

Lower Severn IDB

MISSION STATEMENT

We provide land drainage, flood risk management and surface water management to achieve safe, prosperous communities that enjoy the amenity and biodiversity benefits of the water environment.

Extraordinary Board Meeting

Wednesday 21st February 2024 at 9.30am

Held at Lower Severn Internal Drainage Board, Waterside Buildings, Oldbury Naite,
Thornbury, Bristol
BS35 1RF

Minutes taken by Vicky Bailey

Present in the Office: CEO Manjit Pope, Glenn Taute, James Thomas, Vicky Bailey, Jim, Druett, Jimmy Nicholls, Chairman Mike Barnes, Vice- Chairman Matthew Riddle, Geoff Simms, Roger Godwin

Present on TEAMS: Tony Williams, Fiona Collins, Charles Daniell, Christine Wild, Mark Sykes (joined 9.42am), Simon Johnson, James North and Liz Harvey

- Welcome and Apologies:** Chairman Mike Barnes welcomed all to the meeting and stated that there were two purposes for the 7th February Full Board meeting; the first being to agree the annual budget and the second to agree rate setting. The purpose of the meeting today is to get agreement for the £2.5 million spend. GS stated that Item 4 gives clarification regarding the details of the spend.
Apologies were received from John Hore, Tom Cullimore, Lisa Stone, John Jones, Robert Hyslop and Sue Milestone.
- Chairmans Announcements:** None
- Declarations of Members Interests:** None

4. Urgent Action from Previous Meeting – sign off £2.5m spend on Capital Programme for the commencement for work for the first two pumping stations

The following items were covered:

- SLT Programme Report – backdrop, context and impact of decision Programme Board (P.B) recommended
- 4a 20/09/2023 – reference from approved Full Board minutes
- 4b Capital Programme Board Terms of Reference
- 4c Loans to drainage boards
- 4d Pump Station Renewal Programme PowerPoint

GS stated his disappointment regarding the outcome of the February Full Board meeting resulting in having to ask again for the approval of spending the £2.5m but reflected that clearer and more thorough preparation needs to be done in future. Noted that CW and SJ attended P.B last week and covered lots of issues; GS was pleased to help new members get up to speed. GT noted that he and LH had a useful conversation and ensured all her concerns were addressed.

GS explained the difference between a Board and a Committee and why the Programme Board is established in the way it is; for example it is delivery focussed, has dynamic and collective decision making, is transparent with auditable trails and uses of Microsoft Projects software. GS discussed the feasibility study, background of P.B, reporting structure, willingness to hear alternative ideas and respond to feedback, and that any Member can attend a P.B meeting. Programme Board does a report which goes to the Executive Board, and then to Full Board for approval. P.B now also sends a report to the Finance Committee. There is a P.B Risk Register and a 'lessons learnt' register. GS said a Board Member had approached him reporting a lack of clarity in how decisions are made, so there is now a 'decision register' which all Members can access.

GS said that approval was given for the PWL application but not approval to procure the services associated with the Programme – P.B will come back to the Full Board for approval once we have details of this. Once there is approval to draw down the loan this can be in the bank account within 5 working days. Defra approval for LSIDB to obtain the PWL took three months due to unexpected delays.

GS said he was looking for approval to sign off the £2.5m spend in order to commence work on the first two Pumping Stations.

Discussion on the procurement process; LSIDB can use the Environment Agencies (EA) procurement framework. Details of how the EA established this are clearly

available online. EA created their procurement framework five years ago and divided the country into six regions; two approved contractors are provided for each region. EA review their recommended contractors as part of their processes.

ARUP was used for the Feasibility Study, Business Case and initial design. JT reported that there were difficulties interfacing with the EA and Defra timescales.

Contractor Jacksons is on the approved list for the EA. GS said further checks and investigations were needed into Jacksons; GS to gather negative feedback and experiences, investigate them with Jacksons and then establish whether they can have a successful working relationship. GS feels that although the EA procurement process is not perfect it is a good place to begin.

GS noted the importance of delivering on time; LSIDB will lose credibility if they ask for another extension so this should not be contemplated. GS wanted his thanks to Members for providing feedback on Jacksons.

GS invited questions:

FS: Is it clear that, if we follow the EA framework, we do not need to out for tender?

GS: That is correct

FC: If we use a different contractor, are we fully covered if we don't put it out to tender?

GS: If we don't use the EA'S procurement framework we have to put the contract out to competitive tender

FC and MR discussed it would be useful to have a replacement for Robert Griffin.

MR: Are the EA happy for other organisations to use their framework?

JT: Yes; not anyone can but as an IDB we are able to. I will circulate the guidance on this.

Action: JT to circulate guidance on the use of the EA procurement process to Board members

James North asked the following questions:

1. Who are the Boards lawyers?

GT: Wilkin Chapman are the Boards solicitors; they work nationally with IDB's.

2. Will an external project manager work for us and manage the contractor?

GS replied that is essential to have an arbiter and how to do this is being investigated. GT added Ashfords have been contacted to help prepare the contract with the vendors.

3. Will there be a retention in case there are issues?

GT noted that the solicitors will help with this.

Jimmy Nicholls: Do we have to pay interest on the PWL from the start?

GS: It's on a draw-down basis; GT is researching how to best invest/ balance the cash flow so we don't lose money. It is on a fixed rate of 5.29% APR on the £2.5m.

Jimmy Nicholls: Why didn't we go through a tender process? Why use EA Framework?

GS: LSIDB's experiences with Elmore they had awareness of the costs of civils so decided to use the EA framework.

J Nicholls: What about Stantec? They feature positively in the ADA magazine.

JT: They were approached as were Jacksons but they aren't on the EA approved framework for this area.

JC: Have we got full costs from Jackson?

GS: We are waiting for this

A discussion was had on Jacksons including poor attention to detail (tidal flap, pointing on brick work, issues with Epney.) There was concern over LSIDB's reputation if Jacksons do a bad job after being given these warnings. GS assured members these issues will be addressed directly with Jacksons; important to have a balanced overview; people often focus on negatives.

James North stated the importance of dispute resolution with contractors. Credited the P.B for trying to move this forward.

CD wanted to clarify that we are not voting today on using Jacksons but instead voting on starting the work. GS replied that LSIDB are looking for approval to spend the £2.5m and not voting to appoint anyone as we can't appoint anyone until funds are secured.

RG proposed approving £2.5m spend on Capital Programme for the commencement for work for the first two pumping stations

Seconded MR

All in favour, one abstention.

5. HR Workforce Strategy – background and cost of additional DIS & Pension staff benefits to support staff parity, attraction and retention.

GT had spoken with LH regarding further information and GT has added this into the Board papers. A decision has been made to include 'death in service' entitlement at a cost of £3,000 per annum, and to improve the pension to bring it in line with older serving staff members at a cost of £16,000. MR added this brings parity but not equality in the pension.

JC concerned about going back to the days when the pension was a huge financial burden to the Board; reassured By GT and MR this is not the case.

6. Any Other Item which the Chair decides is Urgent

RG would like it minuted that he is Chairman of Longney and Epney Parish Council, especially as he proposed the £2.5m spend; members felt this was unnecessary but thanked him for his transparency.

Jimmy Nichols asked what would happen if, like Birmingham City Council, the PWL loan was not paid back?

GT answered that financially we are well covered for repayments over the next 5 years, but, in the worse-case scenario the IDB would be dissolved. The loan is secured by rates into the future, and we carry PI insurance for members and P&P liability insurance for the board.

7. Date of next Full Board meeting: 5th June 2024

Meeting closed: 10.43am

DRAFT