

Minutes of the Parrett Board Policy, Finance & Governance Sub Committee Meeting held at Bradbury House, 33-34 Market Street, Highbridge on Tuesday 23 January 2018 at 2.15 pm. Chair: Mr C Passmore

- 1 **Attendance and Apologies:** as per register appended.
- 2 **Items additional to the agenda: Item 10.1)** SRA representation – change to SRA Board Parrett IDB member; **Item 10.2)** Bank signatories – option of additional signatory; **Item 10.5)** attendance at sub-committees – all Boards.
- 3 **Declarations of Interest:** none at this time
- 4 **Minutes of the P F & G meeting held on 26 September 2017:**
Having previously been circulated, the minutes were signed by the Chair as a true and correct record of the meeting held.
- 5 **Matters Arising:**
Item 6 Resolution 4: Mr Lang expressed concern that a report of investigating 10% savings had been supplied to members of this committee, as had been resolved at the previous PF&G meeting. N Stevens (NWS) advised that the resolution recorded was a review of SDBC budget and not the Parrett Board budgets; The Clerk advised that he had only recently been able to secure a meeting with the Chair and the Board's Finance Officer to consider the resolution requirement; that meeting had identified the various components of the current SDBC budgets which the Finance Officer then sought clarity from members on the area of the budget that could be subject to scrutiny for savings. SMG then drew members attention to enclosure 2, Explanatory notes. Officers were advised by members that all future meetings should receive an update or report on progress with resolutions made at the previous meeting.
At the recent SDBC Management Committee meeting, the Axe Brue members were against a reduction in the SDBC budget which could result in a deficit in their maintenance.
Item 6 Resolution 2: SDBC Chair and Vice Chair, with NWS, held a constructive meeting with Catherine Wright EA Director, with good progress being made on the use of longer term permits for River Dredging works. The Board will develop the approach for submission to the Agency. Neil Parrish MP was not in attendance.
Chief Engineers Team: an organogram of engineering resources was presented with an overview by I Sturdy. Members accepted the presentation.
- 6 **Approval of Revised Agenda:** this item is on the agenda in error – discussed at last meeting.
- 7 **Budgets:**
Ref. 12 - Consider proposed 2018/19 budget and financial position against budget: (appended)
Ref. 13 - Consider draft annual drainage rate and special levy 2018/19: (appended) SMG advised that the budget needs to be based on a realistic budget, not include costs that cannot be delivered.
- SDBC budget: staff and admin costs discussed at length. SDBC version 1 was used to prepare Parrett budget. The net outcome for both versions is the same and is achieved by use schemes as the balancing item.
 - Previous minutes Item 6 Resolution 2: SMG spoke with SDC Head of Finance; SDC do not have sufficient resource to cover Axe Brue, Parrett and SDBC finance.
 - SDBC carries no reserves at year end; residual funds are returned proportionately to the Boards.
 - Parrett IDB reserves: (all approx.) Machinery £160k, general £400k and commuted sums £440k. Recommended reserves 25-50%, however many IDBs operate with one year's turnover as reserves. The Parrett IDB reserves have reduced substantially over the last few years. As the IDB is a single type risk authority larger reserves are necessary; SDC as a multi risk authority hold less but adequate reserves.
 - EA precept: 2% increase, approx. £4k.
 - Concern expressed by some members for in-house machinery and plant working hours; should be increased.
 - Members were reminded that staffing matters should be referred to the SDBC Management committee as not the remit of this committee.

Action

NWS

Proposed Cllr S Kingham, Seconded M Young 'that the recommendation of this committee is that the Parrett IDB does not increase the penny rate'

Second proposal (the amendment) – Proposed: Cllr B Maitland-Walker, Seconded: J Taylor 'that the recommendation of this committee is that the Parrett IDB increases the penny rate by 1% with a recommendation to the Somerset Drainage Boards Consortium to consider

RES 1

discussion held on staffing costs. Vote: 5 For; 4 Against – named vote requested:

For: C Passmore, P Maltby, Cllr B Maitland-Walker, J Taylor, T Bradford

Against: J Lang, Cllr I Dyer, M Young and Cllr S Kingham

Substantive Motion (amendment) vote: 5 For; 4 Against. This recommendation to be taken to the full board. RESOLUTION 1

Ref. 14 – To monitor and report the performance against budget and to report significant variances to the Board.

Concern was expressed for one contractor receiving majority of works. NWS advised that one particular contractor has good experience and expertise. However, the Board has developed an analysis of expenditure by contractor in-year and over a cumulative three year period; to be provided to members.

Ref. 15 – To consider, on behalf of the Board, any requests for significant variations to the planned operating budget. No comments.

8 Policy & Strategy:

Ref 1 - To consider, monitor, keep under review and make recommendations to the main Board on all financial Board policy documents. 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. 7 - To consider, and report where appropriate, on the financial implications of matters referred to the sub-committee by the Board. No matters for consideration.

Ref 11 - To report to the Full Board on items decided under delegated powers. No matters.

NWS advised that officers historically have reported either verbally or in writing at the next scheduled meeting when requested to do so, unless specifically requested otherwise, however members have requested that a written report i.e. update to resolution, is provided with minutes at the next meeting.

NWS

NWS

9 Risk Management

Ref. 36 – Risk Management: (appended) NWS provided the latest risk assessment and advised that the Risk Register is a working document. A full discussion was held with the following points of note: (this list is not exhaustive)

- Item 37 - Task & Finish Group - next meeting 2 February 2018, 2.30pm will seek to address outstanding issues and identify possible risks to progress.
- Concern expressed for IDB member objections to reconstitution and amalgamation – any objections to be considered accordingly by Task & Finish group
- Item 8 - Key Staff – Head hunting recruitment is not a preferred method due to excessive costs. If no suitable candidates are found from the current recruitment drive then use of a recruitment agency will be used

The report was accepted by members.

10 Any Other Business:

- 1) **SRA representation:** due to continuing conflict of interest regarding the Sowy and other issues at the SRA Board meetings, P Maltby recommended that an alternative representative is elected to represent the Parrett IDB. P Maltby would therefore like to step down from this position.

It was agreed that representation would be a Parrett Full Board agenda item.

Recommendations received: W Barnard, Cllr I Dyer and J Lang.

Proposed T Bradford, Seconded P Maltby ‘that John Lang deputises for Peter Maltby at the SRA meeting of 31 January in the interim until a change can be enacted at the next at the Parrett Board meeting.’ Vote: unanimous RESOLUTION 2

T Bradford expressed his gratitude to Mr Maltby for his work, time and effort on the SRA since its inauguration. Members concurred that Mr Maltby has made a good contribution to the SRA.

- 1.1) **SRA Scrutiny Committee:** J Taylor advised that a meeting has been arranged with SCC administration and appropriate admin support is now being received. A paper regarding administration will be addressed at the next SRA meeting (31 January 2018). The next scheduled Scrutiny Panel meeting will be held 5 February 2018.

- 2) **Bank Signatories:** SMG advised the Board currently has three signatories (NWS, IDS and SMG). Any two are required for transactions, which can prove problematic at times due to part time officers (NWS and SMG). It is recommended that one other full time officer is appointed signatory.

Proposed P Maltby, Seconded J Lang ‘that Carrie-Anne Porter, Assistant Clerk is appointed signatory to the Parrett IDB in addition to Nick Stevens, Iain Sturdy and Stephen Gee.’ Vote: unanimous RESOLUTION 3

Full Bd

RES 2

RES 3

- 3) **Memorandum of Understanding (MoU):** MoU with Highways England has been secured for M5

motorway, roadside, ditches from the River Axe to Huntworth viaduct, within the Board's area.
Invoices to be sent at conclusion of works.

A303: discussion to continue with the new Services Manager, who has expressed interest in the Board undertaking additional works on the A303 culverts at Ilchester.

- 4) **Health & Safety:** an H&S appraisal has been requested as part of a review of the current H&S policy.

16.30: Cllr I Dyer left the meeting

10

- 5) **Attendance at meetings:** concern was expressed by members for the lack of attendance by some members at committee meetings, this creates a lack of continuity and understanding which is important to be a productive member of the Board.

11 Date of Next Meeting: Full Board 6 February 2018; Policy, Finance & Governance 19 June 2018

There being no other business the Chairman declared the meeting closed at 16.34

.....
CHAIRMAN

.....
DATE