



Ouse & Humber Drainage Board

MINUTES OF THE FULL BOARD MEETING HELD ON MONDAY 22ND MAY 2023 AT 24 INNOVATION DRIVE, HU15 2FW.

<u>PRESENT</u>					
<i>Elected</i>	Mr J Wright	Mr T Screeton	Mr J Hick	Mr Mowforth	Mr Henley
	Mr J Scutt				
<i>Appointed</i>	Mr B Blackledge	Cllr L Bayram	Cllr K West	Cllr V Aitken	Mr N Wilkinson
	Cllr H Roberts	Cllr R Meredith	Mr G Baxter		
<u>APOLOGIES</u>					
<i>Elected</i>	Mr T Featherby	Mr R Nicholls	Mr I Screeton	Mr B Maclean	
<i>Appointed</i>	Mr N Marwood	Mr J Traill	Cllr P West		
IN ATTENDANCE					
<i>Officers</i>		Mr A McLachlan – Chief Executive Officer			
		Mr R Towse – Director of Operation			
		Ms A Cowen – Director of Policy & Finance			
		Miss L Smith – Executive Assistant			
<i>Others</i>		Mrs J Jackson – Accountant – Hunter Gee-Holroyd			

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494. Welcome, Introductions and Apologies

- 494.1. The Chair welcomed Members and Officers to the Board noting apologies from Mr Featherby, Mr Marwood, Mr Traill, Mr Nicholls, Mr I Screeton, Mr Mclean, and Cllr P West.
- 494.2. The CEO introduced Mrs J Jackson as the Board's accountant, who would be available to answer questions in relation to the annual return documents and Board finances.

495. Declarations of Interest

- 495.1. Cllr Roberts confirmed he had provided services to the Board in relation to the Biodiversity Action Plan.
- 495.2. Mr Blackledge confirmed he had provided services to Yoke Gate Farm, mentioned in the Executive Committee minutes.

496. Additional Agenda Items

- 496.1. No additional agenda items were requested.

497. Health & Safety

- 497.1. The DO advised that risk assessments had been uploaded to the Board's intranet site for the operational team.
- 497.2. There had been no incidents or near misses since the last update.

498. Natural Environment

- 498.1. The CEO informed members that it was a requirement by law to consider the Natural Environment and that a new Biodiversity Action plan (BAP) was ready for the Board's approval.
- 498.2. Cllr Roberts gave a presentation about the BAP, explaining the necessity and benefits of the various actions in relation to sustaining and enhancing the natural environment within the Board's district. He explained that the BAP is a valuable tool in ensuring the Board meets their statutory requirements and enables regular and concise reporting to Defra.
- 498.3. The Board discussed the implications of the BAP in relation to maintenance activities.
- 498.4. The CEO referred to the requirement for developers to now have a 10% biodiversity net gain which can be applied offsite and noted that this ought to be explored further as could be beneficial for the Board and landowners.
- 498.5. Mr J Wright arrived at the meeting.
- 498.6. It was **PROPOSED** by CLLR AITKEN and **SECONDED** by MR BLACKLEDGE and **UNANIMOUSLY RESOLVED** that the Board adopt the Biodiversity Action Plan.

499. Minutes of the previous Full Board Meeting

- 499.1. The Chair drew attention to minutes of the previous meeting at Appendix A.
- 499.2. Mr Meredith highlighted that he was not present at the previous full Board meeting on 6th February 2023.
- 499.3. Subject to the correction of members present, it was **PROPOSED** by MR BAXTER and **SECONDED** by MR WILKINSON and **UNANIMOUSLY RESOLVED** that the Board adopt these minutes as a true record of the previous meeting.

500. Minutes of the Executive Committee Meeting

- 500.1. The Chair drew attention to minutes from the Executive Committee for noting.

501. Matters Arising

- 501.1. The CEO confirmed that the matters arising from the previous minutes (480.2, 484.14, and 492.5) were all complete.
- 501.2. There were no other matters arising.

502. Annual Risk Register & Health and Safety Review

- 502.1. The CEO confirmed that the desktop review comparing risks against the previous year had been completed and presented this to members.
- 502.2. The CEO referred to some of the higher risks which had been reduced, such as cyber security. He informed members that the Board are now cyber security accredited, and that the risks of exposure have decreased due to enhanced security of the ICT systems.
- 502.3. The risk score against the Board's reserves remained the same due to the constant need to retain funds for the Board in the events of an emergency.
- 502.4. Mr Blackledge queried if breaches in law and legislation could result in corporate prosecution. The CEO advised that this was an insured risk [Management Liability Insurance].
- 502.5. It was **PROPOSED** by MR HENLEY and **SECONDED** by MR WILKINSON and **UNANIMOUSLY RESOLVED** that the Board approve the revised risk register for 2023.
- 502.6. The CEO advised that as part of the new Health and Safety Management System, there was a requirement that the Board review progress on an annual basis. The CEO presented a report to the Board.
- 502.7. He informed members that the Health and Safety Policy had been updated, and that safety reviews and robust training programmes had been implemented across the operational teams.

- 502.8. The DO advised that the standard of the operational team's training had been assessed as meeting the Environment Agency operational staff standards and this was important when carrying out PSCA works.
- 502.9. The CEO advised that risk assessments, COSHH registers and safe systems of work had been updated.
- 502.10. He also informed the Board that extensive PPE for the operational staff had been purchased to reduce the risk of injury.
- 502.11. Mr Scutt queried what the overarching policy was set to, the CEO confirmed the management system had been based on the HSG65, a model HSE document.
- 502.12. The Board discussed the responsibilities and liabilities of the Board.
- 502.13. It was **PROPOSED** by CLLR AITKEN and **SECONDED** by MR SCUTT and **UNANIMOUSLY RESOLVED** that the Board note and accept the CEOs annual report on the Health and Safety.

503. Accounting Statements and Annual Return

- 503.1. The CEO referred members to the accounting statements and annual return for 2022/23, which had been prepared by the Board's accountant, Ms Jackson, from Hunter Gee Holroyd Ltd.
- 503.2. The CEO summarised the outturn position, highlighting a 4-5% overspend of £167,000 including unforeseen pumping station repair costs during the period. He advised that the Board should plan to replenish the Board's reserves, which may be difficult over the next year.
- 503.3. Mr Hick asked what the pumping costs were, to which Mrs Jackson confirmed they were £169k in comparison to 21/22's costs of £115k.
- 503.4. Regarding electricity, the DO referred to fluctuating rates and the current market position.
- 503.5. Mr Hick expressed concern regarding the Board's financial position, highlighting the electricity costs, and a discussion ensued as to how the financial situation would be managed moving forwards.
- 503.6. Mr Hick suggested it would be useful to have a projective illustration for a positive and negative scenario in forthcoming years, so the Board could attempt to be prepared financially.
- Action CEO**
- 503.7. Mr Mowforth suggested that the Board may be able to obtain a better rate for electricity if negotiations were carried out directly with the providers rather than through a broker.
- 503.8. Mr Wilkinson noted that the debtors had reduced significantly and queried the reason for this. Ms Jackson explained that these were mainly Consortium transactions, such as capital schemes.

- 503.9. Mr Mowforth queried the increase in staff costs, to which Ms Jackson confirmed the costs had been unusually lower the previous year due to several staff absences, including maternity leave and unpaid holiday absence, and that had also been an inflationary increase in staff pay.
- 503.10. Mr Wright asked for a breakdown as to how much Ouse and Humber pay in shared services staff costs, to which the CEO presented some figures. He confirmed that 100% of the Board's operational staff are paid for by the Board.
- 503.11. The CEO suggested he could hold a session to explain contributions from each Board to shared services. **Action CEO.**
- 503.12. Mr Baxter queried the difference between the receipts figures on the accounting statement and the Annual Return (AGAR form) and Ms Jackson explained that the AGAR represents the actual cash received by the Board during the period and does not allow for the accruals represented in the accounting statements, such as the PWLB loan.
- 503.13. Mr Scutt queried the re-stated figure for the Board's fixed assets, to which the CEO advised that the Board had adopted a new fixed asset valuation policy during 2022/23 which values pumping stations as a nominal £1, rather than the previous method of valuing them at build-cost. The new method is more representative of the fact that these 'assets' do not have a marketable value.
- 503.14. With no further questions on the accounts, the CEO reminded members that before giving approval of the accounts, the Board must consider the "Annual Governance Statement with Internal Controls" and indicate its agreement or disagreement with each statement. He advised that, as previously explained, the Board must answer "No" to statement four.
- 503.15. The CEO proceeded to read the 8 Annual Governance Statements and asked members to indicate.
- 503.16. It was **PROPOSED** by MR SCUTT and **SECONDED** by MR MOWFORTH and **UNANIMOUSLY RESOLVED** that the Board approve the Annual Governance Statement for 2022/23.
- 503.17. It was **PROPOSED** by MR SCUTT and **SECONDED** by MR MOWFORTH and **UNANIMOUSLY RESOLVED** that the Board approve the Accounting Statements for 2022/23.

504. Budget Refresh

- 504.1. The CEO advised that he had refreshed the budget in terms of amending specific areas, resulting in an increased budget of £2,971,733 from £2,946,265 (25k variance). The increases related to additional costs anticipated for watercourse maintenance, loan repayments for new plant, pumping stations, and late resolution of the 2023/24 staff pay award.
- 504.2. It was **PROPOSED** by CLLR ROBERTS and **SECONDED** by MR BAXTER and **UNANIMOUSLY RESOLVED** that the Board approve the revised budget for 2023/4.
- 504.3. Mr Wilkinson and Mrs Jackson left the meeting.

505. Invoices Paid and Accounts Settled

505.1. The Chair drew attention to the schedule of invoices paid and accounts settled.

505.2. It was **PROPOSED** by CLLR AITKEN and **SECONDED** by MR BAXTER and **UNANIMOUSLY RESOLVED** that the Board notes and approves the record of Invoices Paid and Accounts Settled to the value of £592,563.38 (net).

506. Internal Audit

506.1. The DPF confirmed the internal auditor had conducted the third interim audit for 2022/23, highlighting the reserves position, however there were no other areas of concern.

507. Public Sector Agreements

507.1. The DO explained how the Board works with the EA in terms of advising them of the full costs to the Board, including management fees.

507.2. Due to some issues around Yokefleet warping drain outfall, the DO had pre-empted the EA with the costs which were expected to be the same as last year.

507.3. He confirmed that a positive relationship had been established and that operational staff had been used as on-call for the EA at times last year.

507.4. The CEO confirmed that there were agreements with Highways England also.

507.5. Mr Baxter asked who operates the lock gates on the Market Weighton Canal; the DO confirmed it was the EA.

508. Development Control & Planning

508.1. The DO confirmed that that the Board's development control officer was working with ERYC and discussing planning conditions in relation to drainage in future development, and that this was a positive working relationship.

508.2. In relation to HOW-G, the CEO confirmed that developers were actively engaged, and a new pumping station would be installed prior to the link road. It was likely that the pumping station would be delivered by ERYC [Civil Engineering Services Team], the CEO noted that this gave him a great deal of confidence.

508.3. The DO confirmed there were no further updates in relation to the solar farm. Cllr Roberts confirmed that the public consultation was open.

508.4. The DO confirmed that the drainage designs were acceptable for the holiday homes at Yoke Gate Farm and that from the Board's perspective there was no reason to object.

509. Capital Programme

509.1. The CEO reported that no approval was being sought for any changes in the capital programme due to the Board's budget pressures and wider financial uncertainty.

510. Maintenance Update

- 510.1. The DO provided a maintenance update, explaining that the dry harvest had allowed the full programme for 2022/23 to be completed with ease.
- 510.2. He went on to advise that the M62 watercourse sides had been opened up, and these works were funded by National Highways.
- 510.3. He also advised that piling works had been completed on Hotham Carr, Hushcush and Everingham drains.
- 510.4. Cllr Aitken asked what progress had been made at Balkholme Drain and Near Drain. The CEO replied that he had contacted the ERYC regarding a contribution as any works would also stop the public highway from failing.
- 510.5. The CEO advised that the new Mecalac machine was due to arrive the next week.
- 510.6. Mr Wright asked whether any works were likely on the Market Weighton Canal. The CEO advised that the Environment Agency's budget had been cut and therefore it had been classed as a lower priority but added that the Board had lobbied to complete these works.

511. Date of Next Meeting (s)

- 511.1. It was requested that the Joint Consortium Committee meeting date be rearranged due to clashes with ERYC committee meetings.
- 511.2. The Chair thanked Members and Officers for their attendance and closed the meeting.