

BLACK SLUICE INTERNAL DRAINAGE BOARD

MINUTES

of the proceedings of a meeting of the Audit & Risk Committee

held at the offices of the Board on
28th October 2025 at 2pm

Members

Chairperson - * Mr M Leggott

* Mr T Ashton
Mr M Mowbray
* Cllr M Geaney

* Mr V Barker
* Cllr Z Lane
* Cllr S Welberry

* Member Present

In attendance: Mr D Withnall (Chief Executive)
Mrs A Chamberlain (Finance & Admin Director)

2540 Recording the Meeting - Agenda Item 1

Members were informed that the meeting would be recorded.

2541 Apologies for absence - Agenda Item 2

There was one Apology for absence received from Mr M Mowbray.

2542 Declarations of Interest - Agenda Item 3

Minute 2469 1.5 Risk of Board Watercourses being unable to convey water.

Mr V Barker declared an interest in a matter arising that he intended to raise in relation to Minute 2469.

2543 Minutes of the last meeting - Agenda Item 4

Minutes of the last meeting held on 15th April 2025, copies of which had been circulated, were considered and it was AGREED that they should be signed as a true record.

2544 Matters arising - Agenda Item 5

Minute 2469 1.5 Risk of Board Watercourses being unable to convey water.

Mr V Barker declared an interest and raised an issue in the watercourse which is a main culvert on the highway. Currently this is not causing a problem, however, previously when there has been a substantial amount of rainfall during the winter

months the water had frozen at different levels. The different levels of ice would hold back the water and cause a problem.

2545 To receive the Annual Return including External Auditors Opinion for 2024/25 - Agenda Item 6

The Annual Return including External Auditor's opinion was presented, it being noted that there were no matters to report from the external audit.

The Chief Executive highlighted for next year's Audit the new guide from the external auditor will look at the accessibility of our website. The one issue that stands out is light writing on dark backgrounds. The website creator has been commissioned to refresh the website which hasn't been done for 10 years and put the accessibility requirements in place.

Mr T Ashton pointed out, and he was speaking from experience, where updating websites is concerned it is best to proceed with caution and consider what is best for the common good.

Cllr M Geaney arrived 14:06

2546 To review the follow policies - Agenda Item 7

(a) Policy No 03: Financial Regulations

The Chief Executive highlighted the following proposed changes:

5.3 – Income – The procedures for collecting and recording income has been modernised with the removal of additional steps that were not required. Drainage rate income is still recorded in the same way.

9.3 – Treasury Management / Banking Arrangements – The Executive Committee took the decision to increase Black Sluice investment with Brewin Dolphin to Risk Level 5. This slight increased risk should maintain the same income but should increase the value of the fund. The Audit & Risk committee AGREED this was the best course of action.

Mr T Ashton noted as the value of the investment was decreasing, in relation to inflation, this is the right course of action.

Mr V Barker highlighted as this is the Board's money we must be prudent despite some investment funds of a higher percentage available.

Cllr M Geaney queried if the Board were taking external financial advice.

The Chief Executive noted that although investment income has been modest, the funds are showing signs of recovery. Brewin Dolphin, acting as the Board's investment broker, provides advice on investment strategy, while a separate firm brokers cash investments to identify optimal opportunities. He emphasised the importance of exercising caution and avoiding undue risk when managing public funds.

The Committee RESOLVED to recommend that the Financial Regulations Policy (No. 03) be approved at the next Board meeting.

(b) Policy No 15: Employees Code of Conduct

The Chairperson highlighted the following proposed changes:

2.1 Attendance and Timekeeping - The sentence in bold was unintentional.

2.4 Confidentiality – The committee discussed the clause prohibiting employees from engaging in external activities that may compete with the Board without prior approval. A past incident was noted where former staff members operated a private business in tree care and drainage services while still employed. Although competition wasn't the primary concern due to the Board's public status, the issue raised was the potential impact on employee performance and health due to excessive working hours outside their Board duties.

2.6.1 - Health & Safety General – (a), (b) & (g). The committee reaffirmed the importance of health and safety reporting, emphasising that all accidents and near misses must be promptly recorded in line with Board policy. Employees are encouraged to raise any safety concerns with their line managers.

A query was raised regarding the use of life vests when working near or in drains. It was clarified that the requirement depends on the risk assessment conducted by the supervisor at the time. While high-risk tasks like dam installation in deep water would necessitate life jackets, lower-risk activities may not. The Board has implemented self-inflating personal flotation devices (PFDs) and continues to prioritize safe working practices through proactive assessments and equipment upgrades.

2.6.3- Smoking and Vaping- including vaping to the policy updates the smoking policy.

2.7- Property and Equipment- By removing fax from the policy keeps the narrative current.

The Committee RESOLVED to recommend that the Employees Code of Conduct Policy (No.15) be approved at the next Board meeting.

(c) Policy No 16: Fraud and Corruption

The Chairperson highlighted the following proposed changes:

The contact details of the Internal Auditor to be changed

The Committee RESOLVED to recommend that the Fraud and Corruption Policy (No. 16) be approved at the next Board meeting.

(d) Policy No 20: Officer Car Loans & Electric Car Scheme

The Chief Executive highlighted the following proposed changes:

1- Introduction- Employees previously was Officers.

2- Policy- Employees previously was Officer.

3 – Responsibility of Employees- Employees previously was Officer.

5- Electric Car Salary Sacrifice Scheme Summary- The committee discussed the electric car salary sacrifice scheme, currently used by two employees, with hybrid vehicles recently added to the offering. While the tax benefits for hybrids may be limited, participation remains optional. The installation of EV chargers at the office was considered but deemed too costly at approximately £7,500 for four units. A proposed charging rate of 6.8p/kWh (aligned with the solar panel export rate) was not competitive compared to home charging rates, leading most staff to prefer charging at home. A formal charging policy will be developed if chargers are installed in the future.

The Committee RESOLVED to recommend that the Officer Car Loans & Electric Car Scheme Policy (No.20) be approved at the next Board meeting.

(e) Policy No 30: Pension Discretion LPF 2014

The Chief Executive confirmed he had contacted West Yorkshire Pension Fund who administer the Lincolnshire Pension Fund, and they confirmed there were no changes to the template discretions therefore they have been left as they are.

The Committee RESOLVED to recommend that the Pension Discretion LPF 2014 Policy (No.30) be approved at the next Board meeting.

(f) Policy No 42: Near Miss Reporting

The committee addressed underreporting of near misses and clarified their definition. A near miss is not just an avoided accident but any situation that could have developed into a hazard. The reporting scope has been expanded to include activities, method statements, safe systems of work, and risk assessments. Employees are encouraged to report concerns either through health and safety representatives or directly to management, reinforcing the Board's commitment to a proactive safety culture.

The Committee RESOLVED to recommend that the Near Miss Reporting Policy (No. 42) be approved at the next Board meeting.

2547 To receive the Catalogue of Board Policies with recommended approval dates – Agenda Item 8

The committee reviewed the scheduling of board policy approvals and agreed to move the Health and Safety Policy review to the April meeting to avoid a congested agenda in September. This policy, which spans 50 pages and includes several embedded sub-policies, will align with the annual review in August. Members acknowledged the need to prepare for a detailed discussion and agreed with the revised schedule.

The Committee AGREED that the Catalogue of Board Policies be adopted.

2548 To review the Risk Register - Agenda Item 9

The risks with a Risk Score of 6 were reviewed:

- *Risk 1.1(b) – Fluvial flooding from failure of overtopping of defences.*
The work at Dunsby and Quadring was completed. Plus, the pointing has been repaired in the flood wall at Wyberton which had been part of the problem in January 2025. As the foundations and the walls are still in the same situation as January 2025 it would still overtop by 8-22cm and therefore do the flood damage that it had done previously. This risk remains high.

Mr T Ashton questioned how the EA were doing with the simulation that is comparing the information from Babet, Henk and January 2025 with the 2018 model. The Chief Executive confirmed he is expecting the results at the end of the year. The model will be re done in 2027.

- *Risk 1.1(c) Flooding from failure of IDB pumping stations or excess rainfall.*
This risk remains high.
- *Risk 1.4 Risk of failure of Boards Pumping Station.*
Swineshead Pumping Station which is the largest capacity pumping station remains structurally compromised and the risk will be of that pumping station failing. This risk remains high.
- *Risk 1.10 Insufficient finance to carry out works.*
The Chief Executive proposed that this be reduced to low and risk score 3 which was supported.
- *Risk 8.5 Breach in Cyber Security including risk of virus being introduced to network.*
The committee reviewed the cyber security risk rating, currently marked as high impact and medium likelihood. The Chief Executive outlined the extensive measures taken, including support from HBP, regular checks via the National Cyber Security Centre, robust backups, and new cyber insurance. Despite these improvements, members agreed to retain the medium likelihood rating due to the persistent global threat of cyber attacks. It was emphasised that even strong systems can be vulnerable, and attackers only need to succeed once. The consensus was to maintain the current rating to reflect ongoing vigilance.
- *Risk 8.7 Loss of accounting records.*
The potential impact can be low and the score becomes 1
- *Risk 8.8 Loss of rating records.*
The potential impact can be low and the score becomes 1.

The committee AGREED that the Risk Register be accepted (with the changes to be made as per the Risk Management Strategy).

2549 Any Other Business - Agenda Item 10

a. Policy No 30: Pension Discretion LPF 2014

3- Flexible Retirement-

The committee discussed flexible retirement regulations, clarifying that while the state pension age has increased to 66, 67, or 68 depending on individual circumstances, employees under the Local Government Pension Scheme can still opt for retirement from age 55. However, retiring early significantly reduces pension benefits, as the most substantial accrual typically occurs in the final working years. Members acknowledged the financial implications and timing considerations associated with early retirement.

There being no further business the meeting closed at 14:58