

BLACK SLUICE INTERNAL DRAINAGE BOARD

MINUTES

of the proceedings of a meeting of the Audit & Risk Committee

held at the offices of the Board on
9th October 2019 at 2pm

Members

Chairman - * Mr M Brookes

Mr W Ash	* Mr V Barker
* Mr R Leggott	* Mr N Scott
* Cllr R Austin	* Cllr S Walsh

* Member Present

In attendance: Mr D Withnall (Finance Manager)

The Chairman welcomed Cllr S Walsh and Cllr R Austin to their first Audit & Risk Committee meeting.

1516 APOLOGIES FOR ABSENCE - Agenda Item 1

Apologies for absence were received from Mr W Ash and the Chief Executive. It was noted that the Chief Executive was not in attendance due to illness and the Committee wished him a speedy recovery.

1517 DECLARATIONS OF INTEREST - Agenda Item 2

No declarations of interest were received.

1518 MINUTES OF THE LAST MEETING - Agenda Item 3

Minutes of the last meeting held on 1st May 2019, copies of which had been circulated, were considered and it was AGREED that they should be signed as a true record.

1519 CONFIDENTIAL MINUTES OF THE LAST MEETING - Agenda Item 4

It was agreed and thereby RESOLVED to exclude the public from the next part of the meeting due to the confidential nature of the business to be transacted, in accordance with section 2 of the Public Bodies (Admission to Meetings) Act 1960.

1520 MATTERS ARISING - Agenda Item 5

(a) INSURANCE ARRANGMENTS: CREDIT RATINGS - Minute 1426(a)

A table displaying the Credit Ratings of Insurance Underwriters was shown on screen. All AGREED that the Credit Ratings be noted.

(b) AUDIT PROGRAMME - Minute 1428(b)

It was noted that a list of assets with the associated risks, as requested at the previous meeting, will be provided at the next meeting of the Audit & Risk Committee in Spring 2020 when the Risk Strategy is reviewed.

(c) PUBLIC SECTOR CO-OPERATION AGREEMENT - Minute 1429(g)

The committee were informed that, following a review at a meeting of the Executive Committee on the 18th September 2019, the 5% addition to assist with overhead recovery will be recommended to the Board to be increased to 10%.

(d) CONFIDENTIAL - DISCUSSION WITH INTERNAL AUDITOR - Minute 1428(c)

It was agreed and thereby RESOLVED to exclude the public from the next part of the meeting due to the confidential nature of the business to be transacted, in accordance with section 2 of the Public Bodies (Admission to Meetings) Act 1960.

1521 RECEIVE A REPORT ON INSURANCE ARRANGEMENTS - Agenda Item 6

The Finance Manager presented the Insurance Arrangements and explained as follows:

Renewal Premium

The Board has signed up to this, as in the agenda report, from the 1st October 2019, it being year 2 of a 3-year agreement. It was highlighted that the second column within the table showing the insurance renewal should read '2019/20' as opposed to '2018/19'.

Mr R Leggott questioned if the table balanced, it was clarified that it did. It was also brought to attention that 'legal expenses' have been included for free this year.

Motor Fleet Insurance

There had been some previous issue with Equity Red Star (ERS), resulting in a prolonged period in getting a vehicle back when a claim had been made. Therefore, 32 insurers have provided quotes; however, ERS are considerably cheaper. Towergate believe this was a one-off experience encountered by the Board, as they have not come across any other incidents with them. Overall, there is a 4.66% increase.

Business Interruption

The officers of the Board have recently been doing some work with Van Heck of Holland, creating contingency plans for each pumping station for if the pumping stations failed and Van Heck were required to bring over some of their high volume pumps. In light of this, the officers were not sure that £100,000 would cover the cost of this and so requested quotes for larger sums of money as follows:

£250,000 with a 12 month indemnity period = £396.65
£350,000 with a 12 month indemnity period = £661.08
£500,000 with a 12 month indemnity period = £1,057.73

The Van Heck quotations have not yet been received, but the Finance Manager noted that the Chief Executive felt the Board should consider the £500,000 option.

Cllr S Walsh agreed that the £500,000 should be considered and questioned about sharing resources with other bodies such as the local councils? The Finance Manager explained that the current emergency plan has an agreement in place with Witham 4th IDB that office functions move into their boardroom and vice versa.

All AGREED that the £500,000 with a 12-month indemnity period at £1057.73 be recommended to the Board.

Goods in Transit

The Goods in Transit Insurance has been decreased to £2,000 from £5,000 due to the amount of stock that can be transported at any one time.

Plant Tracking

The plant currently has TomTom tracking equipment when the head unit is fitted; however, if it were stolen it would most probably be removed.

The Chairman noted that it is not currently an insurance requirement for the plant to have tracking fitted, but pointed out that it may be in the future.

Mr V Barker stated that equipment and machinery is going missing more and more frequently.

Mr R Leggott referred to the Board's more unique machinery such as the excavators and Twiga's, questioning if the average number of stolen excavators across the country was known? On the basis that insurances are mostly based on the possibility and likelihood of it happening.

Mr N Scott stated that trackers are very easy to disable, all that is required to do is remove the aerial and the tracker is then disabled. Mr N Scott referred to a system called 'data tag' that he has used on his machinery, that consists of microchips planted around the vehicle, which can be seen as a deterrent as well as being able to be scanned in and associated back to the owner. He further noted that the insurers gave a reduction in premium for having the data tagging system in place, but wouldn't give a reduction for having trackers and is relatively cheap to put in place; it was approximately £200 per machine a few years ago.

Cllr S Walsh noted that the reduction in premium could offset some of the initial installation costs.

All members felt that the data tagging system should be considered and looked into further. All AGREED that the officers provide a report on data tagging for the 5 excavators, 3 Twiga's, Telehandler and unimog (when replaced) to be presented to the Board.

Possible Additional Covers

The Finance Manager believed that none of these covers were appropriate or required, Mr N Scott noted that he agreed that these were not necessary.

All AGREED to accept these insurance arrangements.

1522 RECEIVE THE ANNUAL RETURN INCLUDING EXTERNAL AUDITORS OPINION FOR 2018/19 - Agenda Item 7

The Finance Manager explained that the only change to the document since it was last viewed is on page 20 – ‘other matters not affecting our opinion which we draw to the attention of the authority’. He apologised for miscounting the number of days that the public had to review the Board’s documentation, they should have been given 30 working days, as opposed to 20 working days.

It was questioned whether there would be any consequences of this? The Finance Manager explained that the Board will have to answer ‘no’ to section 4 of the annual governance statement to say that the proper provision for the exercise of public rights was not given.

All AGREED to receive the Annual Return including External Auditors Opinion for 2018/19.

1523 TO REVIEW THE FOLLOWING BOARD’S POLICIES - Agenda Item 8

The Finance Manager explained that these are policies that have been identified for review and any changes have been made in red and any additional notes made in green.

(a) POLICY No. 14: COMPLAINTS PROCEDURE

The only proposed change, within step 5 of the policy was pointed out, stating that it used to say ‘within 15 days’, this has been proposed to change to ‘following the next Board meeting’ due to not having Board meetings frequently enough to be able to provide the response within 15 days.

It was clarified that this is step 5 and so this is if the complaint has already been through the rest of the process and the decision of the Chief Executive is now being appealed.

Cllr S Walsh voiced his concerns about the length of time between Board meetings and therefore the prolonged length of time the complainant could be waiting for a response, which could also damage the reputation of the Board.

The Finance Manager questioned whether it could be delegated to the Executive Committee and reported to the Board?

Mr V Barker felt that the length of time to the next Board meeting would not matter as it would not be a ‘life or death’ matter. Mr R Leggott disagreed, noting that in the eyes of the complainant, the matter is very important to them.

Mr N Scott further noted that unnecessary meetings of the Board may then have to be called over trivial matters if there is a deadline put on the length of time to the next Board meeting.

Cllr S Walsh suggested that it could be left as the unwritten that if, in the opinion of the Chief Executive, it can’t wait until the next Board meeting, he would call an immediate Board meeting, at his discretion.

Cllr S Walsh felt that the 'Steps to follow' within the policy didn't read as steps, but instead read as simply part of the policy. Therefore, it was AGREED that the word 'step' be included in front of each of the numbers within the steps to make it clearer.

It was clarified that this policy is entirely for members of the public and internal staff would use the grievance policy.

Mr R Leggott made reference to the complaint form, suggesting that the form should ask what impact it has had to show the Board is taking an interest in their point of view. Mr N Scott felt this was a good idea, as it may make the complainant think about the seriousness of the complaint and will give the Board an idea of the gravity of the situation.

It was suggested that it is added to 'What went wrong' to read 'What went wrong *and what impact has this had on you / your business?*' All AGREED.

The Committee RESOLVED to recommend that the Complaints Procedure (No. 14) be approved at the next Board meeting with the following additional proposals:

- Add the word '*step*' in front of the number for each step
- Add '*and what impact has this had on you / your business?*' to the question 'What went wrong' on the complaint form

(b) POLICY No. 33: SMOKING POLICY

The Finance Manager noted that the only change is the change in telephone number for the NHS Smoking helpline.

It was confirmed that the policy also covers vaping under electronic cigarettes.

The Committee RESOLVED to recommend that the Smoking Policy (No. 33) be approved at the next Board meeting.

(c) POLICY No. 36: H&S MANUAL HANDLING OPERATIONS

Cllr M Brookes raised attention to paragraph 2, regarding the last sentence 'This may involve carrying out a risk assessment' explaining that he feels it should be clarified when the risk assessment is required.

The Finance Manager suggested adding the following to the end of the sentence, 'if outside of the existing controls on the generic risk assessment'.

Cllr S Walsh noted that he would include a reference to the employers responsibility for the training of staff under 'Manager Responsibilities', noting that every entity needs to be covered within the policy.

The Finance Manager felt this would be covered as a control within the risk assessment.

Cllr S Walsh suggested it be added as paragraph 4 under Manager Responsibilities as follows, 'The Managers must ensure that all staff are appropriately trained'.

The Finance Manager raised his concern about the phrase 'all staff' because not all staff, i.e. administrative, require such formal training.

The wording was amended to read 'All staff under your responsibility have received training appropriate for their role.'

Cllr R Austin made reference to extreme cases where a somebody may pick up something heavy and hurt themselves, and how this would fit in the policy? It was clarified that the responsibility would be with the employee as per paragraph 3 under employee responsibilities.

Cllr S Walsh further added that he would include the phrase 'or others' to the last sentence as follows, '...and not put yourself *or others* at increased risk'.

The Committee RESOLVED to recommend that the Health & Safety Policy for Manual Handling (No. 36) be approved at the next Board meeting with the following additional proposals:

- Add 'if outside of the existing controls on the generic risk assessment' to the sentence 'This may involve carrying out a risk assessment..' (paragraph 2 of manager responsibilities)
- Add a fourth paragraph to Manager responsibilities as follows, 'You must ensure that all staff under your responsibility have received training appropriate for their role.'
- Add the phrase 'or others' to the third paragraph of employee responsibilities as follows, '...and not put yourself or others at increased risk'.

(d) POLICY No. 37: H&S MANAGING STRESS IN THE WORKPLACE

Cllr M Brookes felt that the grievance procedure should be mentioned within employee responsibilities, as somebody may be experiencing stress due to a Manager.

Mr N Scott felt that that lies within the grievance policy and so it not required in this policy for managing stress. Mr V Barker agreed, making reference also to the whistle blowing policy. Mr R Leggott also agreed.

The Finance Manger suggested an additional paragraph under employee responsibilities as follows, 'Should you have concerns that your stress is not being managed as you see it should be then the grievance policy should be referred to'.

Cllr S Walsh also added that, in reference to paragraph 1 of employee responsibilities, there should be an alternative to informing the Manager, as if the Manager is the cause of the stress, then the individual is not going to approach them about it.

Further discussion around the relativeness of the grievance policy to this policy took place. It was noted that the ACAS Grievance Procedure is the policy the Board use and the first 'port of call' in this policy is the immediate Line Manager.

The Finance Manager felt that if the individual was stressed then that should be able to be reviewed with the immediate Line Manager, whereas if the individual was being bullied which was causing the stress, then that is a grievance matter as the grievance is the factor causing the stress.

Cllr S Walsh disagreed, feeling that it is relevant to this policy, referring that it has already been identified in the opening paragraph of the policy. Further adding that the member of staff should be able to address this without having to go through the grievance policy, therefore suggesting again that there is an alternative person to talk to other than the Manager.

Mr N Scott felt that the ACAS policy starts with informally dealing with it and so the grievance policy should still be used in such scenarios.

Cllr M Brookes noted that it may be difficult to identify an alternative to speak to in such a small organisation.

Mr N Scott suggested adding 'or relevant person'. It was amended to 'or an alternative supervisor'.

Cllr S Walsh drew attention to the word 'he' in paragraph 2 of employee responsibilities, stating that it should say 'they'.

The Finance Manager suggested the following wording for the reference to the grievance policy; 'If you are not satisfied that your concerns have been addressed then the grievance procedure should be considered'.

The Finance Manager also noted the same addition as in the previous policy regarding risk assessments; '...if outside of the existing controls on the generic risk assessment'.

The Committee RESOLVED to recommend that the Health & Safety Policy for Managing Stress in the Workplace (No. 37) be approved at the next Board meeting with the following additional proposals:

- Add 'or an alternative supervisor' in paragraph 1 of employee responsibilities as follows, 'You must inform your Manager *or an alternative supervisor* if you feel...'
- Change 'when he carries' in the first sentence of paragraph 2 of employee responsibilities to 'when *they carry*'
- Add a fifth paragraph to employee responsibilities as follows, 'If you are not satisfied that your concerns have been addressed then the grievance procedure should be considered.'
- Add '..if outside of the existing controls on the generic risk assessment' to the final sentence of paragraph 1 of manager responsibilities, '...which may involve carrying out a risk assessment *if outside of the existing controls on the generic risk assessment*'.

(e) POLICY No. 38: H&S VIBRATION AT WORK

The Finance Manager noted that the same will apply again as the previous policies with risk assessments with the addition of 'if outside of the existing controls on the generic risk assessment'.

Cllr S Walsh made reference to the word 'significant' in the opening paragraph, questioning how 'significant' can be defined, suggesting it is removed.

The Committee RESOLVED to recommend that the Health & Safety Policy for Vibration at Work (No. 38) be approved at the next Board meeting with the following additional proposals:

- Delete the word 'significant' in the opening paragraph
- Add '..if outside of the existing controls on the generic risk assessment' to the final sentence of paragraph 3 of manager responsibilities, '...This may involve carrying out a risk assessment *if outside of the existing controls on the generic risk assessment*'.

(f) POLICY No. 39: H&S WEARING OF SEATBELTS IN BOARD'S VEHICLES

The Chairman pointed out the phrase 'where practical', questioning where this is appropriate and how it is concluded whether it is practical or not.

Reference was made to lawful exemptions of wearing the seatbelt such as postmen.

Mr N Scott made reference to green flashing lights that can be put on vehicles which flash when the operator of the vehicle is wearing a seatbelt. Therefore, if the vehicle is moving and the green light is not flashing it can be reported that the operator is not wearing the seatbelt.

Mr N Scott felt the 'where practical' should be removed. The Finance Manager related it to water, adding that if the vehicle is going to end up in the water then it would be better if the operator was conscious from wearing the seatbelt.

Cllr S Walsh added that in the penultimate paragraph it states 'where vehicles are fitted with seatbelts they must be worn, unless the job you are doing specifically precludes their use' questioning if there is a list of the jobs that are excluded and that it needs to be added to the policy unless 'unless the job you are doing specifically precludes their use' is removed.

The committee felt that it should be removed in addition to with 'where practical'.

The Committee RESOLVED to recommend that the Health & Safety Policy for the Wearing of Seatbelts in Board's Vehicles (No. 39) be approved at the next Board meeting with the following additional proposals:

- Delete ',and where practical,' from the first paragraph of the 'Regulations' section
- Delete 'unless the job you are doing specifically precludes their use' from the second paragraph of the 'Regulations' section

1524 RECEIVE THE CATALOGUE OF BOARD POLICIES WITH RECOMMENDED APPROVAL DATES - Agenda Item 9

It was noted that the Emergency Flood plan will be reviewed in the April 2020 meeting.

Cllr S Walsh raised his concern about the length of time between reviews, feeling that five years was too long in light of new regulations that the policy may need to be adapted to abide by.

The Finance Manager explained that the officers of the Board are aware of any new legislation or regulations and would bring the relevant policy for review early if necessary.

It was clarified that the investment strategy is for financial investments.

The Committee AGREED that the Catalogue of Board Policies be adopted.

1525 TO REVIEW THE RISK REGISTER - Agenda Item 10

The Chairman pointed out the only risk in red – being unable to prevent flooding to property or land of fluvial flooding from failure or overtopping of defences. He further added that this is still such a high score because the Environment Agency have still not provided the policy for the opening of the navigation lock.

Mr V Barker voiced his concerns about looking to the future and considering factors such as global warming and rising sea levels. He pointed out that the Board's catchment includes areas near the Wash and although he realises we are not directly responsible for the coastal defences, we are responsible once it has come past the initial sea defences and into our catchment. It is then the Board's responsibility to remove that water. Mr V Barker expressed that he feels there is not enough 'push' being put on ministers / politicians etc. regarding these issues of rising sea levels and global warming etc.

The Finance Manager noted that the Board are only responsible for fluvial and surface water and so can only spend money on these things, therefore cannot do any physical work to coastal defences to improve this.

Mr V Barker argued that once the water is in the Board's system it is then our problem. It may not get into our system if the correct coastal defences are in place.

The Finance Manger added again that a breach in coastal defences is something the IDB can't prevent or influence as it is not the Board's responsibility. The Board is only responsible once the water is in the Board's system.

Cllr R Austin felt that local awareness needed to be raised, however, there is a cost to this and so it needs to be supported by local authorities.

Mr R Leggott noted that this influences the Board's risk register, as the only red high risk is due to the risk of a coastal breach and water therefore entering the Board's system that then needs removing.

Discussion took place around the work that is currently being done, i.e. the raising of banks, and around lobbying to push for more. Mr N Scott suggested that it might be interesting for the Wash Action Group to present to the Board to explain the works being undertaken.

The Chairman suggested that the point the committee were making is that even once the policy is received from the EA regarding the operation of the navigation lock, the risk still needs to remain high because of the risk of breach from coastal defences.

Cllr S Walsh noted that it is a case of assessing what actions the Board could take to prevent the risk and the barriers faced to taking the actions, i.e. it not being the Board's responsibility and therefore cannot do any physical works. Therefore, the Board is reliant on others and so the risk may always be high because of this, which is therefore not a negative towards the Board as it is being recognised.

The risk management strategy was displayed on screen for reference.

Mr R Leggott questioned, even if the policy for the opening of the navigation lock is provided from the EA, how is it known that they will definitely follow it? The Chairman noted that it is much more difficult not to follow something that is formally written in a document.

The Finance Manger referred to the risk management strategy, noting that there isn't actually a risk to the Board financially or death or injury of several people. There would be a major service disruption, but out of all these things the Board is responsible for, it is only the service disruption that the Board is responsible for. He further highlighted again that the Board have no responsibility or risk for coastal defences.

The Chairman added that whilst the Board wouldn't be responsible for the event of a coastal breach, the Board would be responsible for the recovery and getting the water away. However, the Finance Manager corrected that it would be central government that would be responsible and pay for it.

All AGREED to leave the risk register as it is, with the high risk remaining at a risk score of 6 due to not yet having the documentation for the EA about the navigation lock. It will need to be re-addressed once the documentation has been received to decide whether it should stay at risk score 6 or be reduced.

1526 ANY OTHER BUSINESS - Agenda Item 11

(a) SEA EMBANKMENT WORKS

Mr V Barker suggested the consideration of Simeon Disley attending the Joint Works Committee to present to the Board about the raised sea embankment works that have been carried out around the Wash. The Finance Manager will pass this onto to the Works Chairmen as possible matter of interest, due to ratepayers of Black Sluice having land behind raised embankments. It was also questioned whether lobbying should also be considered.

(b) AGREEMENTS FOR THE TRANSFER OF WATER FROM ONE IDB AREA TO ANOTHER

Cllr R Austin made reference to the burst of the Steeping and water being transferred from one IDB area to another. He questioned whether a formal agreement needed to be in place to allow more easily the transfer of water in scenarios like these. The Finance Manager stated that he didn't feel a formal agreement was required as the IDBs all work well together and did in this particular scenario, as the agreement between the two IDBs was made instantly, the issue was waiting for the EA to install their pump. It was also noted that the EA are the supervising body and so could have forced the agreement anyway.

There being no further business the meeting closed at 16:01.