

THE RIVER STOUR (KENT) INTERNAL DRAINAGE BOARD

Minutes of the Meeting of the Board held at 2.00pm on Thursday 2 June 2016
at Godmersham & Crundale Village Hall, Canterbury Road, Godmersham, Canterbury.

PRESENT

Mr M J G Tapp (Chairman), Mr A D Linfoot OBE (Vice Chairman), Mr D M Botting, Mr P S Dunn, Mr P Howard, Councillor M Martin, Councillor M Ovenden, Councillor P J F Sims, Councillor D O Smith, Mr M P Wilkinson and Mr P Williams.

IN ATTENDANCE

Ms D McNamara (Incident Response Team Leader – Upper & Lower Stour Area, Environment Agency), Mr D Godden (IDB Contracts Manager, Rhino Plant Hire), Mr P N Dowling (Clerk & Engineer to the Board) and Ms A Eastwood (Finance & Rating Officer).

APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr Councillor M J Burgess, Councillor M D Conolly, Mr P E Dyas, Councillor A K Hicks, Mr J F E Smith, Mr G R Steed, Councillor S Walker and Mrs G Wyant.

MINUTES OF THE MEETING OF THE BOARD HELD ON THURSDAY 4 FEBRUARY 2016

The Minutes of the Meeting of the Board held on Thursday 4 February 2016 were received. It was proposed by the Vice Chairman, seconded by Mr P Dunn and resolved that the minutes be confirmed and signed by the Chairman as a true record of the proceedings at that meeting.

MATTERS ARISING FROM THE MINUTES

Environment Agency Works

Councillor Smith asked Ms McNamara if the results from the survey on the Aylesford Stream to test the phosphate levels had been received. Ms McNamara reported that she was aware that the tests are being carried out but no results have yet been received.

PLANNING APPLICATIONS

Dover District Council

14/00842 Land at Salvatori Site, Grove Road, Preston.
Discharge of conditions in relation to outline application for the erection of 73 residential dwellings, parking, access and infrastructure and creation of meadow.

This previously reported application, which relates to two parcels of land connected by a very narrow strip of land (totalling 9.3 hectares), was approved with a condition requiring separate LPA approval of drainage details in consultation with the Board. Due to a number of concerns related to proposed drainage, it was previously requested that the drainage condition not be discharged and further clarification requested from the applicant.

The Chairman asked the Clerk & Engineer if this application had now been discharged. The Clerk & Engineer stated that he had not been informed about it but he is aware that the points raised by the Board have been agreed by the developer (to put a screen in the final discharge, to install a hydrobrake and to agree the details of storage with KCC). The Clerk & Engineer has passed the details onto KCC making them aware of the Board's concerns. As far as the potential muddy water getting into the Preston & Deerson Stream Mrs McNamara has looked into it and there was no pollution evident and therefore nothing to report.

Councillor Ovenden stated that Southern Water has reported that there will be no discharge into the Stour. The Clerk & Engineer reported that all the surface water will be discharged into the Preston & Deerson Stream but it will be attenuated.

MINUTES OF THE MEETING OF THE FINANCE, GENERAL PURPOSES AND WORKS COMMITTEE HELD ON MONDAY 16 MAY 2016

The minutes of the meeting of the Finance, General Purposes and Works Committee held on Monday 16 May 2016 were received. It was proposed by Mr Wilkinson, seconded by Councillor Sims and resolved that the minutes be received.

MATTERS ARISING FROM MINUTES

Stonar Cut

The Chairman asked Ms McNamara if a document had been produced with the new agreed procedure for operating the cut. Ms McNamara stated that a final draft has just recently been issued to the Clerk & Engineer and the final document will be issued to the wider group when ready.

Flooding Issue – Albert Road, Deal

The Clerk & Engineer stated that there is not a lot of further information to report but he has met with KCC, KSCP and DDC again in an effort to progress the previously agreed actions: the channel needs to be brought up to a better profile and condition, especially if DDC would like the Board to take over its maintenance; KCC has committed to arrange for the improvements but first they need to get some soil samples to confirm that it is not contaminated material due to the previous industrial use of the site. Following the results KCC will bring the channel up to a better more maintainable standard, DDC will then agree to maintain it for the current year though they are still keen to enter into a PSCA with the Board in the future.

The Clerk & Engineer stated that when the Board receives the revised PSCA Agreement template from the EA he will forward a copy to DDC as a reminder. The Chairman asked when this will be received and the Clerk & Engineer reported that the Board was informed that the revised template is being agreed and the new agreement should be received this Summer. The Clerk & Engineer stated that he will make enquiries with Ian Russell at the Environment Agency.

The Clerk & Engineer further reported that the Environment Agency has desilted the upper reaches of the Southwall Sewer, which will be a big improvement; they have also realigned a short section by the railway line, which has eased access for maintenance. The Clerk & Engineer reported that there remains a 200m section which was deemed to be contaminated so the material will have to be taken off site as it cannot be disposed of on adjacent land. Ms McNamara stated that this is to be done shortly. Mr Botting asked what the contaminant was and what is the cost likely to be. Ms McNamara stated that she is unaware of what the contaminant is but it will cost around £85,000 to remove it.

The Chairman asked if Southern Water is still responsible for pumping out. The Clerk & Engineer stated that Southern Water have informed all stakeholders that they are making improvements to their pumping station but no written confirmation has been received. However, should there be a recurrence of flooding from Southern Water's system, it will be for Southern Water to arrange any necessary clean-up.

Councillor Ovenden reported that Southern Water had recently attended a DDC Scrutiny Group meeting and stated that they have installed flow meters into the sewers in the Albert Road area in order to assess capacities. Councillor Ovenden further reported that Southern Water will not increase the capacity of its pumping station at the moment because they feel it can cope with the current demands. Southern Water are however considering the possibility that the pumping station may not cope with the future development in the Albert Road area but no upgrade will be considered until there is a firm commitment from the developers.

Councillor Martin stated that this is a very serious problem because further development is being granted where systems are already overloaded and failing and no upgrade is being carried out ahead of the new developments. Councillor Ovenden reported that phasing of developments and associated upgrades is also a particular concern to her and many others that attended the same meeting and considered this aspect to be highly unsatisfactory. The Chairman agreed and stated that there is no short term solution but it may be worth Councillors raising this matter with local MPs to raise awareness so that things are done in the correct order.

Councillor Smith stated that he agrees with the points raised but he can understand the other side too, as development can take a long time to be approved and finalised, which would potentially freeze up investments on upgrading or renewing systems for quite some time until the final bill payers, i.e. the residents, are settled in. This investment is further hindered by the fact that local authorities are not providing housing at the rate they expected/planned to.

MATTERS ARISING FROM JOINT REPORT OF THE CLERK & ENGINEER AND FINANCE & RATING OFFICER FOR THE PERIOD 1 JANUARY TO 30 APRIL 2016

The Chairman read through the report (this report is fully integrated in the FGP meeting minutes – 16 May 2016).

Ref: W4/Review Defra Consultation: Changes to water abstraction licensing exemptions.

The Chairman reported that ADA submitted a detailed response to this consultation, and a copy of it can be found on its website, or can be provided by the Clerk & Engineer on request. The Chairman stated that there was a concern that all Drainage Boards would have to register all water transfers and each had to be licenced which could prove very difficult to manage and expensive if implemented. Defra's response has still not been received.

Ref: W1-39 Main River Rationalisation Project

The Chairman asked the Clerk & Engineer if there was anything further to report regarding this project. The Clerk & Engineer reported that he had discussed this further with Ian Nunn but there was nothing new to report. He further stated that as it stands the Environment Agency is looking to transfer watercourses which it is struggling to fund to maintain because they are low consequence systems. The 10 pilot areas are intended to establish the best way of how to take this forward.

The Clerk & Engineer stated that the initial assessment received identifies 56km of Main Rivers with associated assets for potential transfer which includes fairly major pumping stations and some coastal outfalls which are crucial to the integrity of the coastal defences and might be better retained under the Environment Agency's management. Further information is awaited.

Ref: W4/SMFLR Stour Marshes Feeding License Review

The Clerk & Engineer asked Ms McNamara if the updated licences have been issued. Ms McNamara replied that the Environment Agency has been re-issued licences for the Gosshall and the Mile Sluices but no further information is yet available

Ref: W4/WSR Rainfall & River Flow Data

The Clerk & Engineer summarised the rainfall data as previously recorded in the F&GP meeting minutes: December – an average of 56.8mm (82% of the LTA of 69.0mm); January – an average of 102.5mm (51% above the LTA of 68.0mm); February – an average of 37.3mm (81% of the LTA of 45.9mm); March and April were approx. 60mm and 50mm respectively (the LTAs are 54.8mm and 50.1mm). Soil moisture deficits were close to zero but expected to increase as temperatures increase. Groundwater levels were reported to be above normal to notably high. Monthly mean river flows however remained in the normal to above normal category and storage levels remained high in the majority of reservoirs in the southeast – Bewl reservoir was recorded to be at 96% on 28 April.

Ref: W5 Planning Applications

The Chairman read through the list of planning applications of interest to the Board as reported in the F&GP meeting minutes. No issues or concerns were raised by Members.

Ref: W7 IDB Programme of Works (Including works carried out under PSCA)

Weed Cutting

The Clerk & Engineer reported that the 2015 IDB weed cutting programme, including locations where second cuts were required, totalled 178km and confirmed that approximately 63km of weed cutting was also completed on Main Rivers under the PSCA. Discussions have continued with local EA staff and a similar amount is expected for 2016. Mechanical cutting will be delivered via the existing maintenance contract but quotes are to be obtained for approx. 25km of manual cutting. This manual cutting had been carried out by a contractor nominated by the EA in 2015-16 but it was considered necessary to obtain quotes for this work this year in order to achieve and demonstrate value for money.

De-silting

The Clerk & Engineer stated the 2015-16 IDB de-silting programme totalled 10,849m with 8,510m completed on Main Rivers under the PSCA as reported in the F&GP minutes. The 2016-17 de-silting programme, which currently totals 13,732m of IDB watercourses and approximately 10km of Main Rivers, will be revised over the coming months and works are scheduled to commence in November.

Tree & Shrub Maintenance

The Clerk & Engineer stated that in the 2015-16 programme, tree and shrub maintenance works were carried out at IDBs 14, 23, 27, 114, 124, 175 and 219 and a substantial amount of work also delivered on various Main Rivers under the PSCA as reported in the minutes of the F&GP meeting.

Structures Maintenance

The Clerk & Engineer stated that repairs have been carried out to structures on IDBs 133, 145, 200, 272 and 296. Water level gaugeboards have been installed on the Minster-Monkton and Ash Level Marshes (on IDB watercourses and Main Rivers in agreement with the EA) and it is hoped that all marsh areas will be covered later this year.

Obstruction Clearance

The Clerk & Engineer stated that routine inspections of watercourses continue to be carried out and obstructions cleared as necessary, particularly during periods of heavy rainfall.

Water Level Control

The Clerk & Engineer reported that the Board's Water Level Controller has continued to manage water levels throughout the district extremely well, on both IDB watercourses and Main Rivers. Ms McNamara agreed that this arrangement was working very well.

Contract Expenditure

The Clerk & Engineer stated that the original estimate for water level control and maintenance activities during 2015-16 was £243,190. This estimate was later revised to £238,690. The final, actual expenditure for 2015-16 was £234,987 (£3,703 under budget).

Ref: W7G Environment Agency Works

Ms McNamara ran through the list of works as reported in the minutes of the F&GP Meeting.

Ms McNamara also reported that potholes along the Northern Sea Wall on the lower track are to be filled to maintain vehicular access but the cooperation/agreement of one landowner was proving to be difficult.

The Clerk & Engineer asked Ms McNamara if any improvement works to Coldharbour Sluice are planned. Ms McNamara stated that there is a beach management plan for the shingle above the sluice outfall but nothing below the structure. The solution would probably be to extend the culvert and completely rebuild the headwall which is extremely unlikely to be funded. The Clerk & Engineer explained that this is the outfall of the River Wantsum which used to be cleared more thoroughly each time it became blocked and this lasted longer but now this work has been restricted. Ms McNamara stated that the way it used to be done it harmed the beach because everything was bulldozed upwards and the shingle and sand mix washed away easier and resulted in unsafe cliffing.

Ref: W7-7 Updated Public Sector Cooperation Agreements

The Chairman reported that a new PSCA Agreement Template and a User Guide is being produced to provide for the Local Authorities as well as the Environment Agency, and enquired if the Board needs to renew the PSCA Agreement with the EA using the new template. The Clerk & Engineer stated that the Board is being encouraged to renew this Summer.

The Clerk & Engineer further reported that he has discussed the possibility of setting up a PSCA with Ashford Borough Council which has identified a number of ordinary watercourses causing problems due to lack of maintenance. Cllr Smith stated that there is a sum of £50,000 which is being allocated to bring these watercourses up to a good standard.

Ref: W15 Applications for Consent

The Chairman read through the list of consent applications as reported in the F&GP meeting minutes.

16-ST-01 Construction of a pedestrian bridge over South Poulders Main Stream (IDB170), at Sandwich (Retrospective).

The Clerk & Engineer reported that this application has now been approved, and details will be reported to the next meeting of the Board.

16-ST-02 Alterations to an existing culvert in South Poulders Main Stream (IDB170), at Sandwich (Retrospective).

The Clerk & Engineer reported that discussions are ongoing with the applicant regarding this application, but that ground conditions are still too wet for any further improvements.

Review of Consent Procedure

The Chairman reported that the F&GP Committee had discussed this matter at length and recommended that the Board reviews the procedure for the approval of future consent applications, considering the following options:

1. Continue as present, with all applications for consent to be determined by the Chairman/Vice Chairman with decisions reported to the Board at its next meeting.
2. All applications for consent (inclusive of the Clerk & Engineer's comments, recommendations and conditions) to be emailed to Local Members (Local Authority and Elected) for their comments and then to be determined by the Chairman/Vice Chairman with decision reported to the Board at its next meeting.
3. All applications for consent (inclusive of the Clerk & Engineer's comments, recommendations and conditions) to be emailed to all Board Members for their comments and then to be determined by the Chairman/Vice Chairman with decisions reported to the Board at its next meeting.

After discussion around each option it was proposed by Cllr Smith, seconded by Cllr Sims and resolved that all applications for consent (inclusive of the Clerk & Engineer's comments, recommendations and conditions) be emailed to Local Members (Local Authority and Elected) for their comments and then be determined by the Chairman/Vice Chairman with decision reported to the Board at its next meeting (option 2).

It was further reported that the Land Drainage Act 1991 states that IDBs may require the payment of a £50 application fee (applicable to each structure), which the Board had previously decided not to charge. The F&GP Committee had recommended that this application fee should now be charged (a fee of £50 per structure).

After a short discussion, with all Members agreeing to the point made previously by the Vice Chairman, that it is now difficult to defend any decision by a public authority not to collect any item of income which it is entitled to charge, it was proposed by Cllr Martin, seconded by the Vice Chairman and resolved that the Board will implement a £50 charge per application for consent with immediate effect.

The Chairman reported that the F&GP Committee had recommended that the Board continues to accept retrospective applications for consent. Mr Dunn agreed that by continuing to accept retrospective applications completed works will continue to be properly assessed. It was proposed by Cllr Sims, seconded by Mr Botting and resolved that the Board will continue to consider applications for consent retrospectively.

Ref: F1-2 Final Internal Audit Inspection of the 2015-2016 Accounts and Accounting Records

The Chairman reported that the Board's Internal Auditor, Mr David Griffiths carried out his inspection of the Board's 2015/2016 accounts and accounting records on 11 May 2016. A copy of the report follows:

THE RIVER STOUR (KENT) INTERNAL DRAINAGE BOARD

FINAL INTERNAL AUDIT REPORT 2015-2016

I am pleased to report to Members of the Board that I have completed my final internal audit of the Board's records for 2015-16.

My work is primarily an independent check on the financial systems and internal controls that are in place, and Members should be aware that my work cannot be relied on to identify the occasional omission or insignificant error, nor to disclose breaches of trust or statute, neglect or fraud which may have taken place and which it is the responsibility of Members of the Board to protect against.

I would like to take this opportunity to thank your Clerk & Engineer to the Board, and Finance & Rating officer for the assistance provided to me in order to conduct the audit which took place on 11th May 2015.

2015/16 has seen a number of changes which have resulted in an increase in workload for officers. The retirement of the Clerk to the Board has also resulted in a change in staffing structure. I am pleased to be able to report to the Board that despite those changes, all of the records I inspected were found to be of a very good standard as in previous years.

During 2015/16, the Board has employed two additional employees to the positions of Water Level Controller and Engineering Assistant. I am also pleased to report to the Board that controls around the management of these new employees appear to be sound.

FINDINGS THIS VISIT

ACCOUNTING RECORDS

I inspected the cashbook, bank reconciliations, VAT returns, Payroll, petty cash records, debtors, creditors and contract payments. My findings are listed below:

Cashbook

The cashbook was found to be accurate and balanced on a monthly basis, with all amounts being correctly coded. From the sample of payments tested, all were found to have been suitably authorised.

Bank Reconciliations and Bank Statements

Monthly bank reconciliations are carried out, and no unexplained entries were identified in the sample of bank reconciliations tested and bank statements reviewed.

VAT Returns

All VAT returns tested were found to be accurate and completed and submitted on time to HMRC. All amounts due from HMRC are being correctly recorded and reported.

Payroll

The Payroll was found to be accurate and the correct payments have been made to HMRC in respect of PAYE and Kent County Council in respect of pension contributions.

Debtors

The amount of drainage rate arrears were found to be relatively low and stood at E243.99 as at year end. Suitable measures are taken to manage arrears on an ongoing basis.

Creditors

Creditors amounts reported at year end were found to be accurate.

Contract Payments

I inspected a sample of payments made to the contractor. All payments tested were found to have been correctly authorised.

Rate Account — Audit Trail

Whilst undertaking my interim and final audits for 2015-16 I carried out checks on the audit trail for an account which I selected at random. I am pleased to be able to report to the Board that suitable arrangements are in place for raising, billing and collection of rates for the accounts I reviewed.

Loans

Accurate records are being maintained to record and report amounts outstanding.

Income Generated from External Sources

The Board continues to receive additional income from external sources. Suitable controls were found to be in place for the recording and monitoring of the income being received. The Board has taken advantage of the additional income to create a reserve for the maintenance or replacement of the 'Old Thrustbore', and to increase general reserves to protect itself from future unforeseen maintenance or staffing liabilities. In light of ongoing local and central government funding cuts, this move is considered extremely wise.

RISK MANAGEMENT:

Financial Regulations and Standing Orders

I note that the Scheme of Delegation and Financial Regulations have recently been revised, and it is proposed that they will be submitted to the Board at their next meeting for review and approval to formalise current arrangements.

Insurance

Suitable insurance cover was found to be in place for Fidelity Guarantee, Public Liability and Employers' Liability insurance.

Register of Member Interests

I am pleased to note that the Register of Interests for the Members of the Board is being kept up to date for both existing and newly appointed members.

Banking arrangements

Suitable action has been taken to ensure that the bank mandate has been revised to reflect the retirement of the previous Clerk to the Board, and the appointment of the new Clerk & Engineer to the Board.

Annual Return to the external Auditors

As a result of my Interim and Final Audit, and discussions with your Clerk & Engineer to the Board and Finance & Rating Officer, I have been able to answer 'YES' to all the relevant questions contained in Section 2 of the Annual Return for 2015/16

David Griffiths



Independent Internal Auditor

11th May 2016

Mr Griffiths' report was discussed by the Members and the Chairman stated that it raised no issues of concern and he considered it to be a very good report.

It was proposed by the Chairman, seconded by Cllr Martin and resolved that the Final Internal Audit Report of the 2015/2016 Accounts and Accounting Records be received and approved.

Ref: F.1-2 Review of the Internal Control and Internal Audit Arrangements

It was reported that the Board's Internal Audit Review Team, consisting of Councillor Hicks, Mr Dunn and Mr Wilkinson, carried out their inspection of the Board's accounts and accounting records for 2015/2016 on the 11 May 2016 and they were able to meet with Mr Griffiths to discuss and clarify any points. The Chairman expressed his thanks to the Board Members who completed the audit and to Mr Griffiths for his assistance and advice. A copy of the report follows:

River Stour Internal Drainage Board

Internal Control Group Wed 11th May 2016 at 1.30pm

Present - David Griffiths (Internal Auditor) and board members Paul Dunn, Mike Wilkinson and Aline Hicks.

David said that considering the significant changes made during the year the accounts reflected a managed position. The Board's accounts are now kept on Excel on line. He highlighted Operational workings, staffing, PSCA income, the pension fund and rates.

Operational

There were more concerns under this item as far more work was being carried out. Staff were working on their own and often outside conventional hours. He was satisfied that safety controls had been put in place and highlighted a new system which operators had to call in at measured times and if no reply was received by the controlling apps company then the office staff would be notified to take appropriate action.

Relevant Risk Assessments had been carried out satisfactorily

Staffing

Since the retirement of Derek Lewis, Ana Eastwood had taken over the preparation of the Board's accounts, and David considered it had been an effective hand over. Names on the bank mandate had been changed. Ana was able to pay bills online and cheques still had to be signed by Pete Dowling our engineer plus a board member. There had been a considerable increase in the number of bills to be paid due to the increase in work mainly generated by the PSCA with the EA.

Public Sector Agreement.

The agreement signed with the EA had generated a considerable amount of extra income for the board, and it seemed likely that this is likely to continue for some time. We had already identified that the old Thrustbore under the railway line between Deal and Sandwich would require major works and a target had been set to create a reserve of £40,000 for this future project. With the continuing income being generated it was felt that this additional income should also be put into a reserve fund for future identifiable causes, or it could be used for increasing the level of maintenance which was a suggestion put forward last year.

Pension Fund

Along with all other members of the KCC Pension Fund there had been an identified shortfall in funds. In the case of this IDB the shortfall was just over £400,000 which was slightly less than the year before. This deficit is no worse or better than other authorities. It was suggested that a reserve fund be considered to address this deficit using future spare monies from the PSCA.

Rates

The level of increase for rates is capped at 1.99% but the EA is keen to offload some of its responsibilities so IDB expenditure could increase. In this respect it is essential that any structures etc that the EA might wish to pass to IDB, should be in a prime condition. It is noted that the River Stour IDB is one of ten pilot schemes being included by the EA.

Summary

Members felt that the auditor had identified all salient points for our consideration and that he was satisfied with the workings of the board. He reminded members that he also carries out a second audit half way through the year.

Meeting closed at 2pm

Signed



Paul Dunn

31.5.16



Aline Hicks

16.5.16



Mike Wilkinson

31.05.16

It was proposed by the Chairman, seconded by Councillor Smith and resolved that the Internal Control and Internal Audit Review Team's Report dated 11 May 2016 be received and approved.

Ref: F4 Review of the Financial Regulations

The Chairman reported that the Financial Regulations have been reviewed and a paragraph relating to Rechargeable Works has been added (Point 4). The Chairman invited the Members to query any points, there were no queries raised.

It was proposed by Cllr Sims, seconded by Cllr Martin and resolved that the Financial Regulations dated 2 June 2016 be received and approved.

Ref: A2-2.1 Review of Scheme of Delegation

The Chairman reported that the Board's Scheme of Delegation has been revised due to the recent staff changes – some of the changes being that: the Responsible Financial Officer will now be the Finance & Rating Officer (it is best practice to have separation of duties which is now possible); the Board's engineering representatives need to be properly authorised to carry out the various tasks necessary for the Board's activities to run smoothly; specific reference to rechargeable works which includes any work under PSCAs. The other change was to Point 2 (f) "Authorisation to approve emergency expenditure up to a maximum of £10,000, in consultation with the Chairman and Vice Chairman, outside the approved annual budget. Details of the emergency expenditure to be reported to the Board at its next regular meeting" – the maximum amount was raised from £2,000 to £10,000.

The Chairman invited the Members to query any points, and all Members present supported the proposed changes. It was proposed by the Chairman, seconded by Cllr Ovenden and resolved that the Scheme of Delegation dated 2 June 2016 be received and approved.

Ref: F1-6 Financial Risk Assessment

The Chairman reported that the Board's Financial Risk Assessment has been revised. The Chairman stated that 2 new Points have been added as the F&GP Committee felt this appropriate to reflect future unknowns/changes. These are:

Point (k) Rechargeable Works

Point (l) Environment Agency – Rationalisation Project

The Chairman invited the Members to query any points, and all Members present supported the proposed changes. It was proposed by the Chairman, seconded by the Vice Chairman and resolved that the Financial Risk Assessment dated 2 June 2016 be received and approved.

Ref: F1-5 (a) Accounts for Year Ended 31 March 2016

The Chairman reported that the Board's accounts for the year ended 31 March 2016 have been completed and balanced with a Net Operating Surplus of £41,436.17. This high surplus resulted from the extra rechargeable works carried out by the Board but mainly from the savings achieved by carrying out a joint Water Level Control function with the EA (this income was not taken into account within the budget for 2015/2016). The Chairman highlighted that: the income has increased due to the Rechargeable Works carried out by the Board; the Administrative Expenditure has decreased because the Salaries and Employer's Costs and Vehicle Expenses relating to Water Level Control are included in the Water Level Control figure and the same costs relating to Engineering Services have been allocated directly to Engineering Expenditure providing a more accurate allocation of costs.

The Chairman stated that the F&GP Committee has recommended that the Board should approve the accounts and enquired if any of the Members needed any further explanation on any matters within the accounts, there were no points raised. It was proposed by the Chairman, seconded by Cllr D O Smith and resolved that the Accounts for the year ended 31 March 2016 be received and approved.

Ref: F1-5 (b) Annual Return for the Year Ended 31 March 2016

The Chairman reported that the Annual Return request for the year ended 31 March 2016 has been received and it incorporates some changes as per the Practitioners' Guide to Proper Practices. The External Auditor requires the Board to approve the Annual Return Section 1 (Annual Governance Statement) before Section 2 (Accounting Statements) and as separate Agenda items in the correct order.

Ref: F1-5 (c) Annual Return for the Year Ended 31 March 2016
– SECTION 1 (Annual Governance Statement 2015/16)

The Chairman reported that Section 1 of the Annual Return is the Annual Governance Statement which requires the Board to carry out a review of effectiveness of the system of internal control. This requirement has been accomplished by the Final Internal Audit carried out by Mr D Griffiths which enabled him to complete page 5 of the Annual Return (Annual internal audit report 2015/2016) and the review of the Internal Control and Internal Audit Arrangements by Cllr Hicks, Mr P Dunn and Mr Wilkinson, both carried out on 11 May 2016.

The Board, as a whole, considered the findings of this review based on both reports (Final Internal Audit Report and Internal Control and Internal Audit Arrangements Report) and followed on to approve the Annual Governance Statement by resolution. It was proposed by the Vice Chairman, seconded by Mr Howard and resolved that Section 1 (Annual Governance Statement) for the year ended 31 March 2016 be received and approved. The Chairman, Mr Tapp, and the Clerk & Engineer, Mr Dowling, signed and dated Section 1- Annual Governance Statement 2015/2016 of the Annual Return.

Ref: F1-5 (d) Annual Return for the Year Ended 31 March 2016
– SECTION 2 (Accounting Statements 2015/16)

The Chairman reported that Section 2 of the Annual Return is the Accounting Statements 2015/2016 which have been prepared, signed and dated by Ms Eastwood (Finance & Rating Officer – Responsible

Financial Officer). The Board, as a whole, considered the Accounting Statements and followed on to approve the Accounting Statements by resolution.

It was proposed by Councillor Sims, seconded by Mr Dunn and resolved that Section 2 (Accounting Statements) for the year ended 31 March 2016 be received and approved. The Chairman proceeded to sign and date Section 2 – Accounting Statements 2015/2016 of the Annual Return.

Ref: F1-5 (e) Notice of Public Rights and Publication of Unaudited Annual Return
Accounts for the Year Ended 31 March 2016

It was reported that the Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015 requires the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records be made available for inspection by any person interested, during a period of 30 working days set by the Board and including the first 10 working days of July.

It was reported that the dates set for the period of exercise of public rights are as follows:

- Commencing on Monday 6 June 2016
- And ending on Friday 15 July 2016

It was also reported that the above dates will be announced on 3 June 2016 by publishing them, with all the relevant documents, on the Board's website and on the Board's Outdoor Notice Board.

Ref: F14-3 Nationwide Business Saver (Instant Access) Account

It was reported that Nationwide Building Society have advised the Board that the current interest rate on the Board's Business Instant saver account of 1.00% is being reduced to 0.80% as from 1 July 2016.

Ref: A3-2 Election of Members – Defra Direction on Election Notices
Direction under regulation 28 of the Land Drainage (Election of Drainage Boards)
Regulations 1938

The Chairman reported that the F&GP Committee welcomed the above Direction by Defra which confirms that any notice, certificate or declaration required under the Regulations may solely be advertised through publicly available websites. This will drastically reduce the costs of the Election process and all the interested parties are likely to be reached as the Board also writes to all ratepayers advising them of the Election proceedings.

The Board agreed with the F&GP Committee in adopting the Defra's Direction in not advertising the Election of Members in the Local Press as it considered it satisfactory to advertise the Election on the Board's website and the Board's Outdoor Notice Board.

Ref: A4-3 Biodiversity

The Chairman referred to the minutes of the F&GP Meeting, when the BAP Sub-Committee agreed the following actions for the next 5 years (April 2016 – March 2021):

- 4.1 Ongoing survey work.
- 4.2 Continue to review recommended maintenance.
- 4.3 Enhance channels in unfavourable condition.
- 4.4 Engage with landowners and Council biodiversity officers.
- 4.5 Implement a programme of tree management.
- 4.6 Work to improve flows.
- 4.7 Produce an Annual Update (action added by BAP Sub-Committee).

The Chairman reported that the F&GP Committee recommended to the Board the Sub-Committee's proposals for delivery, as detailed in the minutes of the F&GP Meeting, and invited the Members to discuss their thoughts. The Members agreed with the recommendations and it was proposed by the Chairman, seconded by Cllr Ovenden and resolved that Carol Donaldson Associates be engaged on an annual basis at a cost of £12,000 for 50 days' work.

Ref: A8-1 Association of Drainage Authorities (ADA) – FLOODEx 18th & 19th May
Peterborough Arena

The Clerk & Engineer reported that he and the Board's Engineering Assistant both attended FloodEx. He stated that was an interesting event and there were several references to the Environment Agency's Rationalisation Project and PSCAs. He further stated that Ms Alison Baptist (Director Strategy & Investment – Environment Agency) gave a talk strongly promoting PSCAs and stated how well they are working.

Ref: A9-1 Office Premises & Flat 34A Gordon Road

The Chairman reported that in the past the property has been revalued every 3 years but as a requirement under the Accounts and Audit Regulations the Board's premises only have to be revalued every 5 years. Since the cost to do so is quite considerable and if there are no material factors triggering a valuation earlier, it is suggested that the Office Premises & Flat 34A Gordon Road be revalued every 5 years, making the next revaluation due in January 2019. This matter was discussed with the Internal Auditor who agrees that a 5 year interval revaluation is adequate.

It was proposed by the Chairman, seconded by Mr Botting and resolved that the Office Premises (34 Gordon Road) and the Flat (34A Gordon Road) be revalued every 5 years.

ANY OTHER BUSINESS

Venues for the Upcoming Board Meetings

It was decided that the Board Meeting on the 4 August 2016 will be held at the Dover District Council Offices, White Cliffs, Business Park, Dover, CT16 3PJ and the Board Meeting on 3 November 2016 is to be held at the Canterbury City Council Offices, Military Road, Canterbury, CT1 9SN.

Ms D McNamara stated that the Environment Agency would be very pleased to welcome the Board at Plucks Gutter for one of the future Board Meetings. The Chairman thanked Ms McNamara and stated that Plucks Gutter would certainly be considered for a future meeting.

Ecological Survey

Mr Howard informed the Board that South East Water are doing an environmental ecological survey on the Stour and he wondered whether the Board would receive its results. Ms McNamara stated that she was not aware but she will enquire.

MEETING CLOSED

There being no other business, the Chairman declared the meeting closed and thanked the Members for their attendance.
