



Danvm Drainage Commissioners

MINUTES OF THE FULL BOARD MEETING HELD 9.30AM FRIDAY 29th MAY 2020 VIA VIDEO CONFERENCE

PRESENT:

Ratepayer Members:	Mr S Lomas Mr D Platt	Mr W Falkingham Mr R Robinson	Mr N Welburn
Appointed Members:	Mrs G Ivey (C) Mr J Mackman Mr C Crowe Mr C Hogarth	Mr J Gilliver (VC) Mr M Crane Ms L Watkinson-Teo	Ms C Anderson Mr K Heydon Mr W Atkins
Co-opted Members:			
Members Present:	15		

APOLOGIES:

Ratepayer Members:	Mr A Cooke Mr J Duckitt	Mr R Thompson	Mr D Atkinson
Appointed Members:	Mr P Maddison		
Co-opted Members:			
Officers:			

ABSENT:

Ratepayer Members:	Mr C Platt	Mr G Smith	Mr A Scholey
Appointed Members:	Mr T Grady		
Co-Opted Members:			

IN ATTENDANCE:

Officers:	Mr McLachlan - Chief Executive Mr Towse – Operational & Technical Manager	Miss Cowen – Policy & Finance Manager Miss Smith – Board Secretary (Minutes)
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Others:

Andrew McLachlan
Chief Executive Officer and Clerk to the Board
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29. Welcome, Introductions and Apologies

- 29.1. The Chair welcomed all Board members to the meeting and requested introductions from the CEO, PFM and OTM.

30. Meetings Privacy

- 30.1. The CEO asked members to be mindful that, in order to respect people's privacy whilst participating in their own homes, no part of the meeting should be filmed or photographed.

31. Declarations of Interest

- 31.1. None.

32. Health and Safety

Measures Taken in Response to the Pandemic

- 32.1. The CEO and OTM outlined the measures taken to minimise risks to staff during the ongoing pandemic. Operational staff had been instructed to stay at home initially but had since returned to work with strict social distancing measures in place. Office staff were working at home with one staff member manning the office to take telephone calls and monitor the post. Staff were generally adapting well to the changes and maintaining standards of service.

33. Additional Agenda Items

- 33.1. None

34. Minutes from Previous Board Meeting

- 34.1. The Chair brought attention to previous minutes from 6th January.
- 34.2. It was PROPOSED by MR GILLIVER and SECONDED by MR FALKINGHAM and UNANIMOUSLY RESOLVED that the minutes be adopted as a true record.

35. Matters Arising

- 35.1. The CEO explained how matters arising would be recorded and presented to the Board in future papers.
- 35.2. Regarding minute 5, the CEO advised he had spoken with Mrs Hill and advised her that consideration will be given in the serviceability programme.
- 35.3. He went on to confirm that minutes 7, 8, 14 and 15 are still ongoing.
- 35.4. The CEO confirmed that a new Biodiversity Action Plan has been commissioned for the Board which resolves minute 26.

35.5. The Chair informed the CEO that minute 14 had previously been addressed and resolved by the Board.

35.6. The CEO advised he would call Mr Welburn after the meeting to discuss this further with him.

36. Minutes from Policy and Finance Committee Meeting(s)

36.1. The CEO highlighted the importance of Governance and that the Full Board should note the minutes from the Policy & Finance Committee who will make recommendations for the Board to approve.

36.2. Mr Mackman asked for clarification on who was the Chair of this meeting.

36.3. The Chair explained that Mr Cooke chaired the Policy & Finance Committee however it was conducted slightly different to normal with it being held via video conference.

36.4. The CEO clarified that he did seek approval from the Chair when moving through the minutes.

37. Appointments

Officers

37.1. The Chair advised the Board that Officers' roles must be formally approved.

37.2. It was PROPOSED by MRS IVEY and SECONDED by MR GILLIVER and UNANIMOUSLY RESOLVED that the Board appoints Mr Andrew McLachlan (Clerk to the Board and CEO), Miss Angela Cowen (Policy and Finance Manager and Deputy CEO) and Mr Russ Towse (Operational and Technical Manager).

37.3. The CEO went on to explain the service providers' roles and recommended the Board should make appointments to these providers who support officers on a regular basis in the day to day operation of the Board's activities.

37.4. The Chair asked Board members to state any declarations of interests.

37.5. No declarations of interest were raised.

37.6. It was PROPOSED by MRS IVEY and SECONDED by MR GILLIVER and UNANIMOUSLY RESOLVED that the Board employs Wilkin Chapman LLP, Yorkshire Internal Audit Services, Hunter Gee Holdroyd Ltd, Mason Clark Associates Ltd, Mr Ralph Ward (FRICS), Stephen Edwards (FRICS) and Cutler IT Ltd as contractors to the board.

38. Public Sector Agreements

Consortium

38.1. The Chair thanked the CEO, PFM & OTM for their work regarding supporting Danvm's transition into the consortium.

- 38.2. The CEO proceeded to provide an overview on how consortium arrangements operate and advised the Board, should they require an in-depth discussion regarding this, he would be happy to hold one to one discussions with members.
- 38.3. The CEO emphasised that employees are public authority officers and operate in a way which is not for profit. He went on further to emphasise the transparent working systems and invited members to attend the office should they ever wish to do so.
- 38.4. The Chair stated that she was impressed with the forward planning of the Officers and thanked the CEO for the invitation to visit the offices in Howden.
- 38.5. Mr Mackman asked how many Boards operated within the consortium and requested financial projections. He added that he would not feel comfortable increasing drainage rates to support management fees.
- 38.6. The CEO confirmed that drainage rates would not be raised on this basis. He added that detailed cost models have been created with costs and resources shared by the consortium highlighting that Board autonomy will be retained.
- 38.7. Mr Mackman asked whether there was a business plan and if members would have sight of the financial projections.
- 38.8. The CEO advised that a full business plan had been developed and individual accountants had scrutinised the financial accounts.
- 38.9. The CEO informed the Board that a website designer has developed a common identity/logo for all the Boards now managed by YHDB and is transferring the current website to a “gov.uk” domain. He added that this gives greater reassurance to users that the information presented online is legitimate.

Transition to New Management Services

- 38.10. With regards to the data received from the previous administration, the CEO informed the Board that the PFM and her team are currently looking to create an index for all the data received. He further advised that the payroll setup had been successful and pension schemes were in the process of being resolved.
- 38.11. Mr Crane asked if the Board had received all information that JBA had been paid to provide.
- 38.12. The CEO advised that the Board is not currently in receipt of the annual accounts or audit reports and concluded that an Extraordinary Board Meeting will therefore be necessary.

Consortium Governance and Membership

- 38.13. The CEO explained the requirements of a Joint Consortium Committee to meet at least once per year to scrutinise the shared management function on behalf of the member Boards. He further advised that this Committee hold no delegated powers however the Board may approve delegations to consider specific matters occasionally.

38.14. The CEO put forward the request from Vale of Pickering IDB, to formally join the consortium, notifying that at present, management staff are already providing engineering and development control services. He advised the Board of OHDB's vote to admit VPIDB to the consortium but emphasised this also needed the agreement of Danvm Drainage Commissioners.

The Coal Authority (TCA)

38.15. The CEO thanked TCA officers for their support in providing asset information and knowledge regarding the watercourse network and expressed his commitment to developing a positive working partnership.

38.16. The CEO went on to advise that it has been agreed to work towards simplified maintenance planning, fixed fee management recharges, and to be a partner in the delivery of a 'fit for purpose' capital programme.

Highways England (HE)

38.17. The CEO informed the Board that both he and the OTM had recently met with Highways England concerning the maintenance of motorway watercourses, assets operated by Danvm Drainage Commissioners and the capital programme.

38.18. Mr Crowe commented that moving forwards this would be beneficial.

38.19. Mr Mackman queried the size of the Vale of Pickering Independent Drainage Board and whether it would be appropriate geographically to join the Consortium. He also queried the rationalisation of labour costs.

38.20. The CEO explained that VPIDB is around half the size of Danvm with each of the Boards comprising of their own workforce therefore VPIDB would only require administration and management works.

38.21. He further explained that a surcharge will be incurred to VPIDB each year of around £15k which covers lost time due to travel.

38.22. The Chair suggested the Chair and Vice Chair form two of the four members required to join the joint Consortium Committee and advised one elected member should also stand.

38.23. It was PROPOSED by MR CRANE and SECONDED by MS WATKINSON-TEO and UNANIMOUSLY RESOLVED that The Board appoints Mrs Ivey, Mr Gilliver, Mr Welburn and Mr Heydon to sit on the joint Consortium Committee on behalf of Danvm Drainage Commissioners.

38.24. The Chair requested the CEO explain the voting system of the joint Consortium Committee.

38.25. The CEO advised the voting entitlement would be roughly the same size as the Boards contribution so 1 vote for VPIDB and 2 votes for Danvm and OHDB.

- 38.26. The Chair advised she was satisfied that this was a reasonable explanation and recommendation.
- 38.27. It was PROPOSED by MRS IVEY and SECONDED by MR CRANE and UNANIMOUSLY RESOLVED that the Chair is authorised to enter and agreement to admit the Vale of Pickering IDB to the consortium and that delegated authority be given to the Consortium Committee to agree any associated resource requirements.
- 38.28. It was PROPOSED by MRS IVEY and SECONDED by MR FALKINGHAM and UNANIMOUSLY RESOLVED that the Board authorise the CEO to develop a memorandum of understanding with the TCA which will be reviewed in April 2021.

39. Risk Register

- 39.1. The Chair reminded the Board that the risk register presented by JBA in January had been not been adopted due to members concerns. She emphasised the fact that the risk register has been redrafted.
- 39.2. The CEO presented the Board with an electronic copy of the new risk register explaining this had been produced in line with Section 5 of JPAG guidance and drew attention to the higher risk scores.
- 39.3. Mr Crowe queried whether the scoring was applicable prior to or following remedial measures being actioned.
- 39.4. The CEO identified the risk scoring as being relevant to the current situation, in advance of remedial action.
- 39.5. The Chair asked the CEO to clarify “assets”.
- 39.6. The CEO clarified that assets are watercourses and pumping stations.
- 39.7. The Chair invited questions from the Board.
- 39.8. Mr Mackman asked if the risk register could be colour coded so key points are easily distinguishable. **CEO action**
- 39.9. It was PROPOSED by MR CROWE and SECONDED by MR CRANE and UNANIMOUSLY RESOLVED that the Board adopts the new risk register.

40. Maintenance Programme

- 40.1. The OTM explained he had examined the maintenance programme previously adopted by the Board and found that it apparently had not been implemented.
- 40.2. He went into further detail around the failure to undertake basic maintenance activities.

- 40.3. The OTM concluded that unfortunately, due to the excavators, tractors and low loader being sold last year, the remaining spearheads would not be appropriate machinery to successfully return the watercourses to a maintainable standard and the same machinery sold would therefore have to be hired back by the Board.
- 40.4. Mr Crane asked the OTM whether increased maintenance of weed screens would increase water flow to the pumping stations.
- 40.5. The OTM confirmed that this would undoubtedly increase waterflow to the pumping stations explaining that currently at least one third of weed screen cleaners are either not working properly or entirely inoperative. He emphasised that from an operational and health and safety aspect, these weed screens need to be operational as a priority.
- 40.6. Mr Crowe highlighted the Board's previous agreement, prior to Covid-19, that they had instructed the MEICA team to resolve the issue with weed screens.
- 40.7. The OTM responded notifying the Board that a list had been received regarding what is and is not operational and underlined the necessity for contractors to perform some maintenance operations.
- 40.8. The Chair enquired as to whether this had been built into the budget.
- 40.9. The OTM confirmed that some had been built in.
- 40.10. Mr Mackman raised concerns regarding the current maintenance programme being in crisis. He proceeded to ask who was responsible for this and who was responsible for the inspections of work which was not performed.
- 40.11. The CEO advised that this was ultimately the responsibility of the Board.
- 40.12. Mr Mackman questioned whether the £335k projected expenditure would recur annually.
- 40.13. The CEO advised not as this was simply not sustainable.
- 40.14. Mr Crowe confirmed that members were aware of issues around maintenance.
- 40.15. Mr Gilliver agreed that members had identified the concerns which is why steps had been taken to join a Consortium with a shared ethos. He added that this had been a bold and brave move made by the Board and that to move forward positively it is important to support the new CEO and OTM.
- 40.16. The CEO accentuated the importance of the need to maintain the system of arterial watercourses. He advised that once these were in a serviceable condition, the maintenance needs could be accurately assessed, and the Board would be better informed in terms of the budget next year.
- 40.17. On behalf of ratepayers, Mr Lomas asked whether the CEO and OTM would meet with Fishlake and Sykehouse residents to discuss their concerns around flooding.

- 40.18. The OTM advised that he would be pleased to answer questions on the new maintenance programme but cannot comment or provide answers for past incidents.
- 40.19. The CEO suggested that residents could approach the CEO and OTM to meet individually and further advised that he is currently following lines of enquiry with DEFRA and the EA concerning the recent flooding events.
- 40.20. Mr Mackman questioned the current conditions of the pumping stations.
- 40.21. The CEO reported many of the pumping stations are reaching the end of their useful asset life and that YHDB are currently lobbying to secure funds to invest in these assets.
- 40.22. The OTM further explained that this is a complex procedure as some receive full or part funding from other authorities, with schemes in place to replace and renovate some of these pumping stations.
- 40.23. Mr Mackman expressed his view that there needs to be a longer scope for financial projection.
- 40.24. The CEO proceeded to present the OHDB's maintenance programme, available to view on the website, showing a fully costed maintenance programme and stated that his intention was to move towards the same for Danvm.
- 40.25. Mr Crowe confirmed TCA had made investment into pumping stations and highlighted his eagerness to work with the CEO on future capital investment.

41. Budget and Financial Position

- 41.1. The PFM advised that under normal circumstances, a budget variance report and payment schedule for ratification would be presented, but due to not being in receipt of the necessary information at the time of the meeting she has been unable to do so.
- 41.2. The PFM gave an overview of the current bank balances from 1st April to the time of writing and explained how the new Barclays account links in with current workflow systems.

Budget

- 41.3. The CEO clarified, that as the Board is currently awaiting receipt of further financial information, a conservative view has been taken in respect of the reserve position of £1.6m as the list of creditors and debtors is not yet apparent.
- 41.4. The CEO drew attention to Appendix D and explained the previous budget had been refreshed. He added that normally only cost centres (categories) would be shown however at this time he sought to provide a detailed analysis to the Board.
- 41.5. The Chair requested the CEO to clarify development contributions?
- 41.6. The CEO advised that if no ringfencing of funds exists through a private agreement then the accounting treatment of developer contributions is a matter for the Board. This is because

IDBs are not subject to the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003.

- 41.7. The CEO advised that previously all TCA recharges had been treated as a separate budget and some management fees were charged directly by JBA with no oversight from the Board. He confirmed that management fees moving forward would be a percentage of the work undertaken.
- 41.8. In relation to manual equipment, the CEO informed the Board that these were one off costs to re-equip the operation staff with necessary tools to perform maintenance work.
- 41.9. The OTM confirmed that piling, regrading, and forestry costs were pre-emptive being based on time-schedules with the current workforce and availability of contractors.
- 41.10. The Chair highlighted the EA precept and notified the CEO that a complaint had previously been made with a previous officer who advised these would be reviewed.
- 41.11. The Chair invited questions from the Board.
- 41.12. Mr Mackman noted that the vast majority of income is received by special levy and questioned whether the total money requested would be spent in its entirety.
- 41.13. The CEO explained that an approved budget by the Board is needed to be able to perform operations and purchase necessary equipment.
- 41.14. The OTM added that this has been the best attempt at forming a budget based on the limited amount of information currently received and is a fair representation of where the Board currently stands.
- 41.15. Mr Falkingham concurred that the budget needs approval and that maintenance work must be performed, emphasising that for Officers to return to the Board and request additional monies may take a month or more.
- 41.16. Mr Mackman asked whether there would be an inflation in the drainage rate for the ratepayer.
- 41.17. The CEO advised that he would work in collaboration with Ms Anderson and her equivalent officer at Selby Council concerning drainage rates collected through the special levy demand, and this should be treated delicately.
- 41.18. The Chair asked for approval of the new budget and confirmed that both she and the Vice Chair had been in consultation throughout the proposal.
- 41.19. It was PROPOSED by MRS IVEY and SECONDED by MR FALKINGHAM and UNANIMOUSLY RESOLVED that the Board approve the revised budget.

42. Capital Programme

Telemetry

- 42.1. The CEO confirmed that the existing telemetry system, 'Control Star', will be switched at the end of June. He added that the Senior Technical Engineer had put together a new competitive tender process to procure a new system with an invitation to tender being sent to four suppliers to provide telemetry services to Danvm and partner Boards.
- 42.2. The CEO noted that the review of these tenders will be conducted in around a weeks' time and he will also be writing to the Chairs of other IDB's to invite them to this procurement taking an economy of scale approach.
- 42.3. Mr Mackman queried whether the Board's approval could negate grant in aid.
- 42.4. The CEO described the meeting he had recently held with the EA and YRFCC and the proposed development of a business plan. He confirmed that this would run parallel but there will have to be commitment to spending capital in the meantime with the expected cost to Danvm of phase one being in the region of £80k.
- 42.5. The Chair expanded and identified two operational staff who are currently involved in the process of writing the specifications and will be able to monitor.
- 42.6. Mr Mackman asked if this would be installed at all pumping stations.
- 42.7. The CEO clarified, explaining that it is not the intention to replace all. Twenty-five had been identified, as necessary.
- 42.8. It was PROPOSED by MR CRANE and SECONDED by MR MACKMAN and UNANIMOUSLY RESOLVED that the Board authorises the CEO to enter a contract [*with £80k commitment from Danvm*] to procure phase 1 of a new telemetry system.

Capital Maintenance Strategy

- 42.9. The CEO explained the upcoming investment period for FDGiA; he advised an investment strategy should be implemented to allow the Board to take advantage of the next investment round. He confirmed that the Hydraulic Model and server information had been received with the former sent to the Local Authority for review.
- 42.10. The Chair inquired as to whether the review had been favourable, explaining that Board members had not seen the model before submission.
- 42.11. Mr Heydon informed the Board that the quality is poor with a distinct lack of information. He further advised the outputs are incorrect for example showing 20% less rainfall than actual. He concluded that this needs an overview.
- 42.12. The Chair reminded the Board that funding was received for the Hydraulic Model.
- 42.13. Mr Crane questioned the cost paid to JBA.

- 42.14. Mr Heydon advised this was in the region of £200k.
- 42.15. There then ensued a detailed discussion between the Board members about whether this commission presented value for the public purse.
- 42.16. The CEO determined that a certain amount of the data is useable.
- 42.17. The CEO went on to provide an overview of the Humber Head Levels capital maintenance strategy, an approved strategy, and advised this is being undertaken on behalf of six partner IDBs.
- 42.18. The Chair asked when this would be available for presentation to the Board.
- 42.19. The CEO confirmed that he would begin writing it later this year.
- 42.20. It was PROPOSED by MR CRANE and SECONDED by MR MACKMAN and UNANIMOUSLY RESOLVED that the Board attaches itself to the Humber Head Levels Capital Maintenance Strategy.
- 42.21. At this point, Ms Anderson and Mr Crane left the meeting.

Capital Delivery Client

- 42.22. The CEO informed the Board, that after only recently becoming aware of the number of capital schemes in the Danvm district, the P&F committee discussed options to manage these schemes with costs being met from the capital programme allocation.
- 42.23. He put forward the option of hiring a client project manager to work for, and be answerable to, the Board.
- 42.24. Mr Mackman questioned whether a client project manager would be commissioning work for partner IDBs.
- 42.25. The CEO advised that the client project manager would be procuring works and would be funded by demand based on capital programmes across the Boards with time being managed by the CEO and scrutinised by the Board.
- 42.26. Mr Mackman highlighted the importance of consideration of charges to Danvm.
- 42.27. The CEO verified that the client project manager would work on timesheets to provide a true reflection of works undertaken.
- 42.28. It was PROPOSED by MR CRANE and SECONDED by MR MACKMAN and UNANIMOUSLY RESOLVED that the Board appoint a Client Project Manager to oversee the delivery of capital projects.
- 42.29. At this point, Mr Atkins left the meeting.

43. Staff Contracts

- 43.1. The CEO advised that there had been concerns around the legalities of the operator's current contracts advising that they had been working outside the working time directive and are working under unique terms and conditions.
- 43.2. He went on to explain that most IDBs operating in the Yorkshire and Lincolnshire area use the ADA Whitebook for salaries and terms and conditions.
- 43.3. The Chair requested reassurance that moving to the ADA Whitebook would be beneficial for the Board and that there would be an improvement in working conditions for operators.
- 43.4. The OTM explained that after discussions with the operators, it had become apparent they do not fully understand the current system and had also found there were little incentives to attend to call-outs.
- 43.5. He advised that by adding an incentive it will improve operations for the Board.
- 43.6. The CEO presented a new seasonal working pattern, recommending the Danvm operators move towards something similar and provided an explanation to the reasoning behind this shift pattern.
- 43.7. Mr Mackman requested that the final scheme is brought to the Board for ratification.
- 43.8. The Chair requested this is brought to a future Full Board Meeting. **Action CEO.**
- 43.9. It was PROPOSED by MRS IVEY and SECONDED by MR MACKMAN and UNANIMOUSLY RESOLVED that the Board authorises the CEO TO consult with the workforce to implement new contracts.

44. Rates

- 44.1. The CEO advised rate demands had been issued the week commencing 11th May and payments are incoming.
- 44.2. He added that rating information is currently in paper format however there are plans in place to digitise these.

45. Policies

Policy and Finance Committee

- 45.1. The CEO confirmed that both the PFM and he will be addressing Governance Issues and that the P&F Committee will be held three to four weeks prior to Full Board meetings.

Financial Regulations

- 45.2. The PFM advised that new financial regulations have been produced to address practical issues around procurement thresholds, processing of payments, FSoD and legal compliance.

- 45.3. The CEO drew attention to Appendix E and brought attention to procurement signing rules, emphasising that money cannot be spent without an approved budget.
- 45.4. He further clarified the purchase order system and confirmed the Board hold fidelity insurance.
- 45.5. The Chair invited questions from the Board.
- 45.6. Mr Mackman asked if these financial regulations could be reviewed at certain intervals.
- 45.7. The CEO welcomed this request advising these must be reviewed within three years minimum in any case.
- 45.8. Mr Mackman stated that he would prefer reviews to be undertaken every two years.
- 45.9. The Chair agreed that two years is reasonable.
- 45.10. Mr Mackman also requested that if delegated authority is used, this must be reported to the Board.
- 45.11. It was PROPOSED by MRS IVEY and SECONDED by MR MACKMAN and UNANIMOUSLY RESOLVED that the Board adopts the new financial regulations reporting delegated authority back to the Full Board and with a review to be conducted every two years.

46. Future Board Meetings (Provisional)

- 46.1. The Chair informed the Board that future Full Board meetings were expected to be held at Thorne Hill Manor, with P&F Committee meetings to be held and the Yorkshire Humber Howden office.
- 46.2. The CEO advised that this would be appropriate if social distancing could be adhered to under the current government guidance around Covid-19.
- 46.3. The Chair concluded the meeting and thanked all members for their attendance.