

**BEDFORDSHIRE AND RIVER IVEL INTERNAL DRAINAGE BOARD
Board Meeting**

Minutes of the Board meeting held on 15 June 2015 at 2pm at Vale House, Stewartby.

PRESENT: R O Bennett (Chairman); J Davison (Vice Chairman); G Barrell; L Birt; A D Brown; M Egar; D Hodgson (*left at 3.30pm*); D Lawrence (*arr 2.10pm*); J Ream; J Scott and T Wootton.

IN ATTENDANCE: F C Bowler (Clerk); J J Oldfield (Engineer); R C Easom (Committee Clerk) and D Gowing, Internal Auditor.

1 APOLOGIES FOR ABSENCE were received from I Dalgarno; J Franklin; B Huckle; S Hunt; R C Odell; and D R Osborn.

2 DECLARATION OF MEMBERS' INTERESTS
There were no declarations of members' interests.

AGENDA ITEM 10 was taken at this point in the meeting.

Mr Lawrence arrived.

3 MINUTES OF THE BOARD MEETINGS HELD ON 2 FEBRUARY 2015

The minutes of the Board meetings held on 2 February 2015 were accepted as a true and accurate record.

4 MATTERS ARISING FROM THE MINUTES

New Guidance from Vole Society

The Director of Operations gave an update on the latest situation regarding the new guidance on water voles. He said ADA had taken the issue forward with Natural England but Natural England still maintain that there is a need for a consenting process. There was a meeting regarding the re-drafting of consenting documentation which the Boards' ecologist attended in order to ensure that the Boards' perspective was included. There is to be another meeting with ADA and Natural England which the Boards' ecologist will attend in an effort to fully understand the different legal views, and to aim to reach a consensus of opinion. The Boards' ecologist maintains that the law states it is only an offence to disturb the water vole in its place of rest, ie, its burrow, and therefore recognised existing practises are lawful.

Progress of Works Report 2014/14 – Programmed works on the Flit

Mr Brown asked whether the Director of Operations could confirm that the 2013/14 programmed maintenance works on the Flit, not completed and still outstanding in the 2014/15 programme would be carried out given the current dry weather. The Director of Operations said the work was still not done and now the workforce were restricted due to legislation regarding bird nesting. Mid-July is when some machine works will re-commence and this is the time that it is planned to carry out the

carried forward works. The Director of Operations referred Mr Brown to agenda item 6 – Progress of Work and the associated plan showing carried forward work.

Review of Works Programme 2015/16 – Requests for Work

The Director of Operations said that since the meeting when members had deferred the decision as to whether or not to add the requests to the works programme he had emailed members providing further information and all who responded had been in agreement.

Members therefore approved the following Requests for Work which had been taken to the meeting on 2nd February 2015:

- **Barton Le Clay watercourse 36 – request from landowner to maintain 3000 metres of low risk, cat 3 watercourse;**
- **Lower Green, Ickleford watercourse 142, 143, 182 and 184 – request from village residents to maintain 1500 metres of low risk cat 3 watercourses and culverts, to protect people and property.**

5 UNCONFIRMED MINUTES OF JOINT MANAGEMENT COMMITTEE MEETING HELD ON 27 APRIL 2015

The Chairman of the Joint Management Committee, Mrs Davison, presented the unconfirmed minutes which were noted.

Discussion took place:

Hedgerow restrictions 2015

The Director of Operations highlighted the paragraph regarding the ADA Gazette article which clarified that IDBs are carrying out works under their Statutory Powers and are therefore exempt from complying with the new hedgerow restrictions. The Chairman asked whether the farmers would know this. The Director of Operations said details would be left with them and the job cards would carry details.

Vale House, Upstairs Storage Area – Valuation

Mrs Davison asked whether any progress had been made with the appeal to the Valuation Office. The Clerk said a surveyor was due to visit the Boards' offices to check the buildings. Mr Hodgson said it may be a long process as there was a back log of two or three years on valuation appeals.

Workforce versus Contractors (Confidential Report Appendix 1)

The Director of Operations referred members to the report and explained that it had been presented to, and approved by, both the Executive Working Group and the Joint Management Committee.

Mr Egar asked for confirmation that the direct labour force rates included sickness, holidays and downtime due to adverse weather. The Director of Operations said it did.

Mr Egar asked whether contractors were offered contracts which were long enough to encourage them to invest in plant and machinery. The Director of Operations agreed that offering contracts for one year was a disincentive for the bigger contractors. However, the more reliable smaller contractors which the Board regularly uses do not have a problem with the one year contracts.

Mr Egar said he would never advocate that the Board do not have a direct labour force. Although he was surprised that the costs were so similar. Mr Lawrence said this may be due to the use of smaller contractors and not the larger ones with economies of scale. The Director of Operations said that the large contractors have economies of scale but also more policies and procedures and therefore struggle to compete.

The Director of Operations said the report was just a 'snap shot' of a particular stretch of watercourse and that every watercourse is different. Also, the Board's workforce understand the rate payers and carry out good work.

Mr Egar said the Board's workforce did not have a reputation for being particularly hardworking. The Director of Operations said there was a higher sickness rate amongst the Beds & Ivel workforce compared with the Bucks and Ouzel workforce. The Clerk explained that the majority of the sickness over the previous financial year had been long term and two incidents of sickness were a result of accidents at work.

Mr Egar said he believed members should accept the report but asked what officers planned to do regarding improving productivity. He added that some farmers in the area were less than complimentary about the Board's workforce.

Members accepted the report on Workforce versus Contractors and agreed that the matter of perceived poor productivity amongst the workforce should be an issue which the Executive Working Group examine.

Essential User Vehicle/Mileage Allowances (Confidential Report Appendix 2)

The Clerk explained that the report had been approved by both the EWG and the JMC.

Mr Brown queried the payment of a lump sum. The Clerk said the workforce have to provide a vehicle as part of their contract, they carry IDB tools and most have 4x4 vehicles. The provision of vehicles by the Board has been discussed previously and discounted.

Mr Lawrence said he thought the lump sum figures were justified.

Mrs Davison pointed out that workforce members could be on site to start work much sooner when using their own vehicles.

Mr Hodgson requested a copy of the Lincolnshire Boards' Pay and Conditions in relation to vehicle allowances.

The majority of Members agreed the resolution of the EWG, approved by the JMC, to align the Boards' vehicle and mileage allowances to the Lincolnshire Boards as follows:

Reduce the mileage rate to 45p per mile (25p per mile over 10,000 miles) and to increase the annual lump sum payment to:

For Vehicles 1001cc to 1500cc (petrol or diesel) - £1,599

For Vehicles over 1500cc (petrol or diesel) - £2,147

6 PROGRESS OF WORK FROM APRIL 2014 TO MARCH 2015 FOR THE WORKS PROGRAMME 2014/15

The Director of Operations presented the Progress of Work from April 2014 to March 2015 for the Works Programme 2014/15.

Members accepted the Works Progress report.

Discussion took place:

Ravensden

Mr Wootton pointed out that the watercourse shown in orange on the A3 plan is not all IDB watercourse. He said he would discuss the issue with the Board's site manager.

7 TECHNICAL REPORT FOR THE PERIOD JANUARY TO MAY 2015

The Director of Operations presented the Technical Report.

The Director of Operations also referred to the Technical Report which had been presented to the Board at the June 2014 meeting. The minutes from the meeting of 16 June 2014 stated:

Request for Adoption & Works

- i. Request from the land owner to adopt the watercourse adjacent to Mill Lane, Hexton.*
- ii. Request from Central Bedfordshire Council to adopt a watercourse between Ampthill Road, Shefford and the River Flit.*

Members agreed to the Board's adoption of the above stretches of watercourses, as shown on the plans in the Technical Report, subject to them being in good order prior to adoption.

The Director of Operations said that, following inspection by the Board's officers, he could now confirm that the watercourse at Hexton was in good order. The watercourse would be a low risk category watercourse which the Board would maintain in the future.

Members accepted the Technical Report and the Board's adoption of the watercourse at Mill Lane, Hexton following the confirmation of the Director of Operations that it is in good order.

Discussion took place:

Stewartby Lake

The Director of Operations added that the capital works which the Board is undertaking on the control structure was part of the Grant in Aid for the improvement of health and safety.

Biggleswade, Kings Reach

The Director of Operations said the developers had now signed the agreements. The neighbouring land owner has not signed the agreement yet but had agreed to make some amendments by hand and will hopefully sign this week. The agreements will then be forwarded on to the developers for signature and then be returned to the Board for final signature.

IDB Scheme funded with EA/Defra Grant in Aid under the medium term plan

Kings Ditch

Mr Brown asked whether the Board's contribution to the proposed scheme had been budgeted for. The Clerk said it had. The Director of Operations said the Board had made a commitment and the scheme should be in the Anglian Water business plan and an indicative allowance in the EA Grant in Aid. The Board has allocated £10,000 in 2015-16 for scheme appraisal.

Mr Hodgson asked whether there had been any discussions with Bedford Borough Council officers. The Director of Operations said there had been many discussion in the past with the Council about the provision of a permanent flood pumping station, but no specific discussion relating to this project until the study was undertaken. Mr Hodgson said he would raise the issue with Bedford Borough Council.

Mr Hodgson left.

Consultation on River Basin Management Plan (April 2015)

The Chairman said he was pleased to note that the 'Final Proposed Cycle 2 Designations for Upper and Bedford Ouse spreadsheets identified that all the water bodies in the Upper Great Ouse catchment are defined as either Heavily Modified or Artificial Water Bodies'. Although the EA still want to return the River Ivel to its natural state.

Complaint – New Wrights Farm, Pirton

Mr Wootton recommended regular maintenance to help occupiers accept the Board's presence on their land. The Director of Operations said the watercourse in question was only a Category 2 watercourse and did not require annual maintenance.

Mrs Davison said she could understand the concern of the lady of the house on seeing strange men on their farm, but acknowledged that ratepayers should accept that the Board has statutory powers of access.

Mr Scott asked whether the situation was resolved. The Clerk said there had been no further communication since her letter to the complainant on 22nd May 2015.

8 Water Framework Directive

The Director of Operations presented the report on the Water Framework Directive.

Members received the report and agreed to the recommendation:

The Executive Working Group continue to take a proactive approach to ensure that there is the right balance between maintaining existing assets to ensure they function to minimise flooding and conserving the natural environment, and to raise the issue at an appropriate national level.

Discussion took place:

Mr Wootton asked for more clarification on what modifications were. The Director of Operations said examples would be weirs which are seen as barriers to fish movement. The options would be the removal of weirs or fish passes installed.

The Chairman said he believed allocating sums in the region of £2M for enhancement of the various catchments in the year 2021-26 completely contradicts the statements which have gone before and it was of great concern that no mention is made of sums of money for maintenance works.

Mr Lawrence asked where the local view on the situation was, as opposed to the national view.

9 FINANCE

i) Finance Report for the period 1 April 2014 to 31 March 2015

The Clerk presented the Finance Report. Regarding the Income and Expenditure Account, the Clerk explained that the difference in actual income and the revised estimate was mainly due to Capital Development and Grant in Aid income being received later than expected and falling into the following financial year. Similarly, actual expenditure was less than the revised estimate due to Capital and Grant in Aid works not being completed in the 2014/15 financial year.

The overall surplus of income over expenditure was £337,884.

Members approved the Finance Report for the period 1 April 2014 to 31 March 2015.

Discussion took place:

Investment and Bank Account Balances as at 31st March 2015

Mr Lawrence asked whether the risk of investing with the Co-operative bank had been assessed. The Clerk said the investment with the Co-op had only been deposited recently, since the restructuring of the bank had taken place. Also, investments were discussed quarterly by the Executive Working Group.

ii) To approve the Statements of Accounts for the year ending 31 March 2015

The Clerk presented the Financial Statements and highlighted that fact that fixed asset values had been re-stated for the year 2013/14 as ADA have confirmed that IDBs are now required to account for fixed assets at historic cost.

Regarding reserves, the Clerk said there were relatively high balances from commuted sums and there was outstanding money to pay on the new office and depot development due to outstanding 'snagging' issues. The occupiers' rate fund at £481,833 was in line with audit recommendations.

Members approved the Financial Statement for the year ending 31 March 2015 for the Chairman to sign.

iii) To approve the Audit Commission Annual Return and Annual Governance Statement year ending 31 March 2015

Members approved the Audit Commission Annual Return and the Annual Governance Statement (answering questions 1 – 8 in the affirmative) for year ending 31 March 2015 for the Chairman and Clerk to sign.

10 INTERNAL AUDIT

(i) To receive the Annual Internal Audit Report

Mr Gowing presented the Annual Internal Audit Report. His opinion, in respect of areas covered by the report was that he could provide adequate assurance on the system of controls. He said there were still small, internal control issues due to minimal staff, however, the new Finance Assistant will in time improve control. He expects to be able to record substantial assurance following the next review.

Members approved the Internal Audit Report dated May 2015.

Recommendation 04.05.01 – Obtain HR advice on the calculation of staff pay when they are on leave.

Mr Gowing said employees who work overtime were not currently paid an additional amount when on leave. This additional amount of pay takes account of overtime worked in the previous 12 weeks on the first 20 days of annual leave. This should be paid in accordance with new legislation. He added that the Clerk had recently attended a training course on how to implement this Working Time Directive.

The Clerk said she intended to discuss this issue with the EWG and would be proposing that a lump sum be paid at the end of the financial year rather than at the time the holiday is taken. This is due to the fact that overtime is not available during the bird nesting season and most of the winter months. The payment of a lump sum at the end of the financial year should prevent workforce members being reluctant to take holiday at a time when the Board would prefer it and discourage them from taking holiday at a busy time. Mr Gowing said this was an approach which other Drainage Boards were planning to adopt and to which he had no objection.

Recommendation 15.02.01 – appoint bailiffs to assist with recovery of rate arrears.

Mr Hodgson said that Bedford Borough Council used Mark Stephens bailiffs and Mr Gowing said Rosendale's were the company most of the other Board' he audits use. The Vice Chairman asked whether it was cost effective to use bailiffs. Mr Gowing said there would be no cost to the Board.

The Clerk said little is written off because the Board can go back six years in order to recover rates, although this can be time consuming. She said a view on whether to use the services of a bailiff would be taken on a case by case basis.

(ii) To Approve the Internal Audit Strategy & Audit Plan 2015/16

Mr Gowing presented the Internal Audit Strategy & Audit Plan 2015/16 which was a follow up to the 2014/15 Audit. He said the plan covered all three Boards in the Group and the total plan days were now at a minimal four in order to comply with the ADA Practitioners' Guide.

Members approved the Internal Audit Strategy & Audit Plan 2015/16

(iii) To Approve the Revised Risk Register

The Clerk presented the revised risk register, tabled the Evaluation and Control document showing the Risk Assessment Matrix and highlighted the following:

- The recent addition of Partnership working involving the Bedford Group giving SUDS advice to Central Bedfordshire Council. She said officers had examined the risk and the Director of Operations had carried out a full risk assessment.

- Loss of income through error or fraud. The external auditors to the Board had wanted an increase in the Fidelity Guarantee insurance. This has now been increased to £2M and the premium will be shared 60/40 between the Bedfordshire and River Ivel Board and the Buckingham and River Ouzel Board, respectively.

Members approved the Revised Risk Register dated April 2015.

Discussion took place:

During discussion on the identified risk of ‘Loss of income through error or fraud’ which was shown as risk level 6, some members were of the opinion that if a risk was insured then the Risk Level should be reduced. The Clerk said a Risk Level which was high indicated the need for insurance or some other form of mitigation. However, the Clerk agreed to look at amending the risk level to take account of insurance cover.

11 Election

(i) To Approve the Register of Electors

A copy of the Register of Electors as at 1st April 2015, was tabled. Mr Brown informed the Clerk of a change to an occupier’s address on the register.

Members approved the Register of Electors

(ii) Election Process

The Clerk outlined the election process.

12 ANY OTHER BUSINESS

John Oldfield, Fellow of the Institution of Civil Engineers (FICE)

The Chairman informed members that the Director of Operations had become a Fellow of the Institution of Civil Engineers and an article had been placed in the ADA Gazette.

Members congratulated the Director of Operations on his achievement.

13 DATE OF NEXT BOARD MEETING – NEW BOARD: 9 November 2015

The meeting closed at 4.05pm.