

LOWER MEDWAY INTERNAL DRAINAGE BOARD



MINUTES OF THE MEETING of the BOARD
held at **The Boards Offices, 17 Albion Place, Maidstone**
on **Monday 27 November 2017**

Members of the Board Present

Chairman: R Hinge

S Attwood
S Batt
D Davis
D Dewar-Whalley
G Etheridge
G Fulton
R Hall
N Hampshire
K Ingleton
S Mair
H Neaves
B Stone
J Wright

In attendance

M D Watson - Chief Executive
P Bush - Technical Engineer
L Collins - Office Administrator
L Rowland - Administration Assistant

The Technical Engineer informed members of the evacuation procedure in the event of a fire or an emergency evacuation situation. It was explained that members would be involved at some point with a fire drill.

The Chief Executive introduced and welcomed the newly appointed Administration Assistant, Lisa Rowland.

1. APOLOGIES FOR ABSENCE

Apologies were received from J C Lewis.

2. ITEMS OF INTEREST DECLARATION

Members were asked to declare any pecuniary and/or non pecuniary interests they have in any of the items to be discussed on the Agenda.

R Hall declared an interest in Item13 – Consents part 2 regarding the Queenborough Development Phase 1, Rushenden Road, Sheppey.

J Wright declared an interest in Item 12 – Planning Applications regarding the KCC application and said he wouldn't comment.

3. DECLARATION OF BOARD MEMBERS INTEREST FORM 2017/2018

REPORTED that D McDonald and Cllr Mulhern had not yet completed their Declaration of Board Members Interest forms for the year 2017/18.

Members were reminded that this form should be completed by ALL Board Members at the start of each financial year and amended as necessary during the year. Any staff member who has a significant interest should also complete a form. Forms should be completed at your earliest convenience and then returned to the office.

Forms were available during the meeting and J Wright took some forms to pass onto D McDonald and Cllr Mulhern.

4. PRIVATE & CONFIDENTIAL MATTERS

Members were reminded that all matters discussed relating to employees of the Board should at all times be treated as confidential. Members were reminded once again that there could be implications for the Board under Data Protection and Employment Law if matters discussed were disclosed to others.

5. MINUTES

RECEIVED the Minutes of the Meeting of the Board held on 10 July 2017.

(As attached to these Minutes)

All members in attendance **AGREED** that the Minutes of the Meeting of the Board held on 10 July 2017 were correctly recorded and that they be signed by the Chairman.

6. FINANCE COMMITTEE MINUTES

RECEIVED the Minutes of the Finance Committee Meeting held 10 July 2017.

(As attached to these Minutes)

7. JOINT SERVICES COMMITTEE MINUTES

RECEIVED the Minutes of the Joint Services Committee Meeting held on 8 September 2017.

(As attached to these Minutes)

8. MATTERS ARISING FROM PREVIOUS MINUTES

Minutes of meeting - 22 February 2016

Item 9 - Engineers Report

Harty Ferry pump station site survey and repairs to screw and chute to be carried out.

The Chief Executive informed Members that Harty Ferry pump station site survey and repairs to screw and chute are still to be carried out.

Minutes of meeting - 6 June 2016

Item 11 - Internal Audit

Risk Management to be reviewed by the Internal Auditor at his next visit, date to be arranged.

The Chief Executive informed Members that the next Internal Auditors visit will be arranged after the next meeting of the Internal Audit Sub Committee meeting. This meeting is scheduled for 5 December 2017.

Minutes of meeting - 5 December 2016

Item 16 - Lower Depot

Ongoing requirement to look for alternative owned land or premises.

The Chief Executive informed Members that he had looked at alternative sites for the new depot/offices, but the one site he had looked at was still at the enquiry stage.

Minutes of meeting - 9 February 2017

Item 3 - Bell and Mocketts Pump Station

Concern raised over £1m professional indemnity / liability insurance was insufficient. Request made to increase to £2m subject to cost.

REPORTED that the Chief Executive has increased the professional indemnity / liability insurance to £2m for a 6 year period.

Minutes of meeting - 27 March 2017

Item 11 - EA Precept

Breakdown of report requested due to excessive administration costs.

The Chief Executive explained that to date The Environment Agency have been unable to confirm their actual administration costs.

Minutes of meeting - 27 March 2017

Item 13 - Sanction to Borrow

Confirmation of the amount of Loan from the Upper Board and conditions to be agreed. In addition, alternative emergency funding to be investigated to be put in place should the pump station require further funding. Sanction to borrow not agreed requires review and explanation.

The Chief Executive informed Members that DEFRA won't allow monies to be loaned between the Upper and Lower Drainage Boards. A public works loan from the Public Loan Board is currently being looked into. A financial risk assessment has to be done before this can be investigated further.

REPORTED that the Internal Audit Sub Committee at their next meeting will review this matter and include in the Financial Risk Register.

Minutes of meeting - 27 March 2017

Item 14 Internal Control

Clarification was required concerning the responsible body / person to be brought to the attention of the Internal Auditor.

The Chief Executive explained that he had contacted the Internal Auditor for clarification and confirmation had been received stating that the Board is the responsible body.

Minutes of meeting - 27 March 2017

Item 18 – Works, Health and Safety Meetings

Recommendation to harmonise policies across both Lower and Upper Boards to assist Officers.

The Chief Executive informed Members that this is ongoing and policies will be reviewed and harmonised by the Internal Audit Sub Committee / Joint Services Committee.

Minutes of meeting - 27 March 2017

Item 20 - Bells Pump Station

Request to have some information supplied to Swale Borough Council about the new Bells pump station project to put in the Council Newsletter.

The Chief Executive explained that this information had not yet been supplied to Swale Borough Council. Swale Borough Council representatives were asked when the next Newsletter was due to be published. N Hampshire confirmed the newsletters are published quarterly and the next one is due in February 2018 and it would be an ideal time to do this.

Minutes of meeting - 10 July 2017

Item 10 - Internal Auditors Report

Members requested more information be given on Audit Reports. In addition Members need to steer the Internal Auditor with regards to how much detail is required/expected.

The Chief Executive explained that next Internal Audit will be arranged after the next meeting of the Internal Audit Sub Committee which is scheduled to take place on 5 December 2017.

Minutes of meeting - 10 July 2017

Item 19 - Staffing Resources

Members agreed to employ a new Administration Assistant following agreement by the Upper Board also.

The Chief Executive **REPORTED** that the Upper Board agreed to employ a new Administration Assistant, and advised that L Rowland was appointed this position commencing on 20 November 2017.

Minutes of meeting - 10 July 2017

Item 20 - Lower Halstow

Members agreed that the Chief Executive should make contact with Peel Ports and KCC to rectify the situation.

REPORTED that the Chief Executive had met with Max Tant, Flood Risk Manager from KCC and KCC has accepted responsibility. A notice has now been issued to Peel Ports.

Minutes of meeting - 10 July 2017

Item 21 – AOB

Members requested the Chief Executive clarifies Members liabilities with ADA.

The Chief Executive informed Members that this matter will be covered under Item 16 (Members Liabilities) on the agenda.

9. ANNUAL RETURN YEAR ENDING MARCH 2017

RECEIVED a copy of the approved IDB Annual Return for the year ending 31 March 2017.

(As attached to these Minutes)

REPORTED that no areas for concern have been raised.

The Chief Executive informed Members that the approved Annual Return is displayed on the Boards Website.

10. END OF YEAR ACCOUNTS YEAR ENDING MARCH 2017

RECEIVED a copy of the End of Year Accounts for the year ending 31 March 2017.

(As attached to these Minutes)

REPORTED that this document is produced purely for Board Members information and the asset values reported reflect current book value, not actual purchase price as stated in the annual return.

11. **HEALTH & SAFETY UPDATES**

RECEIVED a copy of the Boards Health and Safety Plan.

(As attached to these Minutes)

The Technical Engineer informed Members that the Joint Services Committee approved the Medway IDBs Health & Safety Plan at their meeting on 8 September 2017.

Members were asked to give consideration to formally approve the implementation of the recommended Health & Safety Plan.

On a proposition by D Dewar-Whalley seconded by H Neaves members **AGREED** to formally approve the implementation of the Health & Safety Plan.

All members in attendance were in favour.

12. **PLANNING APPLICATIONS**

RECEIVED the various planning applications the Board has commented on since the last meeting.

(As attached to these Minutes)

The Chief Executive **REPORTED** that the only Planning Application on the list was for KCC car park, Countrystyle Recycling and this application has now been withdrawn.

13. **CONSENTS**

RECEIVED particulars of applications requiring the written consent of the Board.

(a) Location: Furze Hill, Halfway, Sheppey.

Proposal: To create a new ditch between two existing fields then install a drainage pipe to link up new ditch to IDB watercourse L7.

Comments: The intercepting ditch had three drainage pipes which both had flow restrictors installed to ensure the flow rates from the ditch were restricted to 7 l/s/hect. The landowner also increased the size of the IDB ditch marginally and carried out maintenance to the ditch at the same time.

Following member consultation consent was issued on 11 October 2017

(b) Location: Queenborough Development Phase 1, Rushenden Road, Sheppey.

Proposal: Residential development of 101 houses with surface water discharging into IDB watercourse L8.

Comments: It has taken some time to get the Boards 7 litres/sec/hectare requirements agreed but they did eventually manage it. I was happy with the calculations and headwall details. The applicant and LPA though failed to take into account the Boards request for a new pumping station or Section 106 contribution towards a new pumping station in the future which was disappointing considering the numerous conversations we have had in the past. I have been informed these discussions will take place on future development sites in the area.

Following member consultation consent was issued on 29 September 2017.

REPORTED that Phase 2 and 3 are currently in discussion.

(c) **Location: Eurolink Phase V, Land adjacent to Swale Way Sittingbourne, ME103BW.**

Proposal: Surface water drainage details.

Comments: The development had outline planning permission and surface water strategy had 6 plots whose drainage was all controlled by vortex flow controls. They were all interconnected and eventually discharged into the upstream end of the Murston Drain. The applicant provided enough evidence to demonstrate achieving the Boards 7 litres/sec/hectare for the 1:100 year return storm requirement. I was also happy with the outfall details.

Following member consultation consent was issued on 29 September 2017.

14. ENGINEERS REPORT

RECEIVED the Engineer's Report Number 160.

(As attached to these Minutes)

The Chief Executive read through the Engineers Report.

15. WORKS, HEALTH & SAFETY GROUP MEETING

RECEIVED a copy of the Works Health & Safety Group Meeting Minutes dated 7 August and 19 October 2017.

(As attached to these Minutes)

REPORTED that D Dewar-Whalley now represents the Lower Board at the Works, Health & Safety meetings.

D Dewar-Whalley explained that it is important that the Board take an interest. He finds the meetings worthwhile and now has confidence that Officers are suitably qualified to deal with any issues raised.

The Technical Engineer confirmed he had recently attended a week long NEBOSH Fire course and his exams and practical assessments are to follow shortly. Results of these exams are due at the end of February 2018.

J Wright asked about the chainsaw issue that had been raised within the minutes of these meetings.

The Technical Engineer explained that Boards chainsaw operations have been suspended with immediate effect until the relevant training can be given and the correct PPE clothing identified and purchased.

REPORTED that previously the entire workforce had been trained to use chainsaws, however, now that this training has expired, Officers feel it will not be necessary for all 8 workmen (over both workforces) to have this expensive chainsaw training and PPE clothing. It is likely that certain individuals will be chosen to attend the relevant training course instead and carry out any chainsaw duties for both Boards. It is anticipated that this training will be given during the quiet season (March/April). This was another reason why the Upper Board were asked to give consideration to realigning the workmens pay, which meant an additional 5% pay increase. This was agreed at their meeting held on 21 November 2017.

16. MEMBERS LIABILITIES

REPORTED that at the last Lower Board Meeting, Members at that meeting requested confirmation of Members Liabilities during their elected term on the Board.

REPORTED that the Chief Executive has been in contact with ADA in order to obtain clarification.

As a result of numerous IDBs contacting ADA requesting the same clarification, ADA has been in contact with a Solicitor in order to obtain an official stance.

RECEIVED a copy of the Guidance Note from ADA regarding Liability of Board Members.

(As attached to these Minutes)

Members had a lengthy discussion on Members Liabilities.

D Dewar-Whalley explained that providing the Board discuss any issues and make a decision, then Members should be OK. However, he did stress that when important decisions are made, then a recorded vote should be made and documented.

The Chief Executive explained that Members should not give specific advice or commitment on behalf of the Board outside of Board Meetings.

All Members were in agreement with this suggestion.

The Guidance Note was taken as read by all Members present and confirmed they were happy with the content.

D Dewar-Whalley suggested that all Members should sign that they have received the report from ADA or acknowledge receipt via email acceptance. This document should also be included in the New Members packs.

On a proposition by D Dewar-Whalley, seconded by J Wright it was **AGREED** that Officers email this document to all Board Members requesting that they acknowledge receipt.

17. ESTIMATES AND SPECIAL LEVIES & ASSET PLAN SUMMARY

RECEIVED the recommendations of the Preliminary Estimates Committee for the Estimates for the year commencing 1 April 2018.

(As attached to these Minutes)

REPORTED that the Environment Agency has confirmed that for the next 12 months the precept payment will remain the same.

REPORTED that the Finance Committee's recommendation is a 2% increase – setting the penny rate at 5.8395 for the next financial year.

The Chief Executive explained that before Members discuss the setting of the penny rate it would be worthwhile to view the Boards Asset Plan.

REPORTED that this plan had been presented to the Joint Services Committee and the relevant Estimates Committee for discussion and acceptance in principal before being presented to the Board.

RECEIVED a copy of the Boards Asset Plan.

(As attached to these Minutes)

The Technical Engineer explained that Members had requested that a plan be put in place to give a sustainable plan for the future. The plan outlines the major expenditure of the Board for the next 10 years. Members were informed that this will be a rolling 10 year plan which can be adjusted each year when considering the Estimates/expenditure for the next financial year.

The Technical Engineer then explained that although the Boards equipment hadn't necessarily done a lot of working hours, they are experiencing age related problems.

Members had lengthy discussion about special levies, the penny rate and the Asset Plan and how this would affect the Board in the years to come.

D Davis raised concerns regarding the heavy peaks at certain times. He felt that the Board should consider looking a much more level plan and use the Boards reserves to iron out the peaks and troughs.

The Technical Engineer explained that the plan has already been discussed and spread out as much as possible. There needs to be a starting point for the plan. He also explained that a preventative maintenance plan was now in place.

Members were informed that the Boards reserves will be very minimal towards the end of this financial year due to Members voting on building the new Bells & Mocketts pump station. There will be very limited funds left by the end of March 2018.

Members were first of all asked to vote as to whether they agreed with the IDB Asset Plan.

AGREED on a proposition by S Mair, seconded by S Attwood to approve the basis of the IDB Asset Plan.

All Members in attendance were in favour.

Members were then asked to consider setting the penny rate.

Further discussion took place by members regarding the replacement equipment required.

S Batt explained that he felt it was fair to say that the Estimates Committee sat for hours discussing the plan and the Boards future expenditure before making the recommendation to the Board.

Members **AGREED** that Officers should investigate further the new equipment options in order to achieve efficiencies.

The Technical Engineer explained that there are various options available when replacing any equipment in the future regarding purchasing, leasing etc. Officers will of course look at all the options and costings available before any decision is made.

J Wright explained that if efficiencies are achieved in the future then there would be a possibility of the Board considering dropping the penny rate in future years.

AGREED to set the penny rate at 5.8395 – 2% increase.

On a proposition by D Dewar-Whalley, seconded by J Wright it was **AGREED** to set the penny rate at 5.8395 and that the Chief Executive and the Chairman should sign the Drainage Rates & Special Levies Certificate.

All Members in attendance were in favour.

D Davis suggested that the Chief Executive speaks to the relevant Finance Directors about the Boards Plan and how it will affect finances in the future.

The Chief Executive explained that this request had already been made by the Joint Services Committee and the Upper Board at their last meetings.

18. APPROVAL OF CALENDAR OF MEETINGS 2018

RECEIVED a list of the proposed dates for the 2018 Meetings.

(As attached to these Minutes)

Members were asked to consider and approve the calendar of meetings for 2018.

Members **AGREED** that the start time for the meetings should an hour earlier than normal and to have a buffet lunch prior to the meetings.

AGREED Dates:

| | | |
|---------------------|---|--------|
| 26 March | Finance Committee | 1.00pm |
| 26 March | Board Meeting | 1.15pm |
| Wednesday 23 May | Finance Committee ONLY (To approve the Annual Return) | 2.00pm |
| 23 July | Finance Committee | 1.00pm |
| 23 July | Board Meeting | 1.15pm |
| 3 December | Finance Committee | 1.00pm |
| 3 December | Board Meeting (To approve Annual Estimates and making of rate and levies) | 1.15pm |

The Estimates Committee Meeting 29 October 2018.

The Joint Services Meeting 7 September 2018.

19. ADA CONFERENCE 2017 UPDATE

REPORTED that the annual ADA Conference was held on 16 November 2017 at 1 Great George Street, Westminster. The Chief Executive & R Thomas attended.

The Chief Executive informed members that this years Conference was the 80th Anniversary and was the best turn out for a number of years. The main topic of conversation at the Conference was promoting partnership work.

Members were informed that the current ADA Chairman, Henry Cator is standing down and a presentation was made. The new Chairman, Robert Caudwell was introduced.

The new Chairman of the EA, Sir James Bevan made it very clear during his speech that we should all believe in partnerships and that they should work from both sides, not just one way which tied in nicely with what Julie Foley had explained to Members in the Upper Board Meeting on 21 November 2017.

The Technical Engineer went on to explain that the Board needed to see that any works being carried out by the EA provide value for money for the ratepayer. IDBs can carry out works at a fraction of the cost and would consider doing so if there were commitment from the EA to allow the work. The works need to be efficient and planned well in advance.

Julie Foley had suggested that a meeting be arranged to discuss setting up a Public Sector Cooperation Agreement.

The Technical Engineer explained that the Chief Executive had reservations about this based on a previous experience. However, if an agreement was set up then there needed to be give and take/assistance provided on both sides with regards to any issues

identified or permissions required, not just handing over a problem for someone else to deal with.

Members felt it could be a good opportunity to maximise the efficiencies of the Boards machinery and recover some of the Precept money back from the EA. The additional agreed works could be scheduled into the Board Maintenance Programme and then the Board would invoice the EA accordingly. This is a possibility for the year 2019/20.

20. ANY OTHER BUSINESS

The Technical Engineer apologised to Members as Bells Pump Station had not been included in this agenda. A slideshow of photos was shown to Members demonstrating the changes over the weeks.

The Technical Engineer asked Members if they were happy with the updates they have been receiving. The Members confirmed the updates were very good and that they were happy with them.

D Davis asked how the risk is reducing? The Technical Engineer explained that now all the piles were in, that risk has been lost. However, there is now the risk concerning concreting, which has approximately 3 weeks left.

S Mair asked when the final payment(s) would be made? The Technical Engineer explained the project is £116k over budget at the moment from the original figures the Board agreed. The project is due to finish on 26 April 2018. The last payment will be made in May 2018, however, there will be a 5% retention held for a 12 month period.

The Technical Engineer explained that the project is currently 10-13 days behind schedule.

S Mair and R Hall requested that the cashflow be checked, as usually the retention on projects is 2.5%, not 5%.

Members asked for clarification as to what contingency had been allowed. The Technical Engineer confirmed there was a £300k contingency.

The Chief Executive informed members that the legal agreement with the land owner is still not signed. The Board's Solicitors drafted a lease in March 2017, following a meeting with the landowner. We were advised of the landowner's solicitors in August 2017.

The Chief Executive received an update from the Board's solicitors advising that things should be straight forward from this point onwards. Brachers Solicitors are now looking at the lease. There are 3 sections to the lease:

- 1) 24 month lease to allow access for the work to be carried out onsite
- 2) 99 year lease for the land and the pump station
- 3) The landowner requested a flap valve and penstock on the land as he is not convinced the new pump station will work.

The Chief Executive explained that he has been trying to tick everything off the list, but the landowner keeps changing the goalposts.

Members asked about the 31st December 2017 deadline as the landowner had said they would pull out if the project wasn't completed by this deadline.

The Chief Executive informed Members that the Board had served notice to carry out the project. No CPO notice had been issued. The Chief Executive explained that there was no legal deadline set, this was just a date given by the landowner.

R Hall requested that the Chief Executive asks a direct question to the solicitor in order to get a direct answer refreshing the Board's position.

R Hall also asked for the Chief Executive to seek clarification from the solicitor as to who signs the lease agreement.

There was no other business to discuss.

21. CLOSURE

There being no further business the Chairman thanked Members for their attendance and declared the meeting closed.