

**Minutes of the Parrett Board Finance & Governance Sub Committee Meeting held at Bradbury House,
33-34 Market Street, Highbridge on Tuesday 19 May 2015 at 2.15 pm. Chairman: Mr D Spicer**

The Chairman welcomed members to the meeting.

		Action
1	Attendance & Apologies for Absence: as per register appended.	
2	Items Additional to the Agenda: Nick Stevens (NWS) - Staffing matters. Tony Bradford (TB) Meeting with Sedgemoor District Council, remuneration for IDB members and meeting with Innes Thompson. TB reported he and Ray Adlam had attended a meeting with council officers where SDC had concerns regarding the progress and management of SRA project and it was suggested that a review of the management arrangements be undertaken. SDC proposed that a request to be made for the £50,000 in the enhanced maintenance budget for an enforcement office be reallocated on someone from the Lincolnshire Partnership to come to Somerset and advise on the setting up and running of the local partnership system based on their successful arrangements in Lincolnshire. If this occurs all future meetings could be cancelled. IDB members were relieved to hear this as they felt the time spent on the SRA was having an effect on the work being carried out by the IDB. Members continued to discuss the SRA and considered the impacts of the continuing involvement of the IDB in the local partnership. NWS said there could be negative consequences if the Board does not maintain its full involvement. He pointed out there could be risks but it would be better to be included in the SRA. The IDB is proposing to take on an extra member of staff to assist with the engineering work to reduce the impacts on existing staff. Discussion followed regarding the possible extension of the IDB area and the collection of rates from areas that have not had to pay drainage rates previously and where the funds would be used. NWS had attended a Defra meeting and had been advised that when report goes to SRA Board for the workshop Defra would consider the report then to be in the public domain. He felt there were added complications because the report involved two government departments. TB suggested that the capping on district councils could be removed for a period of 2 or 3 years when a new IDB is set up as is currently proposed in Lancashire and Cumbria.	
3	Declarations of Interest: none	
4	Minutes of the Meeting held on 27 January 2015 (appended) having been previously circulated the Chairman signed the minutes as a true and correct record of the meeting held. All in favour.	
5	Matters Arising: Chris Gunn (CG) from SWAP outlined the Staffing and Governance Report that he had produced for the Axe Brue Board and advised that in comparison to other IDB whose accounts he had examined, the administration charges to the individual boards are in line with IDBs elsewhere and locally were reasonable. The report will be available to all members. Members expressed the view that the number of meetings attended by each member was felt to be too high, TB proposed a visit to Welland and Deepings IDB to see how they manage their board. Peter Maltby (PM) would like to reduce the number of meetings and asked that this could be discussed at the Consortium meeting. NS said that to reduce the number of meetings overall and to keep the length of meeting as at present, it would be necessary for there to be smaller boards with greater use of policies and more delegated powers to officers. TB suggested that the Management and Finance and Governance committees should be combined.	
6	Policy and Strategy: NS circulated a copy of the current risk register and explained some of the details. Items of note were the new system of approval of SUDs on developments by Planning Authorities and the designation of the County Council as a Statutory Consultee on drainage matters on a new development. A further risk is the adjustment of the Boards Agricultural Value having to be reduced with the loss of the Milk Quota. TB was concerned that there were not enough younger members being involved and suggested giving to talks at young farmers meetings. Members asked for this risk to be added to the risk register and some provisions made to have an action plan to increase IDB membership interest. The Hinckley Point scheme has slowed its progress awaiting decisions and is therefore a reduced risk at the present time.	
7	Budgets: Financial Position - Stephen Gee (SG) circulated an updated accounts summary and explained that the surplus is now £10,000 not £70,000 as in the original accounts. This had been due to the late submission of a contractor's invoice of a large sum. The reserves include Grant in Aid that has been claimed but the work has not yet been carried out. The meeting highlighted the significant expenditure that is being made on staff time associated with	

the SRA work and that additional funding is required to enable the engineering services to progress Board schemes and works. Members were insistent that board schemes must be dealt with.

NS reported that the legal/professional fees were over budget, however this was due to additional in year expenditure on consultants to assist on the Parrett Barrier lobbying as well as finalizing the report on agricultural damages resulting from the flooding in 2012,13 and 14. By Prof. Joe Morris. This sum also included the costs for the Slabgate Sluice prosecution at approximately £9000, a report of which had been provided to the Management Committee.

Receive and Consider Accounts: SG stated that the accounts were mainly within budget and would recommend to take them to the full board. **Proposed: Tony Bradford, Seconded: Colin Passmore “that the annual accounts be recommended to the Full Board”.** **All in Favour**
RESOLVED 1

SG asked members to consider the Consortium accounts. **Proposed: Tony Bradford, Seconded: Colin Passmore “that the Consortium accounts are taken to the full board for approval”.** **All in favour RESOLVED 2**

Update on Rates Income: SG advised that payments were coming mostly by cheque and BACS but more this year by way of debit or credit card.

Consider Viability of IDB: Members were satisfied that the discussion which took place at the start of the meeting and the concerns over the SRA taking more of staff time and interrupting the programme of works was a good examination of the current issues around board viability.

8 Governance: Consider Insurance Cover: SG reported that the boards now had to be insured separately. Towergate have proposed new premiums which are less than the previous year. The Consortium is also included.

The initial concerns expressed by Towergate about the Board liabilities relating to PSCA working with the Environment Agency had largely been resolved by amendments to the PSCA documents by Agency lawyers and a subsequent meeting between the Agency, the local Boards and ADA in Bridgwater. Towergate have been asked for their opinion on the revised document s as to whether it leaves the Board with significant financial risk.

Banking Arrangements: Tenders are being sought as the investment returns from Nat West are very low. Wayne Sugg the Customer Relationship Manager from Nat West is contacting SG with updates.

SG advised that the auditors 3 year appointment had now lapsed and recommended continuing to use SWAP with a yearly review and that this information should be conveyed to the Board.

Proposed: Tony Bradford, Seconded: Colin Passmore “that SWAP are appointed on a yearly basis” All in favour RESOLVED 3

9 Any Other Business: TB was concerned that board members are carrying out a large amount of work for the SRA with no reimbursement. The Clerk advised that the Land Drainage Act permits payment of a chairman's allowance and expenses to members if they can be supported by documents and receipts showing expenditure and costs incurred whilst attending Board meetings or undertaking Board duties. NS suggested taking this to the SRA via the IDB, he will write to Defra to enquire how to deal with this issue.

TB commented regarding the risk register that there was no enthusiasm amongst members resulting in the lack of attendance at board meetings. This issue would be added to the risk register however the meeting felt that the large number of meetings and work required over the last 2 to 3 years as well as the move to Highbridge may have reduced enthusiasm for attending meetings.

10 Date of Next Meeting:

- Full Board – Tuesday 16 June 2015 – Bradbury House at 2.15 pm.
- Full Board - Tuesday 21 July 2015 (if required) Board inspection
- Finance & Governance Tuesday 1 September 2015 at 2.15 pm

There being no other business the Chairman thanked members and officers for attending and closed the meeting at 4.58pm

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CHAIRMAN

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DATE