

NORDELPH INTERNAL DRAINAGE BOARD

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14th June 2024

Dear Board Members

Upcoming meeting of the Board Tuesday 25th June 2024

Please find overleaf the agenda for the meeting of the Board to be hosted at the Middle Level offices, PE15 0AH at 12pm on Tuesday 25th June 2024.

As you'll be aware, we administer thirty Boards that mostly all meet within similar date ranges. Thank you to the majority of Members who already confirm their attendance proactively.

Please help us manage your Board effectively by **proactively letting Polly know as soon as possible, by telephone or email, if you can attend the meeting, or not, or if you're uncertain.** This results in less abortive time and cost to the running of all Boards.

It is important that we have early confirmation whether or not the Board will be quorate.

Yours truly

P BURROWS, FCIWEM C.WEM CEnv

Clerk to the Board

NORDELPH INTERNAL DRAINAGE BOARD

Tuesday 25th June 2024 – 12pm

Middle Level Offices, March PE15 0AJ

Agenda:

Item No	Topic	Format	Lead
1	Welcome & apologies	Verbal	Chair
2	Declarations of Interest	Verbal	Chair
3	Minutes of last meeting and matters arising	Pages 3 - 7	Chair
4	Governance • Pumping station Insured Values • Financial Regulations & Financial Code • Next Electricity Contract • Review of internal controls • Consideration of potential litigation, liabilities, commitments • Annual Governance Statement	Pages 8 - 9 Pages 10 – 11 Pages 12 - 29 Page 30	
5	Finance Report • Finance Officer's Review • Budgeting • Payments for 2023/2024 • Annual Accounts and Finance papers 2023/2024 • Annual Return 2023/2024	Page 31 Page 32 Page 33 Pages 34 - 36 Page 37	Clerk
6	Date of Next Meeting – Weds 12 th March 2025 at 6pm at New Farm House, Outwell	Verbal	Chair
7	Any other business	Verbal	Chair

Nordelph Internal Drainage Board

Meeting of the Nordelph Internal Drainage Board
hosted at New Farm House, Outlwell at 6pm on Wednesday 13th March 2024

PRESENT

R Means (Chairman)
D Boyce

G Boyce
J Clifton

B Boyce
C Crofts

Paul Burrows, clerk to the Board was also in attendance.

The Chairman welcomed David Boyce to his first meeting.

Apologies for absence

D J Boyce

B.1042 Declarations of Interest

The Chairman reminded Members of the importance of declaring an interest in any matter included in today's agenda that involved or was likely to affect any individual on the Board.

B.1043 Confirmation of Minutes

RESOLVED

That the Minutes of the Board held on 29th March 2023 are recorded correctly and that they be confirmed and signed.

B.1044 Matters arising from the minutes.

None raised

B.1045 Constitution & Membership

The Clerk reported that during his 14 months in his role as Clerk to the Boards, he had attended a number of meetings and taken stock of the way in which the Middle Level Commissioners were supporting Boards with the right paperwork to ensure they were providing clarity and consistency across Boards. He advised that with this in mind the Clerk considered the agendas needed a refresh to assist Members with the flow and make it easier for minutes of the meetings to be prepared to a better standard and in a timely manner.

He advised that having attended several Board meetings during the past year, it was evident that some Boards did not have as good attendance as others and were struggling in term of membership and governance, including one Board having to escalate viability concerns to Defra. He added that the purpose of this agenda item was to assist in reporting this information to Defra in order to bring greater clarity around the strength of Boards in terms of membership. It was the Clerk's intention that those Boards that were struggling it may trigger conversations around whether they needed to consider amalgamating with neighbouring Boards.

The Clerk also outlined how all Chairs, Vice Chairs and Board Members who sit on more than one IDB within the Middle Level had been invited to an informal session recently to share thoughts about the future IDB governance landscape within the Middle Level and whether action was needed to ensure this was resilient for the future. He added that a small group was identified to draft an initial case for change and that this would be shared when ready for wider inputs and views. D Boyce offered to become a member of the working group on this matter. The clerk welcomed this offer and would include him moving forward.

The Clerk outlined that ADA were in the final stages of updating the governance guide and he hoped this and new training would be launched in due course.

RESOLVED

The Chairman to approach potential members to fill the Board's vacancy

B.1046 Governance

a) Completion of the Annual Accounts and Annual Return of the Board – 2022/2023

The Board considered and approved the comments of the Auditors on the Annual Return for the year that ended on the 31st March 2023.

The Board considered and approved the Audit Report of the Internal Auditor for the year that ended on the 31st March 2023.

b) Review of Internal Controls

The clerk reported that the financial controls that the Middle Level Commissioners have in place in their services to the Board have now been summarised and are available on the Board's web-page.

The Board considered and expressed satisfaction with the current system of internal controls. G Boyce highlighting that he receives and reviews the risk assessments from the Board's contractor.

c) Risk Management Strategy

The clerk outlined that the Board's risk management strategy had been due an update, that he had drafted and published an updated strategy for all IDBs clerked by the Middle Level Commissioners. The new strategy will run from 2024 to 2027 and outlines how Members and the Middle Level Commissioners staff govern the Board's risks. The clerk outlined the strategy for the Board.

The Board approved their new risk management strategy.

The Board agreed to continue to index link their insured value of Aqueduct Pumping Station. D Boyce asked for reassurance that the Board is covered if its last full valuation was older than five years, given his experience insuring assets. The clerk outlined the challenges associated with valuations of pumping stations, compared to buildings and would ask S Ablett (Assistant Treasurer) to double check the cover and discuss with D Boyce.

d) IDB1

The Clerk referred to the completed IDB1 form for 2022/2023 which the Board noted and approved.

e) Exercise of Public Rights

The Clerk referred to the publishing of the Notice of Public Rights and publication of unaudited Annual return, Statement of Accounts, Annual Governance Statement and the Notice of Conclusion of the Audit and Right to inspect the Annual Return.

f) Transparency Code for Smaller Authorities

The Board agreed to continue with a limited assurance review.

B.1047 Clerks Report

The Clerk referred to the current 'Clerkship Agreements' which were due a refresh to keep pace with the changing IDB governance standards, financial requirements, health & safety, environmental legislation and capital Works delivery and that he would be fully assessing the services to IDBs over the next 12-18 months

to ensure that there is clarity on the full range of serviced offered, along with the associated terms and conditions and fee arrangements.

Concerning the management of risk, the Clerk reported that he was looking to gain greater clarity by bringing in Key Health Indicators, which would allow and assist Boards to assess their strengths and weaknesses to help identify an manage risk. These are a key component of the Board's new risk management strategy.

Adding to the written report regarding Rating, the clerk added that it may be that Board's will need to also earmark and account for budget within rates to act as a contribution towards the development of any replacement software system.

The Clerk also highlighted the opportunity for the Chairman to contribute towards the decision making on the next electricity contract. D Boyce asked about renewables at the Board's pumping station and offered his services to investigate options. The clerk welcomed this and agreed to put him in contact with MLC's M&E Engineer.

G Boyce enquired as to whether there was any negotiation around the MLC fees. The Clerk added that it was his intent to clarify service provision and fees, however the reality is that the requirements on Boards has increased significantly over the last 15 year and will continue to do so and this comes at a cost for increasing professional services. The Clerk added that for small IDBs the proportion spent on administrative overheads and professional services was a good metric to inform the future of our local IDB landscape referred to earlier.

B.1048 Environment Officers Update

The Clerk reported that the lack of a written report for this meeting from the Environment Officer was due to her priority being focussed on the Middle Level Bank Raising scheme and on urgent badger management issues— he informed Members that part of these works is to put Environmental/Conservation process and procedures in place, which will then subsequently provide benefit to all IDBs, with badger training planned to be rolled out soon. He added that a service agreement and costings for IDB badger licensing services by the MLC was being developed and will be shared via the Chair in due course. He added that the likely cost was not currently factored into the estimate budget to be reviewed later in the meeting.

G Boyce added that he had not yet met the new Environment Officer. The Clerk added that he was free to call her if and when there was a specific need and that she had put on a local conference and was at the ADA Environment Days that all members were free to attend.

B.1049 Chairman's items

The Chairman had nothing specific to report that was not covered elsewhere in the agenda.

B.1050 Consulting Engineers' Reports, including CIP & FCRM Grant-in-Aid

The Board reviewed the reports and acknowledged that their new pump would be installed as soon as practical once the pumping season is over. G Boyce asked whether the bank slip on the Board's main drain could be rectified at the same time, if the pump works necessitated drain down. The clerk added that he had asked the M&E Engineer that question and added that it was different engineering expertise that would need to assess and properly cost the bank works.

The Clerk highlighted the recent government budget announcement of £75m for IDBs and that he was awaiting details on how this would be used and what the eligibility criteria will be. Once this is known he'll engage the Chairman.

B.1051 Health & Safety

The Chairman reported on the recent inspection by COPE highlighting only signage to address. G Boyce confirmed that he had actioned and installed a new sign at the cost of £18.

B.1052 District Officer's Report

G Boyce added that everything he had included within his report had already been covered within the meeting discussion.

B.1053 Finance – looking back;

Payments

The Board noted and approved all the payments, querying the 50p court fees.

G Boyce flagged that the Board had no input into the choice of loan that they took out for their new pump. The Clerk highlighted that IDBs only had one option in terms of source loan and that was with the Public Works Loans Board. He added that the only choice within this is how much to loan and the length of term. D Boyce confirmed this as the case for Parish Councils too.

D Boyce asked about VAT status and the Clerk said that he would put him in touch with R Hill the Board's Treasurer to outline and answer any specific questions.

B.1054 Finance – looking forward;

B Boyce highlighted that the ownership of the property subject to agricultural land transfer was not in their family's ownership and had not been for many years.

The Board considered estimates of expenditure and proposals for special levy and drainage rates in respect of the financial year 2024/2025 and were informed by the Clerk that under the Land Drainage Act 1991 the proportions of their net expenditure to be met by drainage rates on agricultural hereditaments and by special levy on local billing authorities would be respectively 93.13% and 6.87%.

The Chairman reported that he'd reviewed the estimate with R Hill the Treasurer and proposed the Board support the rate of 37p to raise income to meet the estimated budget. This was seconded by C Crofts and carried unanimously.

RESOLVED

- i) a) The Board agreed that the sum of £2,102 (plus an additional payment of £130.00) be allowed for the services of the District Officer for 2024/25.
b) The Board agreed that the sum of £613.00 (plus an additional payment of £30.00 for expenses) be allowed for the provision of pumping station duties for 2024/25.
- ii) Approve continued membership of ADA with payment every other year as agreed between the Chairman and ADA. 2023 was the last payment so 2025 will be the next.
- iii) The Board agreed to the determination of land for rating purposes and associated write off of rate arrears covered within the confidential item.
- vi) That the estimates be approved.

- v) That a total sum of £27,419 be raised by drainage rates and special levy.
- vi) That the amounts comprised in the sum referred to in v) above to be raised by drainage rates and to be met by special levy are £25,536 and £1,883 respectively.
- vii) That a rate of 37.00p in the £ be laid and assessed on Agricultural hereditaments in the District.
- viii) That a Special levy of £1,883 be made and issued to the Borough Council of Kings Lynn and West Norfolk for the purpose of meeting such expenditure.
- ix) That the seal of the Board be affixed to the record of drainage rates and special levies and to the special levy referred to in resolution viii).
- x) That the Clerk be authorised to recover all unpaid rates and levy by such statutory powers as may be available.

NB. Declarations of interest for this item where from G D Boyce, Mrs B Boyce & D Boyce

B.1055 Date & Time of next Meeting

Wednesday 12th March 2025, 18:00, New Farm House, Outwell

B.1056 Any other business

B Boyce offered to arrange a date, facilitate attendance and take the minutes of a June meeting of the Board to review the Annual Governance Statement and consider the annual accounts. This was agreed by the Board.

Provided by the Middle Level Commissioners		Item No:	4
Meeting:	NORDELPH INTERNAL DRAINAGE BOARD	Subject:	GOVERNANCE
Date:	Tuesday 25 th June 2024	Officer Responsible:	Paul Burrows

RECOMMENDATIONS

The Board is asked to:

- A. Review and approve the Insured Values.
- B. Review and approve the Financial Regulations & Financial Code
- C. Support the proposed approach to determining the next electricity contract.
- D. Consideration of potential litigation, liabilities, commitments
- E. Continue with a limited assurance review approach.
- F. Authorise the Chairman to sign the annual return for 2024.

1. Insured Values

- 1.1 The Board's Risk Management Strategy has been recently updated and is available as Appendix 1. It is due for formal review and update in 2027. The Board are asked to review and approve the updated strategy.
- 1.2 The insured values for the Board's assets are detailed below:

NORDELPH IDB INSURED VALUE OF FIXED ASSETS

PUMPING STATIONS

	As At 1st April 2024
Nordelph - Aqueduct Pumping Station	411,824.00
	<u>411,824.00</u>

- 1.3 Appendix 2 explains the rationale with the recommendation that Boards, in determining their valuations for insurance purposes, recognise the limitations associated with their current valuations and the risks they hold of being underinsured.

2. Financial Regulations & Financial Code

- 2.1 To review and approve the Financial Regulations & Financial Code and to confirm the next review period – Appendix 2

3. Consideration of potential litigation, liabilities, commitments:

- 3.1 The clerk to report.

4. Electricity

- 4.1 The contract for the Middle Level Commissioners and our administrated IDBs' electricity portfolio ends in September 2024. We have been impressed by the brokers of our current service (Green

Energy Advice Bureau) however we and the brokers have complaints logged about the standard of service provide by our suppliers Corona Energy.

4.2 Complaints have been escalated to Corona’s Managing Director with the request to release us from our contract with them at no penalty. This has resulted in a great impetus in terms of rectifying the issues, but at the time of writing the situation is far from perfect.

4.3 The additional time this has taken our Assistant Treasurer has been significant and the scale of pumping has compounded the issue. This has meant developing a plan for our next contract is behind where we’d like to be and will need due focus over the coming months, bringing together a small group of IDB Chairs to review options and ultimately decide on the next contract arrangements.

5. Annual Governance Statement:

5.1 To review and complete the Annual Governance Statement for the year ended 31st March 2024. - Appendix 3

6. Transparency Code for Smaller Authorities

6.1 In previous years the Board has continued with a limited assurance review approach and not take advantage of the audit exemption available for smaller public bodies with income and expenditure less than £25,000.

Author Name: Paul Burrows

Role: Clerk

Appendix 1 Pumping Station Insurance Valuations

Appendix 2 Financial Regulations & Financial Code

Appendix 3 Annual Governance Statement 2023/2024



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MLC Services for IDBs

Pumping Station Insurance Valuations

Many of our administered Internal Drainage Boards have asked for a re-assessment of the replacement costs of their pumping stations to ensure they have adequate insurance cover.

Within insurance cover this is called the 'Declared Value' and includes for:

- Reinstatement of building (eg station house)
- Replacement of contents (eg pumps and associated M&E)
- Professional fees (eg consultant and contractor costs)
- Debris removal (eg demolition of damaged station)
- Costs to comply with new 'public authority requirements' (eg eel regulations)

There are many factors that influence the costs of replacement pumping stations with many not well understood until business cases are in development. The last three replacement pumping stations locally all virtually doubled in 'value' from their initial flag within the Environment Agency's capital programme to business case stage. They are difficult to estimate, requiring a range of engineering capability and experience.

The existing insurance valuations across the pumping stations within our IDBs' portfolio are based on an assessment a previous MLC M&E Engineer undertook in 2015. He used his 40-years of experience in the industry, including overseeing a suite of replacement pumping stations, to make a judgement. He used asset appraisals undertaken by a consultant to inform this. This would likely have been sufficiently robust at that time.

Since then, there have been occasional percentage uplifts from this baseline and more recently each Board has taken a view on whether or not to index link their valuations.

The delivery and economic landscape have changed immeasurably since 2015 and since the suite of replacements that informed the baselines used to inform current valuations. There are also a range of new requirements and technology not catered for within the baselines.

As such Boards need to be aware that the MLC cannot provide reassurance that their 'Declared Values' are appropriate and they need to recognise the risk that they are more likely than not to be under-insured. We accept no liability for the consequences of this in the event of a Board needing to make a claim.

We do not currently have the capacity, capability and breadth of recent delivery experience to re-undertake assessments similar to those undertaken in 2015.

It is unlikely that there is a supplier who would undertake a bespoke assessment to determine a valuation without this being a costly exercise for the IDB, alongside invoiced costs from the MLC to explore this possibility.

We could work with a supplier to create a framework for valuations based on complexity and then assign each of our local pumping stations to a scoring within any framework. This would need all our IDBs to support and there would be a shared cost to setting up this framework and approach.



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Over the next 3-10 years there will be a suite of pumping station refurbishments and replacements locally led by the MLC, so we will be better placed to undertake assessments in a similar manner to those undertaken in 2015. These assessments would be billed to Boards at the hourly rate for the technical staff involved.

Our recommendation is that Boards in determining their valuations for insurance purposes recognise the limitations associated with their current valuations and the risks they hold of being underinsured.

Unless they wish to invest to explore the 'bespoke assessment' or 'framework' approach, then they need to accept the risks in the medium term until we have sufficient information, evidence and experience to undertake suitable assessments.

Paul Burrows, Chief Executive

Nicola Oldfield, Chief Engineer

October 2023

NORDELPH INTERNAL DRAINAGE BOARD

Financial Regulations

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A. INTRODUCTION

1. These Financial Regulations are designed to supplement the Board's Standing Orders and to ensure that the funds and assets of the Board are properly accounted for and controlled.
2. Any variation to these Regulations shall be made by a resolution of the Board.
3. The Clerk shall, where appropriate, prepare additional rules of procedure, supplementary to these Regulations, to ensure the maintenance of financial control and security.
4. The Clerk or such officer as shall be designated by him ("together referred to as "the Clerk") shall, together with the Board's Internal Auditor, be responsible for determining the format of the Board's accounting systems, annual Accounts and supporting records and shall ensure that the accounting systems determined by him are observed and that the accounts of the Board and supporting records are kept up to date.
5. The Clerk shall be responsible for maintaining an adequate and effective internal audit of the accounts of the Board in the manner he considers to be best.
6. The Clerk shall ensure that the Board's annual Accounts are prepared as soon as possible after 31st March in each year, and in accordance with the dates as set out in the Accounts and Audit Regulations 2003 (as amended).
7. "The Board" shall mean the Nordelph Internal Drainage Board.

B. CONTRACTS

1. The Board shall determine the procedures to be employed in connection with the procurement of goods and services save that, if no procedures be specified, three (or more) written quotations shall be invited unless the obtaining of tenders is prescribed by the rules applicable to the particular procurement.
2. Tendering may be selective or open, although, whenever possible, selective tendering shall be used and tenders invited to seek to ensure that the required number of tenders are actually received.
3. Tenders shall be opened, not earlier than the closing date prescribed in the tender documents, in the presence of such person or persons as may be authorised by the Board. A declaration shall be signed to such effect by the persons present at the opening of the tender(s) and a report on the tenders received shall be made to the Board.
4. Where a tender is accepted other than the lowest, the approval of the Chairman of the Board, or of the Board itself shall be obtained.
5. In the case of a tender for rents or similar sums where these are to be paid to the Board, where a tender is accepted other than the highest, the approval of the Chairman of the Board, or of the Board itself shall be obtained.

C. RESPONSIBILITY OF OFFICERS

1. All employees, officers and members of the Board have a general responsibility for the security of the property of the Board, for the avoidance of loss and for economy, efficiency and effectiveness in the use of resources.

D. ESTIMATES

1. The Clerk shall be responsible for the preparation of annual Estimates.
2. The Estimates should be determined as at the commencement of each financial year – using the best information available.
3. The Estimates shall be approved by the Board each year in order that the rates and special levies can be determined at the appropriate time.
4. The Clerk shall be responsible for seeking reasons and causes for deviation from the Estimates and shall inform the Board of all material variances.

E. BANKING

1. The Clerk shall advise the Board's bankers in writing of the conditions under which each bank account (which account must be in the Board's name) shall be operated.
2. All payments other than those made from Petty Cash shall be made by either cheque, BACS, direct debit or internet banking or via the Board's Office Credit card.

The main bank accounts will be operated on the following basis:-

- a) Where payment is made by cheque:-

Current Account – All cheques will be signed by both an authorised officer and an authorised member.

Labour Account – All cheques will be signed by an authorised officer.

- b) Where payment is made by any other means the invoice will be authorised by a Board Member and payment made by an authorised officer.

The main bank accounts will be operated on the following basis:-

Current Account – All cheques will be signed by both an authorised officer and an authorised member.

Labour Account – All cheques will be signed by an authorised officer.

3. Salaries and Wages will be paid by BACS and all BACS transactions will be authorised by the Clerk.
4. All bank transfers to non-Board bank accounts (save those solely made between inter office accounts which may be made by the Clerk) shall be authorised as in paragraph 2. of this Section.
5. The Clerk shall seek to ensure that the Board's bank accounts are managed so as to produce maximum benefits for the Board.

F. INCOME

1. An official receipt shall be made out for every sum received by the Board and must show:-
 - (a) Date of receipt

- (b) Amount received
- (c) Type of remittance
- (d) Account Reference

Copies of all receipts raised shall be retained by the Board.

2. Board monies shall not be used for the encashment of private cheques.
3. All cheques, cash etc received shall be banked at least weekly. Disbursements shall not be made from cash received but from the Petty Cash float. Banking shall be daily when large sums are received which require this.
4. Keys to safes, cash boxes etc shall be carried only by those authorised to do so and shall only be used by or under the supervision of such persons.
5. The Clerk shall be responsible for ensuring that all monies received are properly brought to account in the Board's accounting records.
6. Any debts which the Clerk considers are not recoverable may be written off with the Board's approval unless they are considered not recoverable following legal advice when the Clerk in conjunction with the Chairman may authorise them to be written off.

G. PURCHASES OF GOODS AND SERVICES

1. Any goods and services for which provision is made in the Estimates may be purchased by an authorised employee, officer or member.
2. The purchase of any goods or services may be effected by an authorised employee, officer or member where they are of a type the authority to purchase which has been delegated to that employee, officer or member by the Board.
3. The purchase of any goods or services not referred to in paragraphs 1 or 2 of this Section may be authorised by the Chairman or District Officer where they are of a routine or recurring nature or form part of the Board's maintenance expenditure.
4. For all goods and services other than as provided for in this Section, the Board's approval shall be obtained prior to the purchase being effected.
5. The requirements under this Section may be dispensed with if the goods or services are required urgently such that it would not be feasible or practical to obtain the necessary approval. In such cases, the Chairman shall be authorised to effect the purchase in conjunction with the Clerk. Any purchase made under this paragraph shall be specifically reported to the Board at the earliest opportunity.
6. An official order shall be placed for all goods and services.
7. All invoices for payment shall be examined, coded and approved and shall be certified by the appropriate authorised employee, officer or member.
8. See Section B "Contracts" for further Financial Regulations in connection with the purchase of goods and services.

H. EMPLOYEES

1. The Board's approval shall be required for the employment of additional permanent employees.
2. The Chairman or District Officer shall have authority to employ additional temporary employees provided the revenue consequences are contained within the current annual Estimates.
3. All time records and other pay records shall be in a form approved by the Chairman or District Officer in conjunction with the Clerk and shall be certified and submitted in accordance with their instructions.
4. The Clerk shall be responsible for the proper compilation of the payroll and for the final determination of pay.

I. STORES

1. Stores records shall be in such a form and shall comply with such systems of control as the Chairman or District Officer shall in conjunction with the Clerk approve.
2. All goods received shall be checked as regards quantity and/or weight and inspected as to quality, condition and specification. A delivery note shall be obtained from the supplier, wherever possible, and signed by the person receiving the goods. No goods shall be signed for as "in good condition" or similar wording without being properly inspected. Therefore most goods delivered should be signed for as 'received uninspected'.
3. All goods issued from stores shall be properly accounted for and recorded.
4. All breakages and losses of goods held in store shall be recorded and reported to the Board's office in order that appropriate action can be taken.
5. There shall be a physical check of all items in store at least once a year and the stock taking records shall be signed by the responsible person(s).

J. ASSETS

1. All assets other than stores owned by the Board shall be accounted for in an asset register maintained by the Clerk. The asset register shall reflect additions and disposals of assets and record the cost or valuation of the assets.
2. From time to time as the Board deem appropriate the accuracy of the asset register shall be compared with a physical inspection of the Board's assets.
3. The asset register shall be placed before the Board for inspection at the earliest opportunity following the completion of the annual Accounts.
4. Any sale of Board assets will be undertaken either through competitive Tender or in the manner approved of by the Board.
5. See Section B "Contracts" for further Financial Regulations in connection with Tenders.

K. AUDIT

1. As a requirement of the Accounts and Audit Regulations 2003 (as amended) the Clerk shall arrange for an internal audit of accounting, financial management and other operations of the Board to take place. This audit will be undertaken by an external person qualified to perform this function.
2. Authority of Internal Audit

Auditors are authorised to:

- (a) Access/enter at all reasonable times any Board premises or land
- (b) Have access to all assets, records, documents, minutes, correspondence and control systems relating to any aspect of the Board
- (c) Require and receive any information and explanation considered necessary concerning any matter under examination
- (d) Require any employee, officer or member of the Board to produce or account for cash, stores or any other Board asset under his or her control
- (e) Request access to records belonging to third parties, such as contractors
- (f) Have full and free access to all employees, officers, members and committees
- (g) Allocate resources, set frequencies, select subjects, determine scope of work, and apply the techniques required to accompany audit objectives

Auditors are not authorised to:

- (a) Perform any operational duties for the Board
- (b) Initiate or approve accounting transactions
- (c) Direct the activities of any Board employee, member or officer, except to the extent that such employee, member or officer has been appropriately assigned to assist the Internal Auditor.

3. In addition all employees, members or officers of the Board are required to assist the External Auditor, or his/her authorised representative, in the performance of his/her duties under the Audit Commission Act 1998.

L. FRAUD OR OTHER IRREGULARITIES

1. Any employee, officer or member concerned shall immediately notify the Clerk and/or the Internal Auditor in accordance with the Board's Fraud and Corruption Policy of any matter which involves, or is thought to involve, irregularities concerning cash, stores or other property of the Board or any suspected irregularity in the exercise of the functions of the Board.
2. Any financial irregularity involving an employee of the Board will be dealt with in accordance with the Disciplinary Procedure.

M. WRITE OFFS

1. In addition to the exercise of any powers under Section F above the Clerk shall have the authority to write off the following:-
 - (a) damaged or stolen goods for which it is not considered that the Board may make a valid insurance claim, where those goods do not form part of a stock account
 - (b) surplus goods and materials

- (c) goods, vehicles or materials that are considered to have no material value due to deterioration or obsolescence.
2. The appropriate employees, members or officers shall inform the Clerk of any item under paragraph 1 of this Section that they consider should be written off together with:-
- details of the item or debt to be written off
 - the circumstances necessitating the write off
 - the reasons why he/she considers that the debt is irrecoverable or that no proceeds on sale would accrue to the Board
3. Where any items to be written off do constitute part of a stock account, the procedures for recording the write off within the Board's accounts and the method of disposing of the goods shall be approved of by the Clerk. The Clerk shall then make the appropriate adjustments to the Board's accounting records.

N. SALARIES, WAGES AND PENSIONS

1. The payment of all salaries, wages, compensation and other emoluments to all present or former employees, members or officers shall be made by the Clerk or under arrangements controlled by him.
2. Each responsible employee, member or officer shall notify the Clerk immediately, and in the form prescribed by him, of all matters affecting such payments, and in particular:-
- resignations, dismissals, suspensions, secondments and transfers
 - absences from duty for sickness, unpaid leave or other reason, but not normal leave
 - changes in remuneration, other than pay awards and agreements of general application
 - information necessary to maintain records of service for pensions, income tax, national insurance and the like
3. Unless determined otherwise by the Board, the Clerk shall be responsible for overseeing the private use of the Board's vehicles and shall be notified by the responsible employee, member or officer of any financial contributions in respect thereof, to be made by members, employees or officers.

O. BOARD EMPLOYEES etc

1. All members, officers and employees of the Board shall conduct themselves in a polite and courteous manner as expected by the Board.
2. Members, officers and employees must declare to an appropriate responsible officer any financial or other interest, which could conflict with the Board's interests.
3. It is a criminal offence for a member, an employee or an officer of the Board to receive or give any gift, loan, fee, reward or advantage for doing or not doing anything, or showing favour or disfavour, from or to any person, in their official capacity as such a Board member, employee or officer.
4. In terms of hospitality and gifts, only usable gifts of a small value may be accepted by individual staff or a section as a whole. Under no circumstances may cash be accepted as a gift.

5. Hospitality of a value greater than the value specified from time to time by the Board by resolution must be recorded in a Hospitality Book to be kept at the Board's offices.
6. Where an outside organisation is seeking to sponsor a Board activity (whether by invitation, tender, negotiation or voluntarily), the basic rules concerning acceptance of gifts and hospitality shall apply.

P. MEMBERS' AND EMPLOYEES' ALLOWANCES

1. All claims for payment of car allowances, subsistence allowances, travelling and any other incidental expense shall be submitted as required duly certified, in a form approved by the Clerk.
2. The certification by or on behalf of the responsible member, employee or officer shall imply that the certifying person is satisfied that the journeys were authorised, the expenses properly and necessarily incurred and that the allowances are properly payable by the Board.
3. An employee or officer shall not certify a claim form made payable to him/herself.
4. Payments to members, (including co-opted members of the Board or its Committees), who are entitled to claim travelling or other allowances will be made by the Clerk upon receipt of the completed prescribed form.
5. No member shall be allowed to claim an allowance or expenses from more than one body.

Q. INSURANCES

1. The Clerk shall, in consultation with the Board's insurance broker initiate all insurance cover and oversee the negotiation of all claims in consultation with other members, employees or officers where necessary or appropriate.
2. Responsible employees, officers or members shall promptly notify the Clerk of all new risks, properties or vehicles needing to be insured, and of any disposals or alterations affecting existing insurances.
3. Responsible employees, officers or members shall promptly notify the Clerk of any loss, liability or damage or any event likely to lead to a claim on any Board policy, and shall where appropriate notify the police of the relevant circumstances.
4. All appropriate employees of the Board shall be included in a suitable fidelity guarantee insurance.
5. The Clerk shall annually, or at such other period as he considers necessary, review all insurances held by the Board in consultation with such others as may be appropriate.
6. Responsible employees, members or officers shall consult the Clerk in respect of the terms of any indemnity which the Board is requested to give.
7. The responsible employee, member or officer shall inspect insurance policies of contractors who undertake works on behalf of the Board to ensure as far as possible that all necessary cover has been taken out.

R. SECURITY

1. Each responsible employee, member or officer is responsible for maintaining proper security at all times for all buildings, stores, plant, vehicles, equipment, cash, documents and information under his/her control. Each responsible person shall consult the Clerk in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.
2. All members, employees and officers of the Board have a duty to comply with the requirements of the Data Protection Act 1998 and any amending legislation. Responsible officers shall ensure that members, employees and officers are aware of their responsibilities under this legislation through the provision of suitable training and the circulation of relevant information on the subject.
3. Keys to safes and similar receptacles are either to be carried on the person of those responsible or kept locked away in a safe and secure place at all times. A list of such key holders shall be supplied to the Clerk. Where keys are transferred, the new recipient assumes responsibility. The loss of any keys must be reported immediately to the Clerk.

S. PROTECTION OF PRIVATE PROPERTY

1. Each responsible employee, member or officer shall notify the Clerk of any case where steps are necessary to prevent or mitigate loss of or damage to moveable property.
2. The Board shall not be liable for accidental loss or damage to the personal possessions which members, employees or officers use whilst on Board business that are not included under the Board's insurance policies.
3. All recovered valuables such as jewellery, watches and other small items of a similar nature and documents of title shall be kept under safe custody as directed by the Clerk, and shall, if not claimed, be disposed of in a manner determined by him.
4. In the event of theft of personal items from employees, officers or members, a full report shall be made by the person affected as soon as the theft has been discovered. All such incidents shall be recorded and investigated and where appropriate reported to the Police. Where possible, the Clerk or responsible employee, officer or member shall make appropriate recommendations to improve security.

T. REVIEW

These Financial Regulations shall be reviewed at least every ten years by the Board.

NORDELPH INTERNAL DRAINAGE BOARD

FINANCIAL CODE

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A SUMMARY

1. This Financial Code supplements the Board's Financial Regulations, Standing Orders, Schedule of Reserved Matters and Scheme of Delegations to ensure that its resources are properly managed, accounted for and controlled. It should be read together with those Regulations, Orders, Schedule and Scheme together with any supplementary guidance produced by the Clerk in respect thereof.
2. The level at which decisions relating to the finances and functions of the Board are to be taken are as set out in the Schedule of Reserved Matters and the Scheme of Delegations
3. The Clerk shall be responsible for maintaining adequate and effective controls and procedures in the manner and format he/she considers to be best and shall where appropriate, prepare additional rules of procedure or guidance, supplementary to this Code.
4. The Clerk shall be responsible for setting up and maintaining the financial and management accounting/reporting systems, processes, procedures and coding lists. Such systems shall be properly documented and shall not be changed save by or with the approval of the Clerk. The Treasurer to the Middle Level Commissioners from time to time shall be the Board's Responsible Financial Officer, as defined in and for the purposes of the Accounts and Audit Regulations.
5. The Clerk shall be responsible to the Board for securing economy, efficiency and effectiveness in its use of resources and for ensuring that value for money is provided.
6. The Clerk shall ensure that the Board's Financial Statements for each Financial Year ending 31 March are prepared in accordance with any advice received from the Internal Auditor and with the provisions in force from time to time of the Accounts and Audit Regulations and the Financial Reporting Standard for Smaller Entities and, so far as may be appropriate, the Practitioners' Guide to the Preparation of Financial Statements for IDBs..
7. The Clerk shall ensure that the Board considers and approves its Financial Statements for a Financial Year in accordance with the provisions of the Accounts and Audit Regulations.
8. References in this Code to "the Clerk" shall be a reference to such officers of the Middle Level Commissioners as may from time to time undertake the relevant work or functions on behalf of the Board and references to "the Chairman" shall also include the Vice Chairman.

B SCHEME OF BUDGET DELEGATION

1. The Clerk shall be a budget holder and is responsible to the Board for the overall management of the Board's Finances, the Expenditure Estimates and all Budgets.
2. The Board's Consulting Engineer is responsible to the Board to the extent that he is so authorised by the Board and is allocated funds for the purpose for preparing and managing the Board's Capital Works Budget

3. The Board's Consulting Engineer and/or the Chairman and/or the District Officer are responsible to the Board to the extent that they are so authorised by the Board and are allocated funds for the purpose for preparing and managing the Board's Maintenance Works Budget, the Plant/Labour Operating Accounts, the Plant Renewals Budget, the Stock Control Account and the Rechargeable Works Budget and any other matter in respect of which they are authorised under the Scheme of Delegations.
4. Other than as set out in the Scheme of Delegations or where authorised to do so by a resolution of the Board, no other person shall be empowered to enter into contracts on behalf of the Board unless authorised to do so by a budget holder. Nor shall any other person commit the Board to a particular course of action or provide an undertaking or assurance to any third party without the prior consent of the Clerk or of the Chairman.
5. No budget holder other than the Chairman shall procure goods and services, charge, allocate or otherwise commit expenditure against a budget that they have no budgetary responsibility for.
6. All correcting journal entries shall always be authorised and approved by the Clerk.
7. All employees and members have a responsibility for health and safety, compliance with policies, procedures and codes of practice, for the general security of the Board's property, and, for economy efficiency and effectiveness in the use of resources.
8. All members and employees shall familiarise themselves with and observe the Schedule of Reserved Matters, the Financial Regulations, the Scheme of Delegations and this Code.
9. Failure to comply with any aspect of this Code may result in disciplinary action being taken against the individual(s) concerned. Serious breaches by Board Members may result in action being taken against them, in accordance with the Members Code of Conduct.

C MANAGING BUDGETS & REPORTING

1. The Clerk shall be responsible for preparing the Board's Estimates/Budgets, for monitoring income and expenditure during the course of the year, for alerting the Chairman to any material variances, and, for providing budget holders with the financial information that they require and assisting them as necessary to enable them to properly prepare/manage their budgets. The Clerk shall further ensure that the Board are presented with and consider the proposed expenditure estimates in order that the Rates and Special Levies can be determined for each financial year in due time in accordance with the Land Drainage Act 1991 and it is the individual budget holder's responsibility to provide him/her with their detailed budgets and supporting information in order that this may be done.
2. Any drainage rate refunds due for whatever reason shall be approved by the Clerk prior to being paid or otherwise accounted for.
3. The Clerk shall be responsible for ensuring that the Drainage Rates and Special Levies are substantially collected by **1 November** each year. Outstanding Rates/Levies shall be pursued in a timely manner after that date.

4. The Clerk shall ensure that appropriate procedures are in place for alerting the Clerk immediately should a Local Authority fail to make their Special Levy payment at the agreed time, or where Drainage Rates are outstanding following reminder.
5. Every budget holder is responsible for seeking to ensure that actual expenditure on each of their budgets does not exceed the budget as approved and shall regularly monitor income/expenditure to this end. Budget holders shall whenever practicable get approval for material adverse variances to any of their budgets that are anticipated. Approval shall be sought in accordance with the Schedule of Reserved Matters and the Scheme of Delegations.
6. The Clerk may convene a meeting of the Board or a Committee. The Chairman or any 3 other Board members shall also have the power to convene such a meeting.
7. The Consulting Engineer shall prepare a Report for each Board meeting at which such items appear on the agenda detailing amongst other things the progress made on approved capital schemes in respect of which he has been instructed during the reporting period as compared to approved budgeted costs, and, when appropriate, will propose new capital schemes for consideration. Such Report will also detail any maintenance work which he has organised for the Board during the reporting period and the cost of such work.
8. The Clerk shall also prepare a Financial Report for each Board meeting and, shall prepare any other management accounting/financial report that may be required by the Board.

D PURCHASING GOODS & SERVICES (INCLUDING PLANT)

1. Unless otherwise authorised by the Board by resolution or required under the terms of any formal procedures relating to such work, budget holders shall always comply with the following procedures when procuring goods and services.

Quotations/Tenders will be sought as follows, other than in emergency situations where approved buying groups or approved contractors/consultants/suppliers for a particular area of work or expertise have been appointed or are used or where approved service level agreements are in force. These threshold amounts may be amended from time to time by resolution of the Board:

<u>Estimated Value of Goods/Services Quoted/ obtained</u>	<u>Quotation/Tenders to be</u>
<= £2,000	No quotations/tenders required
> £2,000 and <= £5,000	Obtain 1 written quotation
> £5,000 as appropriate	Obtain 3 quotations or 3 tenders

2. The budget holder shall be responsible for ensuring that quotations or tenders are sought when required by the above table. Where it is not possible to get the required quotations or tenders, the Chairman's written approval must be obtained prior to awarding any contract.
3. Any approved contractors, consultants or suppliers list shall be maintained and kept up to date by the Clerk.

4. A budget holder must never agree to permit a third party to provide them with goods/services where tenders or quotations are required without obtaining a copy of their terms of business beforehand.
5. Budget holders shall fully comply with all competition law and the Bribery Act 2010 and shall so far as is reasonable, satisfy themselves as to the insurance policies of contractors, and their systems of work before awarding works contracts.
6. Budget holders shall not enter in to any contract that has been reserved to the Board or delegated to a Board Committee without obtaining the Clerk's approval beforehand. The Clerk shall not permit any budget holder to enter in to such a contract if he/she considers it to be inappropriate or that the required approval has not been given.
7. The relevant budget holder is responsible for ensuring that the procurement of all goods and services is authorised by the Board or in accordance with the Scheme of Delegations. All emergency work must be approved by the Chairman.
8. All procurement of goods and services shall be authorised by the signing and dating of an official purchase order or purchase instruction. On so authorising the procurement of goods or services the budget holder will have satisfied themselves that the Financial Regulations and this Code have been complied with and that any approval required by the Schedule of Reserved Matters and the Scheme of Delegations has been obtained. The Clerk shall be authorised to raise, sign and date a purchase order or purchase instruction where the procurement has been authorised by resolution of the Board.
9. The budget holder must never break down a job and string a number of purchase orders or authorisations together simply to avoid having to get 3 written quotations/tenders.
10. The following information must be clearly stated on each purchase order or instruction:
 - i. The name of the supplier.
 - ii. The agreed price of the goods/services required, other than in an emergency or where impractical to do so.
 - iii. The cost centres to which the item(s) will be allocated and thereby charged to.
 - iv. The Unique Order No as approved by the budget holder.
11. The Clerk shall ensure that procedures are in place for establishing when goods or services, have been charged, allocated or otherwise expenditure has been committed against an unauthorised budget.
12. All quotes/tenders, delivery notes, invoices for payment and credit notes shall be matched to the official purchase order or instruction, examined and coded before they are proposed for payment or set off. If the budget holder or the Clerk deems any invoice/credit note to be incorrect they shall not process such invoices/credit notes for payment or set off until satisfied that payment or set off is properly due. The quotes/tenders, purchase orders and delivery notes where required to be signed or where amended, shall all be filed together with the invoices/credit notes as otherwise directed by the Clerk

13. The Clerk shall ensure that all Invoices which have been approved for payment are duly scheduled for payment.
14. All Invoices shall be authorised by the Chairman and checked by the Clerk prior to making payment.
15. Where it is considered that there are valid reasons for departing from these procedures the approval of the Chairman shall be obtained. Any such departure shall be reported to the Board.

E BANK MANDATE AND INVESTMENTS

1. No changes shall be made to the Board's bankers or the bank mandate without the prior consent of the Board.
2. Approved signatories for the Board's bank accounts are as follows:
 1. The Chairman
 2. Such other member(s) as shall from time to time be authorised by the Board
 3. Such officers of the Middle Level Commissioners as shall from time to time be authorised by the Board
3. All cheque books, deposit books, banking cards and other documentation or materials relating to the Board's bank accounts shall be retained in the custody of the Clerk.
4. All payments, bank transfers and Investments shall be made in the most efficient/secure manner as determined from time to time by the Clerk
5. The Clerk shall maintain a Register of Passwords and Contact Details relating to financial transactions. All bank accounts shall be reconciled monthly and checked at regular intervals by separate officers of the Clerk.

F INVESTMENTS AND LOANS STRATEGY

1. All investments made by the Board are made within guidance received from CIPFA (Chartered Institute of Public Finance Accountants) Guidance for the Public Sector, and relevant legislation:
 - The Board's investment activities are limited by statute
 - The Board may invest in major Banks and Building Societies
 - The Board's investments are to be regarded as low/medium risk
 - The Board's investments must be made in the name of the Board and not any named individual

2. All investments shall be negotiated by the Clerk and reported to the Board. They must be for an appropriate period.
3. All borrowings shall be effected in the name of the Board and shall be from the Public Works Loans Board unless a short term or emergency loan is required.
4. No loans shall be taken out without a resolution of the Board.
5. All investment certificates and other documents relating thereto shall be retained in the custody of the Clerk.

G COLLECTING MONEY

1. The Clerk shall be responsible for ensuring that all monies received are properly recorded in the accounting records.
2. Electronic copies of all receipts issued shall be retained for at least six years.

H SUNDRY DEBTORS

1. Each budget holder shall be responsible for providing the Clerk with the necessary information to enable rechargeable work to be properly accounted for and invoiced, and, any other debts due to be properly invoiced. The budget holder shall advise the Clerk whenever an Invoice is to be raised for goods provided or services rendered, under their control.
2. The Clerk shall ensure that all such Invoices are properly raised as soon as practicable after being authorised.
3. The Clerk shall be responsible for ensuring that all other debts due to the Board are properly raised when required and collected promptly.
4. The Clerk shall be responsible for ensuring that the Board consider whether any rents payable to them should be reviewed by a Chartered Surveyor at least once every 5 years.
5. The Clerk shall calculate any claims for highland water payments from the Environment Agency and send such claims to the Agency by the dates specified by the Agency.
6. Any refunds due to debtors for whatever reason shall be approved by the Clerk prior to being paid or otherwise accounted for.
7. The Clerk shall ensure that procedures are in place for all debts to be substantially collected within 30 days from the Debtor Invoice tax point date and for when a debt becomes 3 months overdue or whenever a debt becomes doubtful or is disputed.
8. The Clerk shall be empowered to collect all sundry debts due.
9. The Clerk shall obtain the Board's approval for instigating legal proceedings to collect outstanding amounts in excess of the County Court Small Claims limit.

I EMPLOYING/MANAGING STAFF

1. The Chairman and/or the District Officer shall be responsible to the Board for all matters regarding any employees.
2. The Board's approval shall be required for the employment of additional permanent staff.
3. The Chairman and/or the District Officer shall have the authority to employ temporary staff and replace permanent staff provided the employment costs are contained within the Expenditure Estimates/Budgets approved by the Board and to take disciplinary action against (including the dismissal of) Board employees.
4. Subject to the above paragraphs and to the terms of any employee's contract, Board members shall not individually have the power to formally offer anyone any form of employment or to dismiss a Board employee, or otherwise take disciplinary action against any of the Board's employees unless the Board has specifically authorised such action by resolution.
5. Board members other than the Chairman and the District Officer shall not individually give instructions to any of the Board's employees.
6. The Chairman and the District Officer shall be responsible for managing the day to day activities of employees and for determining the nature and extent of these activities.

J STOCK IN STORES/DELIVERED TO SITE

1. The Board's Consulting Engineer shall be responsible to the Board for all matters relating to the security of the stock in stores or delivered to site and for managing stock in and out in respect of any works which he is undertaking on behalf of the Board.
2. The responsible person regarding the physical check of and accounting for all other items in stock will be the Chairman or the District Officer.

K ASSET ACCOUNTING/MANAGEMENT

1. Any assets to be sold will be advertised in the appropriate media or by the method most appropriate for securing best value and will be sold for the highest offer unless they are being part-exchanged or traded-in when acquiring another asset, or otherwise sold for a budget price approved by the Board.
2. The Clerk shall be responsible for documenting and maintaining the records of the Board's Assets.

L AUDIT

1. As a requirement of the Accounts and Audit Regulations the Clerk shall ensure that the Board is presented with the Internal Auditor's Report each year.

M SALARIES AND WAGES

1. The Board shall where appropriate seek independent advice before making significant changes to terms and conditions of employment and, save where such changes are as a

result of legislative change no changes shall be made to terms and conditions of employment (deliberately or otherwise) without the prior consent of the Board.

2. The Clerk shall be responsible for the proper compilation of the payroll(s) and for the final determination of pay, as approved by the Board.
3. All annual holiday entitlements (including any carried forward provisions) shall be agreed with the Chairman and/or the District Officer at the beginning of every financial year and signed off by him/her as such, in accordance with the Board's terms and conditions of employment.
4. All time-off in lieu, sick leave, working-from-home arrangements and other absences from work or the work place shall be approved in writing by the Chairman and/or the District Officer.
5. All proposed payments of salaries and wages shall be authorised by the Clerk prior to being made.

N INSURANCES

1. The Clerk shall be responsible for expeditiously submitting all insurance claims that the Board agrees should be pursued. The Board shall be responsible for providing the Clerk with all of the necessary information he/she deems necessary in order to successfully make an insurance claim.
2. The Chairman and/or the District Officer shall immediately notify the Clerk of any loss, liability or damage or any event likely to lead to a claim on any of the Board's insurance policies and shall where appropriate notify the police of the relevant circumstances.

O SECURITY

- 1 Keys to the Board's buildings and property shall be controlled by the Chairman and/or the District Officer who shall maintain the list of such key holders.

P REVIEW OF FINANCIAL CODE

1. The Board reserves the right to make reasonable changes to this Code at any time in future.
2. Failure to take action against any employee following a breach of the Financial Regulations or of this Code does not constitute a waiver of the Board's right to take disciplinary action on any future breaches of the Financial Regulations or this Code and no single or partial action taken shall prevent any further disciplinary action being taken or other action being taken against any employee.
3. This Code shall be reviewed at the same time as the Financial Regulations.

Section 1 – Annual Governance Statement 2023/24

We acknowledge as the members of:

NORDELPH INTERNAL DRAINAGE BOARD

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2024, that:

	Agreed		Yes means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable, in our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

COMMITTEE OF

and recorded as minute reference:

COMMITTEE REFERENCE

Signed by the Chair and Clerk of the meeting where approval was given:

Chair

Clerk

SIGNATURE REQUIRED

SIGNATURE REQUIRED

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Provided by the Middle Level Commissioners		Item No:	5
Meeting:	NORDELPH INTERNAL DRAINAGE BOARD	Subject:	FINANCE REPORT
Date:	Tuesday 25 th June 2024	Officer Responsible:	Robert Hill/Sam Ablett
RECOMMENDATIONS The Board is asked to: A. Consider the Budgeting paper Appendix 1 B. Consider and approve the payments detailed within Appendix 2. C. Consider and approve the Annual Accounts & Finance Papers 2023/2024 within Appendix 3. D. To authorise the Chairman to sign the Annual Return for 2023/2024 (Appendix 4)			

Finance Officer's review and key messages

For 2023/2024 the Board set a rate of 32.00p to raise a total of £23,710 in agricultural drainage rates and special levies. The rate setting process was centred around the new electricity contract and the uncertainty of the impact of a significant rainfall event. As members will be aware 2023/2024 became an ongoing rainfall event.

At the Board meeting 13th March 2024 a 'probable actual' position had been drafted, based around actual expenditure recorded to the end of January 2024 and estimates/forecasts to the 31st March 2024. At this point no invoices had been received from the electricity supplier. This showed probable out-turn at around £26,700. Electricity accounts have now been received to 29th February 2024 with a provision based on meter reads being made for March 2024. The final out-turn for the year being £26,903 giving a reduction in the general fund balance of £3,186.87 to £27,028.64 at 31st March 2024. The Board have £8,267.15 in their plant replacement fund at this date but this will be utilised towards the installation of the new pump.

These balances are shown in the attached accounts, finance papers and Annual return which the Board are required to consider and approve.

1. Budgeting

- 1.1 The budget comparison of the forecast out-turn and the actual out-turn for the financial year ending 31st March 2024 is included as Appendix 1.

2. Payments for 2023

- 2.1 Payments are detailed within Appendix 2

3. Annual Accounts and Finance papers 2023/2024:

- 3.1 Annual Return 2023/2024:

To consider the Annual Accounts and bank reconciliation for the year ended on the 31st March 2024 Appendix 3 and the completion of Section 2 of the Annual Return as required in the Audit Regulations. Appendix 4

Author Name: Robert Hill/Sam Ablett

Role: Treasurer/Assistant Treasurer

Appendix 1 Budget Review

Appendix 2 Payments for 2023/24

Appendix 3 Annual Accounts & Finance Papers 2023/24

Appendix 4 Annual Return 2023/2024

Appendix 1

NORDELPH INTERNAL DRAINAGE BOARD **Accounts/estimates monitoring 2023/2024**

	<u>Estimated 2023/2024</u> £	<u>Probable actual 2023/2024</u> £	<u>Actual 2023/2024</u>	<u>Remarks</u>
1 Insurances	500	350	350	
2 Repairs and renewals	950	950	569	
3 Fuel	2,250	6,700	8,464	
4 Drainworks (including Environmental measures)	5,250	4,250	3,759	
5 Pumping and District Officer's payment	2,825	2,740	2,740	
6 Administration charge, Health and Safety contract, Audit fee, printing, stationery, advertising, Association of Drainage Authorities subscriptions etc	6,700	6,700	6,526	
7 Environment Agency Precept	1,830	1,794	1,794	
8 Loan charges	2,935	2,935	2,935	
9 Plant improvement works	500	1,147	647	
	23,740	27,566	27,783	
LESS Deposit Accounts interest	31	822	880	
	23,710	26,744	26,903	
<u>Estimated General Fund</u> Opening Balance 30,216 Rate Raised 32.00p 23,709 Rate Required Net Expenditure 23,710 Transfer to p/s account 0 Closing Balance 30,215				Estimated pump plant replacement fund Opening balance 01.04.2023 8,851 Income 2023/2024 62 Expenditure 647 Estimated balance at 31.03.2024 8,267

NORDELPH INTERNAL DRAINAGE BOARD

Payments made 2023/2024 (1st April 2023 - 31st March 2024)

Middle Level Commissioners - Fees (Production of Board report)	73.20
Middle Level Commissioners - Court fees	0.50
Middle Level Commissioners - IDB Health & safety re-charge 2022-2023	213.00
Middle Level Commissioners - Administration charge, postages, telephone charges, stationery and travelling	3,355.45
Association of Drainage Authorities - Subscription 2023	716.40
Environment Agency - Precept	897.17
Middle Level Commissioners - Pumping station maintenance	163.44
Public Works Loan Board - Loan repayment	1,467.65
PKF Littlejohn LLP - Audit Fee (2022-2023 accounts)	252.00
Middle Level Commissioners - Pumping station maintenance	173.04
Middle Level Commissioners - Administration charge, postages and telephone charges	2,502.32
Middle Level Commissioners - Internal audit fees (Whiting & Partners, 2022-2023 accounts)	588.00
Middle Level Commissioners - Fees (Production of Board report)	124.80
Middle Level Commissioners - Renewal of insurances	349.55
Glenn Boyce - District Officer's fee and pumping attendant's duties (2023-2024)	2,740.00
Environment Agency - Precept	897.16
Harrison Agricultural Contractors - Flail mowing and weed basket works	3,792.00
Public Works Loan Board - Loan repayment	1,467.65
Middle Level Commissioners - Pumping station maintenance	173.04
Information Commissioners - Data Protection Registration renewal	40.00
Middle Level Commissioners - Contribution (Environmental Officer)	411.00
Association of Drainage Authorities (River Great Ouse branch) - Subscription 2023-2024	6.00
Corona Energy - Electricity supply to Nordelph pumping station	971.94
 (NB - Amounts shown include Value Added Tax)	 21,375.31

Appendix 3

NORDELPH INTERNAL DRAINAGE BOARD
ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024

GENERAL FUND

2024			2023		
Mar-31	Payments made during the year:-		Apr-01	Balance brought forward	30,215.51
	Precept	1,794.33	2024		
	Insurances	349.55	Mar-31	Rate income & Special levy	23,716.42
	Repairs & Renewals	568.80		Interest on Deposit Accounts	213.22
	Fuel	8,463.92			
	Drainworks	3,758.75		Write-back of provision	20.00
	Pumping & District Officer's expenses	2,740.00			
	Administration charge, Audit fee, printing, stationery, advertising etc	<u>6,525.86</u>		Transfer from Pump Replacement Fund	646.72
		22,406.88			
	Pump replacement	646.72			
	To Public Works Loan Repayment -				
	Principal	2,196.41			
	Interest	<u>738.89</u>			
		2,935.30			
	Balance carried forward	<u>27,028.64</u>			
		54,811.87			<u>54,811.87</u>

BALANCE SHEET

Capital Section

Liabilities

Capital Provisions	268,269.06
Public Works Loan	21,730.94

Revenue Section

General Fund	27,028.64
Pump Replacement Fund	8,267.15
Sundry Creditors	14,710.96

Assets

Pumping Station Site (Valuation)	290,000.00
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Ratepayers account (Arrears)		1,500.58
Value added tax - Refunds due		2,049.07
Sundry Debtors		0.00
Balance in hand -		
Barclays - Treasurer's Account	15,146.13	
Barclays - Business Premium	30,605.85	
National Savings - Treasurer's Account	<u>705.12</u>	46,457.10
		<u>340,006.75</u>

Nordelph Internal Drainage Board

Summary of Bank Reconciliations as at 31st March 2024

Treasurers Account 2023/2024

1st April 2023		31st March 2024	
Balance brought forward	41,342.53	Payments made during the year	21,375.31
		Returned Direct Debits	0.00
31st March 2024			
Receipts during the year			
Clerk's collection account	25,514.08		
Interest on deposit accounts	<u>270.68</u>	Balance carried forward	45,751.98
	25,784.76		
	<u>67,127.29</u>		<u>67,127.29</u>

National Savings - Treasurers Account 2022/2023

1st April 2023		31st March 2024	
Balance brought forward	700.12	Payments made during the year	0.00
31st March 2024			
Interest on deposit accounts	5.00	Balance carried forward	705.12
	<u>705.12</u>		<u>705.12</u>

Barclays Bank PLC

Current Account

Balance per Statement as at 31st March 2024	15,146.13
Less unpresented cheques	0.00
O/S lodgement	0.00
Balance per Trial Balance	<u>15,146.13</u>

Cash balances as at 31st March 2024

Barclays Bank PLC

Current Account	15,146.13
Business Premium Account	30,605.85

National Savings

Investment Account per passbook	705.12
<u>Total reconciled cash balances per accounts</u>	<u>46,457.10</u>

Nordelph IDB**Reconciliation between statement of accounts and Annual Return****Financial year ended 31st March 2024**

			Per Annual Return
Line 1	Balances brought forward		
	General Fund	30,215.51	
	Pump Replacement Fund	8,851.41	
		39,066.92	39,067
Line 2	Rates and Special Levies		
	Agricultural rates	22,094.40	
	Special Levies	1,615.00	
	Penalty	0.00	
	Costs	25.00	
	Write-off	-17.98	
		23,716.42	23,716
Line 3	Total other receipts		
	Interest	213.22	
	General fund		
	Pump Replacement Fund	62.46	
	Write Back of Provision	20.00	
	Wayleave	0.00	
		295.68	296
Line 4	Staff costs		
	Wages/salaries	0.00	
	National insurance contributions	0.00	
	Pension costs	0.00	
	Travelling expenses	0.00	
		0.00	0
Line 5	Loan repayments		
	PWLB - Principal	2,196.41	
	PWLB - Interest	738.89	
		2,935.30	2,935
Line 6	All other payments		
	Precept	1,794.33	
	Rates, insurances, telephones	349.55	
	Repairs and renewals	568.80	
	Fuel	8,463.92	
	Drainworks	3,758.75	
	Administration	6,525.86	
	Contractors charges	2,740.00	
	Improvement works	646.72	
		24,847.93	24,848
Line 7	Balances carried forward		
	General Fund	27,028.64	
	Pump Replacement Fund	8,267.15	
		35,295.79	32,296

Reconciliation

Line 1 + Line 2 + Line 3 - Line 4 - Line 5 - Line 6

35,295.79

Section 2 – Accounting Statements 2023/24 for

NORDELPH INTERNAL DRAINAGE BOARD

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward	30,668	39,067	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	22,303	23,716	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	25,143	296	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	0	0	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	1,468	2,935	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	37,579	24,848	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	39,067	35,296	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	42,043	46,457	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	290,000	290,000	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	23,927	21,731	The outstanding capital balance as at 31 March of all loans from third parties (including PWB).

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)				The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)				The figures in the accounting statements above exclude any Trust transactions.

I certify that for the year ended 31 March 2024 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

SIGNATURE REQUIRED

Date

07/06/2024

I confirm that these Accounting Statements were approved by this authority on this date:

DATE REQUIRED

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chair of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED