

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
30th April 2024 at 2pm

Members

Chairperson - * Mr M Brookes

* Mr W Ash	* Mr V Barker
* Mr M Leggott	* Mr J Fowler
* Cllr M Geaney	* Cllr Z Lane

* Member Present

In attendance: Mr D Withnall (Chief Executive)
Mrs A Chamberlain (Finance & Admin Director)
Ms F Roe (Internal Auditor - Tiaa)

2301 Recording the Meeting - Agenda Item 1

Members were informed that the meeting would be recorded.

2302 Apologies for absence - Agenda Item 2

Three were no apologies for absence. The Chairperson welcomed Ms F Roe to the meeting.

2303 Declarations of Interest - Agenda Item 3

No declarations of interest were received.

2304 Minutes of the last meeting - Agenda Item 4

Minutes of the last meeting held on 24th October 2023, copies of which had been circulated, were considered and it was AGREED that they should be signed as a true record.

2305 Matters arising - Agenda Item 5

(a) Policy No. 1: Risk Management Strategy – Minute 2217(b)

Risk 8.2 Risk of loss of telephone communications

The Chief Executive explained that the old phone system software was no longer supported and so a new phone system has been purchased and is up and running (HiHi). The new system is on a VOIP system which will be renewed every twenty months as part of the contract and so the same situation as previous with obsolete phones won't be encountered again.

Risk 8.4 Risk of Network Failure

The Board are now able to get Fibre Broadband at the offices, through Quickline, who are coming tomorrow to survey the duct and should then be up and running the following few weeks. The increased broadband speed should resolve some of the issues being experienced.

(b) Policy No. 4: Procurement Policy - Minute 2219(b)

Cllr M Geaney questioned whether the previously encountered issue around small incidental purchases from locally approved suppliers without obtaining quotes has improved since the policy change? It was confirmed that it has improved, with quotes now received for these types of orders.

(c) Policy No. 7: Health & Safety Policy - Minute 2219(e)

The Chief Executive noted that the committee previously agreed that workforce should be issued with a map set showing overhead wires, signing upon receipt for it. It was further explained that when producing these maps, it was found that the scale is too small to put all of the overhead wires on and the map remain readable. It is therefore on individual job sheets instead.

2306 To receive the Internal Audit Report for 2023/2024 - Agenda Item 6

Ms F Roe presented the Internal Audit Report for 2023/2024, highlighting that the Board has achieved 'Substantial Assurance', which is the best that can be awarded. Ms F Roe added that there were also no recommendations raised, which is a very good outcome. The committee were directed to the 'Findings' in the report, which shows all the elements that were covered. Ms F Roe concluded by noting that there are very good controls in place.

The committee thanked and congratulated all the team for this achievement.

Mr V Barker questioned whether the Board could take any learning from practices / procedures in other IDBs? Ms F Roe noted that all the IDBs they look at have had a similar positive outcome, further adding that if there was anything found that was particularly good practice / good value for money etc. it would be shared with other IDBs to learn from within the report.

The Chairperson questioned whether the committee wanted to speak with Ms F Roe privately, without Board employees present? The committee felt this was not needed, Ms F Roe agreed.

The Chairperson thanked Ms F Roe for her attendance at the meeting.

2307 To review the format of the Period 11 Management Accounts - Agenda Item 7

The Chief Executive noted that the Management Accounts are circulated in this format to the Executive Committee every month, and to Board Meetings. It has been the same format for a number of years, with the addition of the income page being introduced on the recommendation of the Internal Auditor several years ago. It was also noted that a narrative summary is also circulated with them.

Mr V Barker noted that he is surprised the variance isn't greater in the electricity. Further questioning the increase in Admin and Establishment? It was noted that the increase in Admin and Establishment is likely to be due to Storm Henk, Storm Babet and the restructure. It being further noted that this committee is looking at the format rather than analysing the financial element.

Mr J Fowler noted that, as an Executive Committee member in receipt of these accounts every month, it takes some time to get used to them and so urged it to remain in the same format, of the opinion that there is the right amount of detail and breakdown included in them.

The Committee RESOLVED to recommend that the format of the Management Accounts be approved at the next Board meeting.

2308 To review the following Board's policies - Agenda Item 8

(a) Policy No. 1: Risk Management Strategy

The Chief Executive presented the Risk Management Strategy as follows, firstly noting that the strategy element of the documents has remained the same, with no proposed changes.

The Chief Executive highlighted the following proposed changes:

Risk 1.1(b) Fluvial flooding from failure or overtopping of defences

The consequences of this risk have been expanded to include overtopping experienced in Storm Babet and Storm Henk (winter 2023/24). Further work details have also been expanded to reflect this.

The Chief Executive therefore suggested that the potential likelihood of risk be increased to 'medium' which would give a risk level of 6.

The Chief Executive further noted that the Board need to work with the Environment Agency (EA) to raise the bank levels, but noted the unlikelihood that the EA will have any available funding for this work. It is therefore a decision for the Board as to whether the Board want to fund this work (estimate £5k-£6k for Dunsby) and whether it is justifiable to spend ratepayer's funds on Main River when it is not the Board's responsibility. The EA are looking at it from a Public Sector Cooperation Agreement (PSCA) point of view and whether the Board can have permission through that to carry out the works without them funding it, it will then be brought to the Executive Committee and Board.

The Chief Executive further noted that the biggest issue in relation to Dunsby and Quadring is the damage that has been done to the back of the bank. If it continues overtopping in future events, it will cause it to breach. The Chief Executive is of the opinion that if the Board were to sort the two known low spots, then in the next event the new lowest spot would be identified and then rectified and keep building up this way. The Chief Executive further added that the Board need to expect more highest known levels.

The Chairperson noted that, given the experiences over the past winter, should the likelihood be increased to 'high' as opposed to 'medium'?

Mr V Barker voiced that he felt the building of the Lincolnshire Reservoir is wrong and that he does not agree with the approach that has been taken of building one reservoir on the top of a hill. He continued that if multiple reservoirs had been built in the valleys it would have benefited the Board more by holding the highland water.

The Chairperson acknowledged Mr V Barker, but that the committee have to judge the risk on the present situation.

Mr M Leggott felt that if the Board does no work on the banks and the EA does no work on the banks, then he believes the likelihood should be increased to 'high'.

Mr J Fowler felt that the committee should not overreact to a 1 in 70-year winter.

Cllr M Geaney agreed, adding that it was a weather phenomenon and that it has been advised that these circles of weather patterns are 1 in 10 years and so felt the committee shouldn't 'knee jerk' reaction to 'high', but instead increase to 'medium' now and then reassess if similar weather patterns become more frequent.

Cllr Z Lane questioned if by increasing the risk to 'high' it would give the Board anymore weight to push the EA to help? The Chief Executive responded that any risk level over 6, is looked at in detail every Board meeting, noting that risk level 6 would make action within the Board possible, looking to the EA and other sources of funding etc.

All AGREED to increase the potential likelihood of risk 1.1(b) to 'Medium', which increases the risk level to 6.

Risk 1.1(c) – Flooding from failure of IDB pumping stations or excess rainfall

The Chief Executive explained that since the analysis of the policy was done, there has been a change of circumstance. Further experiencing that a Structural Engineer has visited Swineshead, Holland Fen and Bicker Eau Pumping Stations. The Structural Engineer summarised Swineshead Pumping Station by expressing he wasn't sure how it was still standing. Swineshead Pumping Station is built differently to all the other pumping stations, it is the Board's biggest pumping station, and the pumps are held on RSJs. These steel bars were 15mm when they were first installed and are now only 3mm, the pumping station therefore needs replacing. Holland Fen and Bicker Eau Pumping Stations require some remedial works. Bicker Eau and Swineshead Pumping Stations are within the same catchment. The Board's Officers have estimated c£22million to replace both pumping stations, but from a Grant in Aid funding perspective, it is expected to only be able to attract c£17million. This is to be discussed further at the Executive Committee meeting next month with the Grant in Aid Manager in attendance.

The Chief Executive therefore felt that the likelihood of this risk should be increased to 'medium'.

Mr V Barker noted that he went to view Swineshead Pumping Station following the Southern Works Committee meeting, suggesting that if there are existing concrete pillars supporting the RSJ, then it may be possible to put one RSJ down the middle.

Mr V Barker also felt that no employee should go beneath the pumps whilst they are working. The Chief Executive responded that it has already been agreed that nobody is to go inside the pumping station whilst it is running.

All AGREED to increase potential likelihood of risk 1.1(c) to 'medium' which increases the risk level score to 6.

Risk 1.1(d) Flooding from sewers or riparian watercourses

The Chief Executive noted that he has included some more detail about working more effectively with other Risk Management Authorities, noting that it has been raised at Lincolnshire ADA about developing options to better serve the public and how information can be passed between authorities efficiently.

Risk 1.4 Risk of Board Watercourses being unable to convey water

The Chief Executive noted that the identified budget for slip repairs is not going to be enough to repair all the slips, so they are going to have to be prioritised. However, it was further noted that the Board have applied for £1.6million of the £20million recovery fund for IDBs.

Mr V Barker felt that farmers should be encouraged to put an extra land drain in so that it takes the water away from the middle of the field into the watercourse without having to 'push it' which could cause the slip. It was noted that this be suggested at the Board meeting.

The Chairperson noted that the committee need to assess the risk in the current situation.

The Chief Executive suggested that the likelihood be increased to 'medium' until the funding is resolved.

All AGREED to increase the potential likelihood of risk 1.4 to 'medium', which increases the risk level to 4.

Risk 1.8 Risk of Unplanned loss of Senior Staff

It was noted that the information regarding further work on the organisational structure due to the retirement of the Chief Executive can be removed.

Risk 2.1 Risk of prosecution for not adhering to Environmental Legislation

The Chief Executive explained that it has been difficult to find any Environment Consultants, with the current consultant due to retire imminently. The Board have therefore combined this element primarily with some of the current vacant GIS roles. Interviews are currently being undertaken. It was confirmed that this is a full-time position for this Board only, the concept of sharing the role between IDBs was considered but not feasible.

Risk 4.1 Risk of Injury to staff and subsequent claims and losses

The Chief Executive noted that he has added about the Health and Safety Committee forming, and removed the Personal Accident Insurance that the Board no longer has due to it being covered by other policies.

Risk 4.2 Risk of not complying with Health and Safety legislation

The Chief Executive noted that he has added about the Health and Safety Committee forming.

Risk 5.5 Fraudulent use of credit cards

The Chief Executive noted that this has been updated to reflect who holds credit cards, which changed during the organisational restructure. Further noting that the reference to the Chief Executive and Finance Manager should be the Chief Executive and Projects Director.

Risk 6.1 Risks to Board Members

It was noted that the updates to this risk are in relation to the updates in insurance cover since being with the NFU.

Risk 8.1 Risk of loss of telemetry

It was noted that the additional measure of all Directors now being trained to use telemetry has been added.

Risk 8.2 Risk of loss of telephone communications

The Chief Executive explained that the new HiHi phone system is on a separate network (can be swapped easily onto other broadband line if required). The reference to 14 VOIP phones can now therefore be removed.

Risk 8.3 Risk of loss of internet connections

It was noted that the addition of full fibre being available has been added (Quickline Engineer attending tomorrow).

Risk 8.5 Risk of breach in cyber security

The Chief Executive noted that he has removed the references to monthly backups being taken and removed from site, as this is no longer necessary due to having complete backups of the servers locally and remote.

Risk 8.6 Risk of network security breach

It was noted that the Board has changed to Microsoft Defender Anti-Virus (was included in some advanced licences purchased, resulting in a c£5k saving in comparison to previous Sophos anti-virus) and so this has been reflected within the policy. The change to WatchGuard has also been included (hard fire wall that controls access to the network in the building).

Risk 8.7 Risk of virus being introduced to network

It was noted that the change to Microsoft Defender has also been noted in this risk, along with the change in email spam filtering software to Microsoft 365.

Mr V Barker referenced QR codes and whether the Board is involved in them / whether they pose any risk? The Chief Executive explained that they are just a web address. If somebody created a malicious QR code, then the Microsoft Defender should block it anyway.

Risk 8.9 Risk of loss of rating records

The Chief Executive explained that the current system used for drainage rates (provided by South Holland IDB) is a twenty-year-old software that is no longer going to be supported from 31 March 2025. It will still be able to be used following 31 March, it will just not be supported. National ADA are looking to put something in place, but nothing has yet been shared. The Chief Executive continued that he believes it can be moved across to Office 365, which is what South Holland IDB are doing, and so this is possibly the approach the Board will take.

However, because of all this, the Chief Executive suggested to increase the potential likelihood of risk 8.9 to 'medium', which then increased the risk level to 4. All AGREED.

The Committee RESOLVED to recommend that the Risk Management Strategy (No. 01) be approved at the next Board meeting.

(b) Policy No. 7(a): H&S Booklet

The Chief Executive explained that this trifold booklet is issued to employees every year. It has been reviewed by the Health and Safety Committee to include what they feel is relevant and useful.

The Committee RESOLVED to recommend that the H&S Booklet (No. 07(a)) be approved at the next Board meeting.

(c) Policy No. 10: Delegation of Authority

The Chief Executive noted that the Executive Committee have the authority to approve anything in plant expenditure and regular budgeted expenditure, in excess of £20,000 within annual budget estimates, which has now been reflected in the policy. The authority to approve in excess of £20,000 for regular budgeted expenditure was also authorised for the Chief Executive and Projects Director, which has now been updated in the policy.

The Chief Executive further noted that the Executive Committee also have the authority to approve any changes to both investment portfolios (Board and Bourne Fen Farm), which has now been reflected in the policy.

Role number 24 of the Chief Executive has also been removed due to being duplicated.

A formatting issue was also noted in the Director's section, point 4 should become 3(a) and point 5 should become 3(b).

The Committee RESOLVED to recommend that the Delegation of Authority (No. 10) be approved at the next Board meeting.

(d) Policy No. 13: Emergency Response Plan

The Chief Executive explained that the Emergency Response Plan has been reviewed following the recent weather events, to reflect how the Board actually operates during these emergencies.

The Chief Executive highlighted the proposed changes as follows:

- Introduction – removal of diagram as it provides no benefit.
- Plan Distribution List – Dale Roy, Works Supervisor to be in receipt of the plan.
- Invocation procedure – 'Issues to consider' – expanded to now include the reference to 2.3m ODN at Black Hole Drove as that is the reference that is always used and to also include if the Board require additional resource.

Ms F Roe questioned if the Board has formal agreements with other organisations for additional resource if required? The Chief Executive explained that the Risk Management Authorities work in partnership through the Lincolnshire Resilience Forum, which have various plans in place. Further adding that the Board has a formal agreement with Witham 4th IDB that if the office was no longer suitable for working in, the administration staff would work from Witham 4th IDBs offices, however, following COVID-19, employees would now probably work from home instead.

- Testing and maintenance – proposed to reduce the review period from every six months to annually by the Board's Officer's (every three years by this committee and therefore Board).
- Emergency Response Section - reference to overtopping has been added given the overtopping experienced in the recent storm events. Reference has also been added to sea defences and the Boston Barrier.
- A Tidal Emergency timeline – addition of the consideration of installing flood resilience doors at Allan House Pumping Station.
- A Tidal Emergency timeline – Mr V Barker referred to the section about Wyberton Marsh and Kirton Marsh Pumping Stations, questioning if the motors need lifting so they are not at risk of flooding? The Chief Executive noted the work is ongoing for the transformer to be raised at Wyberton Marsh and there is also work ongoing for the incoming supply to be raised at Kirton Marsh Pumping Station, once this work is complete, this section can be removed from the plan.
- A Fluvial Emergency - During the Event – this section has been changed to reflect the way the Board now operates, including reference to the telemetry system and now metric gauge boards. It now also includes rota shift patterns and reference to responsibility for workforce supervision.

Cllr M Geaney referred to the section about being informed of a breach occurring by a landowner or member of the Board's staff, questioning if this could be any member of the public? All AGREED to change 'landowner' to 'member of the public'.

- A Fluvial Emergency - Standing down the emergency - A whole new section has been added about how / when to stand down an emergency.
- Other Plans – The Board has no other plans and so it proposed to remove this to avoid confusion. Mr J Fowler questioned about other organisation's plans? It was noted that the EA Plan for the Black Sluice Complex is included as an appendix in the Emergency Plan and all other plans are through the Lincolnshire Resilience Forum (held on a live platform Resilience Direct) which are more county wide, than applying to the Board specifically.
- Operation of Pumping Stations Table – The emergency profile levels have been changed to what can actually be maintained (once water level reaches certain height, the water sensor goes under water), therefore the new temporary levels are just under this height until a time when the sensors have been raised. Reference was also made to Heckington and Trinity College Pumping Stations and that they can be changed to the emergency profile during an emergency. The Chief Executive also highlighted the additional reference to consideration to turning off Cooks Lock and Chain Bridge Pumping Stations when tide locked at 2.3m ODN at Boston to avoid extra pressure on the South Forty Foot Drain (SFFD).

- Operation of installing Allan House Pumping Station Flood Resilience Doors – This section has been removed from the plan and, instead, placed in the pumping station itself. Mr M Leggott questioned if there is adequate lighting there if the doors were needed to be installed in hours of darkness? The Chief Executive noted the close proximity of ASDA which would provide some light, if not the Board would use the mobile lights.
- Duty Officer – This out of hours phone line is now aligned to whoever is on that shift.
- Event and communication log – the paper version is no longer used, and the Board's Officers now use a WhatsApp Group as a log of the events and their decisions. Following the events, the WhatsApp Group trail can be collated to form a communications and decisions log.
- Flow charts for Pumping Station failures – these are included in case of the absence of the Pump Engineer, the prioritisation contacts have been tweaked, including the de-prioritisation of contacting the previous Pump Engineer, Colin Richards, due to the period of time he has now been left the Board.
- Action Task List - Was previously in the format of a tick list, the format has been changed to form a list of considerations.

The Committee RESOLVED to recommend that the Emergency Response Plan be approved at the next Board meeting.

Mr J Fowler congratulated the team on such a detailed plan that now reflects accurately what is done in an emergency.

(e) Policy No. 27: Control of Ragwort

It was noted that changes have been made to definition to correspond with what is included in the DEFRA Code of Practice on How to Prevent the Spread of Ragwort.

The Committee RESOLVED to recommend that the Control of Ragwort Policy (No. 27) be adopted at the next Board meeting.

(f) Policy No. 28: Land Drains Discharging into Board Maintained Watercourses

The Chief Executive highlighted the reference to J K H Drainage, noting that he doesn't believe the Board should be promoting a specific company, therefore suggesting that be removed and instead referring to the Board for contact details of companies. Mr J Fowler noted that he has used the company previously after referring to this policy. All AGREED to remove the specific reference to JKH Drainage.

The Chief Executive also noted the further proposed change to remove the reference to the Board fitting outfall trays free of charge. All AGREED it should be the responsibility of the landowner.

The Committee RESOLVED to recommend that the Land Drains Discharging into Board Maintained Watercourses Policy (No. 28) be adopted at the next Board meeting.

(g) Policy No. 29: Control of Rabbits, Rats and other Rodents

The Chief Executive explained that he amended the wording in the policy to express that if the rodent is causing an issue with the watercourse, then the Board would become involved, but not in any other instance.

The other proposed amendment relates to the fact that the Board no longer has any employees that are qualified to use pest control measures.

Mr J Fowler questioned if badgers should be included within this policy? The Chief Executive felt that because of their protected status, including badgers into this policy would make it very lengthy. Further suggesting that it should be a separate policy that outlines the requirements of the Board's licences to working with badgers? All AGREED that a new policy regarding badgers be produced for the next Audit & Risk Committee meeting.

Mr M Leggott made reference to the wording 'ethically' feeling this was not entirely appropriate, alternative suggestions were made, the committee all AGREED on replacing 'ethically' with 'responsibly'.

The Committee RESOLVED to recommend that the Control of Rabbits, Rats and other Rodents Policy (No. 29) be adopted at the next Board meeting.

(h) Policy No. 31: Publication Scheme

The Chief Executive noted that the only proposed change is a bigger emphasis on referral to the website for information, further adding that the website holds a lot of information, including now the draft minutes of meetings, which has proven helpful in relation to the discussion around the increase in the rates.

It is also proposed to remove the name of the Chief Executive so that it does not require amending with a change in personnel going forward.

The Committee RESOLVED to recommend that the Publication Scheme Policy (No. 31) be adopted at the next Board meeting.

(i) Policy No. 34: Gift and Hospitality

There are no proposed changes to this policy.

The Committee RESOLVED to recommend that the Gift and Hospitality Policy (No. 34) be adopted at the next Board meeting.

2309 To review the Risk Register - Agenda Item 9

This will be updated as per discussion on the Risk Management Strategy (Minute 2308(a)).

The committee AGREED that the Risk Register be accepted.

2310 To receive the catalogue of Board Policies with recommended approval dates – Agenda Item 10

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

2311 To consider the continuation of the Board's current Health and Safety Consultants – Agenda Item 11

The Chief Executive explained that the Board's current Health and Safety Consultants (Copes) are approaching the end of a five year contract with the Board. Prior to the formation of the Health and Safety Committee, Copes took responsibility and did all of the Board's health and safety. The Chief Executive suggested that they are perhaps not best placed to be taking complete control of it, due to not being on the ground and involved. The Health and Safety Committee are therefore reviewing all H&S procedures, risk assessments etc. The Chief Executive proposed that Copes contract is renewed, but in a different capacity, where they take on more of an audit and assurance role (£132.78 + VAT per month).

All AGREED to continue with Copes Health and Safety Consultants in this capacity (audit and assurance).

Mr M Leggott noted that of the Health and Safety Committee meetings he has attended, he is encouraged by the level of discussion being had and the responsibility the employees are taking on it, noting that there are various elements e.g. the gradient of pumping station dump areas, that would not be picked up on if it wasn't for the committee discussion. It was also felt that it is welcomed that a Board Member is on the committee, with everybody having equal valued input.

2312 Any Other Business – Agenda Item 12

(a) Tiaa support for specialist areas

Ms F Roe noted that if the Board require advice or support regarding a specific area, e.g. fraud, sustainability etc., Tiaa do have employees trained in specialist areas that may be able to assist.

There being no further business the meeting closed at 15:28.