

**Minutes of the additional Finance & General Purposes Committee of the
Lower Severn (2005) Internal Drainage Board
Meeting held Wednesday 11th December 2019 at 10.30 am
At the Gables Hotel Falfield**

Present:

Ald C Williams
Mr J Hore
Mr G Littleton
Mr J Cornock
Cllr M Riddle

Chairman

Mr G Simms
Ald M Sykes
Cllr R Griffin

Martin Dear
Louise Reading

Accounts Officer
Minutes

AO

2976	<p>Election of Chairman.</p> <p>The AO invited nominations for Chairperson. Cllr Riddle nominated Ald Williams and this was seconded by Mr Littleton. All Members were in favour.</p> <p>Cllr Riddle thanked Ald Williams for his work over the last year.</p> <p>It was resolved unanimously that:</p> <ul style="list-style-type: none"> Ald Williams be elected Chair of the Committee for the coming year 	
2977	<p>Apologies</p> <p>Apologies were received from Mr Barnes.</p>	
2978	<p>Welcomes</p> <p>The Chairman welcomed new Members Ald Sykes and Cllr Griffin to the Committee.</p>	
2979	<p>Chairman's Announcements</p> <p>There were no Chairman's Announcements.</p>	
2980	<p>Declarations of Interest</p> <p>There were no declarations of interest.</p>	
2981	<p>Minutes of the Previous Meetings</p> <p>It was resolved that:</p> <ul style="list-style-type: none"> The minutes of the Finance and General Purposes Committee meeting held on 11th September 2019 be approved. The minutes of the Finance and General Purposes Committee meeting held on 6th November 2019 be approved. 	
2982	<p>Precept and Foreign Water Grant</p> <p>It was resolved that:</p> <ul style="list-style-type: none"> The letter from the Environment Agency be noted, The AO to respond to this letter stating that the proposed 2% increase to precept and foreign water contributions for 2020/2021 are acceptable. 	

2983	<p>Financial Reports <u>Management Accounts 1st April 2019 – 30th September 2019</u> The AO introduced the Management Accounts up to the end of September explaining that they were still consistent with the budget. There had been no material changes in October or November. The accounts showed a surplus of £11,693 against a budget of £18,879.</p> <p>It was resolved that;</p> <ul style="list-style-type: none"> • The Management Account 1st April 2019 – 30th September 2019 be noted as per Appendix A. <p><u>Forecast Results for y/e 31st March 2020 & Draft Budget 2020/21</u> The AO informed Members that the predicted outturn for 2019/ 2020 was a surplus of £22,022. The budgeted figure for 2020/2021 was £9,993 based in an increase in the rate to 9.3p.</p> <p>The Chair noted that electricity had been higher this year due to higher rainfall than previous years.</p> <p>The Chair asked if balance sheets for 31st March 2020 and 2021 could be produced. The AO confirmed he could do this however figures would be provisional.</p> <p>Cllr Griffin asked if the resources were separate to trading funds.</p> <p>The Chair confirmed that the Board had reserves for its Pension, Developer Funds and Capital Programme leaving the Revenue Reserve which was the trading income. He also explained that the Board decided that the Revenue Reserves should be maintained at approximately 30% of the Boards annual expenditure.</p> <p>The AO explained that the budget for 2020/2021 included a rate increase of 0.3p.</p> <p>Mr Cornock asked what the impact would be if there was no rate rise.</p> <p>The AO explained the Budget would forecast around a £45,000 deficit.</p> <p>The Chair acknowledged that this rate increase was more inline with inflation compared to last year.</p> <p>In response to Mr Simms question, the Chair explained that the Boards 30% reserve figure was not binding. It was advisory. The AO further explained that should they need to use these fund that full explanation would be provided.</p> <p>It was resolved that:</p> <ul style="list-style-type: none"> • A rate increase from 9.0p to 9.3p be submitted to the Board for approval. • The Forecast Results for y/e 31st March and Draft Budget 2020/2021 be noted as per Appendix B. <p><u>Capital Expenditure for 2019/20 and 2020/21</u> The Members reviewed the Capital Expenditure Budget.</p> <p>There was some discussion as to what would happen to the old pumps. The AO explained that as they didn't comply with the New EU Eel regulations they couldn't be used. Some members enquired about the scrappage value. The AO advised he would take this back to the Engineers.</p>	<p><u>Action 1</u> The AO to produce Balance Sheets for 31st March 2020 and 2021 at the next meeting in January 2020.</p> <p><u>Action 2</u> The AO to ask Engineers about disposal of old pumps</p>
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	<p>Mr Simms expressed concerns that the Finance and General Purposes Committee was still not synchronised with the Engineering Committee.</p> <p>The Chair recognised that an additional Engineering Committee meeting had been scheduled to assist with this and suggested the Engineering Committee report to the Finance and General Purposes Committee Bi-annually, in respect of the Capital Programme particularly in reverence of being within budget and on time.</p> <p>The Members looked at the meeting schedule and concluded that after the Engineering Committee meeting in April the report could be submitted in time for the Finance and General Purposes Meeting in May. However, the October Engineering Committee meeting report would not reach the Finance and General Purposes meeting until December and thus would not account for material change that had taken place during this period.</p> <p>It was resolved that:</p> <ul style="list-style-type: none"> • A request to move The Engineering Committee Meeting on 21st October 2020 to a date in November 2020 be submitted to the Engineering Committee for approval. • The Capital Expenditure for 2019/20 and 2020/21 be noted as per Appendix C. <p><u>Apportionment between charging Authorities.</u></p> <p>The AO presented the Apportionment between charging authorities based on the rate increase of 9.3p for noting.</p> <p>It was resolved that;</p> <ul style="list-style-type: none"> • The Apportionment between charging authorities be noted as per Appendix D. <p><u>Medium Term Financial Plan 2020-2025</u></p> <p>The AO reminded Members that 2021/22 onwards was an illustration and the figures will change. The fluctuations are predominantly down to depreciation caused by Capital Expenditure.</p> <p>In response to Cllr Griffin question, the AO confirmed that we operate a 25% reducing balance deprecation for our Machinery and the pumps are depreciated over 15 years on a straight-line basis.</p> <p>The AO also pointed out to Members that the revenue reserve has reduced following the Boards decision to transfer £200,00 to the capital Reserve. The AO stated that the accounts were healthy.</p> <p>The Chair requested adding a note in the MTFP to explain the reason for the drop in the revenue reserve.</p> <p>Mr Cornock asked about the future rises, the AO explained that it showed an example of what the figure might need to be to keep the accounts healthy however there were other avenues to explore closer to the time should the Board so wish.</p> <p>Cllr Griffin asked if there was any input from the Engineering Committee as to future pump expenditure and the creation of a replacement reserve, the response from the AO was that there has not been.</p> <p>The Chair suggested creating a reserve for future pump replacements.</p> <p>Mr Simms said that the waiting for the programme to finish before addressing this would be ignorant and that it should be done so now.</p>	<p><u>Action 3</u> The AO to add an explanatory note in the MTFP as to the reason for the drop in the revenue reserve,</p>
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	<p>It was resolved that:</p> <ul style="list-style-type: none"> • Officers to investigate on a preliminary basis a proposed reserve fund to go to the Engineering Committee Meeting in April 2020. • The Medium-Term Financial Plan 2020 – 2025 be noted as per Appendix E. <p><u>Cashflow to April 2020</u> The AO explained that the cash flow figures were actual till September and then budgeted to March.</p> <p>It was resolved that;</p> <ul style="list-style-type: none"> • The Cashflow to April 2020 be noted as per Appendix F. <p><u>Developers Funds</u> The Developers fund as at 30th September was noted.</p> <p>It was resolved that;</p> <ul style="list-style-type: none"> • The Developers Funds as at 30th September 2019 be noted as per Appendix G. 	
2984	<p>Payments to be Noted. In answer in Mr Hore's question regarding payments to Motion Consultants Ltd the AO confirmed this was related to the pump replacement.</p> <p>Mr Simms asked if payments were checked. Cllr Riddle informed Members that as Chairman of the Board, he received the information by email and authorises payments.</p> <p>It was resolved that:</p> <ul style="list-style-type: none"> • The payments to be confirmed be noted as per Appendix H. 	
2985	<p>Date of Next meeting Members noted that the next F&GP meeting would be held on 22nd January 2020 at 2.00pm.</p>	
	Meeting closed at 11:40 pm	

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

BALANCE SHEET AS AT 30 SEPTEMBER 2019

	Note	£	30/09/19 £	30/09/18 £	Variance £	31/03/19 £	Variance £
FIXED ASSETS							
Fixed Assets	1	<u>851,612</u>	851,612	753,177	98,435	692,402	159,210
LONG TERM ASSETS							
Investments		<u>631,446</u>	631,446	604,445	27,001	603,932	27,514
CURRENT ASSETS							
Stock +WiP		53,412		55,165	-1,753	47,973	5,439
Trade debtors		1,948		2,100	-152	6,773	-4,825
Drainage rate debtors		268		292	-24	96	172
Levy Debtors		0		0	0	0	0
VAT Claim		23,589		5,851	17,738	5,829	17,760
Special Levies		0		0	0	0	0
Severnside		0		0	0	0	0
Prepayments		20,083		18,709	1,374	32,280	-12,197
Cash at bank and in hand		358,122		1,233,175	-875,053	852,523	-494,401
Short term deposits		<u>1,054,375</u>		0	1,054,375	501,013	553,362
			1,511,797	1,315,292	196,505	1,446,487	65,310
CURRENT LIABILITIES							
Trade Creditors		-123,241		-36,551	-86,690	-38,061	-85,180
Other Creditors		-34,810		-33,395	-1,415	-25,341	-9,469
Accrued expenses		-3,297		-515	-2,782	-6,685	3,388
Finance Leases due within one year		-508		-886	378	-1,016	508
Prepaid Rates	2	-57,662		-55,145	-2,517	-200	-57,462
Prepaid Levies	2	-9,626		-9,090	-536	-1,519	-8,107
Special Levies		0		0	0	0	0
Prepaid Severnside		<u>-21,218</u>		-20,600	-618	0	-21,218
			-250,362	-156,182	-94,180	-72,822	-177,540
NET CURRENT ASSETS			1,261,435	1,159,110	102,325	1,373,665	-112,230
TOTAL ASSETS LESS CURRENT LIABILITIES			2,744,493	2,516,732	227,761	2,669,999	74,494
LONG TERM LIABILITIES							
Finance Leases		0		-533	533	0	0
Pension scheme deficit		<u>-1,276,000</u>		-954,000	-322,000	-1,276,000	0
			-1,276,000	-954,533	-321,467	-1,276,000	0
NET ASSETS			1,468,493	1,562,199	-93,706	1,393,999	74,494
FINANCED BY:							
CAPITAL ACCOUNT			666,569	666,569	0	666,569	0
INCOME AND EXPENDITURE ACCOUNT							
Balance brought forward		572,203		523,570	48,633	523,570	48,633
Net surplus for the 6 months		<u>11,693</u>		10,743	950	48,633	-36,940
			583,896	534,313	49,583	572,203	11,693
Developer (Commutated Sums) Reserve			899,756	832,729	67,027	914,678	-14,922
Revaluation Reserve			144,583	144,583	0	144,583	0
Pump Station Cash Reserve	3		333,263	338,005	-4,742	371,966	-38,703
Pump Station Future Depreciation Reserve			116,426	0	116,426	0	116,426
Pension Reserve			-1,276,000	-954,000	-322,000	-1,276,000	0
			1,468,493	1,562,199	-93,706	1,393,999	74,494

Notes

1. Fixed Assets include purchases, sales and depreciation for 6 months to 30 September 2019.
 2. In all cases the balance sheet has been adjusted to reflect receipts and payments made in advance of the period earned or due.
 3. This Reserve is held as cash and increases by £16,667 each month.
- There is a corresponding monthly charge in the income and expenditure account.

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

INCOME AND EXPENDITURE 6 MONTHS TO 30 SEPTEMBER 2019

Income	Note	Actual	Budget	Variance	30 September 2018	Variance
		£	£	£	£	£
Levies charged to Authorities	1	629,537	629,537	0	592,581	36,956
Agricultural Rates	1	58,336	58,336	0	55,144	3,192
Rechargeable works		642	8,000	-7,358	10,704	-10,062
Application fees		1,000	1,500	-500	2,300	-1,300
Consultancy Fees Recharged		9,174	0	9,174	9,600	-426
Surplus on sale of assets		9,489	9,489	0	605	8,884
Miscellaneous Income		279	0	279	0	279
Foreign Water Grant		82,029	81,927	102	80,421	1,608
Severnside drawdowns	1	21,218	21,218	0	20,600	618
Interest		3,861	1,500	2,361	1,112	2,749
Total		815,565	811,507	4,058	773,067	42,498
Expenditure						
Payroll	2	355,686	349,533	-6,153	345,799	-9,887
Office maintenance		8,218	12,575	4,357	10,947	2,729
Maintenance	3	206,363	195,288	-11,075	185,303	-21,060
EA Levy		104,849	104,849	0	102,794	-2,055
Motor travel and subsistence	4	14,602	12,663	-1,939	10,667	-3,935
Communications		2,579	2,625	46	2,822	243
Administration	5	19,002	17,465	-1,537	15,932	-3,070
Engineering Consultancy fees		31,770	37,500	5,730	24,698	-7,072
M49 culvert consultants fees		0	0	0	0	0
Legal and professional fees		2,837	1,500	-1,337	1,734	-1,103
Audit and Accountancy fees		0	0	0	0	0
Depreciation		57,130	57,130	0	60,128	2,998
Bank charges		836	1,500	664	1,500	664
Total		803,872	792,628	-11,244	762,324	-41,548
Surplus for 6 months		11,693	18,879	-7,186	10,743	950

Notes on Variances

The results for 6 months show a surplus of £11,693 against a budget surplus of £18,879.

The major reasons for the variances are:-

1) In all these cases the income and expenditure has been included for the 6 months irrespective of when the monies are received or paid. The appropriate adjustments are made on the balance sheet.

2) Payroll - Increase due to annual pay award.

3) Maintenance costs analysis is as follows:

	Actual £	Budget £	Variance £	Explanation of major variances
Plant Maintenance	48,118	36,100	-12,018	Tyres, Boom Repairs, Sensor Faults
Maintenance Compensation	0	500	500	
Vehicle, Plant	43,752	42,750	-1,002	
Workshop Fixtures & Fittings	8,825	5,300	-3,525	Remedial Electrical works
Pump Station Electricity	2,649	7,038	4,389	
Health & Safety	3,019	3,600	581	
Pump Station Reserve	100,000	100,000	0	
	206,363	195,288	-11,075	

4) Administration - Increase due to long service awards.

5) Legal and Professional Fees - Increase due to Debt Recovery costs.

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

F&GP December 2019

Proposed Budget 2020/21

	Budget 2019/20 9.0p	Predicted Out turn 2019/20	Variance	Notes	Proposed Budget 2020/21 9.3p	Variance	Notes
column	£ 1	£ 2	£ 3(2-1)		£ 4	£ 5(4-2)	
Income							
Levies charged to authorities	1,259,073	1,259,073	0		1,301,042	41,969	7
Agricultural rate	116,673	116,673	0		120,427	3,754	7
Foreign Water Grant	163,854	164,058			167,339	3,281	12
Rechargeable works	20,000	1,200	-18,800	1	2,000	800	
Application fees & wayleaves	3,000	2,000	-1,000	1	3,000	1,000	
Plan checking fees	0	0	0		0	0	
Eng. Consultancy recharged	0	24,300	24,300	1	18,000	-6,300	
Severnside capital drawdown	21,218	21,218	0		21,836	618	8
Severnside maintenance drawdown	21,218	21,218	0		21,836	618	8
Bank interest	3,000	7,000	4,000	1	6,000	-1,000	
Miscellaneous income	0	279	279		0	-279	
Book profit (loss) on plant sales	9,489	9,489	0	2	15,537	6,048	9
Total	1,617,525	1,626,508	8,779		1,677,017	50,509	
Expenditure							
Payroll	713,733	714,058	-325		733,943	-19,885	10
Office maintenance	22,475	22,475	0		22,475	0	
Plant maintenance	193,500	198,000	-4,500	3	203,500	-5,500	11
EA Levy	209,699	209,699	0		213,893	-4,194	12
Motor, travel & subsistence	26,246	26,246	0		26,246	0	
Communications	5,250	5,250	0		5,250	0	
Administration	36,680	36,680	0		37,083	-403	
Eng. Consultancy general	45,000	64,000	-19,000		45,000	19,000	
Eng. Consultancy recharged	0	0	0		0	0	
Eng. Consultancy De-maining	30,000	0	30,000	4	0	0	13
Legal & professional fees	3,000	3,000	0		3,000	0	
Audit & accountancy fees	5,000	5,000	0		5,000	0	
Depreciation	114,258	117,078	-2,820	5	143,634	-26,556	14
Bank charges	3,000	3,000	0		3,000	0	
Total	-1,407,841	-1,404,486	3,355		-1,442,024	-37,538	
Transfer to pumping station reserve	-200,000	-200,000	0		-225,000	-25,000	15
Surplus (deficit) to (from) General reserve	9,684	22,022	12,134		9,993	-12,029	

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

Predicted out turn

2019/20

Notes

- 1 This reflects the activity in the year to 30 September 2019.
- 2 Net effect of the sale of the New Holland Excavator.
- 3 Plant Maintenance is going to be overspent due to machinery repair costs and remedial electrical works. This is partly offset by pump station electricity costs being below budget.
- 4 The budget to cover de-maining surveys is no longer required.
- 5 The Depreciation charge higher than expected. This is due to the purchase of a weed bucket, used 1000l Bowser, Roller Shutter Door and a computer.

Proposed Budget

2020/21

Notes

The proposed budget indicates a surplus of £9,993 if the rate is increased to 9.3p. An increase of 1p in the rate generates additional income of £152,000.

Each budget line has been reviewed in detail with particular emphasis on cost savings.

- 7 This figure indicates a levy increase to 9.3p. Agricultural rates based on 125 Annual Value and below are deemed uneconomic to collect. This is estimated to be £2,266 in 2020/21.
- 8 Severnside drawdowns are based on a 3% increase each year.
- 9 This is the assumed profit on sale of the Energreen AU11 HCH.
- 10 Payroll assumes an annual pay award of 2.5%.
- 11 Plant Maintenance has been increased by 5%, to reflect the continued pressure on this budget.
- 12 The EA levy and the Foreign Water Grant will increase by 2% per annum.
- 13 Provision for Eng. Consultancy Fees for De-maining project was for 2019/20 only.
- 14 The Depreciation Charge increase is due to the purchase of a new Energreen Machine.
- 15 The transfer to the Pump Station Reserve has been increased to £225,000.

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

F&GP December 2019

Capital Expenditure Budget 2020/21

	Budget Purchases cost	Purchase cost	Sales book value	Proceeds of sale	Book profit on sale (loss)
	£	£	£	£	£
Plant and Machinery					
Energreen 1500	211,946				
Sale of Energreen - AU11 HCH			9,463	25,000	15,537
Water level Monitoring Equipment	8,000				
	219,946	0	9,463	25,000	15,537
Motor Vehicles					
	0	0	0	0	0
Pumps					
Elmore Back - eel pump	250,000				
Disposal of Elmore Back Axial Flow Gynnes Pumps-2			0	0	0
	250,000	0	0	0	0
Total fixed asset changes	469,946	0	9,463	25,000	15,537

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

F&GP December 2019

Capital Expenditure Budget 2019/20

	Budget Purchases cost £	Purchase cost £	Sales book value £	Proceeds of sale £	Book profit on sale £
Plant and Machinery					
New Excavator JCB Hydradig - WV19 FUU	97,250				
Sale of Excavator New Holland - WX09 FYF			4,011	13,500	9,489
Items not included in original budget					
Purchase of used 1000l Diesel Bowser		695			
	97,250	695	4,011	13,500	9,489
Office					
Items not included in original budget					
Purchase of Roller Shutter Door		3,740			
Purchase of 1 Computer		2,240			
	0	5,980	0	0	0
Motor Vehicles					
	0	0	0	0	0
Pumps					
Saul - Hidrostal Pump	116,426				
Disposal of Saul - Gilkes Pump Number 1			0	0	0
	116,426	0	0	0	0
Total fixed asset changes	213,676	6,675	4,011	13,500	9,489

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

APPORTIONMENT BETWEEN CHARGING AUTHORITIES

CHARGING AUTHORITIES LEVIES ANNUAL VALUES AS AT

31 October 2019			Proposed Levy 2020/21	Previous Levy 2019/20	Increase due to land transfers, rates to levies	Increase due to levy and rate rise of 0.3p	Total Increase	
Charging Authorities	AV	Percentage	0.093 £	0.090 £	£	£	£	
Bristol City Council	7,589,404	49.65	705,815	683,046	0	22,768	22,769	
South Gloucestershire Council	3,410,262	22.31	317,154	306,924	0	10,231	10,230	
Stroud District Council	1,596,563	10.45	148,480	143,691	0	4,790	4,789	
Gloucester City Council	729,073	4.77	67,804	65,617	0	2,187	2,187	
Forest of Dean Council	450,501	2.95	41,897	40,545	0	1,352	1,352	
Herefordshire Council	123,087	0.81	11,447	11,078	0	369	369	
Tewkesbury Borough Council	73,933	0.48	6,876	6,654	0	222	222	
Malvern Hills District Council	16,880	0.11	1,570	1,519	0	51	51	
	13,989,703	91.53	1,301,042	1,259,074	-1	41,969	41,968	0.00
Local Authorities	13,989,703	91.53	1,301,042	1,259,074	-1	41,969	41,968	
Agricultural rates	1,294,919	8.47	120,427	116,673	-130	3,885	3,754	
(per DRS)	15,284,622	100.00	1,421,470	1,375,747	-131	45,854	45,723	0.00

The final percentages will be based on 31 December 2019 annual values

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

MTFP (Medium Term Financial Plan)

A) Income and Expenditure

	Rate - Pence in the Pound						
	9.0	9.3	10.0	10.5	11.0	11.5	
	No Increase	Increase	The future annual rates shown are for illustrative purposes only.				
	Year 2020/21 Budget £000's	Year 2020/21 Budget £000's	Year 1 2021/22 Estimate £000's	Year 2 2022/23 Estimate £000's	Year 3 2023/24 Estimate £000's	Year 4 2024/25 Estimate £000's	Total all years 2021/25 £000's
Income (line10)	1,632	1,677	1,778	1,862	1,929	2,042	7,611
Expenditure (line 24)	1,667	1,667	1,760	1,870	1,915	2,000	7,546
Net surplus/-deficit (line 25)	-35	10	18	-8	13	42	65
Free reserves b/f (line26)	394	394	404	422	415	428	404
Free reserves c/f (line27)	359	404	422	415	428	470	470
Revenue reserve as % of expenditure	21.54%	24.26%	23.98%	22.17%	22.34%	23.47%	6.22%

B) Working Capital - Cash Flow

	Year 2020/21 Budget £000's	Year 2020/21 Budget £000's	Year 1 2021/22 Estimate £000's	Year 2 2022/23 Estimate £000's	Year 3 2023/24 Estimate £000's	Year 4 2024/25 Estimate £000's	Total all years 2021/25 £000's
Balances b/f	436	436	379	297	151	255	379
Net cash movement	-102	-57	-82	-146	104	-21	-146
Balances c/f	334	379	297	151	255	233	233

C) Cash at Bank

	Year 2020/21 Budget £000's	Year 2020/21 Budget £000's	Year 1 2021/22 Estimate £000's	Year 2 2022/23 Estimate £000's	Year 3 2023/24 Estimate £000's	Year 4 2024/25 Estimate £000's	Total all years 2021/25 £000's
Working Capital	334	379	297	151	255	233	233
Pump Station Reserve	38	38	134	3	139	-91	-91
Developer Reserve	74	74	29	-18	-66	-116	-116
	446	491	460	136	328	27	27

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

Medium Term Financial Plan (MTFP)

			Rate - Pence in the Pound						
			9.0	9.3	10.0	10.5	11.0	11.5	
			No Increase	Increase	The future annual rates shown are for illustrative purposes only.				
Income and Expenditure basis	Line	Note	YEAR 2020/21 Budget £000's	YEAR 2020/21 Budget £000's	YEAR 1 2021/22 Estimate £000's	YEAR 2 2022/23 Estimate £000's	YEAR 3 2023/24 Estimate £000's	YEAR 4 2024/25 Estimate £000's	Total all years 2021/25 £000's
Income									
Levies and charges to Authorities	1	1	1,259	1,301	1,399	1,469	1,539	1,609	6,016
Agricultural rates	2	2	117	120	129	136	142	149	557
sub total +	3		1,376	1,421	1,528	1,605	1,681	1,758	6,572
Foreign Water Grant		3	167	167	170	174	177	181	702
Drawdown from Severnside funds	5	4	44	44	45	47	48	50	190
Other Income	6		23	23	15	15	15	15	60
Bank interest	7	5	6	6	6	6	6	6	24
Surplus on sale of fixed assets	8		16	16	13	16	1	33	63
sub total +	9		256	256	250	257	247	284	1,039
total+	10		1,632	1,677	1,778	1,862	1,929	2,042	7,611
Expenditure									
Payroll	11	6	734	734	752	771	790	810	3,124
Office maintenance	12		22	22	22	22	22	22	88
Maintenance plant and machinery	13	7	204	204	210	216	223	230	879
EA Levy	14	3	214	214	218	223	227	232	900
Motor travel and subsistence	15		26	26	26	26	26	26	104
Communications	16		5	5	5	5	5	5	20
Administration	17	8	37	37	38	38	39	40	155
Engineering consultancy fees	18	9	45	45	45	45	45	45	180
Legal and professional fees	19		3	3	3	3	3	3	12
Audit and Accountancy fees	20		5	5	5	5	5	5	20
Depreciation	21	10	144	144	183	237	227	255	902
Bank charges	22		3	3	3	3	3	3	12
Transfer to pumping station reserve	23	11	225	225	250	275	300	325	1,150
total	24		1,667	1,667	1,760	1,870	1,915	2,000	7,546
Net estimated +surplus -deficit									
	25		-35	10	18	-8	13	42	65
Free reserves	26	b/f	394	394	404	422	415	428	404
Free reserves	27	c/f	359	404	422	415	428	470	470
Adjust for non cash items									
Depreciation	28	10	144	144	183	237	227	255	902
Surplus on sale on fixed assets	29		-16	-16	-13	-16	-1	-33	-63
Cash items not included									
Capital purchases net of sales receipts	30	12	-195	-195	-270	-360	-135	-285	-1,050
Adjustment for cash flow purposes	31		-67	-67	-100	-139	91	-63	-211
Net creditors/debtors	32		0	0					
Net cash flow movement	33		-102	-57	-82	-146	104	-21	-146
Working Capital	34	b/f	436	436	379	297	151	255	379
Working Capital	35		334	379	297	151	255	233	233
Add pump station reserve	36		38	38	134	3	139	-91	-91
Add Developer Reserve	37		74	74	29	-18	-66	-116	-116
Bank balances	38	c/f	446	491	460	136	328	27	27

Note:

1. Proposed rates and levies increase.
2. Agricultural rates - there will be a write off of £2,266 due to under 125 AV not collected.
3. EA have informed the Board that a net annual payment of £45,000 will increase by 2% per annum
4. Assumes a 3% increase per annum.
5. Bank interest assumed at current level.
6. Based on current headcount. 2.5% annual pay increase 2020 to 2025.
7. Assumes a 3% increase in costs per annum.
8. Assumes that Business Rates and Utility bills increase by 3% per annum.
9. De-mainig surveys budget of £30,000 was for 1 year only (2019/20).
10. Depreciation is a non cash item and is added back for cash flow purposes.
11. The transfer to the Pump Station Reserve increases by £25,000 per annum. Final year is 2027/28.
12. Capital purchases/sales include :-
 - In 2020/21 Energreen 1500, £212k less proceeds Energreen AU11 HCH £25k = £187k.
 - Water Level Monitoring Equipment, £8k. Total for the year £195k.
 - In 2021/22 Claas Mower £160k, less proceeds Claas 697 OU07 JXX £10k = 150k
 - New Holland Excavator £140k, less proceeds Hyundai WX12 CWL £10k = £130k. Total for the year £280k
 - In 2022/23 Energreen SPV3 £400k, less proceeds Energreen VX65 HVB £40k = £360k.
 - In 2023/24 New Kobelco Excavator £160k , less proceeds Kobelco Excavator WU16 TZM £15k = £145k.
 - New Isuzu £35k, less proceeds Isuzu WU17 NVD £5K = £25k. Total for the year £175k.
 - In 2024/25 Energreen SPV2 £300k, less proceeds Energreen VX65 HTA £40k = £260k
 - New Ford Ranger £40k, less proceeds Isuzu VO62 RPY £5K = £35k. Total for the year £295k.
 - In 2025/26 There are no programmed capital purchases.

Lower Severn (2005) Internal Drainage Board

2019/20

CASH FLOW

	Note	2019											2020		
		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
		£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
			actual	actual	actual	actual	actual	actual	forecast	forecast	forecast	forecast	forecast	forecast	forecast
NatWest No 1 A/c															
Balance b/f			50	138	98	91	74	60	56	49	69	62	42	19	
Other income	3		4	0	11	1	0	0	2	2	1	1	1	1	
Plant & Machinery Sales			16	0	0	0	0	0	0	0	0	0	0	0	
VAT			5	0	23	11	8	10	5	17	5	4	4	4	
Levies	1		20	612	7	0	0	0	0	620	0	0	0	0	
Rates	2		63	26	7	12	2	1	0	0	0	0	0	0	
sub total			158	776	146	115	84	71	63	688	75	67	47	24	
Expenditure	3		-33	-30	-37	-43	-31	-54	-40	-39	-39	-40	-39	-38	
Plant			-111	0	0	0	0	0	0	0	0	0	0	0	
Pump Expenditure			-6	-1	-3	-22	-13	-21	-72	-15	-15	-15	-80	-80	
Developer Expenditure			0	0	0	0	0	0	0	0	-94	0	0	0	
EA Levy			0	-12	0	-11	0	0	-12	0	0	-11	0	0	
Transfer to No. 2 A/c for Salaries			-55	-35	-65	-65	-65	-65	-80	-65	-65	-59	-59	-58	
Net transfers	3		185	-600	50	100	85	125	190	-500	200	100	150	180	
sub total			-20	-678	-55	-41	-24	-15	-14	-619	-13	-25	-28	4	
Balance c/f			50	138	98	91	74	60	49	69	62	42	19	28	
Other balances															
NatWest															
No 2 Account			38	38	18	25	31	35	38	38	38	38	38	38	
Direct Reserve	4		765	280	880	580	480	395	80	580	380	280	130	50	
Deposit	5		100	400	400	651	651	652	652	502	502	502	502	402	
Lloyds Deposit	6		401	401	401	401	402	402	402	402	402	402	402	402	
Total			1,304	1,119	1,699	1,657	1,564	1,484	1,356	1,172	1,522	1,322	1,222	1,072	892
All LSIDB balances			1,354	1,257	1,797	1,748	1,638	1,544	1,412	1,221	1,591	1,384	1,264	1,091	920

The Pump Station reserve as at 31/03/2019 is £371,966. There are transfers to this reserve of £400,000 in 2019/20.

The forecast spend in year is £406,197. Forecast Pump Station Reserve at 31/03/2020 is £365,769.

Pump Station Reserve as at 31/08/2019 is £333,263.

1. Levies received May and November

2. Rates received in May

3. Income and Expenditure as per Budget profile.

4. Direct Reserve - instant access earns 0.2% interest

5. Deposit Account - 35 Day Notice earns 0.75% interest

6. Deposit Account - 32 Day Notice earns 0.75% interest

Lower Severn (2005) Internal Drainage Board

Reconciliation of cash as per the Balance Sheet and the Cash Flow Statement

	£	£
Balance Sheet as at 30 September 2019		
Cash at bank and in hand	358,122	
Short term Deposits	1,054,375	
Less Petty Cash	291	
Cash at Bank	<u>1,412,205</u>	
LSIDB Working Cash	810,632	
Pump Reserve	333,263	
Developer Reserve	<u>268,310</u>	
	<u>1,412,205</u>	

Investments

As at 30 September 2019

Capital	£
Amount through Smith & Williamson (net)	500,000
Market value	<u>623,213</u>
Change in value	<u>123,213</u>
Income	<u>8,233</u>
Total return	<u>131,446</u>
Portfolio return since 31 December 2018	11.26%
Note: Market Index Movements	
MSCI WMA Balanced NR	14.62%
MSCI World NR	21.55%

Developers Funds as at 30 September 2019

	£
Developer Reserve as per Balance Sheet	<u>899,756</u>
Funds held as:	
Investments	631,446
Cash held at Bank	<u>268,310</u>
	<u>899,756</u>

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

Developers Funds September 2019

	£			
Balance at 1 April 2019	914,678			
Increase in value of investments	27,514			
Developers Contributions - received	0			
Transfer to Board 2019/20				
Severnside drawdowns	-42,436			
Current Balance	899,756	split	Investments	£ 631,446
			Cash at Bank	268,310
Estimated balance 31/03/2020	899,756	split	Investments	£ 781,446
			Cash at Bank	118,310
Transfer to Board 2020/21				
Maintenance and Capital	-43,709			
Estimated balance 31/03/2021	856,047	split	Investments	£ 781,446
			Cash at Bank	74,601

No 1 Account

Lower Severn (2005) Internal Drainage Board

Payments to be Noted

August 2019

<u>Supplier</u>	<u>Details</u>	<u>Amount Paid this Period</u>
Orchard Computer Services	Quarterly Maintenance Cover	389.00
Kingsley Welding Alloys Ltd	Jasic Arc 200 PFC Welding Plant	413.51
Thornbury Motors	Petrol for chainsaws etc	21.84
Ford Fuel Oils	Assort oils & Adblue	532.03
CROMWELL GROUP HOLDINGS LTD	Rivets	27.46
CROMWELL GROUP HOLDINGS LTD	Welders chipping hammers	30.22
Water Environment Ltd	Plot M & N Modelling (Invoice 1)	7,574.40
DVLA	Licence for WO14 OEY	165.00
DVLA	Credit card fees	2.50
Screwfix Direct Ltd	Assort Coveralls	46.10
Pitney Bowes Ltd	Franking machine hire for July	15.54
Konica Minolta Business Solutions (UK) Ltd	Quarterley photocopier hire	83.88
CROMWELL GROUP HOLDINGS LTD	Welding rods, cutting discs, drill driver	182.87
ARCO LTD	Safety boots & ear plugs	192.16
ARCO LTD	Safety boots, hand cleanser, handwash	367.78
BRT Group	Bearings for VX65 HVB	24.84
K J Conner & Son	Cleaning for July	276.00
Certas Energy UK Ltd	6038 litres Gas Oil	4,027.82
Konica Minolta Business Solutions (UK) Ltd	Quarterly copy charge	131.45
MERRETT D C	Transportation of WU16 TZM	240.00
MERRETT D C	Transportation of WO14 OEY	240.00
Spaldings Ltd	Assort Water connectors, liners, stop taps	787.20
ARCO LTD	Evostik Epoxy Tube	5.24
GREENHAM TRADING LTD	Bleach & Toilet Rolls	93.92
MERRETT D C	Transportation of WU16 TZM	180.00
GAP SUPPLIES	3 x loads type 1 stone	1,164.66
GAP SUPPLIES	Wood adhesive, & hinges	8.03
Glos Enterprise Ltd	Minute taking course for LR	162.00
LISTER WILDER LTD	Prop Valve for VX65 HVB	519.29
Green Farm Seeds Ltd	Grass Seed	320.00
TAILORMADE OFFICE SUP.LTD	Head set	7.73
Batsford Timber Ltd	Creosoted round stakes	1,031.76
PKF Littlejohn LLP	Limited Assurance Audit for YE 31/03/19	2,400.00
Claas Western Ltd	Belt for WX14 LGO	46.97
GREENHAM TRADING LTD	Safety Boots	77.88
MERRETT D C	Labour repairs to AU11 HCH (Failed Boom Arm)	1,200.00
MERRETT D C	Parts on repairs to AU11 HCH (Failed Boom Arm)	120.00
Motion Consultants Ltd	Consultancy advice for Avonmouth Jun 19	2,880.00
Motion Consultants Ltd	Contract Management for Saul P/S Jun 19	3,178.08
Motion Consultants Ltd	Modifications of Elmore Back P/S Jun 19	2,808.00
Motion Consultants Ltd	Eel friendly modifications design of Elmore Back	1,684.60
Motion Consultants Ltd	Eel friendly modifications design of Lapperditch	1,684.60
Motion Consultants Ltd	Eel friendly modifications design of Wicks Green	1,684.60
Motion Consultants Ltd	Eel friendly modifications design of Oldbury	1,684.58
Water Management Alliance	DRS Annual Maintenance	1,047.71
Moorepay Ltd	Pension Amendment	60.00
Moorepay Ltd	Payroll costs for July	141.72
Smiths (Gloucester) Ltd	Waste Management for July & Duty of care charge	107.68
SOUTH GLOUCESTERSHIRE COUNCIL	Business Rates	749.00
Citation Ltd	Legal Fees	309.00
Cablestream Ltd	Office phone line rental & calls	80.04
CROMWELL GROUP HOLDINGS LTD	Rivet nuts	27.56
Hydroscand Ltd	Plugs & seals for Bomford Eagle Mower	16.44
Holt JCB Ltd	Wheel & Tyre for WV19 FUU	1,140.00
BBL BATTERIES	Battery for VN62 RPY	76.55
Plan Communications Ltd	Mobile phones bill	258.00
ZEN INTERNET LTD	Monthly internet charge	46.50
Ford Fuel Oils	Assort Lubricants	806.14
ARCO LTD	Respirators & assort gloves	129.50
Halfords	Aircon recharge cans	40.00

Invoice FYI

Invoices FYI

"	"	"	"
"	"	"	"
"	"	"	"
"	"	"	"
"	"	"	"

Payments to be **Noted****August 2019**

<u>Supplier</u>	<u>Details</u>	<u>Amount Paid this Period</u>
Andrew Wilkins Ltd	1000L 2nd Hand Diesel Bowser	834.00
BRT Group	Seals & Bearings for Stock	142.75
BRITISH TELECOM	Quarterley Bill for alternative phone line	45.47
Corona Energy	Wicks Green Electricity 01/06/19 - 30/06/19	120.19
Corona Energy	Wicks Green Electricity 01/07/19 - 31/07/19	22.96
Corona Energy	Office Electricity	216.51
Corona Energy	Oldbury P/S Electricity	40.72
Corona Energy	Saul Electricity	16.33
Corona Energy	Elmore Back Electricity	69.14
Corona Energy	Marshfield Electricity	24.97
Corona Energy	Lapperditch Electricity	26.49
		<u>45,308.91</u>

Please note that the amounts shown above include Vat where applicable

Amount Paid this Period	45,308.91
Corona Credit	(265.43)
Aircon cans refund	<u>(40.00)</u>
Amount Paid this Period (Supplier Invoices)	45,003.48

Bank Payments for August 2019

NatWest	Bankline Charge & Bank Charges	<u>97.86</u>
	Amount Paid this Period (Bank Payments)	97.86

Total Amount Paid this Period**£45,101.34**

Payments to be Noted

September 2019

<u>Supplier</u>	<u>Details</u>	<u>Amount Paid this Period</u>
Water 2 Business	Water Rates	63.22
Information Commissioner's Office	Annual Data Protection Fee	55.00
Orchard Computer Services	Quarterley Maintenance Cover	389.00
TESCO	Petrol for chainsaws/strimmers	24.16
TESCO	Water for office	16.80
Safetyliftinggear.com	Chainsling	64.98
LEES MEND A SHOE	Keys cut	17.97
Halfords	Aircon recharge cans	259.95
LISTER WILDER LTD	Pipe liners & stoptaps	86.70
LISTER WILDER LTD	Spare Flashing beacons & mounts for stock	119.60
Tilney Ltd	Pension Consultancy Services 01/02/19 - 31/07/19	620.40
Avon Hydraulics (UK) Ltd	Hydraulic hose assemblies for WO14 OEY	264.00
MERRETT D C	Transportation of WO14 OEY	240.00
MERRETT D C	Transportation of WX12 CWL	240.00
MERRETT D C	Transportation of WU16 TzM	180.00
Certas Energy UK Ltd	5501 litres Gas Oil	3,656.40
BBL BATTERIES	Batteries for WX12 CWL	136.72
Pitney Bowes Ltd	Top up of franking machine	413.00
Orchard Computer Services	Manual Domain Licence renewal	118.80
Western Global	Caps & Valve for Bowser	56.46
Spaldings Ltd	Impact Socket Set	43.16
Spaldings Ltd	Plugs, Couplings & Adaptors	46.87
Claas Western Ltd	Long life grease	444.00
Tincknell Fuels Ltd	6000 litres Gas Oil	3,959.28
M J FEWS LTD	Lamp for WU17 NVD	199.96
K J Conner & Son	Cleaning for August	276.00
LISTER WILDER LTD	Boom Pump for VX65 HVB	Invoice FYI 6,707.44
MERRETT D C	Transportation of WX12 CWL	180.00
Anthony Brookes Surveys Ltd	Survey work at Wicks Green P/S	Invoice FYI 1,464.00
Anthony Brookes Surveys Ltd	Survey work at Lapperditch P/S	" " " " 1,704.00
Anthony Brookes Surveys Ltd	Survey work at Marshfield P/S	" " " " 1,704.00
Anthony Brookes Surveys Ltd	Survey work at Oldbury P/S	" " " " 2,724.00
TyreRight (Gloucester) Ltd	Tyre repair to WV19 FUU	54.00
ASSOCIATION OF DRAINAGE AUTHORITIES	2 x Delegates for Ada Conference	300.00
Screwfix Direct Ltd	Water heater for mens toilet	69.99
Screwfix Direct Ltd	Ladder	149.99
TESCO	Petrol for chanisaws	33.96
Spaldings Ltd	Spare flow meter	180.22
Spaldings Ltd	Parts for Bowser	817.72
Leader Air Conditioning Ltd	Annual maintenance & service agreement starting	456.00
Avon Hydraulics (UK) Ltd	2 x hoses for Bomford Mower	480.00
ARCO LTD	Gloves	33.24
Moorepay Ltd	Payroll costs for August	141.72
GAP SUPPLIES	Fence Post	7.21
ALLCAP LTD	Padlocks	381.67
ENGINEERING & HIRE LTD	Knife assembly for AU11 HCH	182.90
ENGINEERING & HIRE LTD	Knife assembly for WX12 CWL	182.90
ENGINEERING & HIRE LTD	Knife assembly for WO14 OEY	182.90
ENGINEERING & HIRE LTD	Knife assembly for WX65 HTA	182.90
ENGINEERING & HIRE LTD	Knife assembly for WX65 HVB	182.90
ENGINEERING & HIRE LTD	Knife assembly for WU16 TMZ	182.90
AVON ALARMS LTD	Annual maintenance on Intuder Alarm System	96.00
TAILORMADE OFFICE SUP.LTD	Keyboard mouse	10.79
TAILORMADE OFFICE SUP.LTD	Treasury Tags	3.04
TAILORMADE OFFICE SUP.LTD	Hole Punch, Dividers, Highlighters	65.12
Motion Consultants Ltd	Elmore Back P/S Modifications - July 19	Invoice FYI 3,994.80
Motion Consultants Ltd	Marshfield P/S Modifications - July 19	" " " " 1,882.50
Motion Consultants Ltd	Lapperditch P/S Modifications - July 19	" " " " 1,882.50
Motion Consultants Ltd	Wicks Green P/S Modifications - July 19	" " " " 1,882.50
Motion Consultants Ltd	Oldbury P/S Modifications - July 19	" " " " 1,882.52

Payments to be **Noted****September 2019**

<u>Supplier</u>	<u>Details</u>	<u>Amount Paid this Period</u>
Motion Consultants Ltd	Saul P/S Modifications - July 19	Invoice FYI 2,016.00
Motion Consultants Ltd	Avonmouth Consultancy - Jul 19	" " " " 2,880.00
Smiths (Gloucester) Ltd	Waste Management for Aug 19	35.78
Concept13 Ltd	Monitoring for Slimbridge WLMP	4,923.60
Hidrostal Ltd	Commissioning of Saul Pump	780.00
Miles Tyre & Exhaust Services	Inner tube for Norton Triler	23.97
Miles Tyre & Exhaust Services	2 x tyres for VN62 RPY	351.14
Miles Tyre & Exhaust Services	Tyre for AU11 HCH	1,172.76
Miles Tyre & Exhaust Services	Tyre disposal charge for AU11 HCH	27.54
Miles Tyre & Exhaust Services	Tyre repair on AU11 hCH	114.00
Miles Tyre & Exhaust Services	Tyre for WU19 FUU	1,075.20
Miles Tyre & Exhaust Services	Tyre disposal charge for WU19 FUU	27.54
PMC Fluidpower Ltd t/as Group HES	Spare hydraulic motor	343.07
PMC Fluidpower Ltd t/as Group HES	Sensor for VX65 HVB	120.59
ZEN INTERNET LTD	Monthly internet charge	46.50
Nomenca Ltd	Saul P/S Payment No 4	Invoice FYI 9,910.18
Robert Harber	Fabricate manhole cover frame	150.00
Spearhead Machinery Ltd	Call Out to VX65 HTA (AGS Sensor) (Credit)	1,316.57
Nomenca Ltd	Saul P/S Payment No 3	Invoice FYI 5,255.16
Mole Country Stores	Safety Boots	62.99
Plan Communications Ltd	Mobile phones bill	258.00
Citation Ltd	Legal Fees	309.00
SOUTH GLOUCESTERSHIRE COUNCIL	Business Rates	749.00
TyreRight (Gloucester) Ltd	Tyre for OU07 JXX	1,560.00
TyreRight (Gloucester) Ltd	Call out & tyre repair to OU07 JXX	78.00
Corona Energy	Office Electricity 01/08/19 - 31/08/19	173.52
Corona Energy	Oldbury P/S Electricity 01/08/19 - 31/08/19	41.92
Corona Energy	Lapperditch P/S Electricity 01/08/19 - 31/08/19	22.38
Corona Energy	Wicks Green P/S Electricity 01/08/19 - 31/08/19	25.28
Corona Energy	Marshfield P/S Electricity 01/08/19 - 31/08/19	54.99
Corona Energy	Elmore Back P/S Electricity 01/08/19 - 31/08/19	156.51
Corona Energy	Saul P/S Electricity 01/08/19 - 31/08/19	17.90
Cablestream Ltd	Office phone line rental & calls	80.69
		<u>76,538.54</u>

Please note that the amounts shown above include Vat where applicable

Amount Paid this Period	76,538.54
Spearhead Credit	<u>(1,316.57)</u>
Amount Paid this Period (Supplier Invoices)	75,221.97

Bank Payments for September 2019

NatWest	Bankline Charge & Bank Charges	<u>73.27</u>
	Amount Paid this Period (Bank Payments)	73.27

Total Amount Paid this Period**£75,295.24**

Payments to be **Noted****October 2019**

<u>Supplier</u>	<u>Details</u>	<u>Amount Paid this Period</u>
Kingsley Welding Alloys Ltd	Welding Helmet & Respiratory Power Kit	45.00
Orchard Computer Services	Quarterley Maintenance Cover	389.00
The Trainline.Com	Train travel to Ada Conference for MR	135.33
Glamorgan Telecom Ltd	Annual Maintenance on telephone system 14/10/19 -	297.60
Mr P Abraham	P`Ābrāhām - Mileages for 04/09/19	14.40
Mr CJN Williams	C Williams - Mileages for 04/09/19	23.40
South West Fasteners Ltd	Set screws	12.00
South West Fasteners Ltd	Gloves	23.62
The Trainline.Com	Train travel for JD - Ada Conference	102.00
HM Land Registry	Land registry search	6.00
HM Land Registry	Land registry search	6.00
HM Land Registry	Land registry search	6.00
G R Tuck	Materials for manhole conver	214.80
Molson Equipment Services Ltd	Labour on repairs to WX12 CWL (Sensor Fault)	1,131.00
Molson Equipment Services Ltd	Parts on repairs to WX12 CWL (Sensor Fault)	652.90
Certas Energy UK Ltd	6,000 litres Gas Oil	3,996.00
CARR R MR	Rhine spraying at Arlingham	200.00
Mr CJN Williams	C Williams - Mileages for 11/09/19	19.80
Mr R Thatcher	R Thatcher - Mileages for 11/09/19	31.50
LITTLETON MR G	G Littleton - Mileages for 11/09/19	16.20
HORE MR J	J Hore - Mileages for 11/09/19	9.00
Mr P Abraham	P Abraham - Mileages for 11/09/19	14.40
RS COMPONENTS LTD	Spare assort bulbs & Connectors	141.84
RS COMPONENTS LTD	Thread kit for VX65 HVB	113.04
MERRETT D C	Transportation of WX12 CWL	180.00
JOHN DAVIDSON (PIPES) LTD	Assort twinwall pipes & couplers	1,949.02
Malpas Online	Flails for Au11 HCH	66.55
Malpas Online	Flails for VX65 HTA	66.55
Malpas Online	Flails for VX65 HVB	66.58
Flowfit	Valve for AU11 HCH	65.40
G.R.Fasteners & Eng Supplies	Drill Bit	29.95
Pitney Bowes Ltd	Franking Machine hire for Aug & Sep	31.08
Nomenca Ltd	Final Payment Certificate 5	Invoice FYI 78,925.90
BOMFORD TURNER LTD	Oil cooler for Bomford mower	1,378.97
CROMWELL GROUP HOLDINGS LTD	Workshop Consumables	116.57
CROMWELL GROUP HOLDINGS LTD	Assort grease & lubricants	128.76
Claas Western Ltd	Filters for WX14 LGO	86.11
The Gables Hotel	Room hire & refreshments for 11/09/19	110.00
LISTER WILDER LTD	Yoke & U Joint for Mormat Mower	109.06
LISTER WILDER LTD	Roller brackets, washers & nuts for VX65 HTA	715.58
LISTER WILDER LTD	Roller brackets, washers & nuts for VX65 HVB	715.58
LISTER WILDER LTD	Roller brackets, washers & nuts for AU11 HCH	715.62
LISTER WILDER LTD	Roller end caps & hinges for VX65 HTA	105.10
LISTER WILDER LTD	Roller end caps & hinges for VX65 HVB	105.10
LISTER WILDER LTD	Roller end caps & hinges for AU11 HCH	105.11
LISTER WILDER LTD	Parts for Normat mower	106.46
LISTER WILDER LTD	Fuse holder & studlocks	23.28
K J Conner & Son	Cleaning for September	276.00
Certas Energy UK Ltd	7000 litres Gas Oil	4,746.00
M J FEWS LTD	24,000 mile service to WU17 NVD	540.35
Avon Hydraulics (UK) Ltd	Hydraulic hoses for AU11 HCH	55.08
ClIr Fi Hance	F Hance - Mileages for 25/09/19	14.40
Mary Sykes	M Sykes - Mileages for 25/09/19	18.90
Mrs F Collins	F Collins - Mileages for 25/09/19	26.10
Mr CJN Williams	C Williams - Mileages for 25/09/19	19.80
Mr P Abraham	P Abraham - Mileages for 25/09/19	15.30
LITTLETON MR G	G Littleton - Mileages for 25/09/19	16.20
HORE MR J	J Hore - Mileages for 25/09/19	9.00
Rose Hewlett	R Hewlett - Mileages for 25/09/19	11.25
Mr W J Cornock	J Cornock - Mileages for 25/09/19	5.40

Payments to be Noted

October 2019

<u>Supplier</u>	<u>Details</u>	<u>Amount Paid this Period</u>
Mr J Nichols	J Nichols - Mileages for 25/09/19	5.40
HYSLOP MR R	R Hyslop - Mileages for 25/09/19	22.95
Mr I Ractliffe	I Ractliffe - Mileages for 25/09/19	21.60
Cllr Paul Toleman	P Toleman - Mileages for 25/09/19	17.10
Mr G Simms	G Simms - Mileages for 25/09/19	8.55
Mr K Withers	K Withers - Mileages for 25/09/19	12.60
Tallis Amos Group Ltd	Exhaust manifold, cap screws & gasket for AU11 HCH	466.47
Tallis Amos Group Ltd	Carriage	10.00
NBC Group Ltd	Slewing ring for VX65 HTA	316.39
NBC Group Ltd	Slewing ring for VX65 HVB	316.39
NBC Group Ltd	Slewing ring for AU11 HCH	316.42
HM Land Registry	Land Registry Search	6.00
ENVIRONMENT AGENCY	Precept net of FWG	Invoice FYI 11,410.00
GAP SUPPLIES	Postfast	44.64
ALLCAP LTD	Assort screws	21.12
Moorepay Ltd	Payroll costs for Sep	141.72
MERRETT D C	Transportation for WV12 CWL	240.00
MERRETT D C	Transportatopn of WU16 TZM	120.00
MERRETT D C	Labour on repairs to WU16 TZM - Main Boom Pin	600.00
MERRETT D C	Parts on repairs to WU16 TZM - Main Boom Pin Failure	1,522.21
Claas Western Ltd	Longlife Grease	444.00
JOHN DAVIDSON (PIPES) LTD	Twinwall pipes	1,273.13
CROMWELL GROUP HOLDINGS LTD	Coil Springs, Cutting Discs, Assort Nuts	119.52
The Gables Hotel	Room Hire, Lunch & Refreshments for 25/09/19	473.00
LISTER WILDER LTD	Yoke & U/Joint for Normat Mower	104.80
BNP PARIBAS LEASE GROUP	Quarterly Office telecoms rental	414.00
Smiths (Gloucester) Ltd	Waste Management Services for Sep	35.78
Mr R Godwin	R Godwin - Mileages for 25/09/19	14.40
MOWER DOCTOR	Spark Plugs for Chainsaws	8.64
MOWER DOCTOR	Labour on repairs to Chainsaw	48.00
MOWER DOCTOR	Parts on repairs to Chainsaw	6.60
SWADA	Swada annual subscription 2019/20	700.00
The Trainline.Com	Train travel for LR to Kings Lynn - DRS Training	66.14
FILTRATION LTD	Filters for Bomford Eagle Mower	116.28
FILTRATION LTD	Filters for VX65 HVB	205.30
FILTRATION LTD	Filters for WX14 LGO	426.40
FILTRATION LTD	Filters for WU16 TZM	96.47
FILTRATION LTD	Filters for VX65 HTA	294.29
Motion Consultants Ltd	Marshfield P/S Eel modifications - Aug 19	Invoice FYI 1,024.01
Motion Consultants Ltd	Lapperditch P/S Eel modifications - Aug 19	" " " " 1,024.01
Motion Consultants Ltd	Wicks Green P/S Eel modifications - Aug 19	" " " " 1,024.01
Motion Consultants Ltd	Oldbury P/S Eel modifications - Aug 19	" " " " 1,024.00
Motion Consultants Ltd	Elmore Back P/S Eel modifications - Aug 19	" " " " 5,904.00
Motion Consultants Ltd	Saul P/S Eel modifications - Aug 19	" " " " 1,728.00
Motion Consultants Ltd	Severnside/ Avonmouth consultancy - Aug 19	" " " " 2,688.00
Plan Communications Ltd	Mobile phones bill	258.10
ZEN INTERNET LTD	Monthly internet charge	46.50
Thomas Silvey Ltd	7040 litres Gas Oil	4,688.64
PMC Fluidpower Ltd t/as Group HES	Seals, Washers, Gaskets for VX65 HVB	455.78
PMC Fluidpower Ltd t/as Group HES	Seals, Washers, Gaskets for VX65 HTA	455.79
M J Burgess Ltd	MOT for WN03 NVK	54.00
M J Burgess Ltd	MOT for VN62 RPY	54.00
TAILORMADE OFFICE SUP.LTD	A4 Paper, Labels, Data Sticks, Binding Covers	161.06
Citation Ltd	Legal Fees	309.00
SOUTH GLOUCESTERSHIRE COUNCIL	Business Rates	749.00
Cablestream Ltd	Office phone line rental & calls	87.64
Corona Energy	Wicks Green Electricity 01/09/19 - 30/09/19	37.88
Corona Energy	Lapperditch Electricity 01/09/19 - 30/09/19	25.45
Corona Energy	Elmore Back Electricity 01/09/19 - 30/09/19	160.20
Corona Energy	Saul Electricity 01/09/19 - 30/09/19	21.81
Corona Energy	Oldbury P/S Electricity 01/09/19 - 30/09/19	30.92
Corona Energy	Office Electricity 01/09/19 - 30/09/19	240.73
Corona Energy	Marshfield Electricity 01/08/19 - 31/08/19	28.67

No 1 Account contd.**Lower Severn (2005) Internal Drainage Board****Payments to be Noted****October 2019**

<u>Supplier</u>	<u>Details</u>	<u>Amount Paid this Period</u>
Corona Energy	Marshfield Electricity 01/09/19 - 30/09/19	30.39
		<u>142,034.84</u>

Please note that the amounts shown above include Vat where applicable

Amount Paid this Period	142,034.84
Corona Credit	(54.99)
Kingsley Credit	<u>(45.00)</u>
Amount Paid this Period (Supplier Invoices)	141,934.85

Bank Payments for October 2019

NatWest	Bankline Charge & Bank Charges	<u>66.62</u>
	Amount Paid this Period (Bank Payments)	66.62

Total Amount Paid this Period**£142,001.47****Payments to be Noted August 2019 - October 2019**

Aug 19	45,101.34
Sep 19	75,295.24
Oct 19	<u>142,001.47</u>
Total	£262,398.05

No 2 Account

Lower Severn (2005) Internal Drainage Board Payments to be Noted

Date From : 01/08/2019

August 2019 - October 2019

Date To : 31/10/2019

Payroll Reports FYI

No	Type	Date	N/C	Ref	Details	Net Amount	Tax Amount	Gross Amount	Bank Rec.	
									B	Date
83811	BP	15/08/2019	2231	D/D	Aug 19 Peoples Pension Cont - Jul 19	1,125.60	0.00	1,125.60	R	31/08/2019
83812	BP	19/08/2019	2230	D/D	Glos CC - Pension Cont for Jul	13,480.06	0.00	13,480.06	R	31/08/2019
83813	BP	22/08/2019	2210	D/D	HMRC - Liability for Jul 19	12,328.66	0.00	12,328.66	R	31/08/2019
83814	BP	28/08/2019	2220	D/D	LSIDB Salary for Aug 19	33,543.52	0.00	33,543.52	R	31/08/2019
83815	BP	28/08/2019	2211	D/D	GMB - Union Cont for Aug 19	27.40	0.00	27.40	R	31/08/2019
84115	BP	16/09/2019	2231	D/D	Sep 19 Peoples Pension Cont - Aug 19	1,260.04	0.00	1,260.04	R	30/09/2019
84116	BP	19/09/2019	2230	D/D	Glos CC - Pension Cont for Aug	14,306.86	0.00	14,306.86	R	30/09/2019
84117	BP	20/09/2019	2210	D/D	HMRC - Liability for Aug 19	14,687.37	0.00	14,687.37	R	30/09/2019
84118	BP	27/09/2019	2220	D/D1	LSIDB Salary for Sep 19	38,096.87	0.00	38,096.87	R	30/09/2019
84119	BP	27/09/2019	2211	D/D2	GMB - Union Cont for Sep 19	27.40	0.00	27.40	R	30/09/2019
84373	BP	15/10/2019	2231	D/D	Oct 19 Peoples Pension Cont - Sep 19	1,591.16	0.00	1,591.16	R	31/10/2019
84374	BP	18/10/2019	2230	D/D	Glos CC - Pension Cont for Sep	15,419.97	0.00	15,419.97	R	31/10/2019
84375	BP	22/10/2019	2210	D/D	HMRC - Liability for Sep 19	17,798.80	0.00	17,798.80	R	31/10/2019
84376	BP	28/10/2019	2220	D/D	LSIDB Salary for Oct 19	35,806.07	0.00	35,806.07	R	31/10/2019
84377	BP	28/10/2019	2211	D/D	GMB - Union Cont for Oct 19	28.28	0.00	28.28	R	31/10/2019
						<u>199,528.06</u>	<u>0.00</u>	<u>199,528.06</u>		
						<u>199,528.06</u>	<u>0.00</u>	<u>199,528.06</u>		

Petty Cash**Lower Severn (2005) Internal Drainage Board
Payments to be Noted**Date From: 01/08/2019
Date To: 31/10/2019**August 2019 - October 2019**

No	Type	Date	Ref	Details		Net £	Tax £	Gross £	B	Bank Rec.	Date
83826	CP	01/08/2019	7415	Butties - Working Lunch	Aug 19	9.75	0.00	9.75	R	31/08/2019	
83827	CP	05/08/2019	7416	Co-op - Milk		3.10	0.00	3.10	R	31/08/2019	
83828	CP	12/08/2019	7417	Tesco - Milk		1.89	0.00	1.89	R	31/08/2019	
83829	CP	12/08/2019	7418	Parking for JT		3.75	0.75	4.50	R	31/08/2019	
83830	CP	19/08/2019	7419	Tesco - Coffee, Tea, Sugar		32.47	0.00	32.47	R	31/08/2019	
83831	CP	27/08/2019	7420	Tesco - Milk		1.09	0.00	<u>1.09</u>	R	<u>31/08/2019</u>	
84123	CP	02/09/2019	7421	Tesco - Milk	Sep 19	1.09	0.00	1.09	R	30/09/2019	
84124	CP	02/09/2019	7422	Sweeteners		2.30	0.00	2.30	R	30/09/2019	
84125	CP	09/09/2019	7423	Tesco - 2 x Milks		2.18	0.00	2.18	R	30/09/2019	
84126	CP	11/09/2019	7424	Butties - Working Lunch		14.00	0.00	14.00	R	30/09/2019	
84127	CP	16/09/2019	7425	Waitrose - 2 x Milks		2.00	0.00	2.00	R	30/09/2019	
84128	CP	16/09/2019	7426	Postage		2.64	0.00	2.64	R	30/09/2019	
84129	CP	23/09/2019	7427	Tesco - 2 x Milks		2.18	0.00	2.18	R	30/09/2019	
84130	CP	30/09/2019	7428	Tesco - Milk & decaf Teabags		6.89	0.00	<u>6.89</u>	R	<u>30/09/2019</u>	
84381	CP	07/10/2019	7429	Tescos - 2 x Milks	Oct 19	2.18	0.00	2.18	R	31/10/2019	
84382	CP	14/10/2019	7430	Tescos - 2 x Milks		2.18	0.00	2.18	R	31/10/2019	
84383	CP	15/10/2019	7431	Car Parking for LR - Parkway		13.34	2.66	16.00	R	31/10/2019	
84384	CP	15/10/2019	7432	Evening Meal for LR - DRS		17.00	3.40	20.40	R	31/10/2019	
84385	CP	16/10/2019	7433	Subsistence for travelling for IR		22.46	3.04	25.50	R	31/10/2019	
84386	CP	16/10/2019	7434	Breakfast for LR		5.95	1.19	7.14	R	31/10/2019	
84387	CP	28/10/2019	7435	Tescos - 2 x Milks		2.18	0.00	2.18	R	31/10/2019	
Totals						<u>150.62</u>	<u>11.04</u>	<u>161.66</u>			

Transfers Between Accounts August 2019 - October 2019

Bank	NominalRecord.AccountName	Type	Date	Journal	TransactionNominal.Details	Amount
1200	NAT WEST ACCOUNT NO 1:	JD	16/08/2019	J1395	Tsf from Direct Res to No1 Acc	85,000.00
1200	NAT WEST ACCOUNT NO 1:	JC	16/08/2019	J1396	Tsf from No1 Acc to No2 Acc (Re Wages)	-65,000.00
1200	NAT WEST ACCOUNT NO 1:	JD	06/09/2019	J1403	Tsf from Direct Res to No1 Acc	125,000.00
1200	NAT WEST ACCOUNT NO 1:	JC	06/09/2019	J1404	Tsf from No1 Acc to No2 Acc (Re Wages)	-65,000.00
1200	NAT WEST ACCOUNT NO 1:	JC	27/09/2019	J1408 (010915)	Tsf from lloyds Current to No1 Acc	-150.00
1200	NAT WEST ACCOUNT NO 1:	JD	03/10/2019	J1411	Tsf from Direct Res to No1 Acc	190,000.00
1200	NAT WEST ACCOUNT NO 1:	JC	03/10/2019	J1412	Tsf from No1 Acc to No2 Acc (Re Wages)	-80,000.00
1201	NAT WEST ACCOUNT NO 2:	JD	16/08/2019	J1396	Tsf from No1 Acc to No2 Acc (Re Wages)	65,000.00
1201	NAT WEST ACCOUNT NO 2:	JD	06/09/2019	J1404	Tsf from No1 Acc to No2 Acc (Re Wages)	65,000.00
1201	NAT WEST ACCOUNT NO 2:	JD	03/10/2019	J1412	Tsf from No1 Acc to No2 Acc (Re Wages)	80,000.00
1230	PETTY CASH	JD	27/09/2019	J1408 (010915)	Tsf from lloyds Current to No1 Acc	150.00
1257	Nat West Direct Reserve Acc	JC	16/08/2019	J1395	Tsf from Direct Res to No1 Acc	-85,000.00
1257	Nat West Direct Reserve Acc	JC	06/09/2019	J1403	Tsf from Direct Res to No1 Acc	-125,000.00
1257	Nat West Direct Reserve Acc	JC	03/10/2019	J1411	Tsf from Direct Res to No1 Acc	-190,000.00

**Minutes of the additional Finance & General Purposes Committee of the
Lower Severn (2005) Internal Drainage Board
Meeting held Wednesday 6th November 2019 at 12.00 pm
At the Gables Hotel Falfield**

Present:

Ald C Williams
Mr J Hore
Mr G Littleton
Mr J Cornock

Chairman

Mr G Simms
Cllr M Riddle
Mr M Barnes
Mr R Thatcher

Martin Dear Accounts Officer
Kieran Warren Principal Officer
James Druett Land Drainage Engineer
James Thomas Civil Engineering
Louise Reading Minutes

AO
PO
LDE
CE

2938	Apologies No apologies were received.	
2939	Chairman's Announcements The Chairman informed Members that paragraph C of the Chairman's comments should have stated 'points 6 & 9' not 'points 6 & 8'.	
2940	Declarations of Interest There were no declarations of interest.	
2941	Minutes of the Engineering meeting held on 24th October 2019 The PO informed Members that owing to the importance of the Capital Programme it was sensible that the minutes were noted by the Finance and General Purposes Committee for the purpose of this meeting.	
2942	<p>Update on Capital Programme The PO advised Members that the Capital Programme had been approved by the Engineering Committee.</p> <p><u>Pump Station Replacement Programme</u> The PO acknowledged the significant increase in the Pump Station Replacement Programme figures adding that experience in respect of the Saul installation and external advice had greatly increased officer confidence in the updated figures.</p> <p>The PO requested the Committee's endorsement of the Engineering Committee recommendation, including requesting a 2-year extension from the EA. The Chairman asked that this be done soonest as a negative response would put a huge strain on the Board's Finances.</p> <p>Mr Simms said he was encouraged by the new figures and felt that a regular review of the Programme would reduce the risk of future momentous changes. He also suggested listing the benefits of all programmes to underline the benefits of the works.</p> <p>The PO reminded Members that in addition to legislation there was a huge public benefit by updating the aged pumps, cost savings, health and safety benefits as well as having better access and control via the telemetry system.</p> <p>In response to Mr Littleton's question, the CE confirmed that the new figures were based on worst case scenario.</p>	

	<p>Ald Williams repeated that this was a statutory obligation and the LDE advised that any non-compliant pumps would have to be switched off by the 2025/2026 deadline.</p> <p>Cllr Riddle asked the Engineers to provide a report at the next Board meeting to list the benefits of the new pumps.</p> <p>It was recommended that:</p> <ul style="list-style-type: none"> • The revised Capital Programme, be approved subject to the Engineering Committee meeting more frequently to review the budget and timescales. • The means by which new projects will be assessed and added to the Capital Programme be approved. • The transfer of £200,000 be moved from unallocated income and expenditure reserve to the pump replacement reserve be approved. • The LDE to write to the EA to request an extension from the 2025/2026 deadline for a further 2 years. 	<p><u>Action 1</u> The CE/LDE provide a report at next Board meeting highlighting the benefits.</p>
2943	<p>Machinery Replacement Programme</p> <p>The AO advised that all finances up to 2027/28 would be absorbed within the Machinery Replacement Programme and Pump Station Replacement Programme.</p> <p>The Chairman expressed concerns that the benefits of this new purchase (a Spearhead SPV2 mower/excavator) was not highlighted.</p> <p>Mr Simms added that it would be valuable if all programmes had benefits reported as this provides reasoning and assurance. He also enquired if the Board should be replacing machinery on a need basis not on current criteria of 7000 hours or 7 years.</p> <p>Cllr Riddle echoed both Mr Simms and the Chairman's comments.</p> <p>Mr Hore and Mr Thatcher expressed concerns over the second hand trade in value for the Energreen against the new Spearhead.</p> <p>The LDE explained that having deferred the replacement of the Energreen from last year – the machine was 9 years old and had 10000 hours on the clock - its maintenance and repair bills were becoming excessive.</p> <p>Mr Barnes echoed the LDE's comments and added that its specialist nature affected to the trade in price.</p> <p>The LDE confirmed that the machine cost per metre had not been calculated in reply to Mr Thatcher's question.</p> <p>Mr Barnes agreed that this could be done and expressed his opinion that good machinery was fundamental to maintaining the quality of staff and work efficiency.</p> <p>In response to questions from Mr Thatcher and Mr Cornock about developers' contributions to the machinery, the CE and AO advised that a percentage of these funds were moved across annually to contribute to maintenance and machinery.</p> <p>It was recommended that:</p> <ul style="list-style-type: none"> • The Machinery Replacement Programme be incorporated into the Capital Programme and one reserve set up for all Capital Programme items. 	

2944	Date of Next meeting Members noted that the next F&GP meeting would be held 11 th December 2019.	
	Meeting closed at 12:55 pm	

**Minutes of the Finance & General Purposes Committee of the
Lower Severn (2005) Internal Drainage Board
Meeting held Wednesday 11th September 2019 at 10.30 am
At the Gables Hotel Falfield**

Present:

Ald C Williams
Cllr P Abraham
Mr J Hore
Mr G Littleton

Chairman

Mr Simms
Cllr M Riddle
Mr M Barnes

Martin Dear
Kieran Warren
Louise Reading

Accounts Officer
Principal Officer
Minutes

AO
PO

2905	Apologies: No apologies were received.	
2906	Chairman's Announcements There were no Chairman's announcements.	
2907	Declarations of Interest There were no declarations of interest.	
2908	Minutes of the Previous Meeting It was resolved that: <ul style="list-style-type: none"> The minutes of the Finance & General Purposes Committee Meeting held on 22nd May 2019 be approved. 	
2909	Actions from the previous minutes. Actions 1, 2, 4, 5, 6 & 7 are complete. Action 3 The PO has investigated purchasing training. There is a fixed format to the training offered by several of the providers. The Officers have devised a set of specific requirements and the research for a provider is ongoing. Action 8 The AO informed the members that the second phone line noted on the payment to be confirmed, is a backup line in case we suffer a loss of internet service; our main phone system runs over the internet.	
2910	Matters Arising from the Minutes <u>Minute 2867 Capital Programme</u> Members agreed with Mr Simms question that the validity, need and value of the works undertaken on the Capital Programme would be the prime purpose when allocating reserves. The Capital Programme is driven by the Engineering Committee and Ald Williams informed the Members that he hadn't appreciated that the Engineering Committee only met once a year. Members felt that the Engineering Committee may need to meet more frequently. Mr Barnes explained that historically the Engineering Committee had focused on the purchase of machinery. He noted that it would be	

	<p>prudent to have another meeting each year and this would allow them to develop a capital programme.</p> <p>The PO summarised that a report was being prepared for an Engineering Committee meeting and once approved it would go to the Finance and General Purposes Committee for consideration of the financial implications and then to the Board for approval.</p> <p><u>Bristol Mayor Visit to Avonmouth.</u> Cllr Riddle advised the Members that he had spoken with Marvin Rees to arrange a tour around Avonmouth/ Severnside.</p>	
2911	<p>Treasury Sub Committee Report. Ald Williams informed Members they had agreed to seek advice on investing £150,000 of developer's funds into a Worldwide Tracker.</p> <p>Members noted the Treasury Minutes.</p>	
2912	<p>Risk Register There were no major changes to the Risk Register this year.</p> <p>Mr Simms requested that the annual changes be highlighted for ease when reporting to the Finance and General Purposes Committee.</p> <p>It was resolved that:</p> <ul style="list-style-type: none"> • The Risk Register be forwarded to the Board for noting as per Appendix A. 	
2913	<p>Financial Reports <u>Management Accounts 1st April 2019 – 30th June 2019</u> The Members agreed the first quarters Management Accounts.</p> <p>It was resolved that:</p> <ul style="list-style-type: none"> • The Management Accounts for 1st April 2019- 30th June 2019 be submitted to the Board for approval as per Appendix B. 	
2914	<p><u>Cash Flow</u> The AO presented a healthy cash flow to Members.</p> <p>Mr Simms asked at what point would the funds be shown in the accounts for the Capital programme.</p> <p>The AO explained that the Cash Flow will only show funds on Capital Programmes when the money has actually been spent.</p> <p>Ald Williams reminded Members that £150,000 from the cash flow was to be invested as discussed in minute number 2911. It was also pointed out that the Treasury Meeting had agreed to move cash sums into the 32- and 35-day accounts more regularly. This would maximise return whilst allowing urgent access should the need arise.</p> <p>It was resolved:</p> <ul style="list-style-type: none"> • The cash flow be agreed and noted. 	
2915	<p><u>Developers funds</u> It was resolved that:</p> <ul style="list-style-type: none"> • The Developers Funds be agreed and noted. 	

2916	<p>Medium Term Financial Plan (MTFP) The AO explained that the plan assumed a 0.5p rise in the £1 per year. Any changes to this assumption would change the income figure and hence the level of reserves.</p> <p>The main change to these figures was the pay award.</p> <p>Cllr Riddle stated that some Members had pushed back quite hard at the last rate setting meeting and asked the AO to provide figures based on inflation.</p> <p>The AO confirmed he would be providing figures in different formats for the December meeting.</p> <p>Mr Simms added that despite the push back starting the year with a proposed deficit was not sensible.</p> <p>It was resolved that:</p> <ul style="list-style-type: none"> • The MTFP be agreed and noted. 	
2917	<p>External Audit Report The AO was happy to report that the external audit report was signed off with no issues.</p>	
2918	<p>Defra Report The AO presented the Defra report. No comments were received.</p>	
2919	<p>Default Ratepayers The Members noted 5 rate payers totalling £248.87 have defaulted and that court action will be taken.</p>	
2920	<p>Payments Noted Mr Barnes asked about the cost of the Barcan Kirby invoice for legal and recovery costs in relation to the debt amount. The PO and Cllr Riddle recapped the Boards position that the Board will invariably pursue defaulters.</p> <p>Mr Hore questioned the Just Ecology Invoice for £3620. The PO confirmed that this was for the Slimbridge Water Level Management Plan and that funds had been set aside for this work.</p> <p>It was resolved that:</p> <ul style="list-style-type: none"> • The payments to be confirmed be noted as per Appendix C 	
2921	<p>Date of Next meeting Members noted that the next F&GP meeting would be held 11th December.</p>	
	Meeting closed at 11.15 am	

Lower Severn (2005) Internal Drainage Board

RISK REGISTER

As at 11 September 2019

The owner of this document is the Principal Officer

Category of Risk	Risk	Likelihood (without controls)	Impact (without controls)	Risk Level (without controls)	Risk response and control procedure	Monitoring and Assurance	Actions	Likelihood (with current controls)	Impact (with current controls)	Risk Level (with current controls)	Responsibility
Governance											
G1	Gradual or sudden loss of reputation	High	High	High	Treat As an action or non-action by the Board, employee, subcontractor or supplier. This includes personal behaviour.	Ensure that all risks are minimised. Ensure plans are fulfilled.	Use governance arrangements to utilise monitoring and feedback controls and assurances. Ensure that the Board is sensitive to changes and can respond accordingly. Publicly available website that is regularly updated and reviewed.	Low	High	Medium	Board, PO, AO, LDE, CE
					Treat Inappropriate behaviour by a member of staff. Staff not aware of their importance in maintaining the Board's reputation.	Staff training given on the importance of their actions or non action. Emphasise that they are the contact point for members of the public.	Staff receive ongoing appropriate training. All staff are issued with the Board's approved Employee Handbook.				
G2	Board doesn't have adequate competency/skills to understand or control the business.	Medium	Medium	Medium	Treat 14 elected members, landowners and owner occupiers have a vested interest in ensuring drainage is effective.	The Board consists of 14 elected members and 15 appointed members. The appointed members are determined by the local Councils within the Board's area.	Board members receive appropriate ongoing training. Good Governance Guide, published by ADA, made available to all Members. ADA Good Governance workshop took place in March 2019.	Low	Medium	Low	Board
G3	Difficulty in appointing new Board Members.	Low	Low	Low	Tolerate Board consists of elected and appointed members. Member turnover is low.	Electoral register in place and updated to enable elections to take place. Last elections took place in October 2018.	Open elections for new Board Members due in October 2021.	Low	Low	Low	Board
G4	Susceptibility to concentration of power.	High	High	High	Treat Management meetings held on a regular basis, Chairman and Vice Chairman involved.	There are five committees that report to the Board. Each committee has an appointed Chair.	Segregation of duties and regular meetings between Board and key members of staff to review major issues and future actions. Schemes of delegation to both Chair and Officers in place.	Medium	Medium	Medium	Board

G5	There is no overall strategy for the organisation as a whole.	High	High	High	Treat The Board has a business plan and a corporate strategy.	Business plan in place and reviewed annually.	Regular review of forthcoming reporting deadlines at the Board meetings. Agenda Items for the Board and Committees reviewed annually. The Board operates in accordance with its approved capital and maintenance programmes.	Medium	Medium	Medium	Board
G6	Failure to comply with key legislation, regulations and Corporation requirements.	High	High	High	Treat Regular Board meetings take place.	Reports to Board on new legislation and regulations. Membership of Association of Drainage Authorities (ADA). Regular review of publicly available websites.	Regular review of forthcoming reporting deadlines at the board meetings. Access specialist advice as appropriate.	Low	High	Medium	Board
					Transfer Audit takes place on Management and Accounts to ensure compliance with legislation.	PKF Littlejohn appointed as external auditors by Smaller Authorities' Audit Appointments Ltd. Internal Auditors appointed on a two year contract.					
G7	Board not assuming control of key statutory requirements e.g. Health and Safety and Risk.	High	High	High	Treat Citation appointed as Health and Safety and Human Resources advisors.	Reports to Board. LDE monitors and maintains Health and Safety records.	Board have been made aware of the key legislative requirements to ensure they understand their responsibilities. Board members to attend training courses as appropriate.	Low	Low	Low	Board
					Transfer Indemnity policy is in place so board do not have to pay compensation.	Included in insurance cover with Zurich Municipal. Zurich Municipal appointed on a five year contract.	Level of cover reviewed annually.				
G8	Implementation of Eel Regulations.	High	High	High	Treat Consultants appointed to report on steps to take to meet the statutory regulations.	Engineers to report to Engineering Committee as necessary. Pump replacement programme in place and being implemented..	Frequent update to Engineering Committee and Full Board.	Low	High	Medium	Board

Category of Risk	Risk	Likelihood (without controls)	Impact (without controls)	Risk Level without controls	Risk response and control procedure	Monitoring and Assurance	Actions	Likelihood (with current controls)	Impact (with current controls)	Risk Level (with current controls)	Responsibility
Finance											
V1.	Inaccurate assumptions in place within the Business Plan.	High	High	High	Treat There is a Business Plan in place and it is reviewed annually.	Business plan reviewed by the Board at least annually. Medium Term Financial Plan reviewed by F&GP Committee.	Business Plan stating objectives of the Board is in place. Medium Term Financial Plan prepared.	Medium	Medium	Medium	Board and F&GP Committee
V2	Inadequate internal control resulting in poor financial management.	Medium	High	High	Treat Bishop Fleming have been appointed as Internal Auditors.	Internal Auditors appointed on a two year contract.	Appointed at the September 2018 F&GP meeting.	Low	Medium	Low	Board
V3	Security of deposit takers.	Medium	High	High	Treat Use NatWest as the main bankers. Cash deposits to be placed with any of the four main clearing banks. There are to be two or three deposit accounts. The maximum notice on a notice account to be six months. For fixed term accounts the maximum notice to be six months.	Treasury Sub Committee to review investments and performance.	Regular reporting to the Treasury Sub Committee.	Low	Medium	Low	Board and F&GP Committee
V4	Investments.	High	High	High	Treat Appointed Smith and Williamson as investment managers.	Treasury Sub Committee to review investments and performance.	Regular reporting to the Treasury Sub Committee.	Low	Medium	Low	F&GP Committee
V5	Inaccurate Accounting.	Medium	High	High	Transfer Accounts are audited by External Auditors appointed by Smaller Authorities' Audit Appointments Ltd.	External Auditors report on and certify the Annual Governance and Accountability Return (AGAR).	AO responds and takes action regarding recommendations made by the External or Internal Auditors.	Low	Medium	Low	AO and F&GP Committee
					Treat Accounts Officer to be responsible to the preparation of accounts.	Management Accounts are regularly presented to F&GP Committee and then onto the Full Board.	Accounts/budgets prepared by Accounts Officer.				

V6	Fraud occurring through deliberate activity.	High	High	High	Transfer Internal audit will look for fraudulent activity as part of the annual audit process.	Performed by Internal Auditors	Fraud and whistle blowing policy circulated to all staff.	Medium	Medium	Medium	All Staff
					Treat Chairman and Vice Chairman have access to internet banking.	Access log available.	Accounts Officer has been added as a bank signatory and internet banking. Further segregation of duties.				Board
					Transfer Increased Fidelity Guarantee Insurance.	Cover reviewed annually.	Community insurance cover with Zurich Municipal.				Board and PO
					Treat Fraud policy and whistle blowing policy in place.	Policy in place approved by the Board. Fraud and whistle blowing policy circulated to all staff.	Fraud and whistle blowing policy circulated to new staff.				PO
					Treat Register of members interests held on file.	Register maintained and available for review.	Updated as members interests change.				PO
					Treat Ensure no unauthorised transfer of funds from bank accounts.	Bank signatories regularly reviewed. Monthly bank reconciliations undertaken. Approved financial regulations. Segregation of duties - authorising invoices processing invoices for payment - authorising invoice payment.	Dual authorisation of payments and bank transfers required.				PO and AO
V7	Effect on inflation and exchange rate movements on specific areas.	Low	Low	Low	Treat Budget overspent in year.	Budget agreed by the Board in February. Considered when levy and agricultural rate set by Board in February.	Monitored regularly by F&GP Committee.	Low	Low	Low	Board , F&GP Committee and AO
V8	Impact of movements in interest rates on income.	Low	Low	Low	Treat All cash balances held in approved banks.	Monitoring of budget, Medium Term Financial Plan, Pump Station Reserve and Developer (Commutated Sums) Reserve.	Actual rates and revised estimated presented to Board in February and November. Revision to the Treasury Management Policy approved by the Board in June 2019.	Low	Low	Low	Board, F&GP Committee and AO
V9	Failure to achieve value for money.	Medium	Medium	Medium	Treat Three quotes are obtained for any major purchase over £5,000 unless there are few suppliers. Compliance with Financial Regulations.	AO reviews with LDE/CE.	Chairman and Vice Chairman informed of award and reasons.	Low	Low	Low	Board and AO

Category of Risk	Risk	Likelihood (without controls)	Impact (without controls)	Risk Level without controls	Risk response and control procedure	Monitoring and Assurance	Actions	Likelihood (with current controls)	Impact (with current controls)	Risk Level (with current controls)	Responsibility
Management and Maintenance											
M1	Increased risk of flooding owing to inaccurate assumptions affecting the planned maintenance programme.	Medium	High	High	Treat There is a realistic planned annual maintenance programme.	LDE monitors progress of the plan throughout the year.	Progress regularly reported to the Engineering Committee and the Board.	Low	High	Medium	Board, Engineering Committee and LDE
M2	Inadequate provision for safeguarding the Boards assets. Loss of Machinery through theft or damage.	Medium	High	High	Treat Machines are locked up and fenced off. Spare Machines are available to meet work schedules.	Location is reported daily. Spares either held in workshop, or immediate delivery. Repairs carried out on site/workshop. Assets checked against the Fixed Assets Register. Monthly stocktake undertaken.	Staff training on type of equipment and all aspects of Health, Safety and risk review. All plant machinery insured through Fenton Insurance Services. All machines are tagged.	Low	High	Medium	LDE
M3	Loss of specific personnel leading to work being incomplete on schedule.	Low	High	Medium	Treat Skilled workers are trained up so if one could not work then another could, ensuring minimum down time.	Training schedules are maintained by the LDE.	Staff are trained to use equipment as appropriate.	Low	Low	Low	LDE
M4	Damage to Third Party property or individuals	Medium	High	High	Treat Risk assessments undertaken	Close Supervision by Foreman and LDE. Covered by insurance	Regular staff training and updating of information held re maps, access etc.	Low	High	Medium	LDE
M5	Pumps fail to operate	Medium	High	High	Treat Pumps maintained and checked at regular intervals	Planned maintenance undertaken. Pumps checked by Foreman	Pump replacement programme enacted	Low	High	Medium	LDE
M6	Watercourse unable to convey water	High	High	High	Treat Rhines and ditches regularly cleared of weed growth. Flaps desilted on a regular basis . Culverts regularly checked and cleared out.	Planned maintenance undertaken. Rhines and Ditches checked by Foreman.	Planned annual maintenance schedule.	Low	High	Medium	LDE
M7	Lack of progress of the Biodiversity Action Plan	High	High	High	Treat Aims and objectives are met.	Approved by Board.	Implementation of plan by modifications to standard operations in designated locations and in special projects with partners. Progress regularly reported to the Board on meeting the targets in the plan.	Medium	Medium	Medium	CE and LDE

Category of Risk	Risk	Likelihood (without controls)	Impact (without controls)	Risk Level without controls	Risk response and control procedure	Monitoring and Assurance	Actions	Likelihood (with current controls)	Impact (with current controls)	Risk Level (with current controls)	Responsibility
Human Resources											
HR1	Inability to retain or recruit new staff.	Medium	Medium	Medium	Treat Unsure of role or expectations.	Clear job descriptions in place.	Staff issued with Job Descriptions and Employee Handbook. Open communications through staff meetings and open door policy.	Low	Medium	Low	Board, PO and AO
					Treat Pay review, pensions.	Board agree all pay reviews and changes.	Pay scales are reviewed to ensure they remain competitive.				
					Tolerate Pay in line with expected action of skill level of staff.	Pay scales are set annually, at national level. Changes to staff responsibilities are set against tables/spine points.	Pay scales and conditions are reviewed at least bi-annually to ensure they remain competitive. Non monetary benefits such as holiday entitlement is monitored to ensure that this also remains competitive to aid recruitment and retention.				
					Treat Increase training.	Training schedules are maintained.	Staff receive ongoing relevant training. Computer made available to enable online training to take place.				
					Transfer Pension fund review.	Annual review by actuaries of Glos LGPS. LGPS scheme closed to new staff in July 2015. Staff appointed since August 2015 are auto enrolled into a defined contribution Pension Scheme. The Employee contribution to this scheme is set at 2% above the Government minimum.	LGPS Employer contributions are revised on basis of actuaries triennial review. Review of Employer contribution to defined contribution pension scheme.				

HR2	Incidents to staff.	Medium	High	High	Treat Lone working training, manual handling and use of ladders.	Training schedules are maintained. Skyguard Lone worker system in place.	Where possible restrict amount of lone working.	Low	High	Medium	LDE
					Treat Street work signage training has been given.	Training schedules are maintained.	All workers have completed signage training.				
					Treat Accident occurs which injures a member of staff.	Risk assessments are undertaken before starting a job. Staff wear appropriate Personal Protective Equipment. Staff are trained on machinery before they operate it. Accidents are reported and logged.	All workers have completed appropriate training. The LDE reviews all risk assessments. All staff are issued with the Board's approved Employee Handbook.				
					Treat A member of staff contracts a disease.						
					Treat First aid training.						
					Transfer Fidelity Guarantee Insurance cover.	Cover reviewed annually.	Cover under community Insurance through Zurich Municipal.				
HR3	Loss of key members of staff in a small team.	Medium	Medium	Medium	Tolerate Other drainage boards, Environment Agency and Local Authorities could be asked to advise on operational needs if engineers were to leave.	Member of ADA and in dialogue with other Boards and use of consultants.	Ensure that admin duties are understood by more than one individual. Engineers overlap to ensure spread of knowledge.	Low	Low	Low	AO,LDE and CE

Category of Risk	Risk	Likelihood (without controls)	Impact (without controls)	Risk Level (without controls)	Risk response and control procedure	Monitoring and Assurance	Actions	Likelihood (with current controls)	Impact (with current controls)	Risk Level (with current controls)	Responsibility
Office Systems/IT											
O1	Disaster to office premises/IT.	Low	High	Medium	<p>Treat Can work from home using a Laptop which will have server access.</p> <p>Treat Backups of server daily and once a week major backup.</p>	Business Continuity/Disaster Recovery plan tested satisfactorily in 2011 with Orchard computers.	<p>A disaster recovery plan has been approved and clearly explains the steps that should be taken dependent on the type of disaster that occurs.</p> <p>Orchard Computer services. Daily/weekly backups.</p>	Low	Medium	Low	PO,CE, LDE and AO
O2	Failure to store confidential and personal data in a secure environment.	High	High	High	Treat Ensure compliance with Data Protection Act 2018 and General Data Protection Regulation.	Review of data held annually. Destruction of data that is either out of date or no longer required. Paper records to be destroyed by a secure method and computer records to be deleted and erased.	Ensure that all staff and the Board are aware of the need to keep data secure and the implications of releasing personal sensitive data. Produce a GDPR Document Schedule. Produce a Document retention and destruction timetable.	Low	High	Medium	AO
O3	Failure to provide adequate insurance cover.	Medium	High	High	Transfer Level of Insurance cover is reviewed annually .	Cover reviewed annually.	Cover provided through Zurich Municipal.	Low	Low	Low	AO
O4	Inadequate functionality of IT systems.	Low	Medium	Low	Tolerate IT Systems are updated as and when they are needed. No specific high spec computers are needed, all packages used are basic and non bespoke.	Sage upgrades are incorporated as available. Microsoft Office upgraded as appropriate. Data base holding rating information updated as necessary. Drainage Rating System (DRS) has been implemented.	IT Systems are reviewed on a regular basis. New/upgrades to software packages only purchased as necessary to improve information and efficiency of the business.	Low	Low	Low	PO and CE

Key: CE - Civil Engineer
LDE - Land Drainage Engineer
AO - Accounts Officer
PO - Principal Officer

F&GP Committee - Finance & General Purposes Committee

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

BALANCE SHEET AS AT 30 JUNE 2019

	Note	£	30/06/19 £	30/06/18 £	Variance £	31/03/19 £	Variance £
FIXED ASSETS							
Fixed Assets	1	763,056	763,056	758,527	4,529	692,402	70,654
LONG TERM ASSETS							
Investments		636,139	636,139	600,143	35,996	603,932	32,207
CURRENT ASSETS							
Stock +WiP		45,909		46,817	-908	47,973	-2,064
Trade debtors		5,061		17,635	-12,574	6,773	-1,712
Drainage rate debtors		3,997		3,592	405	96	3,901
Levy Debtors		0		0	0	0	0
VAT Claim		10,595		2,510	8,085	5,829	4,766
Special Levies		0		0	0	0	0
Severnside		0		0	0	0	0
Prepayments		29,342		26,859	2,483	32,280	-2,938
Cash at bank and in hand		695,901		1,089,887	-393,986	852,523	-156,622
Short term deposits		1,052,340		400,769	651,571	501,013	551,327
			1,843,145	1,588,069	255,076	1,446,487	396,658
CURRENT LIABILITIES							
Trade Creditors		-59,982		-24,559	-35,423	-38,061	-21,921
Other Creditors		-28,253		-25,352	-2,901	-25,341	-2,912
Accrued expenses		-5,180		-2,515	-2,665	-6,685	1,505
Finance Leases due within one year		-532		-886	354	-1,016	484
Prepaid Rates	2	-72,905		-71,940	-965	-200	-72,705
Prepaid Levies	2	-324,394		-305,381	-19,013	-1,519	-322,875
Special Levies		0		0	0	0	0
Prepaid Severnside		-31,827		0	-31,827	0	-31,827
			-523,073	-430,633	-92,440	-72,822	-450,251
NET CURRENT ASSETS			1,320,072	1,157,436	162,636	1,373,665	-53,593
TOTAL ASSETS LESS CURRENT LIABILITIES			2,719,267	2,516,106	203,161	2,669,999	49,268
LONG TERM LIABILITIES							
Finance Leases		0		-754	754	0	0
Pension scheme deficit		-1,276,000		-954,000	-322,000	-1,276,000	0
			-1,276,000	-954,754	-321,246	-1,276,000	0
NET ASSETS			1,443,267	1,561,352	-118,085	1,393,999	49,268
FINANCED BY:							
CAPITAL ACCOUNT			666,569	666,569	0	666,569	0
INCOME AND EXPENDITURE ACCOUNT							
Balance brought forward		572,203		523,570	48,633	523,570	48,633
Net surplus for the 3 months		31,149		16,717	14,432	48,633	-17,484
			603,352	540,287	63,065	572,203	31,149
Developer (Commutated Sums) Reserve			904,449	859,304	45,145	914,678	-10,229
Revaluation Reserve			144,583	146,042	-1,459	144,583	0
Pump Station Reserve	3		400,314	303,150	97,164	371,966	28,348
Pension Reserve			-1,276,000	-954,000	-322,000	-1,276,000	0
			1,443,267	1,561,352	-118,085	1,393,999	49,268

Notes

1. Fixed Assets include purchases, sales and depreciation for 3 months to 30 June 2019.
 2. In all cases the balance sheet has been adjusted to reflect receipts and payments made in advance of the period earned or due.
 3. This Reserve is held as cash and increases by £16,667 each month.
- There is a corresponding monthly charge in the income and expenditure account.

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

INCOME AND EXPENDITURE 3 MONTHS TO 30 JUNE 2019

Income	Note	Actual £	Budget £	Variance £	30 June 2018 £	Variance £
Levies charged to Authorities	1	314,769	314,769	0	296,291	18,478
Agricultural Rates	1	29,168	29,168	0	27,572	1,596
Rechargeable works		592	2,000	-1,408	7,334	-6,742
Application fees		150	750	-600	650	-500
Consultancy Fees Recharged		9,174	0	9,174	9,600	-426
Surplus on sale of assets		9,489	9,489	0	605	8,884
Miscellaneous Income		279	0	279	0	279
Foreign Water Grant		41,015	40,963	52	40,210	805
Severnside drawdowns	1	10,609	10,609	0	10,300	309
Interest		1,614	750	864	623	991
Total		416,859	408,498	8,361	393,185	23,674
Expenditure						
Payroll	2	166,345	162,603	-3,742	160,124	-6,221
Office maintenance		4,068	6,288	2,220	4,828	760
Maintenance	3	90,770	97,238	6,468	94,008	3,238
EA Levy		52,425	52,425	0	51,397	-1,028
Motor travel and subsistence	4	6,756	6,171	-585	5,605	-1,151
Communications		1,207	1,312	105	1,257	50
Administration	5	12,845	9,833	-3,012	11,211	-1,634
Engineering Consultancy fees		20,628	18,750	-1,878	15,391	-5,237
M49 culvert consultants fees		0	0	0	0	0
Legal and professional fees		1,524	750	-774	825	-699
Audit and Accountancy fees		0	0	0	0	0
Depreciation		28,565	28,565	0	30,793	2,228
Bank charges		577	750	173	1,029	452
Total		385,710	384,685	-1,025	376,468	-9,242
Surplus for 3 months		31,149	23,813	7,336	16,717	14,432

Notes on Variances

The results for 3 months show a surplus of £31,149 against a budget surplus of £23,813.

The major reasons for the variances are:-

1) In all these cases the income and expenditure has been included for the 3 months irrespective of when the monies are received or paid. The appropriate adjustments are made on the balance sheet.

2) Payroll - Increase due to annual pay award.

3) Maintenance costs analysis is as follows:

	Actual £	Budget £	Variance £	Explanation of major variances
Plant Maintenance	15,138	18,050	2,912	
Maintenance Compensation	0	250	250	
Vehicle, Plant	15,843	21,275	5,432	
Workshop Fixtures & Fittings	6,281	2,650	-3,631	Remedial Electricity works
Pump Station Electricity	1,744	3,213	1,469	
Health & Safety	1,764	1,800	36	
Pump Station Reserve	50,000	50,000	0	
	90,770	97,238	6,468	

4) Administration - Increase due to long service awards.

No 1 Account

Lower Severn (2005) Internal Drainage Board
Payments to be Noted

Page: 1

May 2019

<u>Supplier</u>	<u>Details</u>	<u>Amount Paid this Period</u>
Corona Energy	Wicks Green Electricity	311.55
Corona Energy	Saul Electricity	30.72
Corona Energy	Oldbury P/S Electricity	363.70
Corona Energy	Office Electricity	363.61
Corona Energy	Elmore Back Electricity 01/12/18 - 31/12/18	117.20
Corona Energy	Elmore Back Electricity 01/01/19 - 31/01/19	138.97
Corona Energy	Marshfield Electricity 01/12/18 - 31/12/18	135.66
Corona Energy	Marshfield Electricity 01/01/19 - 31/01/19	68.30
Corona Energy	Lapperditch Electricity 01/12/18 - 31/12/18	36.89
Corona Energy	Lapperditch Electricity 01/01/19 - 31/01/19	107.62
Corona Energy	Office Electricity 01/01/19 - 31/01/19	463.88
Corona Energy	Oldbury P/S Electricity 01/01/19 - 31/01/19	279.14
Corona Energy	Saul Electricity 01/01/19 - 31/01/19	16.80
Corona Energy	Wicks Green Electricity 01/01/19 - 31/01/19	532.99
Orchard Computer Services	New contract - Quarterly Maintenance Cover	389.00
Corona Energy	Office Electricity	391.36
Corona Energy	Oldbury P/S Electricity	481.27
Corona Energy	Saul P/S Electricity	30.10
Corona Energy	Elmore Back Electricity	449.30
Corona Energy	Marshfield Electricity	128.98
Corona Energy	Lapperditch Electricity	41.53
Corona Energy	Wicks Green Electricity	288.40
Molson Equipment Services Ltd	Sensors for WX12 CWL	379.60
TESCO	Petrol for Chainsaws	70.75
HYDRA ENGINEERING SERVICES LTD	Ram repair to VX65 HVB	595.20
HYDRA ENGINEERING SERVICES LTD	Ram repair to WO16 OEY	655.20
HYDRA ENGINEERING SERVICES LTD	Ram repair to Tree Shears	582.00
Miles Tyre & Exhaust Services	Tyre for iW Trailer	68.94
CROMWELL GROUP HOLDINGS LTD	Marker Paint, Welding Rods, Cleaner	144.22
Exac One Ltd	Brackets for VX65 HTA	540.00
Exac One Ltd	Brackets for VX65 HVB	540.00
GREENHAM TRADING LTD	Safety Boots & Wellingtons	226.15
Green Farm Seeds Ltd	Grass Seed	320.00
The Gables Hotel	Room hire & Refreshments for 03/04/19	100.00
CROMWELL GROUP HOLDINGS LTD	Coveralls	55.08
Konica Minolta Business Solutions (UK) Ltd	Quarterly copy charge	188.72
T.H. Chamberlayne & Son	Wicks Green Pump Attendant for 2018/19	840.00
T.H. Chamberlayne & Son	Lapperditch Pump Attendant for 2018/19	840.00
T.H. Chamberlayne & Son	Marshfield Pump Attendant for 2018/19	840.00
Moorepay Ltd	Y/E Payroll Costs	106.80
Severn Controls Ltd (Rewinds Division)	Inspection & remedial works of electricity - Office	1,782.00
Severn Controls Ltd (Rewinds Division)	Inspection & remedial works of electricity - Workshop	1,782.00
Motion Consultants Ltd	Elmore Back Consultancy Fees for Mar 19	1,200.00
Motion Consultants Ltd	Sevenside Consultancy Fees for Mar 19	1,859.78
Pitney Bowes Ltd	Rental of Franking Machine	15.54
Pitney Bowes Ltd	Postage Top Up	413.00
Screwfix Direct Ltd	Safety Boots	74.99
DVLA	Licence for WX09 FYF	165.00
DVLA	Credit card charge	2.50
ENVIRONMENT AGENCY	EA Levy net of FWG	11,410.00
K J Conner & Son	Cleaning for April	276.00
Konica Minolta Business Solutions (UK) Ltd	Quarterley photocopier hire	83.88
Moorepay Ltd	Payroll company changes (AE Rate Increase)	120.00
Moorepay Ltd	Payroll costs for Apr 19	141.72
GAP SUPPLIES	Plasterboard fixings & assort screws	16.75
Avon Hydraulics (UK) Ltd	2 x hose assemblies for WO14 OEY	96.00
Picksons	Spare Mirrors	53.82
BOC LTD	Annual Acetylene rental	225.54
FENTON INSURANCE SOLUTIONS LTD	Addition of Excavator on Loan	1,051.41
FENTON INSURANCE SOLUTIONS LTD	Addition of WV19 FUU	1,352.26

Invoice FYI 11,410.00

Payments to be **Noted****May 2019**

<u>Supplier</u>	<u>Details</u>	<u>Amount Paid this Period</u>
Barcan & Kirby	Legal Services for unpaid invoice	59.60
Barcan & Kirby	Court Fees (Not vatable)	110.00
Smiths (Gloucester) Ltd	Waste Management	35.78
Plan Communications Ltd	Mobile phones bill	238.37
Citation Ltd	Legal Fees	309.00
SOUTH GLOUCESTERSHIRE COUNCIL	Business Rates	749.00
ZEN INTERNET LTD	Monthly Internet charge	46.50
LISTER WILDER LTD	Chainsaw gloves	33.00
LISTER WILDER LTD	Chainsaw helmet	36.91
LISTER WILDER LTD	Gate Hangers	6.53
LISTER WILDER LTD	Chainsaw Trousers	271.69
Mole Country Stores	Stakes & Posts	353.41
Mole Country Stores	Fencing posts	85.43
Mole Country Stores	Wire strainers & posts	120.72
Mole Country Stores	Creosoted posts & barbed wire	409.42
University of Hull	2nd Contribution to Eel Project agreed in 2016	1,200.00
Corona Energy	Wicks Green Electricity	147.80
Corona Energy	Lapperditch Electricity	238.18
Corona Energy	Marshfield Electricity	35.99
Corona Energy	Elmore Back Electricity	392.70
Corona Energy	Saul electricity	16.49
Corona Energy	Oldbury P/S Electricity	30.72
Corona Energy	Office Electricity	378.13
Hydroscand Ltd	2 x hose assemblies for VX65 HVB	53.18
CARR R MR	Rhine Spraying	696.00
CARR R MR	Rhine Spraying Severnside	480.00
MOWER DOCTOR	Files for chainsaws	23.20
Cablestream Ltd	Office phone line rental & calls	88.78
BRITISH TELECOM	Alternative phone line	45.52
Mole Country Stores	Stakes	229.20
		<u>41,303.07</u>

Please note that the amounts shown above include Vat where applicable

Amount Paid this Period	41,303.07
Molson Credit	(229.20)
Amount Paid this Period (Supplier Invoices)	41,073.87

Bank Payments for May 2019

NatWest	Bankline Charge & Bank Charges	<u>349.16</u>
	Amount Paid this Period (Bank Payments)	349.16

Total Amount Paid this Period
£41,423.03

Payments to be **Noted****June 2019**

<u>Supplier</u>	<u>Details</u>	<u>Amount Paid this Period</u>
Mr J Nichols	J Nicholls - Mileages for 13/03/19	0.90
Halfords	Replacement radio for WX14 LGO	50.00
Halfords	Test Thermomet	4.99
RS COMPONENTS LTD	Replacement strip lights for workshop	155.98
TESCO	Petrol for chainsaws	24.99
metals4U.co.uk	Steel for workshop	250.49
Orchard Computer Services	Quarterly Maintenance Cover	389.00
Oakham Treasures	Annual storage of machines 01/05/19 - 30/04/20	1,200.00
LISTER WILDER LTD	Replacement parts for chainsaws	235.86
TAILORMADE OFFICE SUP.LTD	A4 Paper, Envelopes, Notebooks	107.85
Avon Industrial Doors Ltd	Roller Shutter Doors	4,488.00
Gloucestershire LGPS	FRS 102 Report	300.00
Green Farm Seeds Ltd	Grass Seed	320.00
Anthony Brookes Surveys Ltd	Survey on Elmore Back P/S	1,482.00
Mr CJN Williams	C Williams - Mileages for 22/05/19	19.80
LITTLETON MR G	G Littleton - Mileages for 22/05/19	16.20
Mr P Abraham	P Abraham - Mileages for 22/05/19	15.30
CIlr P Awford	P Awford - Mileages for 22/05/19	30.60
HORE MR J	J Hore - Mileages for 22/05/19	9.90
CROMWELL GROUP HOLDINGS LTD	Holesaws & assort cutting discs	155.64
Ford Fuel Oils	Chainsaw Oil	87.11
K J Conner & Son	Cleaning for May	276.00
Motion Consultants Ltd	Consultancy advice for Severnside for Apr 19	Invoices FYI 5,742.16
Motion Consultants Ltd	Modifications to Elmore Back P/S for Apr 19	" " " " 1,512.00
Motion Consultants Ltd	Contract Management of Saul P/S for Apr 19	" " " " 1,344.00
TESCO	Petrol for Chainsaws	47.55
TESCO	Water for Office	14.70
Safetyliftinggear.com	Lifting & towing chains	144.82
Chainsdirect Ltd	Replacement chains for Chainsaws	466.40
Sawbits.co.uk	Replacement coils for chainsaws	63.46
Workshopping.co.uk	Wire wheel for bench grinder	24.47
The Green Spark Plug Company Ltd	Sparkplugs for Chainsaws	15.50
ENGINEERING & HIRE LTD	Replacement knives	Invoice FYI 1,080.00
ENGINEERING & HIRE LTD	Weed bucket for JCB	" " " " 5,520.00
RS COMPONENTS LTD	Battery & Fuses	11.84
GAP SUPPLIES	Cement & Concrete blocks	387.74
The Gables Hotel	Room hire & Refreshments for 22/05/19	110.00
Orchard Computer Services	Pro rata anti virus until renewal	12.60
Orchard Computer Services	Computer for Training & Email accts for workmen	2,688.00
Mike's Travel	Coach hire for Swada	175.00
Smiths (Gloucester) Ltd	Waste management	35.78
Mole Country Stores	Creosoted stakes	390.00
Mole Country Stores	Barbed wire	131.76
Moorepay Ltd	Payroll costs for May	141.72
Plan Communications Ltd	Mobile phones bill	223.20
ZEN INTERNET LTD	Monthly internet charge	46.50
Mr CJN Williams	C Williams - Mileages for 05/06/19	19.80
Rose Hewlett	R Hewlett - Mileages for 05/06/19	11.25
CIlr Fi Hance	F Hance - Mileages for 05/06/19	19.80
CIlr Bronwen Behan	B Behan - Mileages for 05/06/19	26.10
LITTLETON MR G	G Littleton - Mileages for 05/06/19	16.20
Mrs F Collins	F Collins - Mileages for 05/06/19	26.10
Mr W J Cornock	J Cornock - Mileages for 05/06/19	5.40
Mr J Nichols	J Nicholls - Mileages for 05/06/19	5.40
Mary Sykes	M Sykes - Mileages for 05/06/19	20.25
Mr P Abraham	P Abraham - Mileages for 05/06/19	15.30
Mr K Withers	K Withers - Mileages for 05/06/19	13.50
CIlr Paul Toleman	P Toleman - Mileages for 05/06/19	17.10
HYSLOP MR R	R Hyslop - Mileages for 05/06/19	22.95
Mr R Thatcher	R Thatcher - Mileages for 05/06/19	31.50

Payments to be **Noted****June 2019**

<u>Supplier</u>	<u>Details</u>	<u>Amount Paid this Period</u>
MERRETT D C	Transportation of WU16 TZM	180.00
SOUTH GLOUCESTERSHIRE COUNCIL	Business Rates	749.00
Citation Ltd	Legal Fees	309.00
Workshopping.co.uk	Delivery omitted from original invoice	7.14
CROMWELL GROUP HOLDINGS LTD	Workshop Consumables	244.94
The Gables Hotel	Room hire & refreshments for 05/06/19	175.00
PMC Fluidpower Ltd t/as Group HES	Hydraulic fittings for VX65 HVB	226.54
Just Ecology Environmental Consultancy Ltd	Implementation of Slimbridge WLMP - Invoice 1	3,620.00
Cablestream Ltd	Office phone line rental & calls	73.02
Skyguard Ltd	Annual Lone worker subs (12 men)	1,866.24
Corona Energy	Elmore Back Electricity 01/04/19 - 30/04/19	146.12
Corona Energy	Elmore Back Electricity 01/05/19 - 31/05/19	136.56
Corona Energy	Wicks Green Electricity 01/04/19 - 30/04/19	91.82
Corona Energy	Wicks Green Electricity 01/05/19 - 31/05/19	20.18
Corona Energy	Marshfield Electricity	25.04
Corona Energy	Lapperditch Electricity	23.92
Corona Energy	Saul Electricity	16.33
Corona Energy	Oldbury P/S Electricity	31.20
Corona Energy	Office Electricity	313.55
		<u>38,456.06</u>

Please note that the amounts shown above include Vat where applicable

Amount Paid this Period	38,456.06
Corona Credit	<u>(540.50)</u>
Amount Paid this Period (Supplier Invoices)	37,915.56

Bank Payments for June 2019

NatWest	Long Service Award for 3 x Existing Employees (Back Pay)	2,550.00
	Bankline Charge & Bank Charges	<u>99.97</u>
	Amount Paid this Period (Bank Payments)	2,649.97

Total Amount Paid this Period
£40,565.53

Payments to be **Noted****July 2019**

<u>Supplier</u>	<u>Details</u>	<u>Amount Paid this Period</u>
Orchard Computer Services	Quarterly Maintenance Cover	389.00
Boars Head	Refreshments for Swada (To Re-charge)	28.40
Sawbits.co.uk	Replacement parts for chainsaws	35.13
Boars Head	Swada Lunch (To be re-charged)	78.00
Screwfix Direct Ltd	Makita batteries & charger	354.99
DVLA	Licence for WU17 NVD	260.00
DVLA	Licence for WU17 NVD - Credit card charge	2.50
DVLA	Licence for WN03 NVK	260.00
DVLA	Licence for WN03 NVK - Credit card charge	2.50
DVLA	Licence for WU16 TZM	165.00
DVLA	Licence for WU16 TZM - Credit card charge	2.50
DVLA	Licence for WP18 GXY	260.00
DVLA	Licence for WP18 GXY - Credit card charge	2.50
Eurocarparts	Filters for WN03 NVK	45.08
Eurocarparts	Filters for VN62 RPY	26.30
RS COMPONENTS LTD	Switched for VX65 HVB	13.32
RS COMPONENTS LTD	Chargers	73.99
Hydrosand Ltd	2 x Hydraulic hoses for VX65 HVB	35.87
Water Environment Ltd	Lapperditch P/S Data Collection (Eel Regs Pumps)	Invoices FYI 2,700.60
Water Environment Ltd	Marshfield P/S Data Collection (Eel Regs Pumps)	" " " " 2,700.60
Water Environment Ltd	Plot 2 Modelling (Re-Charged)	" " " " 10,374.00
Avon Hydraulics (UK) Ltd	Hosesd & Fittings for WV19 FUU	432.00
Avon Hydraulics (UK) Ltd	Fittings for cutter bar on VX65 HTA	208.58
Tubosider Uk Ltd	Assort Galv Pipes	2,260.80
Pitney Bowes Ltd	Franking Machine Hire for May & Jun	31.08
Clacket North	Subsistence for JT & JD - Isle of Sheppey Visit	15.96
Moto Reading	Subsistence for JT & JD - Isle of Sheppey Visit (No	11.77
Sawbits.co.uk	Ignition coil for chainsaw	24.48
TESCO	Petrol for chainsaws	24.92
CROMWELL GROUP HOLDINGS LTD	Various Work Trousers	59.87
Certas Energy UK Ltd	5999 litres Gas Oil	3,740.50
ENGINEERING & HIRE LTD	Replacement Ridding Bucket Parts for AU11 HCH	Invoice FYI 1,153.54
ENGINEERING & HIRE LTD	Replacement Ridding Bucket Parts for WX12 CWL	" " " " 1,153.54
ENGINEERING & HIRE LTD	Replacement Ridding Bucket Parts for WO14 OEY	" " " " 1,153.54
ENGINEERING & HIRE LTD	Replacement Ridding Bucket Parts for VX65 HTA	" " " " 1,153.54
ENGINEERING & HIRE LTD	Replacement Ridding Bucket Parts for VX65 HVB	" " " " 1,153.54
ENGINEERING & HIRE LTD	Replacement Ridding Bucket Parts for WU16 TZM	" " " " 1,153.57
PMC Fluidpower Ltd t/as Group HES	Valve assemblies for Normat Mower	784.38
PMC Fluidpower Ltd t/as Group HES	2 x Hydraulic Hoses for WV19 FUU	37.37
Moreton C Cullimore (Gravels) Ltd	Type 1 Stone	149.69
LISTER WILDER LTD	Axle Valve for VX65 HVB	397.44
K J Conner & Son	Cleaning for June	276.00
Kingsley Welding Alloys Ltd	Welding Helmet & Respiratory Power Kit	649.80
Thornbury Motors	Petrol for Chainsaws/Strimmers	25.74
John Lewis & Partners	Kitchen Appliance	25.00
HM Land Registry	Land Registry Search	3.00
HM Land Registry	Land Registry Search	6.00
HM Land Registry	Land Registry Search	6.00
HM Land Registry	Land Registry Search	6.00
ENVIRONMENT AGENCY	Precept net of FWG	Invoice FYI 11,410.00
Avon Hydraulics (UK) Ltd	Hydraulic hose for WX14 LGO	48.00
Barcan & Kirby	Debt Recovery	734.40
Barcan & Kirby	Debt Recovery	20.00
GAP SUPPLIES	Hinges & Gutter Sealant	9.37
GAP SUPPLIES	Type 1 Stone	381.77
Motion Consultants Ltd	Elmore Back Pump Station Modifications	Invoices FYI 4,269.24
Motion Consultants Ltd	Oldbury P/S Modification Design	" " " " 1,842.92
Motion Consultants Ltd	Marshfield P/S Modification Design	" " " " 1,842.92
Motion Consultants Ltd	Lapperditch P/S Modification Design	" " " " 1,842.92
Motion Consultants Ltd	Wicks Green P/S Modification Design	" " " " 1,842.92

Payments to be **Noted****July 2019**

<u>Supplier</u>	<u>Details</u>	<u>Amount Paid this Period</u>
Motion Consultants Ltd	Elmore Back P/S Modification Design	Invoice FYI 1,842.95
Motion Consultants Ltd	Saul Pump Station Modifications	" " " " 2,760.00
Motion Consultants Ltd	Avonmouth Consultancy Advice for May	" " " " 2,521.08
BNP PARIBAS LEASE GROUP	Office Telecoms Rental	462.00
LISTER WILDER LTD	Spare Windscreen Wipers	27.79
TAILORMADE OFFICE SUP.LTD	A4 Paper, Box Files, Envelopes	122.85
TAILORMADE OFFICE SUP.LTD	Replacement arms for chair	31.19
CROMWELL GROUP HOLDINGS LTD	Assort welding rods & Fencing tools	312.59
CROMWELL GROUP HOLDINGS LTD	Assort combination spanners	25.45
CROMWELL GROUP HOLDINGS LTD	C/Sunk screws	19.94
Moorepay Ltd	Payroll costs for June	141.72
Halfords	Rain repellent Sprays	47.94
Plan Communications Ltd	Mobile phones bill	298.90
Joe Turner (Equipment) Ltd	Flails for VX65 HTA	177.36
Joe Turner (Equipment) Ltd	Flails for VX65 HVB	177.36
Certas Energy UK Ltd	2000 litres Derv	2,429.04
Wandfluh UK Ltd	Valve cartridge for VX65 HVB	111.16
Smiths (Gloucester) Ltd	Waste management	35.78
ZEN INTERNET LTD	Monthly internet charge	46.50
Citation Ltd	Legal Fees	309.00
SOUTH GLOUCESTERSHIRE COUNCIL	Business Rates	749.00
CROMWELL GROUP HOLDINGS LTD	Sockets, Rechargeable LED, Wire Brushes	143.12
Mole Country Stores	Round rails	118.32
Hydroscand Ltd	2 x Hydraulic hoses for WV19 FUU	34.73
HYDRA ENGINEERING SERVICES LTD	1st Ram repair to Bomford Mower	333.60
HYDRA ENGINEERING SERVICES LTD	2nd Ram repair to Bomford Mower	333.60
LISTER WILDER LTD	Chain Brake Lever for chainsaw	28.87
Batsford Timber Ltd	Assort Creosoted stakes, Rails, Barbed Wire	4,376.74
MERRETT D C	Transportation of WO14 OEY	300.00
Hydroscand Ltd	Fittings for VX65 HVB	23.02
Corona Energy	Oldbury P/S Electricity	63.86
Corona Energy	Saul P/S Electricity	16.33
Corona Energy	Elmore Back P/S Electricity	106.06
Corona Energy	Marshfield P/S Electricity	78.42
Corona Energy	Lapperditch P/S Electricity	46.00
Corona Energy	Wicks Green P/S Electricity	265.43
Corona Energy	Office Electricity	247.89
Cablestream Ltd	Office phone line rental & calls	78.77
		<u>77,396.75</u>

Please note that the amounts shown above include Vat where applicable

Amount Paid this Period 77,396.75
Amount Paid this Period (Supplier Invoices) 77,396.75

Bank Payments for July 2019

NatWest	Bankline Charge & Bank Charges	<u>84.22</u>
	Amount Paid this Period (Bank Payments)	84.22

Total Amount Paid this Period

£77,480.97

Payments to be Noted May 19 - Jul 19

May 19	41,423.03
Jun 19	40,565.53
Jul 19	<u>77,480.97</u>
Total	£159,469.53

**Minutes of the Finance & General Purposes Committee of the
Lower Severn (2005) Internal Drainage Board
Meeting held Wednesday 22nd May 2019 at 10.30 am
At the Gables Hotel Falfield**

Present:

Ald C Williams
Cllr P Abraham
Mr J Hore
Mr G Littleton

Chairman

Cllr M Riddle
Mr M Barnes
Mr P Awford

Martin Dear
Kieran Warren
Louise Reading

Accounts Officer
Principal Officer
Minutes

AO
PO

2860	Apologies: Apologies were received from Mr R Thatcher. No apologise were received from Mr Cornock & Mr Simms	
2861	Declarations of Interest There were no declarations of interest.	
2862	Minutes of the Previous Meeting It was resolved that: <ul style="list-style-type: none"> The minutes of the Finance & General Purposes Committee Meeting held on 23rd January 2019 be approved as a correct record. 	
2863	Actions from the previous minutes. Action 1 –IT Support contract to be accepted completed by PO. Action 2 – Board Chairman to write to BCC Mayor is outstanding.	
2864	Treasury Sub Committee Report. Mr Littleton acknowledged that there was some dissatisfaction with Smith & Williamson(S&W) investment management in 2018. Ald Williams informed the committee that the market had improved significantly in the first quarter of 2019. The AO had drafted a letter to S&W to record concerns and that we would monitor investments in 2019.	
2865	Treasury Sub Committee – Terms of Reference The AO presented the Treasury Sub Committee Terms of Reference for consideration. Ald Williams highlighted that dependent on future discussions around reinvestment of funds then these would need to be amended. Mr Barnes concurred that these would be amended to reflect any changes going forward in line with other Committee Terms of Reference. The Committee discussed under Minute 2870 and agreed that authority should be given to the AO to move unallocated sums & cash between the bonus account and the Deposit account, in line with business needs to ensure maximum interest can be received on return.	

	<p>It was recommended that:</p> <ul style="list-style-type: none"> • The Treasury Sub Committee Terms of reference (Appendix A) be amended to authorise the AO to move unallocated sums and cash between the Bonus Saver and Deposit accounts to ensure maximum return and then be submitted to the Board for approval. 	
2866	<p>Treasury Management Policy The AO explained that the Treasury Management Policy required updating to reflect the current position.</p> <p>It was recommended that: The Treasury Management Policy (Appendix B) be presented to the Board for approval.</p>	
2867	<p>Capital Programme The PO reported that there had always been a Capital programme, however it hadn't been formalised. The PO had sent out a proforma to members welcoming comments and proposals.</p> <p>There are projects in the pipeline, however consideration needs to be given. Projects should be prioritised by importance.</p> <p>Mr Awford informed the Committee that the Cornham was under review with the EA and other flood teams as it could play a crucial role in future flood defence systems to address the expected tidal push of 1m by 2050 and that any work completed by the Drainage Board may be lost.</p> <p>Cllr Riddle asked the AO once all the capital programmes were added together what the outcome was on surplus funds.</p> <p>The AO responded that once the Board approve the Capital Programme, funds would be allocated from the unallocated funds. Projects would be reflected in the accounts independently much like the pump station programme. This along with a budget for potential overspend on the pumps will see a notable decrease in surplus funds.</p> <p>Cllr Riddle commented that when this is taken into consideration the next Board meeting it should be reassuring to members that the surplus of reserves is not an issue.</p> <p>Mr Hore put forward whether purchasing training for the Engineers may be beneficial in light of an increase in large purchases being made. The PO agreed to take this to the next Officers meeting.</p>	<p>Action 1 PO to discuss possible purchasing training with Engineers</p>
2868	<p>Financial Regulations Level of Reserves. The PO conveyed that the Governance and Probity Committee considered changing the Financial Regulations in light of the level of reserves. The Governance & Probity Committee agreed this was not necessary.</p> <p>Cllr Riddle added that he felt nervous about changing a policy to fit in with a short-term issue which is being dealt with.</p>	

	<p>The Committee were happy with the Governance & Probity Committees recommendation that there be no changes going to the Board for approval.</p>	
2869	<p>Internal Audit Report.</p> <p>The Internal Auditors carried out 31 tests and the IDB have received 3 green level outcomes and 1 amber level outcome. The POs report contained proposed actions to remedy this and was considered by the Committee.</p> <p>The PO advised that he was fairly happy with the report.</p> <p>Ald Williams noted that in line with the proposed action for the petty cash limit being set at £50, the Financial Regulations would need to be amended to reflect this.</p> <p>It was resolved that: The Internal Audit proposed actions are approved and that the Financial Regulations are amended to incorporate this.</p>	
2870	<p>Accounts Officer Report</p> <p><u>Management Accounts 1st April 2018 – 231st March 2019</u></p> <p>The annual Management Accounts showed a surplus of £48,633 against a budget of £17,460. The surplus is similar to previous years.</p> <p>Ald Williams asked the AO why the investment figure did not match the developer commuted sums figure. The AO explained this was due to cash reserves and the figure on the cash flow is the difference.</p> <p>It was recommended that:</p> <ul style="list-style-type: none"> • The Management Accounts be submitted to the Board for approval. <p><u>Reconciliation of Accounts to the AGAR statement.</u></p> <p>The AO explained that the auditors like to see the accounts on a cash basis and so this has been produced as well. This also provides a reconciliation between the management accounts and the AGAR.</p> <p><u>Annual Governance & Accountability Return 2018/2019</u></p> <p>Page 52 is the internal audit report and this has been completed and signed by Bishops Fleming. Page 53 in the Annual Governance Statement which has been completed and will be signed by Kieran Warren and the Boards Chair on approval from the board. Page 54 is the accounting statements and page 55 is completed by the external auditor and will remain blank until September.</p> <p>It was recommended that:</p> <ul style="list-style-type: none"> • The AGAR be submitted to the Board for approval <p><u>Cash Flow to 31st March 2020</u></p> <p>The AO offered an annual cashflow. He informed the Committee that this would change from month to month but is a good indicator of cash reserves.</p> <p>Ald Williams asked why money from the Bonus Saver couldn't be invested in the short term 35 days deposits account to maximise the return on the IDB's cash reserves and recommend that discretionary powers be given to the AO to move money as appropriate in line with business needs.</p>	

	<p>Cllr Abraham mentioned this had been raised previously with no solution and concurred with Ald Williams suggestion as long as regular updates were provided to the Committee in line with best practise.</p> <p>Mr Awford asked should this go to the Board for approval.</p> <p>Ald Williams & the AO believed this sat under the remit if the Finance & General Purposes Committee however as the Treasury Sub Committee Terms of Reference were going for Board approval then they would approve this via recommendation under minute 2865.</p> <p><u>LGPS Pension figures</u></p> <p>These figures were noted by the Committee who agreed that the reduction liability had been helped by the closure of the scheme in 2015. The scheme would continue to be monitored.</p> <p><u>Insurance Policies 2019/2020</u></p> <p>Policies have been renewed for another year with a reduction with Zurich. Ald Williams asked if members were happy with cover. Discussion was had around legal expenses and the AO confirmed there was legal cover with the Zurich Policy. The Committee agreed that the insurance was sufficient.</p> <p>It was recommended that:</p> <ul style="list-style-type: none"> • The insurance policies be presented to the Board for approval and signing by the Chair. 	
2871	<p>Payments Noted</p> <p>Members noted the payments made between 1st January 2019 and 30th April 2019 and transfers made between accounts.</p> <p>Mr Hore enquired about a repair invoice from Claas Western Ltd and reviewed the invoice and was satisfied.</p> <p>Ald Williams enquired about the BT invoice for an alternative phone line. The PO will confirm this at the next meeting.</p>	
2872	<p>Date of Next meeting</p> <p>Members noted that the next F&GP meeting would be held 11th September 2019 at 10.30am at The Gables</p>	
	Meeting closed at 11.30 am	

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

TERMS OF REFERENCE

OF THE TREASURY SUB COMMITTEE

To be approved

Matters for determination by the Sub Committee.

1. To ensure that the Sub Committee meets at least twice a year.
2. To determine the future investment strategy of the funds held as long term investments, having taken professional advice.
3. To reinvest the income accumulated from the long term investments, having taken professional advice.
4. To undertake portfolio reviews of the investment strategy twice a year.
5. To plan cash management and determine the placing of short term cash surpluses in deposit accounts on an annual basis.

Matters for recommendation by the Sub Committee to the Finance and General Purposes Committee

6. To review the Treasury Management Policy.
7. To review the Capital Financing and Reserves Policy annually.

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

Treasury Management Policy

Date: 22/05/2019 Version: 2019/02 Author: MD

To be approved at the Board Meeting on 5 June 2019

Introduction

The primary principle governing the Board's investment criteria is the security of the financial institution in which the Board places its funds. Yield/return and liquidity are also key considerations.

1. The Board's funds

Approved Financial Institutions

The Board's principal banker is NatWest.

Cash may be deposited with any of the four main clearing banks (NatWest, Lloyds, Barclays and HSBC).

2. Accountabilities

The Treasury Sub-Committee will determine the amount of cash that is available for deposit with the four main clearing banks.

In addition to the NatWest Direct Reserve account, there will be two or three other deposit accounts.

Cash may be deposited in instant access accounts, fixed term accounts or notice accounts

If deposited in a fixed term account then the maximum fixed term period is six months.

If deposited in a notice account then the maximum notice period is six months.

The Accounts Officer to have flexibility to allocate funds between accounts in order to attract the best return.

3. Funds received from Developers

Under minute No. 2218 at 24 June 2015 Board Meeting, the Board approved the appointment of Smith & Williamson Investment Managers. They manage the fund on a non- discretionary basis.

The Board resolved to invest £500,000 of the funds into a balanced multi asset portfolio.

The income from these investments are to be re-invested.

The Treasury Sub-Committee has the authority to invest future sums received from Developers. Before investing any future sums received, the Treasury Sub-Committee must take into account the cash flow requirements of the Board.

The Treasury Sub-Committee has the authority to agree into which funds these should be invested following consultation with Smith & Williamson.

Lower Severn (2005) Internal Drainage Board

Internal Audit Report 2018/19



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INTRODUCTION

As stated in our engagement letter, you have instructed us to undertake a series of Internal Audit visits for the Board. We understand this role is to provide you, the Board of Members, with additional assurance as part of an on-going independent oversight of the Board's financial affairs, in addition to the internal procedures already carried out by the Board's Finance Department. The Financial Regulations have been reviewed and discussed with the Finance Department at the start of each visit to ensure thorough understanding of the internal controls being tested.

In accordance with instructions given to us, we have prepared our report solely for the confidential use of Lower Severn (2005) Internal Drainage Board. It may not be relied upon by Lower Severn (2005) Internal Drainage Board for any other purpose. Our report must not be recited or referred to in whole or part in any other document and must not be made available, copied or recited to any other party without our express written permission. Bishop Fleming neither owes nor accepts any duty to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by their reliance on our report.

Matters that we consider should be brought to your attention and recommendations we have for possible improvements are summarised in the columns in section 2 - the final 'outcome' column uses a 'traffic light' system.

TRAFFIC LIGHT SYSTEM COLOUR KEY

The key is as follows;



This recommendation must be addressed as a matter of priority, as the required internal controls are not currently in place.



This recommendation should be addressed as weaknesses have been identified with the current internal controls.



This recommendation will improve the current internal controls and be in line with best practice.



No recommendation, as the internal controls in place are sufficient.



At the time of our visit there was nothing to report on this particular area.

NOTE TO MEMBERS:

If we were to report on two previous occasions that a particular control we have tested has been 'amber' then it will automatically be reported as 'red' on the next report, if no improvements to the internal control have been made.

If in any report a control has been reported as 'red' we will re-visit this particular test at our next visit to assess whether new procedures have been introduced.

SUMMARY

This report documents the findings from our visit during February 2019 in which we reviewed the systems in place at the Board.

Overall, it appears that there are adequate procedures and policies in place. However, we have made 4 recommendations in this report, 1 of which is amber.

Review	Number of recommendations		
	Red	Amber	Green
Purchases	0	0	1
Risks and Budgets	0	0	0
Income and Debtors	0	0	0
Bank and Petty Cash	0	1	1
Wages and Payroll	0	0	1
Fixed Assets and Investments	0	0	0
Accounting Systems	0	0	0



The issues identified are summarised below:

- Two purchases orders and one purchase invoice had not been authorised appropriately.
- Bank reconciliations were not being reviewed by an appropriate member of the finance team.
- Petty cash claims were not always supported by receipts. There was also an instance of the VAT on a petty cash claim not being recorded correctly on the accounting system.
- Payroll prints were not being reviewed by an appropriate member of the finance team and there was no segregation of duties in the preparation of payroll.

Follow up on previous recommendations

During the visit we were able to follow up on 4 recommendations made in our previous report. At the date of our visit, all prior recommendations had been accepted and appeared to be working in practice. Details of these can be found on pages 21-22 of this report.

PURCHASES

TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
Test 1: Gain an understanding of the purchasing system in place at the Board and ensure procedures are being carried out in line with the financial regulations.	A copy of the Board's financial regulations was obtained. The purchases system was discussed with the Admin/Payroll Officer who fully understood the procedures and was aware of all authorisation limits.	The finance team fully understand the financial regulations and can confirm that procedures are being carried out in line with them.	There are no recommendations to be made at this time.	
Test 2: Select 20 purchases made within the period and ensure: <ul style="list-style-type: none"> that quotes were obtained where over the prescribed level that the order has been placed with an appropriate supplier the order was correctly authorised in line with the systems described above invoice agrees to order invoice correctly authorised payment correctly recorded in accounting system payment correctly authorised VAT has been correctly posted to the accounting system for each transaction 	<p>A sample of 20 transactions from throughout the year were selected for testing. The transactions were agreed to purchase orders (POs) and invoices to ensure that details matched and that authorisation was appropriate.</p> <p>All purchases could be matched to POs, which were dated prior to the corresponding invoices.</p> <p>Two purchase orders were found to have not been authorised and one invoice had not been authorised for payment.</p> <p>The invoice details, including VAT amounts, had been correctly posted to Sage.</p>	<p>Expenditure tested appeared in most cases to be properly documented and purchase orders had been completed for all orders.</p> <p>However, two purchase orders and one invoice had not been documented as authorised in line with the financial regulations. This could lead to invoices being paid where an order is incorrect or not genuine.</p>	<p>It is recommended that all purchase orders are authorised by a relevant person prior to the order being placed.</p> <p>It is recommended that invoices are not paid until they have been checked and authorised.</p>	



Lower Severn (2005) Internal Drainage Board
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TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
Test 3: Regularity testing for each item of expenditure tested, ensure: <ul style="list-style-type: none"> that the expenditure is necessary that the expenditure is appropriate for the Board that value for money has been considered that the expenditure was not for an employee's personal use. 	All expenditure which was tested appeared to be reasonable and appropriate for the Board. There were no indications that purchases were for personal use or that the cost was not value for money.	Comfort has been gained that the expenditure tested is necessary, reasonable and not for the personal use of any employees.	There are no recommendations to be made at this time.	<div>W</div>

RISK AND BUDGETS

TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
<p>Test 1: Ensure there is a Risk Register in place and it is regularly updated. Review the adequacy of arrangements made to manage the risks and ensure controls are relevant and up-to-date.</p> <p>Ensure fraud risk is considered within the Risk Register.</p>	<p>The Accounts Officer confirmed that the Risk Register is reviewed throughout the year and is updated annually. This was last carried out in December 2018 and is a responsibility of the Finance & General Purposes Committee.</p> <p>The Risk Register is comprehensive and includes details of control procedures ownership of responsibilities surrounding the management of risks. There is adequate consideration of the significance of risks relating to fraud.</p>	<p>Comfort has been gained that there is a regularly updated Risk Register in place and that controls implemented to manage the risks are adequate.</p>	<p>There are no recommendations to be made at this time.</p>	<p>W</p>
<p>Test 2: Ensure client has a budget for more than one year and that it includes key changes to expected income and expenditure.</p>	<p>The budget for 2019-20 and four-year forecast have been reviewed and compared to 2018-19 results to date. The budgets were found to incorporate key changes to income and expenditure such as rate changes and changes to the amount of the Foreign Water Grant.</p>	<p>The Board has budgets in place for the next four years. The budgets include assumptions in changes to income and expenditure as appropriate.</p>	<p>There are no recommendations to be made at this time.</p>	<p>W</p>

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TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
Test 3: Ensure all budget variations are approved by the Finance & General Purposes Committee and the full board.	<p>It was confirmed that the first draft budget for the following year is presented and discussed at the December meeting of the Finance & General Purposes Committee. Changes are then made at the January meeting and a draft is agreed to be sent to the board.</p> <p>The full board meeting takes place in February, where the final draft of the budget is reviewed, and rates are set for the following year.</p>	Comfort has been gained that all budget variations are approved by the Finance & General Purposes Committee and the full board.	There are no recommendations to be made at this time.	
Test 4: Ensure that the budgeted levels of reserves are adequate for the Board's future plans, and obtain an explanation of the method used by the Board in arriving at the rate each year.	<p>The Accounts Officer confirmed that rates are set based on the budgets and forecasts. Significant capital expenditure will be required in future for the Pump Station in order to meet future legislative requirements. Therefore, the rates have been increased from 8.5p to 9.0p for 2019/20 so that the Board's reserves are maintained at a consistent level.</p>	Comfort has been gained that the budgeted levels of reserves are adequate for the future plans of the entity. The method for setting rates is deemed to be reasonable.	There are no recommendations to be made at this time.	

INCOME AND DEBTORS

TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
<p>Test 1: Ascertain the procedures in place around the posting of rates income to the accounting system.</p> <p>Agree a sample of rates charges from the DRS system to corresponding demand notes and to the relevant postings on the accounting system.</p> <p>Select a month at random and review the DRS/Sage reconciliation, investigating any discrepancies.</p>	<p>The system around the receipt of levy and rates income was discussed in detail with the Ratings/Admin Officer, who is solely responsible for this income stream. The bespoke DRS system used by the majority of Drainage Boards was found to automatically produce demand notes on the 1st of April for agricultural landowners not covered by business rates or the council tax system. The system has a record of the rateable value for each parcel of land under the jurisdiction of the Board, and the total rateable value of land owned by each landowner. Once the demand note is posted and payment is received, it is inputted manually onto the DRS system. A weekly GL Batch Update is run detailing the income received in the form of an Excel document which is then journaled into Sage by the Admin/Payroll Officer.</p> <p>At the end of each month, the closing balance on DRS is reconciled to the income on the Sage trial balance.</p> <p>Transfers of land are also calculated by DRS based on the annual value of the land changing hands, time apportioned in the year of transfer.</p>	<p>The systems surrounding income from the DRS system appear to be operating as expected. Income was posted to the accounting system correctly with VAT recorded accurately.</p> <p>No issues were identified surrounding the production of demand notes and income received could be traced to the bank accounts.</p> <p>Income per the DRS system reconciled to Sage. The reconciliation had been prepared and reviewed by relevant personnel.</p>	<p>There are no recommendations to be made at this time. Please see 'follow up on previous recommendations' at the bottom of this report for progress on recommendations made in this area in the prior year.</p>	<div style="border: 1px solid black; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">W</div>



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TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
	<p>Rates are not collected for land with a rateable value of less than £125, as the administrative cost is considered too great. This leads to a total amount of approximately £2,000 being written off each year.</p> <p>The system surrounding levies operates slightly differently, in that the demand note must be manually prepared for the eight different District Councils, rather than one being automatically generated by DRS.</p> <p>A sample of ten levies and rates amounts due per DRS were agreed to the associated demand note and then to the income journal on Sage. The funds were also agreed to receipts in the current account. No issues were identified.</p> <p>The DRS reconciliation for January 2019 was reviewed. It had been prepared by the Ratings/Admin Officer and reviewed by the Accounts Officer. There was a trivial difference between the amounts posted which was found to be a reconciling item from December 2018.</p>			


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TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
Test 2: Agree a sample of recharge receipts from the accounting system to invoice and ensure the procedures for documenting other income is operating as expected, including the posting of VAT.	Recharge income consists of monies received for work done on landowners' property, developers' consent invoices and area wide charges to maintain drainage around new developments on an ongoing basis. This income stream is accounted for through Sage as it consists predominantly of large, one-off payments. A sample of ten recharges was chosen from Sage and agreed to corresponding invoices. It was confirmed that VAT relating to these transactions had been posted correctly to the accounting system.	Comfort has been gained that the system for recording recharge income is operating as expected, and that VAT is recorded accurately.	There are no recommendations to be made at this time.	<div>W</div>
Test 3: Review the Aged Debtor report at the point of the visit and identify any old balances. Ascertain the reasons for the outstanding income if any, and the entity's policy and procedures around chasing bad debts.	<p>The Aged Debtor report as at 7th February was reviewed. There was one balance older than 30 days which was discussed with the Principal Officer. This was found to relate to an ongoing dispute from the prior year which has entered court proceedings. This is for a trivial amount.</p> <p>Per discussion with the Admin/Payroll Officer, debtors are chased via letter if an invoice is unpaid one month after being sent. If payment is still not made within the two weeks following the letter, debtors are chased via telephone call. It is rare that it is necessary to chase debtors.</p>	Comfort gained that there are few old balances on the Aged Debtor report and that the procedures in place around chasing bad debts are adequate.	There are no recommendations to be made at this time.	<div>W</div>

BANK AND PETTY CASH

TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
<p>Test 1: Review bank reconciliations for five months, including the last month of the prior year, to ensure that they have been appropriately prepared and authorised.</p> <p>Ensure that the balances per the reconciliation agree to the bank statement and to the accounting system, and that unreconciled items are at a reasonable level.</p> <p>If the unreconciled balance is high, ascertain what is being done to reconcile the transactions.</p>	<p>Five bank reconciliations were reviewed. Reconciliations were carried out at a reasonable frequency given the level of activity in the bank accounts. The balances per the reconciliation were confirmed to agree to the bank statements and Sage.</p> <p>Reconciliations were not signed as reviewed and there was no evidence of this occurring. This was discussed with the Admin/Payroll Officer who confirmed that the Accounts Officer did review reconciliations.</p> <p>Reconciling items were mostly trivial, except for one significant amount. This was confirmed to have cleared the day after the reconciliation was performed. The majority of reconciling items were rates refunds, which are often issued via cheque and therefore it is reasonable that they can take a while to clear.</p>	<p>Bank reconciliations appear to be prepared correctly however there is no evidence that they are being reviewed.</p> <p>Reconciling items were confirmed to have cleared in a timely manner.</p>	<p>It is recommended that bank reconciliations are reviewed by the Accounts Officer or another member of the finance team and that this is documented on the reconciliation.</p>	
<p>Test 2: Confirm that the balance in petty cash at the date of the visit agrees to the accounting system.</p>	<p>The sum of the monies inside the petty cash tin and the values on the petty cash slips inside the tin agreed to the balance per Sage.</p>	<p>Comfort has been gained that the amount in the petty cash tin agrees to the accounting system.</p>	<p>There are no recommendations to be made at this time.</p>	




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TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
Test 3: Select a sample of 20 cash paid expense claims or petty cash vouchers, then agree to supporting documentation, ensure have been appropriately authorised and appropriately posted onto the accounting system.	<p>Petty cash activity per Sage was obtained and a sample of 20 transactions selected for testing. The transactions were agreed to petty cash claims and supporting receipts. Three of the twenty claims tested were not supported by relevant receipts.</p> <p>Claims were also checked for appropriate authorisation and that VAT was recorded correctly when posted to Sage. Each claim had appropriate authorisation. The VAT on one claim had not been recognised when posted to Sage.</p>	<p>There are some weaknesses in the controls surrounding petty cash.</p> <p>All claims should be supported by receipts where possible and should not usually be paid otherwise.</p> <p>VAT needs to be identified and split out when posting to the accounting system.</p>	<p>It is recommended that petty cash claims are not authorised and paid without being supported by appropriate receipts, except in unusual circumstances.</p> <p>Care needs to be taken to ensure VAT is recovered when applicable, being first identified from each claim by the Admin/Payroll Officer and then posted to Sage.</p> <p>It was also noted that there is no claim limit per the financial regulations. To reduce the impact of fraud should it occur, it is recommended that a maximum limit for petty cash claims is set. Kieran Warren has suggested £50 as an appropriate limit.</p>	

WAGES AND PAYROLL

TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
<p>Test 1: Select a sample of three employees from the payroll and check salary details back to personnel files and confirm that the amount paid is in line with expectations.</p> <p>Check there is a signed employment contract on file.</p>	<p>Three employees were tested at random from the payroll reports. Their expected annual salaries were calculated and compared to the most recent salary details held in personnel files.</p> <p>Trivial variances were discovered but after discussion with the Admin/Payroll Officer it was identified that these were due to the hours of contractual overtime worked in a month differing slightly depending on how many weeks fell in that month.</p> <p>The employment contracts that were examined were all signed.</p>	<p>Salary details per personnel files agree to amounts actually paid via payroll. Employment details are up to date and signed contracts are held on file.</p>	<p>There are no recommendations to be made at this time.</p>	<p>W</p>
<p>Test 2: Check one amendment to the payroll to ensure that appropriately authorised documentation exists.</p>	<p>Employees complete timesheets for overtime in excess of the contractual amount. The timesheets are authorised by the relevant manager and then passed to the Admin/Payroll Officer for upload to the payroll server.</p> <p>A timesheet was selected at random and was found to have been appropriately authorised. The calculated payment based on overtime rates agreed to the amount paid via payroll.</p>	<p>Comfort has been gained that payroll amendments are processed accurately and that claims are authorised appropriately.</p>	<p>There are no recommendations to be made at this time.</p>	<p>W</p>




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TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
Test 3: Check two expense claims paid through payroll (e.g. reimbursement of travel expenses) to ensure they are appropriately authorised and supporting source documentation exists.	Two mileage expense claim forms were reviewed and agreed to payroll reports. Both claims appeared to be appropriately authorised and had been calculated correctly.	Comfort has been gained that expense claim forms are appropriately authorised and processed correctly.	There are no recommendations to be made at this time.	
Test 4: Obtain details of one new starter and ensure they have a signed contract.	The Admin/Payroll Officer confirmed that there had been no new starters in the year to date.	No conclusions can be drawn.	No recommendations can be made at this time.	
Test 5: Review the payroll print for one month to ensure it has been appropriately authorised and posted appropriately to the accounting system.	<p>The payroll report for September 2018 was reviewed. The report had been prepared by the Admin/Payroll Officer but had not been reviewed.</p> <p>A sample of the payments were agreed to the Sage journal posting. This had been processed by the Admin/Payroll Officer after being reviewed by the Accounts Officer.</p> <p>All amounts were found to agree and had been posted to appropriate nominal codes.</p>	<p>Comfort has been gained that payroll is posted appropriately to the accounting system.</p> <p>Payroll prints appear to be prepared correctly, however they are not reviewed. This could lead to fabricated payroll amendments being processed as these would not necessarily be picked up in the totals when the journal posting is reviewed.</p>	It is recommended that the Accounts Officer reviews payroll prints in addition to the journal posting. This would ensure that more than one person is responsible for payroll processing, and that any amendments can be queried prior to payments being made.	

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TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
Test 6: To ensure payment is made to bona fide employees, review one month's payroll for duplicate employee names and where possible bank account details for duplication. Obtain explanations for any instances of duplications.	The employee names and bank account details from the August 2018 payroll were examined. A total of 15 employees were paid in this month. There were no instances of duplicate details.	Comfort has been gained that payments are only being made to genuine employees.	There are no recommendations to be made at this time.	<div>W</div>
Test 7: Test check payroll deductions to ensure correct rates are being applied.	An employee was selected at random from the December 2018 payroll and their PAYE, NI and pension deductions were recalculated. All deductions were found to have been calculated correctly and the correct rates had been applied.	Comfort has been gained that the payroll system is operating as expected and that deductions are being calculated correctly.	There are no recommendations to be made at this time.	<div>W</div>
Test 8: Review payroll control accounts reconciliations for one month (including PAYE/NI, net wages, pension) to ensure that they have been appropriately prepared and authorised.	<p>The Accounts Officer explained that there is not a formal reconciliation of payroll control accounts. The payroll provider (Moorepay) sends the journal posting for each month's payroll. This is processed by the Admin/Payroll Officer and reviewed by the Accounts Officer.</p> <p>The September 2018 journal posting was reviewed. It was confirmed that the journal had been posted correctly and that the posting cleared the payroll control accounts.</p>	Although there is no physical reconciliation, comfort has been gained that payroll control accounts are being adequately cleared and that this process is being reviewed.	There are no recommendations to be made at this time.	<div>W</div>

FIXED ASSETS AND INVESTMENTS

TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
Test 1: Review the Fixed Asset Register or schedule of additions to ensure fixed asset additions are being appropriately recognised and it is being regularly updated.	The Fixed Asset Register for the year ending 31 March 2019 was reviewed. The register was found to be updated with fixed assets purchased in the year to date. All additions were recorded with sufficient detail in order to calculate depreciation.	Comfort has been gained that fixed asset additions are being recognised appropriately and that an adequate fixed asset register is maintained.	There are no recommendations to be made at this time.	
Test 2: Ensure the brought forward fixed asset balances agree to the prior year accounts.	The brought forward fixed asset balances as shown in the trial balance were agreed to the net book value carried forward in the 2018 accounts.	Comfort has been gained that the brought forward fixed asset balances agree to the balances in the prior year accounts.	There are no recommendations to be made at this time.	
Test 3: Physically verify a sample of assets to confirm that assets included on the register are owned, being utilised in the business, and do not show obvious signs of impairment.	A sample of 15 fixed assets were selected from the fixed asset register. Assets were physically verified where available, or vouched to registration documents if they were in use off site at the time of the visit. All assets were verified and there were no obvious signs of impairment. Sufficient evidence was gathered that the assets were currently being utilised in the business.	Comfort has been gained that the assets in the fixed asset register are owned and are being utilised by the organisation.	There are no recommendations to be made at this time.	

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TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
Test 4: Review the Fixed Asset Register for items older than their useful economic life. If there a large number of fully depreciated items listed, consider whether the depreciation policies being applied are reasonable.	The Fixed Asset Register was reviewed and there were a total of 8 assets which had been fully depreciated. The majority of these assets were pumps, which are still in use. Depreciation policies were reviewed and found to be reasonable, with all assets appropriately classified.	Comfort has been gained that there are few fully depreciated assets included in the fixed asset register and that depreciation policies are reasonable.	There are no recommendations to be made at this time.	W
Test 5: Identify any intangible assets on the books and ensure that the correct accounting treatment has been applied, and they are recorded appropriately on the register.	Intangibles included in fixed assets are two items of software - the DRS system and Cadcorp Map Editor. These are included in the relevant intangibles nominal in Sage and amortised at 25% reducing balance. They are also recorded appropriately on the fixed asset register. Amortisation for the year ending 31 March 2019 was found to have been calculated correctly.	Comfort has been gained that intangible assets on the balance sheet are being treated appropriately and are recorded correctly on the accounting system and in the fixed asset register.	There are no recommendations to be made at this time.	W

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TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
Test 6: Discuss any material investments with the Accounting Officer. Gain an understanding of how the portfolio is maintained. Obtain a register of the investments held.	The Smith and Williamson investments are overseen by the Treasury Committee. It was confirmed that a monthly valuation of securities is received from Smith and Williamson, and every six months a summary of the investment performance (reconciled to the valuation) is presented to the Committee. The portfolio is managed by Smith and Williamson, who make recommendations, although the committee makes the final decision as to acquisitions and sales.	As the portfolio is managed by Smith and Williamson, no further testing on investments is required.	There are no recommendations to be made at this time.	<div style="border: 1px solid black; border-radius: 50%; width: 30px; height: 30px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">W</div>

ACCOUNTING SYSTEMS

TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
Test 1: Ensure that the opening balances on the accounting system agree to the 2018 accounts.	The opening balances on Sage were checked to the balance sheet in the 2018 year end accounts. All balances were found to agree.	Comfort has been gained that the accounts prepared during the year agree to the accounting system.	There are no recommendations to be made at this time.	<div style="border: 1px solid black; border-radius: 50%; width: 30px; height: 30px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">W</div>

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TEST	RESULTS	CONCLUSIONS	RECOMMENDATIONS	OUTCOME
Test 2: Review the most recent management reporting documents. Perform cut-off testing around this date to ensure cut-off issues have been accounted for and that documents have been prepared on the correct basis.	<p>The management accounts for December 2018 were reviewed and cut off testing was performed.</p> <p>There were two large payments made around the month end. It was confirmed that these were correct to not have been accrued for. There was no prepayment for the net precept quarterly payment to the Environment Agency as the management accounts reviewed were at a quarter end.</p> <p>The majority of rates and levies income is received at the start of the year and is deferred.</p> <p>The Accounts Officer confirmed that trivial accruals are not included in the management accounts as it is not considered necessary due to the income and spending patterns of the Board.</p> <p>It was confirmed that the balances in the management accounts agreed to the accounting system.</p>	<p>Treatment of income and expenditure appears appropriate for the purposes of the management accounts. No issues were identified surrounding cut off procedures.</p>	<p>There are no recommendations to be made at this time.</p>	<div style="border: 1px solid black; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">W</div>

Recommendations from 2017/18

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TEST	PRIOR CONCLUSIONS	PRIOR RECOMMENDATIONS	FOLLOW UP	OUTCOME
<u>Purchases</u> Test 2: Select 20 purchases made within the period and ensure: <ul style="list-style-type: none"> that quotes were obtained where over the prescribed level that the order has been placed with an appropriate supplier order correctly authorised in line with the systems described above invoice agrees to order invoice correctly authorised payment correctly recorded in accounting system payment correctly authorised VAT has been correctly posted to the accounting system for each transaction 	All order forms, invoices and payments were appropriately authorised. However quite a large number of invoices tested were attached to purchase orders with a later date than the invoice. There was also an issue of altering the date of an invoice to suit personal preferences.	We recommended that purchase orders are raised prior to the order being made for all transactions. In addition, the dates of invoices should not be changed in order to negate the need to account for prepayments and accruals.	All purchases tested during this visit had purchase orders which were dated prior to the invoice. Therefore, comfort has been gained that purchase orders are being raised and authorised in advance of purchases being made. There was no evidence of invoice dates being altered. Comfort has been gained that invoices are being recorded at the correct date. Both recommendations have been adequately satisfied and can be cleared.	<div>W</div> <div>W</div>

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

BALANCE SHEET AS AT 31 MARCH 2019

	Note	£	31/03/19 £	31/03/18 £	Variance £
FIXED ASSETS					
Fixed Assets	1	<u>692,402</u>	692,402	787,465	-95,063
LONG TERM ASSETS					
Investments		<u>603,932</u>	603,932	573,801	30,131
CURRENT ASSETS					
Stock +WiP		47,973		53,208	-5,235
Trade debtors		6,773		917	5,856
Drainage rate debtors		96		0	96
Levy Debtors		0		0	0
VAT Claim		5,829		5,289	540
Special Levies		0		0	0
Severnside		0		0	0
Prepayments		32,280		35,660	-3,380
Cash at bank and in hand		852,523		975,669	-123,146
Short term deposits		<u>501,013</u>		<u>400,225</u>	<u>100,788</u>
			1,446,487	1,470,968	-24,481
CURRENT LIABILITIES					
Trade Creditors		-38,061		-20,577	-17,484
Other Creditors		-25,341		-25,697	356
Accrued expenses		-6,685		-10,025	3,340
Finance Leases due within one year		-1,016		-886	-130
Prepaid Rates	2	-200		0	-200
Prepaid Levies	2	-1,519		-328,782	327,263
Prepaid Severnside		<u>0</u>		<u>0</u>	<u>0</u>
			-72,822	-385,967	313,145
NET CURRENT ASSETS			1,373,665	1,085,001	288,664
TOTAL ASSETS LESS CURRENT LIABILITIES			2,669,999	2,446,267	223,732
LONG TERM LIABILITIES					
Finance Leases		0		-1,016	1,016
Pension scheme deficit		<u>-1,276,000</u>		<u>-954,000</u>	<u>-322,000</u>
			-1,276,000	-955,016	-320,984
NET ASSETS			1,393,999	1,491,251	-97,252
FINANCED BY:					
CAPITAL ACCOUNT			666,569	666,569	0
INCOME AND EXPENDITURE ACCOUNT					
Balance brought forward		523,570		477,926	45,644
Net surplus for the 12 months		<u>48,633</u>		<u>45,644</u>	<u>2,989</u>
			572,203	523,570	48,633
Developer (Commutated Sums) Reserve			914,678	843,235	71,443
Revaluation Reserve			144,583	146,042	-1,459
Pump Station Reserve	3		371,966	265,835	106,131
Pension Reserve			-1,276,000	-954,000	-322,000
			1,393,999	1,491,251	-97,252

Notes

1. Fixed Assets include purchases, sales and depreciation for 12 months to 31 March 2019.
 2. In all cases the balance sheet has been adjusted to reflect receipts and payments made in advance of the period earned or due.
 3. This Reserve is held as cash and increases by £14,583 each month.
- There is a corresponding monthly charge in the income and expenditure account.

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

INCOME AND EXPENDITURE 12 MONTHS TO 31 MARCH 2019

Income	Note	Actual	Budget	Variance	31 March 2018	Variance
		£	£	£	£	£
Levies charged to Authorities	1	1,185,162	1,185,162	0	1,132,342	52,820
Agricultural Rates	1	110,299	110,299	0	106,454	3,845
Rechargeable works		33,179	20,000	13,179	27,813	5,366
Application fees		3,900	0	3,900	1,750	2,150
Consultancy Fees Recharged		21,456	0	21,456	31,230	-9,774
Surplus on sale of assets		614	-158	772	3,249	-2,635
Miscellaneous Income		0	1,200	-1,200	9,859	-9,859
Foreign Water Grant		160,841	160,641	200	157,687	3,154
Severnside drawdowns	1	41,200	41,200	0	46,000	-4,800
Interest		3,837	1,500	2,337	1,496	2,341
Total		1,560,488	1,519,844	40,644	1,517,880	42,608
Expenditure						
Payroll	2	689,585	673,511	-16,074	650,488	-39,097
Office maintenance		19,236	23,600	4,364	16,079	-3,157
Maintenance	3	355,228	358,500	3,272	319,662	-35,566
EA Levy		205,587	205,587	0	201,556	-4,031
Motor travel and subsistence	4	27,404	20,262	-7,142	22,116	-5,288
Communications		5,308	4,250	-1,058	5,356	48
Administration	5	33,858	34,900	1,042	35,331	1,473
Engineering Consultancy fees		46,855	45,000	-1,855	54,985	8,130
M49 culvert consultants fees		0	0	0	6,000	6,000
Legal and professional fees		5,105	6,000	895	6,674	1,569
Audit and Accountancy fees		4,550	5,000	450	6,613	2,063
Depreciation		116,744	123,174	6,430	144,348	27,604
Bank charges		2,395	2,600	205	3,028	633
Total		1,511,855	1,502,384	-9,471	1,472,236	-39,619
Surplus for 12 months		48,633	17,460	31,173	45,644	2,989

Notes on Variances

The results for 12 months show a surplus of £48,633 against a budget surplus of £17,460.

The major reasons for the variances are:-

1) In all these cases the income and expenditure has been included for the 12 months irrespective of when the monies are received or paid. The appropriate adjustments are made on the balance sheet.

2) Payroll - Increase due to pay awards.

3) Maintenance costs analysis is as follows:

	Actual £	Budget £	Variance £	Explanation of major variances
Plant Maintenance	79,311	72,200	-7,111	Energreen, Bomford Mower and Claas Tractor repairs. Gates, pipes, posts, fill material and fencing. Installing Flap Valves at Oldbury (£3,715 recharged).
Maintenance Compensation	1,006	1,000	-6	
Vehicle, Plant	72,905	72,500	-405	Red Diesel (Gas Oil) Purchases
Workshop Fixtures & Fittings	8,768	10,600	1,832	
Pump Station Electricity	10,480	20,000	9,520	
Health & Safety	7,758	7,200	-558	
Pump Station Reserve	175,000	175,000	0	
	355,228	358,500	3,272	

4) Motor travel and subsistence - increase due to backdated ECU and room hire and lunch for board meeting 7 November 2018.

5) Administration costs include £2,244 in respect of 2018/19 rates which are based on land holdings less than 125 AV and deemed uneconomical to collect.

Insurance Policies - 2019/20							
Insurer	Policy No	Cover	Renewal Date	Incl IPT 2019/20 Premium	Incl IPT 2018/19 Premium	Paid	Increase
Lloyds Syndicate ERS218 (Fenton Insurance Solutions)	50030626	<i>Comprehensive Cover including plant, unspecified non self propelled attached or detached implements exceeding £20,000 and trailers not exceeding £100,000. Any Items are specified . Any authorised licensed driver 25 and over on Drainage Board Business and Social Domestic & Pleasure. £100 Excess accidental damage, fire, theft, windscreen.</i>	01/04/2019	£12,598.00	£14,046.00	Mar-19	-£1,448.00
Zurich Municipal	XAO 272027-0033	<i>Material Damage, All Risks, Public/ Products/Pollution Liability £10,000,000, Employers Liability £10,000,000, Fidelity Guarantee £2,000,000, Personal Accident £500,000-£1,000,000. Excess £250 for Malicious Damage, Storm or Flood, escape of water, falling trees or branches. £100 theft, accidental damage. In addition Business interruption Insurance has been taken out to cover any additional costs in the event that the board's premises are not accessible (Fire, flood etc). The cover is £220,000 for the year.</i>	01/04/2019	£6,928.00	£9,246.00	Mar-19	-£2,318.00
Please Note! We are not insured for: Money, Hirers Liability, Libel & Slander, Legal Expenses & Uninsured loss recovery, Deterioration of Stock, Legal Expenses.							
Allianz Insurance Engineering (Fentons insurance Solutions)	NZ/22726215	<i>Cover includes all pumps and related equipment. An indemnity limit of £250,000 for machinery damage/ breakdown to 12 pumps and machinery.</i>	01/04/2019	£2,932.13	£2,703.22	Mar-19	£228.91
Total premiums				£22,458.13	£25,995.22		-£3,537.09
This Insurance Policy Schedule has been reviewed and is agreed to be sufficient for the Lower Severn (2005) Internal Drainage Boards needs.							
Signed:..... M Riddle (Chairman)			Dated:.....		Minute Number:.....		

**Minutes of the Finance & General Purposes Committee of the
Lower Severn (2005) Internal Drainage Board
Meeting held Wednesday 23rd January 2019 at 10.30 am
At the Gables Hotel Falfield**

Present:

Ald C Williams
Cllr P Abraham
Mr J Hore
Mr G Littleton

Chairman

Cllr M Riddle
Mr G Simms
Mr R Thatcher

Martin Dear
Kieran Warren
Susan Williams

Accounts Officer
Principal Officer
Minutes

AO
PO

2808.	Apologies: Apologies were received from: Mr M Barnes and Ald B Richards.	
2809.	Declarations of Interest There were no declarations of interest.	
2810.	Minutes of the Previous Meeting It was resolved that: <ul style="list-style-type: none"> The minutes of the Finance & General Purposes Committee Meeting held on 12th December 2018 be approved as a correct record. 	
2811.	IT Review The PO reported he had received from Company A quotes for a two- and three-year option, each with savings on the original one-year tender. Members were satisfied with this outcome. It was resolved that: <ul style="list-style-type: none"> The three-year fixed price deal from Company A be accepted. 	<u>Action 1</u> PO to accept the 3-year IT support contract.
2812.	Accounts Officer's Reports <u>Management Accounts 1st April 2018 to 30th November 2018</u> These accounts showed a surplus of £1,536. The AO updated the Committee; in December he had placed £500k of cash in short term deposit accounts (Lloyds - £400k and NatWest - £100k) as approved by the Treasury Sub Committee (Minute 2767 refers). Members noted these Management Accounts <u>Forecast Results for the ended 31st March 2019</u> The year-end forecast predicted a surplus of £6,121. This was a negative variance of £11,339 from the budgeted outturn. The most significant differences were an overspend on machinery repairs and fuel which were offset by an underspend on pump station electricity. Also following the Staff & Pension Committee meeting the AO had incorporated into the accounts the recommended increase in staffing costs which related to pay awards and pension contributions. It was recommended that: <ul style="list-style-type: none"> Forecast Results for the year ended 31st March 2019 be referred to the Board for noting. 	

	<p>Draft Budget for 2019/20 The AO had prepared a draft budget with a 9.0p rate for 2019/20 this was an increase of 0.5p on the previous year's rate. This budget predicted a surplus of £16,216 at the 31st March 2020. The Committee approved the draft budget and were satisfied that this budget predicted a surplus balance at year end.</p> <p>It was recommended that:</p> <ul style="list-style-type: none"> • A budget with a 9.0p rate in the £ be referred to the Board for approval. <p><u>Capital Expenditure</u> Members noted the AO had updated the 2019/20 capital budget with the latest cost and sales figures.</p> <p>It was recommended that the:</p> <ul style="list-style-type: none"> • Capital Expenditure for 2018/19 and 2019/20 be referred to the Board for noting. <p><u>Apportionment Between Charging Authorities and Agricultural Rates</u> The AO had prepared the schedule of 2019/20 charging authorities levies based on a rate of 9.0p in the £. This showed the increased levy due from each authority taking in to account land transfers and the 0.5p increase in rate. Members had noted the levies.</p> <p>It was reported that South Gloucestershire Council had included a separate entry to identify the LSIDB levy in their budgets.</p> <p>Members from Bristol City Council were aware their authority was reviewing its representation on the LSIDB, in light of the proportion of levy income collected by Bristol City Council.</p> <p>It was suggested that the Chairman of the Board write to the Bristol City's Mayor with an invitation to see the LSIDB's work.</p> <p>It was recommended that:</p> <ul style="list-style-type: none"> • The 'Apportionment Between Charging Authorities and Agricultural Rates' be referred to the Board for noting. <p><u>Medium Term Financial Plan</u> The plan had been updated to reflect the proposed rate of 9.0p in 2019/20 with an annual increase of 0.5p until 2023/24.</p> <p>Mr Simms asked whether the MTFP reflected the change from a fixed term machinery replacement programme to one based on engines hours/reliability.</p> <p>The AO replied that the new method had been reflected in this MTFP.</p> <p>The Chairman brought members attention to the heading 'Revenue reserves as a % of expenditure'. This figure ranged between 41.43% to 44.06% in the updated plan. He referred the Committee to the Board's Financial Regulations;</p> <p>3.5. Uncommitted provisions in the revenue budget shall not be carried forward to a subsequent year. However, a general provision including a contingency should be maintained which is equivalent to approximately 30% of the Board's annual expenditure.</p> <p>He had identified that there was a conflict between the level of reserves in the MTFP and the Financial Regulations. He acknowledged that the Financial Regulations were scheduled to be</p>	<p><u>Action 2</u> Board Chairman to write to BCC Mayor</p>
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	<p>reviewed by the G&P Committee and that a capital programme, if approved, proposed to designate some reserves to future expenditure.</p> <p>The AO confirmed that a suitable capital programme would reduce the general reserves to below 30%.</p> <p>The Chairman asked the PO about the timescale to produce and agree a capital programme.</p> <p>The PO replied that if the Board approved the Engineering Committee's recommendation for a capital programme, he would issue pro-forma to all members inviting suggestions for projects to be included. These projects would then be assessed by the Engineering Committee for inclusion in the programme. The Engineering Committee were scheduled to meet in November.</p> <p>Members would be uncomfortable increasing the percentage of reserves when the Financial Regulations were reviewed. It was agreed that it was important for the Board to drive a capital programme forward.</p> <p>The Committee agreed the Medium Term Financial Plan</p> <p>It was recommended that the:</p> <ul style="list-style-type: none"> • The MTFP be referred to the Board for approval. 	
2813.	<p>Cash Flow</p> <p>Members noted the Cash Flow to November 2019.</p>	
2814.	<p>Developers Funds</p> <p>It was recommended that:</p> <ul style="list-style-type: none"> • The Developers Funds Statement as at 30th November 2018 be referred to the Board for noting. 	
2815.	<p>Rate Setting 2019/20</p> <p>The Committee having considered the AO reports were unanimous in setting a 9.0p rate in the £.</p> <p>It was recommended that:</p> <ul style="list-style-type: none"> • A drainage rate of 9.0p in the £ be referred to the Board for approval. 	
2816.	<p>Payments Noted</p> <p>Members noted the payments made between 1st November 2018 and 31st December 2018 and transfers made between accounts.</p> <p>Mr Hore noted from the payments in November that £30,926.16 had been paid for the eel friendly pump for Saul Pumping Station. He asked when this would be installed. The PO explained that obtaining the formal consent from the Environment Agency was holding up the project.</p>	
2817.	<p>Date of Next meeting</p> <p>Members noted that the next F&GP meeting would be held 22nd May 2019.</p>	
	Meeting closed at 11.30 am	