

Minutes of the Parrett Board Policy, Finance & Governance Sub Committee Meeting held at Bradbury House, 33-34 Market Street, Highbridge on Tuesday 26 September 2017 at 2.15 pm.

Chairman: Mr C Passmore

- 1 **Attendance and Apologies:** as per register appended.
- 2 **Items additional to the agenda:** None
- 3 **Declarations of Interest:** none at this time.
- 4 **Salaries Sub-Committee update:** NWS advised that there is a training programme for in-house Expenditors, to ensure they are fully qualified and operate to expected standards. It was recommended that the CEO meet with the Expenditors, individually, to ascertain if there is a desire to reduce staffing levels, with others taking additional responsibilities and capabilities. Members were reminded that the Parrett IDB should direct its comment on SDBC finances through its identified representatives on the Management Committee. However recommendations on staffing could also be put to the Axe Brue for discussion.
- 5 **Policy & Strategy:**
Ref 1 - To consider, monitor, keep under review and make recommendations to the main Board on all Board financial policy documents (appended) NWS advised that the governance and technical policies should be reviewed on a regular basis. Members concurred that to enable a full review, two policy documents and guidance notes are to be introduced at future meetings.
Proposed J Land, Seconded J Taylor ‘the Parrett Policy, Finance and Governance committee reviews two policy documents at each meeting commencing with “Duties of IDB Members and Officers” and “Compensation, land purchase and agents fees”.’ Vote: unanimous RESOLUTION 1
Ref. 2 – To receive and keep under review, on behalf of the Board, the financial and governance matters arising from the Board’s Strategic Planning, Development, Operational and Improvement Plans –no comments
Ref. 4 - To receive and consider, annually, a 5-year estimate of income, expenditure and capital commitments for recommendation to the Board – no comments
Ref. 6 – To recommend and monitor the Board’s performance standards and policies are following in all operational, maintenance and improvement works and to report significant variances to the Board – no comments
Ref. 8 – To consider and keep under review Structure Plans and Strategies of external parties e.g. CFMPs and District Council Local Plans – no comments
Ref 11 - To report to the Full Board on items decided under delegated powers. – no comments
- 6 **Budgets:**
Ref. 12a – To receive and consider the proposed SDBC annual budget for recommendation to the Board (appended)
Parrett Income & Expenditure:
 - Scheme costs include reinstatement of the land disturbed by the water supply pipeline scheme at Pawlett Hams. Favourable Conditions efficiency savings is being used, with EA agreement, to off-set costs. Board costs approx. £80k. Viridor has also contributed to costs. Civils works are to go out to tender in the near future.
 - Somerset Rivers Authority (SRA) works on watercourses are generally undertaken during the winter (Oct to Feb) due to environmental issues.
 - Maintenance dredging is currently out to tender for 10 days (approx.) dredging operation.
 - SRA projects are being undertaken in both Axe Brue and Parrett districts and have been undertaken across Somerset on main watercourses.
 - Members expressed concern for SRA budgets, EA constraints and funding.
 - Due to the nature of Somerset, i.e. environmental designations, more work is required to meet the requirements of the water framework directive and habitats directive to be legally compliant, and to ensure that work is not impacting adversely on the environment. The IDB’s need to be aware that there are consequences for not following procedures.**Proposed A Bradford, Seconded J Taylor ‘that the Parrett IDB invite Catherine Wright, EA Director Digital and Skills and Neil Parrish MP to visit Somerset and address SDBC annual meeting to discuss overcoming increasing difficulties associated with river dredging and maintenance.’ Vote unanimous RESOLUTION 2**

Action

RES 1
NWS/
CAP

RES 2

SDBC 2018/19 budget:

- SMG advised that the SDBC approved budget indicates an increase of approx. £7.5k; which is still less than the 2015/16 budget.
- Staffing rechargeable to SRA: two full time staff and four part time, including NWS and IDS. Rechargeable staff are project based with actual hours recorded. Costs include on-costs and overheads.
- LEP funding: Brue dredging is rechargeable, however, if a project with LEP funding is not undertaken, LEP may claw back funds.
- Subsequent decisions of SDBC Management Committee meeting resulted in a revised budget (appended).
- The approved budget had been predicated to include CEO as an accountant. The revised budget includes £61k increase for reinstatement of accountant and increased prospective salary of CEO.
- J Lang expressed concern for staffing costs.
- The organisation has been pushed hard for staff to take on more work across Somerset, this cannot be undertaken without affecting the IDB work currently undertaken in both the Parrett and Axe Brue.
- 70% of channel cleaning works are undertaken by contractors, which has not been affected by in-house staff. The Axe Brue operative has recently provided assistance to the Parrett in-house staff for work in the Parrett IDB area.
- The Chairman was invited to visit the office to monitor daily operations.
- Concern was expressed that an increase to the penny rate of 3% would prove difficult for local authorities, particularly Sedgemoor District Council (SDC) to include within their budgets.
- SMG had encouraged appointment of accountant/clerk as CEO to reduce overall costs.
- The current CEO is on-spot rather than an incremental salary.

RES 3

Proposed A Bradford, Seconded J Lang 'to investigate joint working with Sedgemoor District Council for finance matters upon retirement of the Responsible Finance Officer.' Vote: unanimous RESOLUTION 3

RES 4

Proposed J Lang, Seconded Cllr I Dyer 'that the Parrett Policy, Finance & Governance Committee recommends the Responsible Finance Officer and Chief Executive with the committee Chairman, seek a 10% saving on the overall SDBC budget with agreement of Axe Brue Policy, Finance & Governance, to be reported at a future meeting.' Vote: unanimous RESOLUTION 4

Members expressed concern for overall efficiencies of the Board if an accountant was to be appointed CEO, as it is felt the role is predominantly technical.

RES 5

Proposed A Bradford, Seconded J Lang 'that the Parrett Policy, Finance & Governance Committee recommends approval of the approved SDBC 2018/19 budget with overspend to be managed in-year.' Vote: unanimous RESOLUTION 5

Engineering Report: it was noted that should the Board and/or SRA engineering details be required at P,F&G meetings, prior arrangements will need to be made so that the Chief Engineer can report appropriately..

SRA schedule of scheme costs to be included with future meeting packs.

Ref. 14 – To monitor and report the performance against budget and to report significant variances to the Board – no comments

Ref. 15 – To consider, on behalf of the Board, any requests for significant variation to the planned operation budget and to make recommendations accordingly – no comments

Ref. 17 – To consider and make recommendations on an ongoing basis to the Board concerning the financial viability of the IDB in the short and long term – no comments

7

Governance:

Ref. 23 – To review and recommend to the Board any changes to the Board's Standing Orders, Guidelines and Financial Regulations – no comments

Ref. 25 – To consider and recommend variations to the electoral areas – no comments

Ref. 27 – To ensure that the provisions of the Accounts and Audit Regulations have been complied with and that electors have been given opportunity to review and query the accounts: SMG advised that advertising had been undertaken appropriately and all regulations had been complied with to enable adequate opportunity for electors to review the accounts.

8 Delegated Authority:

Ref. 31 – For the Chairman and Clerk to sign Section 106 planning and other similar agreements – no report

9 Risk Management

Ref. 36 – Risk Management – to keep under review the risks associated with the business of the IDB and make recommendations to the Board with a view to minimising the impact of the identified risks (appended) NWS provided an overview of the Risk Register.

No. 31 SRA impact on existing work programmes and changes to the IDBs: Engineer recruitment, as approved at a previous meeting, could be out-sourced to an agency to provide engineers at an hourly rate, with rates lower than consultant fees. This mechanism is being considered for SRA rechargeable positions as well as in-house engineers. This would result in no additional on-costs to the Board i.e. pension, annual leave, etc.

Proposed J Taylor, Seconded J Lang ‘that the Risk Register as submitted is accepted.’ Vote: unanimous RESOLUTION 6

RES 6

10 Minutes of the P F & G meeting held on 06 June 2017: (appended) Having previously been circulated the minutes were signed by the Chairman as a true and correct record of the meeting held.

Proposed Cllr I Dyer, Seconded Cllr B Maitland-Walker ‘that minutes of the meeting held on 06 June 2017 are signed as a true and correct record of the meeting held.’ Vote: unanimous RESOLUTION

11 Matters Arising: Item 5 LEP funding: A Bradford requested the Board apply for an extension of funding. NWS advised that LEP funding has stringent guidelines and that claims could only be made under exceptional circumstances.

Item 8 Banking: no formal review of banking has yet been undertaken, however Direct Debit is now functional and operating successfully.

Item 13 Attendance: members were reminded that attendance for the new reconstituted Board is paramount.

4.15 pm Cllr I Dyer left the meeting

12 Date of Next Meeting: Full Board meeting 14 November 2017 and P,F&G 23 January 2018

The Chairman thanked C Gunn, SWAP, for his attendance.

There being no other business the Chairman declared the meeting closed at 4.20 pm

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CHAIRMAN

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DATE

PARRETT IDB
POLICY, FINANCE AND GOVERNANCE SUB-COMMITTEE

DATE: TUESDAY 26 SEPTEMBER 2017, 14.15HRS

VENUE: BRADBURY HOUSE, 33-34 MARKET STREET, HIGHBRIDGE

Board Member		Mileage Please enter return mileage	PRESENT	APOLOGIES
Peter Maltby	E			✓
Tony Bradford	E	14	ABRZ	
William Barnard	E	5	W	
Ian Dyer	A		I. K. Dyer	
Rebecca Horsington	E			✓
Stuart Kingham	A			
John Lang	A		J. Lang	
Brenda Maitland-Walker	A		B. Maitland-Walker	
Colin Passmore	E	26	C. Passmore	
David Spicer	A	27	D. Spicer	
Julian Taylor	A	24	J. Taylor	
James Winslade	E			
Malcolm Young	E	14	M. Young	