings at an open market value every five years and not depreciate in the intervening years.
- c) Pumping Stations were valued on 31st March 2009 by Mr JW Castley FRICS FAAV, Chartered Surveyor, at open market valuation. It is the Boards intention to retain these values in the accounts as a nominal value and not depreciate in the intervening years.
- d) Non - Operational Property is included in the balance sheet at market value. It was valued on 31st March 2016 by Mr Robert J Hurst FRICS FAAV, Chartered Surveyor, at market value. It is the Boards intention to value non-operational property at an open market value every five years and not depreciate in the intervening years.
- e) Vehicles, Plant & Equipment are included at cost less depreciation.

Disposals are written off at cost less depreciation. Any surplus/deficit arising is charged/credited to the appropriate reserve.

Depreciation has been provided on a straight line basis, on motor vehicles and equipment, excavators and plant, computers, office equipment with a purchase cost in excess of £5,000.

Plant & Vehicles	7 Years
Equipment	4 Years

3. Income

Income includes drainage rates on local agricultural land and buildings, special levies on district/borough councils, recharged works, government grants, rental income and interest on investments. Where applicable, this is net of Value Added Tax and is recognised when the Board has a right to receive the income.

4. Expenditure

Expenditure is included on an accruals basis.

5. Stock & Work in Progress

Stocks and work in progress are stated at the lower of cost or net realisable value.

6. Government Grants and Contributions

Government grants and contributions have been credited to the income and expenditure account on an accruals basis. Government grants used for the acquisition of fixed assets have been deducted from the purchase price of the asset.

7. Provisions

The Board sets aside provisions where there is a definite liability, but the amount and timing of settlement is not known. Details are given as notes to the accounting statements.

8. Pensions

The Board paid an employers contribution of £228,816 on employees pensionable pay into the Lincolnshire County Council pension fund

9. Discontinued Operations

The Board had no material operations which it acquired or which were discontinued in the year and therefore no separate disclosure is required in respect of the Income and Expenditure account and balance sheet accounts.

10. Internal Interest

Interest is allocated to the Income and Expenditure Account, Development Fund, Plant Fund and Wages Oncost Fund based on the average level of their balances.

Black Sluice Internal Drainage Board Income and Expenditure Account For Year Ended 31st March 2020

	Note	2019/20	2018/19
Income		£	£
Drainage Rates		1,054,695	1,054,817
Special Levies on Councils	1	1,039,592	1,037,069
Income from Rechargeable Works		507,653	505,373
DEFRA Grants	2	405,864	110,805
Sundry Income	3	33,546	96,033
Rental Income		7,366	7,366
Investment Income		17,456	7,332
Development Reserve Contribution		5,000	5,000
Interest		5,536	3,673
		3,076,708	2,827,468
Expenditure			
Drain Maintenance		683,540	771,101
Cost of Rechargeable Works		440,875	474,797
Administration Costs		416,193	399,422
Pumping Stations		676,429	348,541
Asset Refurbishments	4	460,524	300,342
Environment Agency Precept		276,552	276,552
Establishment Charges		64,059	57,240
Miscellaneous Charges		22,934	53,947
Depot Costs		51,401	53,241
Environmental Schemes		5,283	17,071
		3,097,790	2,752,254
Surplus / (Deficit)		(21,082)	75,214

Black Sluice Internal Drainage Board Balance Sheet as at 31st March 2020

	Note	2019/20	2018/19
Fixed Assets			
Pumping Stations		3,861,354	3,861,354
Land & Buildings		739,350	739,350
Vehicles, Plant & Equipment		830,948	723,609
Non Operational Assets		130,000	130,000
	8	5,561,652	5,454,313
Current Assets			
Stock		30,399	32,900
Debtors & Prepayments	9	190,820	172,921
Investment Valuation		442,850	490,809
Cash at bank & in hand	10	869,382	1,236,663
		1,533,451	1,933,293
Current Liabilities			
Creditors	11	(230,447)	(545,309)
Net Current Assets		1,303,004	1,387,984
Liability related to defined pension scheme		(2,744,000)	(3,655,000)
Total Assets less Liabilities		4,120,656	3,187,297
Capital Reserve		5,561,654	5,454,315
Pension Reserve		(2,744,000)	(3,655,000)
Investment Revaluation Reserve		(57,150)	(9,191)
		2,760,504	1,790,124
Revenue Reserve		1,220,943	1,242,027
Development Reserve		182,703	155,103
Plant Reserve		(16,592)	29,921
Wages Oncost Reserve		(26,902)	(29,878)
		1,360,152	1,397,173
	12	4,120,656	3,187,297

Mr K Casswell
Chairman
XX July 2020

Mr DJ Withnall
Finance Manager
XX July 2020

Black Sluice Internal Drainage Board

Notes to the Accounts

	2019/20	2018/19
	£	£
1 Special Levies		
Boston Borough Council	787,059	784,761
South Holland District Council	126,223	126,090
North Kesteven District Council	68,197	68,105
South Kesteven District Council	58,113	58,113
	1,039,592	1,037,069

	2019/20	2018/19
	£	£
2 Government Grants received from Defra		
NFF Revetment Works	277,170	16,889
Sempringham PS Weedscreen Cleaner	117,344	21,223
Kirton Meeres Long Culvert	11,350	12,184
Damford PS Resilience	0	9
Malting Lane Pipework	0	60,500
	405,864	110,805

	2019/20	2018/19
	£	£
3 Sundry Income		
Sundry Income	16,941	78,472
Solar Income	16,605	17,561
	33,546	96,033

	2019/20	2018/19
	£	£
4 Asset Refurbishments		
Drain Asset Improvements	365,339	170,596
Pumping Station Refurbishments	95,185	129,746
	460,524	300,342

5 Remuneration

The table below shows the number of employees whose remuneration was greater than £50,000:

	2019/20	2018/19
Band £		
50,000 to 59,999	1	1
60,000 to 69,999	1	0
80,000 to 89,999	1	1
	3	2

6 Audit Fees

	2019/20	2018/19
	£	£
Fees paid to the Board's External Auditor	2,800	2,800

7 Related Party Transactions

Some members of the Board pay Drainage Rates at the prevailing rate.

Black Sluice Internal Drainage Board

Notes to the Accounts

8 Tangible Fixed Assets

	Land & Operational Buildings £	Pumping Stations £	Non Operational Property £	Vehicles, Plant & Equipment £	Total £
Cost					
Opening Balance	739,350	3,861,354	130,000	1,576,792	6,307,496
Additions	0	0	0	424,548	424,548
Disposals	0	0	0	(355,746)	(355,746)
Revaluation	0	0	0	0	0
As at 31st March 2020	739,350	3,861,354	130,000	1,645,594	6,376,298
Depreciation					
Opening Balance	0	0	0	(853,182)	(853,182)
Disposals	0	0	0	193,972	193,972
Charge for year	0	0	0	(155,436)	(155,436)
As at 31st March 2020	0	0	0	(814,646)	(814,646)
Net Book Value					
As at 31st March 2019	739,350	3,861,354	130,000	723,610	5,454,314
As at 31st March 2020	739,350	3,861,354	130,000	830,948	5,561,652

9 Debtors & Payment in Advance

	2019/20 £	2018/19 £
Trade Debtors	111,903	133,939
Prepayments	47,037	71,126
Officers Car Loans	16,838	22,391
Rechargeable Work in Progress	0	5,730
HM Revenue & Customs (VAT)	15,191	(60,483)
Drainage Rate Debtors	(149)	218
	190,820	172,921

10 Cash at Bank & in hand

	2019/20 £	2018/19 £
Bank Deposits	869,104	1,236,463
Petty Cash	278	200
	869,382	1,236,663

11 Creditors

	2019/20 £	2018/19 £
Trade Creditors	113,343	278,993
Accruals	117,104	266,316
	230,447	545,309

12 Reserves

	Balance 31/03/2019	Additions in Year	Withdrawals in year	Balance 31/03/2020
Capital Reserve	5,454,315	262,774	(155,435)	5,561,654
Pension Reserve	(3,655,000)	911,000		(2,744,000)
Investment Revaluation Reserve	(9,191)		(47,959)	(57,150)
Revenue Reserve	1,242,027		(21,084)	1,220,943
Development Reserve	155,103	32,600	(5,000)	182,703
Plant Reserve	29,921	378,034	(424,548)	(16,593)
Wages Oncost Reserve	(29,877)	166,060	(163,084)	(26,901)
	3,187,298	1,750,468	(817,110)	4,120,656

Development Reserve- The Board makes a one off charge to developers to allow an increase in flow into the Board's drainage system. These charges are kept in the Development Fund and used to fund future improvements to the Board's drainage system to accommodate these additional flows.

Plant Reserve - The Plant Fund generates income internally throughout the year from all works carried out using the Board's plant. Offset against this income are all the expenses related to the plant and the fund is built up to replace the plant items when required. The depreciation is also charged to this account.

Wages Oncost Reserve - The Wages Oncost Fund generates income internally throughout the year from all work using the Board's Labour. Offset against this income are all the expenses related to employing the workforce.