

**DEMPSTER INTERNAL DRAINAGE BOARD**

**MINUTES OF THE FULL BOARD MEETING**

**MONDAY 16<sup>TH</sup> JULY 2018**

**91 BRIDGEGATE, HOWDEN, DN14 7JJ**

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**PRESENT:**

Ratepayer Members: Mr Jacklin (C) Mr Johnson Mr Cowling Mr Bradwell  
Mr Chantry Mr Phillipson Mr Hall

Appointed Members: Mr Frost

Co-opted Members:

Members Present: 7

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**APOLOGIES:**

Ratepayer Members: Mr Backhouse Mr Walton

Appointed Members:

Co-opted Members:

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**ABSENT:**

Ratepayer Members:

Appointed Members:

Co-Opted Members:

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**IN ATTENDANCE:**

Officers: Mr McLachlan – Chief Executive  
Mr Allen – Chief Engineer  
Mrs O’Driscoll – Board Secretary (Minutes)

Others:



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## **1639 Welcome, Introductions and Apologies**

- 1639.1 Apologies were given for Mr Backhouse, Mr Walton and the Corporate Strategy Manager (CSM).
- 1639.2 The CEO and CEng introduced themselves and their roles in the organisation. The CEO went on to explain the role of the CSM in her absence and that of the new Asset Manager (AMgr), Mr Towse who will take up the post on the 6<sup>th</sup> August. The CEO went on to introduce the roles of the rest of OHDB staff.
- 1639.3 The Chair asked if it would be possible to view a map of all the areas that the OHDB now look after, so members could see how the area's fit together and are located. The CEO brought up a map showing the proximity and relative size of the local IDB's.
- 1639.4 The CEO explained that the 4 ADOC boards together are around 20% of the operation of OHDB.
- 1639.5 The CEO also explained to Board Members that the OHDB also provides support to the Vale of Pickering IDB, South Holderness IDB and has an excellent working relationship with the York Consortium of IDBs amongst others.
- 1639.6 The CEO explained the various models for IDB management include public sector cooperation agreements which are being widely adopted.

## **1640 Declarations of Interest**

- 1640.1 None were given.

## **1641 Additional Agenda Items**

- 1641.1 The Chair asked for any additional agenda items, there was none.

## **1642 Minutes of the previous Full Board Meeting, 12<sup>th</sup> March 2018**

- 1642.1 The Chair advised that a correction is needed to the absences of the minutes for the 12<sup>th</sup> March 2018 board meeting and it is therefore noted that Mr Bradwell did attend the meeting.
- 1642.2 It was PROPOSED MR PHILLIPSON and SECONDED by MR JOHNSON and UNANIMOUSLY RESOLVED that these minutes be adopted as a true record.

## **1643 Matters Arising**

- 1643.1 The CEO brought up point 1634 and asked for clarity into what is meant by Chairman's expenses. The Chairman explained that this is remuneration of extra time spent on Board matters and the Chair is to send in a timesheet summary.

1643.2 It was PROPOSED by Mr CHANTRY and SECONDED by MR JOHNSON and UNANIMOUSLY RESOLVED that the Chairman be remunerated for board work @ £15 per hour on presentation of a summary timesheet.

1643.3 Regarding point 1635 the CEO thought it would be a good idea for the CEng to meet with the contractor, Colwill's. The Chair provided Mr Colwill's telephone number and the CEng hopes to set up this meeting as soon as possible.

#### **1644 Appointment of Officers**

1644.1 The CEO explained that although contracts have been signed, the appointment of officers still needed to be formally made by Board Members.

1644.2 The Chair recommended that Board Members appoint Mr Andrew McLachlan, Chief Executive and Clerk to the Board (CEO); Miss Angela Cowen, Corporate Strategy Manager (CSM) and Assistant CEO; Mr Edward Allen, Chief Engineer (CEng); Mr Russ Towse, Asset Manager (AMgr)

1644.3 He also noted that for the purposes of the administration of the financial provisions set out in Part IV of the Land Drainage Act 1991, pecuniary matters in other relevant acts and oversight of the Boards other financial matters, the Chief Financial Officer to the Board shall be Andrew McLachlan.

1644.4 It was PROPOSED by MR JACKLIN and SECONDED by MR COWLING and UNANIMOUSLY RESOLVED that the Board appoints the above officers to the Board.

#### **1645 Professional Services**

1645.1 The Boards Accountants shall be Hunter G Holroyd, Chartered Accountants, Club Chambers, Museum Street, York, YO1 7DN

1645.2 The Boards Internal Auditors shall be Yorkshire Audit Services, 26 Stockwell Road, Knaresborough, North Yorkshire, HG5 0JZ.

1645.3 The Boards Solicitor and legal advisors shall be Wilkin Chapman LLP, Cartergate House, 26 Chantry Lane, Grimsby, North East Lincolnshire, DN31 2LJ.

1645.4 The CEO went on to explain that separate to the Internal Audit there is an External Audit carried out once a year by PKF Littlejohn who then report back to Defra/NAO. He explained that this is a strict process to ensure that the Board is being run as it should be.

1645.5 It was PROPOSED by MR PHILLIPSON and SECONDED by MR HALL and UNANIMOUSLY RESOLVED that the Board appoints the above professional Suppliers to the Board.

#### **1646 Accounting Statements and Annual Return**

1646.1 The CEO directed Board Members to the Annual Governance statement found in Appendix B of the meeting papers.

- 1646.2 The CEO explained that an Annual Governance Statement with Internal Controls has been prepared by East Yorkshire Council (ERYC) for approval by the Board. This must be approved by the Board in advance of approving the Accounting Statements which will then be forwarded onto the external auditors.
- 1646.3 He added that as the statements had been prepared under the supervision of the previous Clerk and he would therefore not be able to make a recommendation.
- 1646.4 It was PROPOSED by MR FROST and SECONDED by MR CHANTRY and UNANIMOUSLY RESOLVED that the Board APPROVE the Annual Governance Statement for 2017/2018.
- 1646.5 The CEO went on to inform that Accounting Statements had also been prepared by ERYC for approval by the Board, on page 19 of meeting papers, he again advised he could therefore not make any recommendations.
- 1646.6 It was PROPOSED by MR FROST and SECONDED by MR JOHNSON and UNANIMOUSLY RESOLVED that the Board APPROVE the Accounting Statements for 2017/2018.
- 1646.7 Mr Frost queried why there was no signature by the Clerk on the statements, the CEO explained that the statements must be accepted by the Board before they can be passed to him for signing.

#### **1647 Invoices Paid and Accounts Settled**

- 1647.1 The CEO gave an overview of how procedures will work, explaining invoices and accounts shall be settled using OHDB bank accounts and recharged on a quarterly basis. A summary shall be provided to the Chairman to inspect on a quarterly basis. He went on to say that quarterly reports shall be provided at subsequent Board meetings, in line with government guidance, payments under £250 will be aggregated for Board Reports. The current quarter will finish in June.
- 1647.2 The Chair asked the turn-round for paying invoices, the CEO informed invoices are usually paid within 14 days of receipt.
- 1647.3 The CEO went on to advise that all transactions (normally made through BACS) are completely transparent and will be kept for inspection on request from Board Members. He explained that the Board's invoice management procedure consists of a multi-authority workflow procedure, both paper based and through a highly secure banking payments system. He explained that his staff will initially check the invoice and that all work has been carried out before it is signed off and input onto the system for bulk payment using a specific Dempster IDB cost code. He also informed the Board that all transactions are recorded on the Board's accounting package, Sage50.
- 1647.4 He explained the Chair/Vice chair will have the opportunity to inspect the invoices paid by OHDB before recharge.
- 1647.5 The CEO also informed members that the Board's Internal Auditors undertake sample invoice and payment testing 3 to 4 times per year.

1647.6 It was PROPOSED by MR PHILLIPSON and SECONDED by MR COWLING and UNANIMOUSLY RESOLVED that The Chairman or Vice-Chairman be given delegated authority to inspect and consent to payment of the sum of recharged accounts on a quarterly basis.

#### **1648 Financial Scheme of Delegation**

1648.1 The CEO advised members that due to the contractual arrangement between the Board and OHDB, the scheme for Financial delegation as laid out in the meeting papers is recommended for approval. He informed that where these differ or are contrary to the financial regulations of the Board these shall take precedence.

1648.2 The CEO stated that for the time being his delegates are the appointed officers, the CEng, CSM and AMgr.

1648.3 The CEO explained the financial scheme of delegation as laid out in the meeting papers. He informed the Board that he and his delegates may order goods or services per item without prior authority of the board; up to £2,500. Other procurement limits were explained in detail.

1648.4 It was PROPOSED by MR HALL and SECONDED by MR JOHNSON and UNANIMOUSLY RESOLVED to APPROVE financial scheme of delegation.

#### **1649 Banking Mandates**

1649.1 The CEO explained that the Board's authority is required to allow certain members and appointed officers of the Board to operate its bank accounts and where these differ or are contrary to the Financial Regulations the following shall take precedence.

1649.2 The CEO informed members, the operation of accounts is not to be confused with the financial delegations. He explained his officers cannot spend money that has not been authorised through the financial scheme of delegation (above item), as to do so with intent would be acting ultra vires and considered fraudulent. He advised that the OHDB carries substantial fidelity insurance to protect against fraud or error in such circumstances.

1649.3 The CEO ran through the banking mandate, laid out in the meeting papers which is to be passed to the Board's bank, he explained this allows for the operation of accounts when payments or transfers need to be made. The checks and balances in the mandate are designed to prevent accidental error.

1649.4 The CEO advised that the East Riding of Yorkshire Council staff previously authorised to operate the accounts would be confirmed with the bank and removed and authorisations would be given to Andrew McLachlan (CEO), Angela Cowen (CSM) and Russ Towse (AMgr), with the Chair and Vice Chair remaining as signatories. He explained although it is unlikely cheques will be issued in the future.

1649.5 The CEO advised Board members that any electronic transfer over £5,000 is checked by another officer. The Chair asked if this should be tied into the £2,500 as set out in the

Financial Scheme of Delegation, the CEO again made it clear that financial delegation and operation of accounts are separate matters.

1649.6 It was PROPOSED by MR PHILLIPSON and SECONDED by MR COWLING and UNANIMOUSLY RESOLVED that The Board authorise its Bankers to amend its existing banking mandate in line with the authorisations set out above and that the CEO be allowed to apply such reasonable moderation as may be necessary to accord with the Banks systems.

#### **1650 Website, Email and Corporate Identify**

1650.1 The Chairman advised the Board that since management of the Dempster IDB had been taken over by the OHDB it was decided to create a professional website and logo. The CEO added that there is a legal obligation to publish minutes on the website, image is therefore important.

1650.2 The CEO advised it had been agreed that the Board will continue to operate under the previously adopted Aire, Don and Ouse Consortium or ADOC brand. He added this has, on approval of the 4 Chairmen been updated to include the word “independent” making it clear to the common observer that the Board remains an independent legal entity.

1650.3 He went on to say that for the time being the website is being hosted by the ERYC after which this will be signposted to the new website.

1650.4 The Chair enquired what personal details of Board Members would be published on the website. The CEO considered it would be names only.

1650.5 The CEO informed members that he had obtained the domain name “adoc.org.uk” and that a website should be operational in a few weeks hosting information for Reedness and Swinefleet IDB, Rawcliffe IDB, Dempster IDB and Cowick and Snaith IDB.

1650.6 He went on to say that email addresses are now set up, any officer of the board can be contacted using the adoc.org.uk suffix and emails will go directly into the OHDBs user inbox. It was encouraged for members to give out [enquiries@adoc.org.uk](mailto:enquiries@adoc.org.uk) – for general enquiries and [accounts@adoc.org.uk](mailto:accounts@adoc.org.uk) for invoices and remittances.

1650.7 The CEO spoke of the corporate identity programme that is planned for this year to promote the work of Drainage Boards in the area.

#### **1651 Corporate Strategy Managers Report**

1651.1 In the absence of the CSM, the CEO informed members that she is looking to send the rate demands out for this year around 1<sup>st</sup> September. However, it likely in coming years that these will be sent out much earlier, in April/May.

1651.2 He explained that records will be digitised and entered on to the electronic DRS system.

1651.3 The procedure for collecting rates was then explained by the CEO, advising that Drainage Rate Notices are issued on the 1<sup>st</sup> April each year, this is then followed by a reminder in June/

July. In August a Final Reminder is issued advising that legal proceedings have commenced and informing the ratepayer that if Drainage Rates are not settled in full by the date provided, administrative and recovery costs will be added (these are usually £100). If payment is not received by the date provided, OHDB attend court who grant Liability Orders against the ratepayer. These are passed to the Debt Collection Agency, Rundells for the debt to be recovered.

1651.4 The Chair didn't think recovery of rates would be an issue, due to the limited number of demands for the Dempster area.

1651.5 The CEO advised that this current system works well with over 50% of OHDB debts recovered so far.

## **1652 Chief Engineers Report**

1652.1 The CEng explained his role to the Board. He advised Members that for emergency works he is available to contact 24/7.

1652.2 He went on to say that he is to meet with contractors to the board to ensure they are legally compliant.

1652.3 The CEng informed he will also be visiting the pump station with a representative from Towergate for insurance purposes, this will take place in the next few weeks.

1652.4 The Chair reported currently Board Members inform contractors once land is free for drainage works to commence. The CEO advised he is happy for them to inform contractor's they can get onto the land as this is how the OHDB currently works. However, the instruction of work must come directly from the CEng and not the Board Member to avoid and difficulties.

1652.5 The CEO went onto say that in future contracts will go out to tender to ensure work is carried out at the best price. The CEO advised that he is currently putting together a Maintenance contract in November and the CEO is to speak to the Chair regarding this. He added that it would make sense for the current contractors to bid through this system to ensure best value for the Board.

## **1653 Capital Programme**

1653.1 He advised that capital funding for IDB's is hard to secure as points are gained on the number of residential properties at flood risk which often put IDB areas at an unfair disadvantage. He went on to say evidence will be gathered and he is looking to secure funding for the investment period from 2021, for pumping stations and structures.

1653.2 The CEO advised that he had started to put together the Humber Head Capital Maintenance Strategy to apply for capital funding from central government. Discussions took place on how capital strategy operates

## **1654 ADOC Partner Arrangements**



- 1654.1 Discussions took place on meeting frequency and set up. With the CEO explaining that he is legally obliged to give notice of Board Meetings.
- 1654.2 The CEO informed that certain meetings are needed by law to set the rate etc possibly November or January. Mr Johnson suggested another to pre- harvest to discuss maintenance works. Mr Chantry asked if Board Members could meet without OHDB officers, the CEO advised against this but suggested that minimum staff could be provided at an additional cost if this was necessary.
- 1654.3 The CEO advised he saw the need 1-2 full ADOC meetings a year. The Chair queried what extra could be brought to a full ADOC meeting as he thought Board Meetings were more beneficial. The CEO explained that these meetings would provide an opportunity to explore joint working and efficiency savings along with progress in the contract.
- 1654.4 He went on to advise that in future Board Members may need to give the Chairman delegations to make decisions on behalf of Dempster Board Members at such meetings (e.g. authority to enter into a supplier's contract).

#### **1655 Chairman's Remarks**

- 1655.1 The Chair stated that much had been covered throughout the meeting. He commented that he is eager to see the new set up work and welcomed the new staff to the Board.
- 1655.2 He informed that the Dempster IDB had worked well in the past, carrying out work to protect much of Old Goole from flooding and is keen to see this good work continue.
- 1655.3 Mr Cowling asked the CEng about the levels at Reedness Clough and the CEng informed that this had now been completely cleared out, there was need for funding on the clough and a survey of the levels on the watercourse is to take place.

#### **1656 Any Other Business**

- 1656.1 Mr Johnson enquired into maintenance and the CEO brought up a map showing the watercourses making up the Dempster IDB. Mr Hall advised that some of the arrows indicating direction of flow had been put onto the map the wrong way. The CEO explained the information had been passed on by ERYC. Mr Hall proceeded to advise the direction of flow of the watercourses.
- 1656.2 Mr Chantry advised that it had been agreed previously by the Board to maintain a drain on Mr Cowlings land as this flowed into the main drain as minuted in the previous meeting. This drain was named White House Drain for the purpose of updating the map. Further in-depth discussions took place on the Board's watercourses.

#### **1657 Date of Next Meeting**

- 1657.1 TBC – The Boards Offices, 91, Bridgegate, Howden