HADDENHAM LEVEL DRAINAGE COMMISSIONERS

At a Meeting of the Haddenham Level Drainage Commissioners
hosted at the Baptist Hall, Station Road, Haddenham at 5.00pm on Thursday 7th November 2024

PRESENT

M Church (Chairman)	Mrs R Dennis
J Smith (Vice-Chairman)	A Lensen
S Cheetham	K Robinson
A Darby	A Yarrow

R Darby

Ms Sam Ablett (Representing the Clerk to the Commissioners) was also present.

As previously resolved, the meeting was recorded.

Apologies for absence

Apologies for absence were received from T Chambers, Mrs M Darby, J Dennis, W Dennis, L Flint, R Flint, K Furness, R Lee, P Mappledoram, G Wilson and N Wright.

C.544 Declarations of Interest

Miss Ablett 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.

Mrs Rachel Dennis declared an interest in agenda item 6 – Construction of Irrigation Reservoirs.

C.545 Confirmation of Minutes

RESOLVED

That the Minutes of the Meetings of the Commissioners held on the 25th April 2024 & 18th September 2024 are recorded correctly and that they be confirmed and signed.

C.546 Matters arising from the minutes.

None

C.547 Constitution & Membership

Viz:

Provided by the Middle Level Commissioners		Item No:	4
Meeting:	**HADDENHAM LEVEL DRAINAGE COMMISSIONERS**	**Subject:**	**CONSTITUTION & MEMBERSHIP**
Date:	**Thursday 7th November 2024**	**Officer Responsible:**	**Polly Tombleson**

RECOMMENDATIONS

The Board is asked to:

A. Note the current status of its membership and the role they each play as members serving the interests of the Board.
B. Review attendance records and identify any resolutions as necessary.
C. No Vacancies of Elected members at this present time.
D. Determine whether there are composition changes and/or amalgamations it wishes to progress.
E. Reenforce the need for members to view all five 'Good Governance' videos.
F. Identify any topic areas for additional training, as well as any inspection/site visit requirements.

1. Current status

1.1 The table below outline the current composition of the Board and the quorum as detailed in the standing orders.

	Elected Members	Appointed Members	Total Members	Quorum
Composition	24	N/A		6
Actual	24	2 ECDC	26	
Vacancies	0			

1.2 The table below details the current appointed Commissioners.

No	Name	Status (one of four categories)	Commentary
1	C Bidwell	Landowner/ratepayer	
2	C Chambers	Landowner/ratepayer	
3	I Chambers	Landowner/ratepayer	
4	T Chambers	Landowner/ratepayer	
5	M Church	Representative of A G Wright & Sons	Chairman
6	J Darby	Landowner/ratepayer	
7	M Darby	Landowner/ratepayer	
8	R Darby	Landowner/ratepayer	
9	J Dennis	Landowner/ratepayer	
10	W Dennis	Landowner/ratepayer	
11	L Flint	Nominee of Mrs L Burton	
12	R Flint	Nominee of Mrs L Burton	
13	K Furness	Representative of E R Everett & Son	
14	T Hughes	Representative of BS Pell Trust	
15	R Lee	Landowner/ratepayer	
16	A Lensen	Representative of A G Reserves Ltd	
17	P Mappledoram	Landowner/ratepayer	
18	K Robinson	Representative of Sutton Smallholders	
19	J Smith	Representative of A G Wright & Sons	Vice-Chair
20	N Tebbitt	Landowner/ratepayer	
21	E Veal	Landowner/ratepayer	
22	R Waddelow	Landowner/ratepayer	
23	N Wright	Landowner/ratepayer	
24	A Yarrow	Landowner/ratepayer	

1.3 The table below details the current appointed members of the Board.

No	Name	Appointing Council as at July 2023	Commentary (one of three categories)
1	S Cheetham	HPC	Councillor

2	G Wilson	ECDC	Councillor
3			
4			

1.4 Special levy paying District Councils appoint members to Boards and their role is to be part of the Board representing all the non-agricultural interests within the Board's district. The Council must consider appointing members who have relevant knowledge or experience that is relevant to the Board and its district.

1.5 Appointed members do not need to be councillors or employees of the Council, therefore can represent wider relevant interests within the district, eg major infrastructure, commerce, community groups, environmental interests.

1.6 All Members are reminded that have equal status to each-other around the Board table and are here to serve the interests of the Board.

2. Attendance

2.1 The table below outlines the attendance record for the last four meetings of the Board.

Elected Members

No	Name	18/09/2024	25/04/2024	2/11/2023	27/04/2023
1	C Bidwell	Present	Present		apologies
2	C Chambers				
3	I Chambers	Present	Present	Present	Present
4	T Chambers		Present	Present	Present
5	M Church	Present	Present	Present	Present
6	A J Darby	Present	Present	Present	Present
7	M Darby		Present	Present	Present
8	R Darby	Present	Present	Present	Present
9	J Dennis				
10	W Dennis				
11	L Flint		Apologies	apologies	apologies
12	R Flint		Present	apologies	Present
13	K Furness	Present	Present	Present	apologies
14	T Hughes	Present	Present	apologies	
15	R Lee	Present	Present	Present	Present
16	A Lensen		Present	Present	apologies
17	P Mappledoram		Apologies	Present	Present
18	K Robinson		Present	Present	Present
19	J Smith	Apologies	Present	Present	Present
20	N Tebbitt	Present	Present		Present
21	E Veal		Apologies		apologies
22	R Waddelow		Present	Present	apologies
23	N Wright		Apologies	Present	Present
24	A Yarrow	Present	Present	Present	Present

Attendance at Chairs Meetings

No	Name	6/10/2023	13/12/2022	12/04/2022	2/11/2021
1	M Church	Present	Present	Present	Present

Appointed Members (current and previous)

No	Name (Council)	18/09/2024	25/04/2024	2/11/2023	27/4/2023
1	Cllr S Cheetham HPC	Present	Present	Present	Present
2	Cllr G Wilson ECDC	Apologies	Present	Present	Present
3					
4					

3. Elections, vacancies & appointments

3.1 Annual appointment of Chairman, Vice-Chair & District Officer.

4. Composition and amalgamations

4.1 The Board is encouraged to continually monitor and review its membership, financial and climate resilience, along with assessing its influence locally, regionally and nationally. These are all factors that may lead the Board to consider changing its composition and/or amalgamation with (an)other Board(s).

4.2 Amalgamations and composition changes are not swift processes and can take a number of years. They require planning and additional/specialist resourcing by the MLC as your clerk, Environment Agency and Defra. Therefore, the Board is encouraged to think ahead five to ten years in its decision making, thinking about the next generation.

5. Training

5.1 All Members are asked to digest the Good Governance Guide for Internal Drainage Boards published by the Association of Drainage Authorities and view the five accompanying videos intended to bring the guide to life. They are available via https://middlelevel.gov.uk/about/idb-governance/

5.2 To date 0 of 26 Board Members have reported viewing all five videos.
To date 1 of 26 Board members have reported viewing 1 of the five videos
To date 18 of 26 Board members have reported viewing 2 of the five videos
To date 1 of 26 Board members have reported viewing 4 of the five videos

5.3 Members are asked to identify any topics areas they would value further training on as well as any site inspections that would help them undertake their role on the Board more effectively.

5.4 Member training is reported to Defra as part of the annual IDB1 return.

Author Name: Polly Tombleson
Role: Senior Business Support Officer

Appointment of Chairman & District Officer

RESOLVED

That M Church be appointed as Chairman and District Officer for the ensuing year.

Appointment of Vice Chairman

The Vice Chairman tendered his resignation due to a change in position and the Chairman asked for any nominations. A couple of names were put forward by Members, however the Chairman advised that these Members had already confirmed they would not be interested in taking on the role.

The Vice Chairman advised he would be willing to remain in the post until 10th January 2025, for which the Chairman thanked him. He confirmed the role was not onerous and was to support and cover the Chairman in the event of him being unavailable.

Mr Lensen enquired whether an email or letter could be sent to all Members advising them of the Vice Chairman's resignation, asking for nominations or whether any Member would be interested in being considered for the role. He added the correspondence should also advise that any interested parties could contact either the Chairman or the Vice Chairman if any further information regarding the role was required.

Members considered this was a good idea and asked for this to be actioned.

The Chairman advised the Commissioners required a Vice Chairman for continuity or potential succession purposes as his continuing in the role of Chairman would be determined by his health.

The Vice Chairman considered the Commissioners needed both a Chairman and a Vice Chairman in order to function and if the Commissioners had neither in place this could potentially result in the Commissioners be dissolved.

RESOLVED

> That a letter or email be sent to all Members advising them of the Vice Chairman's resignation, asking for nominations, whether any Member would be interested in being considered for the role and confirming they could contact either the Chairman or the Vice Chairman if they required further information regarding the role.

C.548 Clerks Report

Viz:

Provided by the Middle Level Commissioners		**Item No:**	**5**
Meeting:	**HADDENHAM LEVEL COMMISSIONERS**	**Subject:**	**CLERK'S REPORT**
Date:	**Thursday 7th November 2024**	**Officer Responsible:**	**Paul Burrows**

RECOMMENDATIONS

The Board is asked to:

A. Note the content of the report and feedback on items as appropriate.

1. MLC Services to IDBs

We have made the business decision to focus our clerking and technical services offer to IDBs within the Middle Level where there is water management connectivity with the Middle Level Commissioners' catchment.

The continued service offer to IDBs is contingent on their open-mindedness, support and leadership within the reform/amalgamation agenda, as this is needed to create a more sustainable medium- long term business model between the MLC and IDBs. It also contingent on IDBs taking active decisions to manage their risks appropriately to sustain and/or improve their health.

Therefore, the following eight IDBs have been provided with notice that our service offer will be discontinued:

- Bluntisham IDB
- Over & Willingham IDB
- Haddenham Level Drainage Commissioners
- Swavesey IDB
- Hundred Foot Washes IDB
- Hundred of Wisbech IDB
- Waldersey IDB
- Feldale IDB (administered by the Whittlesey Consortium of IDBs)

This covers all the services offered by MLC, i.e. clerking (admin, governance and finance), environment, M&E, planning & consenting, operations, survey, GIS and capital works.

The 'consultancy agreement' for clerkship services between the MLC and each IDB requires no less than 6-months' notice by either party expiring on 31st March in any year. Therefore, notice must be given by the end of September in any year. To provide each IDB with sufficient time to source alternative suppliers and to enable us to work with those suppliers and the IDB on a transition plan, the termination of services will come into force on 1st April 2026 at the latest. We will however conclude the year-end accounts and annual returns for 2025/26 which happens after 1st April 2026.

It is likely that there will be certain activities or pieces of work that may need to be continued beyond this date until a suitable milestone is reached. This will be agreed as part of a transition plan and a bespoke fee arrangement will be agreed for each of these.

Our service offer to Sutton & Mepal IDB and Manea & Welney DDC will continue given:

- The Old Bedford River interrelationship and potential future amalgamation with Upwell IDB.
- The Fens Reservoir proposal and Cranbrook/Counterdrain strategy may change the water management connectivity between these districts and the Middle Level Commissioners' system.

We are in discussion with Ramsey IDB with a view to taking on their clerkship.

We are refocussing because:

- There has been significant incremental change over the last 10-20 years in terms of IDB governance standards, financial requirements, health & safety, and environmental legislation.
- The scale of M&E and capital works is increasing as a generation of assets deteriorate and come to the end of their reliable life.
- Development pressures and the squeeze on Byelaws have intensified over the last 15 years.
- There is now much more of a need than in the past to work in partnership with a wider range of bodies across an increasingly diversifying suite of agendas.
- The active member inputs around many IDBs have reduced given the changes in farming and age demographic and some Boards are now struggling for attendance.
- The scale of strategic issues facing the Middle Level catchment has and will continue to increase exponentially and will require more focussed working with a broader range of

partners locally, regionally and nationally than ever before (e.g. scale and impact of development, pressure on water resources, Fens Reservoir, scale of MLC capital works, impact of climate change on our system, lowland peat, environmental enhancement).

- We are not exploiting the opportunity to maximise sources of income beyond the drainage rate and special levy funding base.

All of the above means that MLC staffing resource is currently spread far too thinly and has been for some time. We consider that the organisation broadly has the staff capacity to provide a good level of service for the Middle Level Commissioners' responsibilities alone. Many staff are working well beyond their contracted hours to provide as good a service as possible for the MLC and the IDBs we currently have a service provision relationship with.

This all means that our service provision to IDBs is now having a direct impact on the delivery of the Middle Level Commissioners' responsibilities, therefore increasing their risks, liabilities and costs. The quality of service provided to all IDBs is also not where we feel it needs to be, which affects all IDBs.

The shorter-term measures to mitigate this are:

- Focussing our service provision
- Creating a new MLC Service Catalogue, including a review of fee arrangements, targeted improvements in efficiency, effectiveness and productivity.
- Introducing Key Health Indicators to better enable IDBs to manage their risks and enable comparison across the Middle Level.
- Targeted increase of staff capacity and use of 'bought in service'.
- Developing a 'case for change' in terms of IDB reform/amalgamation across the Middle Level (this needs resourcing).
- Ongoing amalgamation of March East & Euximoor IDBs and reconstitutions of Conington & Holme IDB and Warboys, Somersham & Pidley IDB.

The medium-term measures to mitigate this are:

- IDB reform/amalgamation across the Middle Level, including a review of the business model between the MLC and IDBs.
- Increasing and diversifying income, including a review of our charges associated with planning and consenting.

In terms of developing a new catalogue and associated fee structure, this is underway but not yet as developed as hoped given workload challenges. New staff are also bringing a new perspective to this. There are a few significant gaps in service provision emerging that need to be explored with the IDBs and would require resourcing (finance and people) and training. These include:

- Consent compliance
- Enforcement (inc complex cases and legacy issues)
- Major development and sites of concern (inc, multi-agency working)
- Authorisations and powers of entry
- Proactively formalising land registry, easements and agreements
- Communications and engagement

To ensure no conflict of interests within our service provision to IDBs, we will not undertake private work for ratepayers, landowners, developers, or any prospective consent applicant. It is particularly important that ratepayers' and Board Members understand and respect this position within any works they plan or are involved in that may need consent from the IDB or MLC. This will support Board Members in managing their own conflict of interest and within their code of conduct. There may be exceptions to this that will need to be reviewed and agreed between the MLC Chief Executive/Clerk and IDB Chairman.

2. The IDB governance future within the Middle Level of the Fens

As previously reported to the MLC Board and IDBs, on 15th February 2024 the Chairs, Vice Chairs and Board Members who sit on more than one IDB within the Middle Level (and those outside the catchment that we administer) had been invited to an informal session in Ramsey 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.

The consensus from those who attended was that we needed to act, and a small working group was identified to draft an initial case for change. The working group met on 5th September 2024 and were joined by Innes Thomson, ADA Chief Executive. The group used the 'Geoff Beel' vision from 2009 as a starting point to discuss the primary drivers for change and the key concerns that any proposed new model would need to take account of.

A summary of the discussion:

- Change is not new within the Middle Level and there has been ongoing evolution of IDBs.
- We need to locally design and drive future change, proactively taking control of our own collective future. IDBs are the decision makers.
- We need to agree what we need to look like in 5-15 years to be sustainable and efficient for the subsequent 25 years.
- Do Nothing and Do Minimum (continued incremental change) are not considered as options as amongst other risks they increase the likelihood of reform being directed upon us.
- The scope is to develop options and then identify a preferred option for the future IDB model of IDBs within the Middle Level catchment ie where we have two tiers of land drainage.
- Similar discussions are happening elsewhere and currently the new government is in supportive and listening mode. We need to develop our approach very much with the Minister (plus Defra and Environment Agency) not for the Minister.
- We risk becoming more of an anomaly if other IDB landscapes drive reform and we do not.
- Amalgamating IDBs into the Middle Level Commissioners or becoming one very large two tier IDB has been ruled out and will not be recommended to the MLC Board (see below for rationale).
- We think options for one, two, three, four and maybe five IDBs need to be developed to an outline design stage. The management and operational delivery model may change for each of these.
- Any preferred option would need to ensure and ideally enhance value for money and make sense from a business point of view.
- Private Districts are an added complexity that ought to be considered within a detailed design phase, once a core IDB preferred option has been determined.
- There is a recognition that additional resources are needed to develop and deliver a case for change. IDBs will need to make a provision/contribution for this and in doing so increase the likelihood of securing funding from others. Seed funding to get us moving is needed ahead of asking 24 IDBs for funds.
- There is a recognition that implementation of a preferred option would need to be resourced, managed and led as a change programme.

The Middle Level Commissioners, whilst having the responsibilities and functions of an Internal Drainage Board under the Land Drainage Act 1991 and Floods & Water Management Act 2010, have functions and responsibilities beyond a 'normal' IDB that are specified and catered for within a suite of primary legislation, predominantly the Middle Level Acts.

Amalgamating 24 IDBs into the Middle Level Commissioners would likely need new primary legislation and similarly becoming one large two-tier Middle Level IDB (solely acting under the Land Drainage Act) would mean repealing a suite of primary legislation. Both approaches would be significantly more complex, costly time-consuming and controversial than recent experience with the Middle Level Act (2018) that introduced navigation licensing.

Repealing the Middle Level Acts and becoming a Middle Level IDB would mean new legislation and a new body would be needed to take over the MLC's navigation authority role (or the Environment Agency subsume these) and potentially our water transfer role. This would add unwelcomed additional complexity to water level management within the Middle Level given how the system and infrastructure serves and balances a variety of interests and is likely to be largely unsupported by many of beneficiaries of our system.

The next steps identified:

- Paul Burrows and Innes Thomson to pitch for seed funding from the Environment Agency's Fens2100+ programme. Paul Burrows to ask the MLC Board to consider a financial contribution at their meeting on 7th November 2024.
- MLC to then act as lead client bringing in local knowledgeable extra hands to develop the scoping and outline design. A scope for this will need to be developed.
- The ambition would be to present outline design options via IDB 2025 meetings. This ambition is subject to funding, resources and not having an exceptionally wet winter to contend with again.
- Working Group to meet again in January 2025 (dependent upon the above).

3. Electricity

3.1 Electricity Service

In terms of standing charge policy, our appearance on BBC Countryfile has contributed to Ofgem consulting on a revised approach. They have no definite timescales as yet unfortunately but have reiterated that IDBs remain an important case study for them and one they will continue to raise with decision-makers within government.

A group made up of nominated IDB Chairs along with the MLC Chairman and Vice Chair reviewed the electricity contract. Having reviewed options, it was agreed by all to enter into a 12 month fully fixed, 100% renewable power electricity contract with EDF Energy, together with a service level agreement with Green Energy Advice Bureau (GEAB), who will manage the contract and validate invoices.

New Unit Rates are within the range of 21-29p. Following the last TCR in 2023/2024 the annual standing charges amounted to £155,662.32, these now stand at £130,467.61 before adding St. Germans, which at present equates to £49,122.50, being a total of £179,590.11, an annual increase of £23,927.79 across the portfolio. The St. Germans quote does not include the Targeted Charging Review (TCR) charges, which is not down to GEAB nor EDF, but a supplier wide decision due to the EH1V type of meter, which means suppliers will charge the TCR as they are charged from the Distribution Network Operator (DNO).

We have been advised that the standing charges will continue to increase due to the TCR charges as these are going up year on year. The DUoS (Distribution) and TNUoS (Transmission) charges are set each year, and this is the distribution and transportations costs and will be affected by such things as oil prices and demand for dealing with Liquified Natural Gas (LNG) shipments.

4. Charging for Planning & Consenting

As previously reported, we have for a long time been reactive and had insufficient resources to cater for the amount and range of planning and consenting workload for the Commissioners and IDBs with an inability to step back and identify and implement improvements. Our reputation has suffered, and we receive regular complaints.

With new leadership capacity and capability within Technical Services, we are now in a healthier position to identify and drive improvements. A key foundation of improvement is a review and implementation of our charging approach for developers and consent applicants. We have identified that we are significantly out of sync with neighbours and have likely been missing out on substantial income over many years. This is income that could in part be reinvested into developing our capacity and capability to improve our service, as well as contributing to asset improvement budgets.

The Board is asked to support the need to review our charging model to maximise income. The intent is to present a proposal to the MLC Board for approval in April 2025 with subsequent approval being sought by the IDBs thereafter.

5. Highland Water & IDB Precept.

On 18th October 2024 we were informed that the Environment Agency has insufficient sufficient budget to cover all the IDB Highland Water Claims. Their intent is to make payment capped to their budget and then bring IDBs from within the Anglian (Great Ouse) Regional Flood & Coastal Committee (RFCC) area together in November 2024 to review options. The Anglian (Northern) Regional Flood & Coastal Committee has provided Lincolnshire IDBs with reassurance that the shortfall will be met, even if from the RFCC's local levy funding. At their meeting on 17th October 2024, the Anglian (Great Ouse) RFCC also voted on a 2% increase in IDB Precept for the year 2025/26.

If relevant to the specific IDB, the Board is asked to delegate the decision to the Clerk in conjunction with the Chairman on whether to appeal under (s57 (4) of the Land Drainage Act) any reduced or non-payment of its Highland Water Claims. The Board is asked to support the packaging any such appeal with similar appeals from MLC administered IDBs and potentially IDBs from the wider Gt Ouse catchment. Any appeal must be lodged within 6-weeks of formal notification.

The Board is asked to delegate the decision on whether to appeal the IDB Precept (under s40 of the Water Resources Act) to the Clerk in conjunction with the Chairman. Any appeal must be lodged within 6-weeks of formal notification.

6. Rating

As previously reported the Water Management Alliance's (WMA) support for their rating software (DRS2005) which we use to manage and issue circa 4000 drainage rates on behalf of the Commissioners and administered IDBs will be discontinued on 31 March 2025. ADA subsequently decided not to lead on the redevelopment of DRS.

The WMA have re-written DRS for their members IDBs in Access 365, which will be made available for other IDBs to use under licence. This software is known as DRS365 and runs on their Terminal Server, which will be securely operated, maintained and supported remotely.

Upgrading to DRS 365 (the software licence, training and transitioning work) will cost circa £10k per site (ie covering MLC and our administered IDBs) and the annual support charge will be circa £5k per site. This covers their costs and provides a more robust, sustainable and better supported system than we currently have, reducing risk to MLC and our administered IDBs. These costs will be reviewed next on 1 April 2025 and annually thereafter. The existing DRS2005 maintenance fee is £1k per annum.

The only other options we have would be to create our own software (which is impractical) or revert to a paper-based system (which would be a retrograde and resource intensive step). In these circumstances the WMA would offer a year extension to the DRS2005, hosted on their server, but at our risk should Microsoft decide to turn off the Access 2003 platform upon which the existing DRS is dependent.

7. Debt Management

Having had limited success with previous bailiffs, we are trialling a new approach to debt management. We have issued a suite of legacy drainage rate and developer charges debt held by the Commissioners and some IDBs to Glenwood debt management company. They operate on a no win no fee basis, and if they prove successful there is opportunity to issue them cases much earlier on in the process, at non-payment stage. This could be significantly more efficient in terms of staff time and hopefully more effective.

Author Name: Paul Burrows
Role: Clerk

Ms Ablett referred to the Clerk's report and to the matters, which required a resolution. The Commissioners considered and noted the report.

Charging for Planning & Consenting

RESOLVED

That support for the need to review the charging model to maximise income be approved.

Highland Water & Precept

RESOLVED

a) That the decision whether to appeal any reduced or nonpayment of its Highland Water claims be delegated to the Clerk in conjunction with the Chairman.

b) That the decision whether to appeal the IDB precept be delegated to the Clerk in conjunction with the Chairman.

C.549 Chairman's Items

a) Defra GIA for Slackers

The Chairman reported that as it appeared less funds were available for GiA it was unlikely that any funding would be received to enable the installation of any slackers.

b) Construction of Irrigation Reservoirs – Willow Hall Farm

The Chairman confirmed that work was progressing, and the Commissioners were charging for the water being pumped into their watercourse. He added that the District Engineer read the meters twice a week and the reads were provided to the Middle Level Commissioners to enable an invoice to be raised. The Chairman confirmed an invoice had been raised for the water pumped from April 2024 to September 2024 and all invoices raised up to March 2024 had been paid in full.

The Chairman reported that Gary Roberts was not in attendance at this meeting as the Middle Level Commissioners had not extended the contract for the services of his employer Blue Compass and he was unable to work directly for the Commissioners, despite the Chairman having asked him. He advised that Gary had been a great help to him in assisting with the work involved regarding the reservoirs at Willow Hall Farm, together with other projects.

The Chairman advised that the pumping gave rise to quite a lot of siltation in the drains, which result in the dredging containing more sand. He added the water should have been passed through a larger settling pond, but this was not happening and as the water was being pumped into the pit and out into the drains this resulted in the water being discoloured.

The Vice Chairman considered that if the siltation increased and was being deposited track side of Adventurous Head Drove then there would be times when the Commissioners would have to remove it and the Chairman advised this would depend on how much was deposited.

The Vice Chairman asked that the position be monitored as if the side of the Drove was raised too much the water couldn't drain as the bank would be too high and the Drove would flood.

It was agreed the siltation would be monitored.

RESOLVED

That the amount of siltation deposited track side of Adventurous Head Drove be monitored.

c) Atlas Machine

The Chairman reported it would take 6 weeks to register the new excavator as an import and get it licenced, so it was unlikely it would be received before February 2025. He advised the delay worked in the Commissioners favour as the public works loan funding had only just been approved by the Environment Agency and was now waiting for Defra's approval. The Chairman hoped funding would be received before delivery of the plant.

d) Future Clerking arrangements

The Chairman referred to the letter sent to Members by the Middle Level Commissioners' Chief Executive, advising that the Middle Level Commissioners would be withdrawing their clerking services from April 2026 from Haddenham Level Drainage Commissioners, together with 7 other Boards.

He reported that he and the Vice Chairman had met with both the Ely Group and the Water Management Alliance from Kings Lynn and confirmed that both were considering the Commissioners request for Clerking services.

The Chairman reported that both he and the Vice Chairman considered the Water Management Alliance to be more favourable as the Ely Group would consider acting on behalf of the Commissioners if they amalgamated with 3 other Boards, which had also approached them, whereas the Water Management Alliance would be happy to work with the Commissioners as a separate entity. He added that amalgamation could be discussed at a later date should this become necessary and advised this was the direction in which the Middle Level Commissioners were heading as they were encouraging Boards within the Middle Level area to amalgamate to reduce the number of Boards.
Mr Lensen enquired how the Clerking fee compared with that of the Middle Level Commissioners and the Chairman advised that he hoped it wouldn't amount to much more. He advised that the Water Management Alliance had 70 employees dealing with 7 Boards and he considered they also had a better planning department, which would be looking at all the development within the district. He advised that the Water Management Alliance were surprised the Commissioners were not receiving more income from planning matters.
Miss Ablett referred Members to the Clerk's report and reminded them that the Middle Level Commissioners only had 40 employees and an additional 29 Boards to Clerk, therefore the Middle Level Commissioners staffing resource was currently spread too thin.

The Vice Chairman advised that both the Ely Group and the Water Management Alliance would be providing a quote to the Commissioners for the services to be provided and this would then be a decision for the Commissioners to make at the next meeting in April.

C.550 Environment Officers Update

Miss Ablett advised there was nothing to report at this time.

The Chairman reported that after the last meeting, at which the District Engineer was appointed the Commissioners Environmental representative, the Environmental Officer had responded with a list of areas for which the Commissioners had to conform and had promised she would meet with him and the District Engineer. He added that unfortunately this had not yet happened.

The Chairman advised that a training day was being held relating to working around badgers and he had asked for the District Engineer to be able to attend, however this had not yet taken place.

Mr Lensen advised the training day for Operators was being organised by the Environmental Officer for after Christmas.

RESOLVED

That the Environmental officer ensures that David Jordan, the District Engineer, be included in a training day regarding working around badgers.

C.551 Consulting Engineers' Reports, including CIP & FCRM Grant-in-Aid
Viz:

Provided by the Middle Level Commissioners		Item No:		8
Meeting:	**HADDENHAM LEVEL DRAINAGE COMMISSIONERS (Hereafter referred to as the Board)**	**Subject:**	**CONSULTING ENGINEERS REPORT: CHIEF ENGINEER'S SUMMARY, TECHNICAL SERVICES, M&E & CAPITAL PROGRAMME**	
Date:	**Thursday 7th November 2024**	**Officer Responsible:**		**Nicola Oldfield**

RECOMMENDATIONS

The Board is asked to:

A. **Decide how to proceed in light of GiA funding uncertainty.**
B. **Approve £12k for refresh of the weedscreen control system at Sutton Gault (see Appendix 2 M&E).**
C. **Review the pumping station key dates provided in Appendix 2 item 1.4. If there are any discrepancies, please let the M&E Engineer know.**

1. Technical Services

1.1 No planning, Byelaw Consent (to undertake works in and around watercourses or to discharge to a watercourse) or infiltration device applications have been responded to since the last meeting.

1.2 Update on outstanding abstraction licences for Commissioners' inlets off the Old West River
The abstraction licence applications for the outstanding inlets off the Old West River are almost complete and the engineer is obtaining the latest information following a colleague's leave and will report back to the Chairman.

1.3 Update on Willow Hall Farm irrigation reservoirs
The MLC Engineer has continued to liaise with the Chairman and Vice Chairman regarding the agreement between the Board and Mick George Ltd (MG Ltd) in respect of Willow Hall Farm irrigation reservoirs (MLC Ref No 356/PL/008). The Chairman, Vice Chairman, District Officer and MLC Engineer continue to liaise with MG Ltd to monitor the reservoir construction on a day-to-day basis.

Dewatering of the working area and first of the reservoirs has been ongoing throughout the year. An invoice for volumes discharged between October 2023 to the end of March 2024 has been paid. Invoices for dewatering volumes will be issued every 6 months based on readings provided by the Chairman.

The variation to planning permission (Cambridgeshire County Council Ref: CCC/22/075/VAR, MLC Ref No 356/PL/015) has been reopened on the Cambridgeshire County Council planning portal and at the time of writing the status of the application is "pending consideration". A year-round abstraction licence was issued to the quarry operator, MG Ltd, in July 2023 by the Environment Agency.

A site meeting was planned for early April to check the installed recharge trenches, discuss measures for managing the recharge of groundwater until the missing section of trench is installed, and discuss a proposed additional dewatering discharge location to the south of the site. However, MG Ltd have not yet organised this meeting. Proposals for a second dewatering consent to the front of the site have not progressed further and appear unlikely to be required. The District Officer is monitoring the site, and the Chairman is in regular contact with MG Ltd.

2. Capital Programme

2.1 In terms of FCRM Grant-in-Aid (FCRM GiA) the likelihood is that there will be no funding allocation within the current spending review period.

The Board is asked to decide how to proceed.

2.2 Haddenham Level Drainage Commissioners were included within the MLC Catchwater's study element of the Tranche 2 bid for the £75m from Defra. Disappointingly, we have yet to hear the outcome of Tranche 2 but we understand there was an over-subscription, and the decisions have been deferred to ministers within the new government. The original requirement was for delivery within 2024/25, which is now even more impractical.

Author Name: Nicola Oldfield
Role: Chief Engineer

Appendix 1: M&E Report

APPENDIX 1

Provided by the Middle Level Commissioners		**Item No:**	**8**
Meeting:	**HADDENHAM LEVEL DC (Hereafter referred to as the Board)**	**Subject:**	**CONSULTING ENGINEERS REPORT: MECHANICAL & ELECTRICAL**
Date:	**Thursday 7th November 2024**	**Officer Responsible:**	**Dave Bantoft**

1. Mechanical & Electrical

1.1 M&E key messages and advice

Other than the matters described below, only routine maintenance has been carried out since the last meeting and the pumping plant at each of the stations is mechanically and electrically in a satisfactory condition.

Due to the volatility of the electricity market and issues with meters, taking regular and accurate manual electricity meter readings is becoming very important; even for sites with meters that are read remotely. This is so that bills can be verified to ensure correct rates are being applied. The pump run hours information is also very useful for comparing pumping seasons and for the district study.

Mr D Jordan has been providing regular and reliable monthly readings on behalf of the Board which has enabled MLC to successfully dispute 80446 kWh of incorrectly invoiced electricity usage at Sutton Gault Pumping Station.

1.2 Minor Works

1.2.1 ***Sutton Gault***

The weedscreen trolley travel motor failed on the 22nd December 2023, a new replacement was sourced and fitted on 28th December 2023. The weedscreen is now in excess of 25 years old and would benefit from a complete overhaul including the control panel. Similar overhauls have cost around £20k for the trolley overhaul and £10k for a replacement control panel.

As a minimum I recommend a refresh of the current weedscreen control system to include new PLC, HMI, inverter drive and catenary cables. This will cost in the region of £12k and will improve reliability of the unit. Without these works the weedscreen cleaner is likely to be unreliable and the station is not designed in a way that allows cleaning of the screen with a digger. Full overhaul or replacement could then be completed as part of the future pumping station refurbishment or replacement.

Please approve £12k for refresh of the weedscreen control system.

On 27th February 2024, the pump motor was reported as noisy and current fluctuating. The fault was traced to worn slip ring brushes; an old unit was fitted as a temporary repair while the new replacements were sourced. A complete new set of brushes were fitted on 4th March and spares kept in stock. The brush rings are worn and pitted which increases brush wear. The slip ring unit was removed during August 2024 and the unit re-machined and refitted within 48hrs.

1.2.2 ***Haddenham***

On 6th January there was a fault that stopped all pumps at the station. The pumps had restarted on arrival. The incoming supply voltage was low, and it is suspected that the supply had temporarily failed. Pumps tested ok and subsequent checks on incoming voltage have been good.

The weedscreen grab had been catching intermittently on the screen at pump 1. On 13th February the depth of the grab was raised slightly and that has prevented the fault occurring since. When the drain is next pumped down to drain works level the screen should be checked for damage or objects stuck within it.

1.3 Inspections

1.3.1 HSB Engineering annual inspections for insurance were carried out on 10th September 2024.

1.3.2 EICR Test and Due dates are shown below. Inspections were successfully completed at Sutton Gault and Haddenham Bungalow in March 2024.

LOCATION		EICR	
Board	**Station**	**EICR Pass Date**	**EICR Due**
Haddenham	Haddenham Bungalow	29-Mar-24	29-Mar-2027
Haddenham	Haddenham PS	19-Mar-21	19-Mar-2026
Haddenham	Sutton Gault	29-Mar-24	29-Mar-2029

1.4 Pumping Station Key Dates

Please review the pumping station key dates below, if there are any discrepancies or you can add any details, please let me know. The key dates are an important reference and will feed into the upcoming Key Health Indicators and District Studies.

Station	Built	Pump	Pump Overhaul	Motor O/H	Thrust Bearing	Controls	Telemetry
Haddenham PS	2011	2011	2011	2011	2011	2011	Y
Sutton Gault	1971	1971	1990	1990	1990	2016	Y

	Weedscreen			
Station	**Bars**	**WSC**	**WSC O/H**	**Controls**
Haddenham PS	2011	2011	2011	2011
Sutton Gault	1998	1998	1998	1998

Author Name: Dave Bantoft
Role: M&E Engineer

The Commissioners considered the report of the Consulting Engineers.

Miss Ablett reminded Members that at the last Commissioners' meeting it was reported that a District Wide Study would be fully funded by GiA. She advised that it now appeared unlikely there would be any funding allocation within the current spending review period, which runs until 2026-2027 and due to there being a new government in office there was uncertainty as to what a new funding period would look like.

Miss Ablett advised that in the meantime, the Commissioners should consider the condition of their assets, identify works that may be necessary and the order in which those works should be undertaken, together with how these works would be funded if 100% GiA was not received. She reminded Members that as the make-up of the Commissioners' district was predominantly agricultural, they should consider accumulating funds.

Mechanical & Electrical

Miss Ablett referred Members to the Consulting Engineer's comments regarding the weedscreen at Sutton Gault pumping station. She reported that the Engineer recommended that, as a minimum, the control system to include a new PLC, HMI, inverter drive and catenary cables should be refurbished, which would cost in the region of £12,000. She enquired whether the Commissioners wished to proceed with the Consulting Engineer's recommendation.

The Chairman considered the one thing, apart from the accounts department, that the Commissioners would miss from the services provided by the Middle Level Commissioners was the Mechanical & Electrical Engineer as he was absolutely brilliant. The Chairman reported that the Engineer had worked over Christmas in 2023 to source a part for the automatic weedscreen cleaner's motor and had fitted it the Wednesday after. He added the Engineer had gathered together a good inhouse team, which did a very good job for the Commissioners, and he considered that where the Engineer recommends work should be undertaken, the Commissioners should approve for the work to be carried out.

RESOLVED

i) That the report be approved
ii) That the weedscreen control system at Sutton Gault pumping station be refurbished.

C.552 Health & Safety

The Chairman advised the only matter dealt with since the last meeting was that he had reported the District Engineer's accident, and he confirmed this had been acknowledged and no further action taken.

He reminded Members that at the last meeting a quote for signage had been requested from the Middle Level Commissioners, but nothing had yet been received.

Miss Ablett confirmed she would remind the Operational Engineer.

RESOLVED

That the Middle Level Commissioners provide a quote to the Chairman and Vice Chairman for the supply of signage for both pumping stations as per COPE's report on 23rd January 2024.

C.553 District Work Report

The Chairman considered there had been no shortage of water during the summer as the Commissioners had not been asked to close the inlets by the Environment Agency. He reported that following the District Engineer's accident the Commissioners had hired an excavator, which had a shorter reach than the Atlas, but despite this he had been able to undertake a significant amount of work.

The Chairman reported the District Engineer had been able to undertake work along the Catchwater Drain. He added that when work was undertaken on the stretch between the layby and Salmons Farm, the District Engineer had banked up the Catchwater side and there had been no complaints. He confirmed he had advised Andrew Newton, who sits on Sutton Parish Council, why the Commissioners had done this.

The Chairman reported that at the last meeting he had been asked to contact to Bill Hunt at Cambridge County Council, regarding raising the bank and of the issues with the footpath. He added that Bill Hunt had advised that the Commissioners should contact the footpaths officer at the Council.

The Chairman reported that he and the District Engineer had met with the footpaths officer down at Salmons Farm. He advised the officer had agreed the Commissioners needed to protect the bank and confirmed the stretch from Salmons Farm to Staple Lays Farm was not a bridleway, as it was a footpath, a gate could ne erected to prevent damage to the flood bank.

Mr Lensen advised he would dig out the Catchwater Drain and put the spoil on the field side of the drain, on the opposite side to where the bank had previously leaked, to make a bund, which would protect the field from flooding.

The Chairman reported he had managed to contact the Environment Agency regarding the flooding of the Catchwater Drain, but they had not been very helpful.

The Chairman advised that an order had been placed with Mark Jones for repairs to the culvert at Cracknell Drove and it was hoped work would be undertaken in November.

He reported the County Council had agreed for the Commissioners to undertake the work on the four culverts from Hoghill to Aldreth and he had supplied the Council with a quote for the work, but they had not yet responded with an order.

C.554 Governance

Viz:

Provided by the Middle Level Commissioners		**Item No:**	**11**
Meeting:	**HADDENHAM LEVEL DISTRICT DRAINAGE COMMISSIONERS**	**Subject:**	**GOVERNANCE**
Date:	**Thursday 7th November 2024**	**Officer Responsible:**	**Paul Burrows**

RECOMMENDATIONS

The Board is asked to:

A. Review and approve the Annual & Auditor's Reports for the year ending 31st March 2024
B. Note the continued appointment of Whitings as Internal Auditor.
C. Consider and approve of authorised officers for operational/regulatory roles
D. Consider and approve resolutions regarding new Responsible Finance Officer
E. Consider the pumping station valuation proposal.
F. Review and approve the updated Policies & consider and approve the Data Protection Officer
G. Highlight if there are any specific risks or issues not covered within its Risk Management Strategy that may need review ahead of the next formal update.
H. Consideration of potential litigation, liabilities, commitments

1. Annual Governance & Accountability Return (AGAR) and Internal Auditor

1.1 The AGAR provides the framework by which the governance of the Board is assessed. The Board's last AGAR is available on its page via www.middlelevel.gov.uk

1.2 The Board/Commissioners to consider:

- the comments of the auditors on the Annual Return for the year ended 31st March 2024. (Appendix 1)
- the Audit Report of the Internal Auditor for the year ended 31st March 2024. (Appendix 2)

1.3 The Board are reminded that Whitings LLP were appointed as internal auditor for a five-year period commencing 1st April 2023 (financial years 2023/24 to 2027/28).

1.4 The Board is asked to act on the advice of the Auditor within its decision making.

2. Authorisations

We have undertaken a review of how we enact our powers of entry and are introducing new identification badges for all MLC employees alongside training in conflict resolution and creation of a violence and aggression at work policy. Contractors working on our behalf are issued with a letter of authorisation. This is an approach that administered IDBs would also benefit from.

The Board are asked to confirm the stance that all employees and contractors of the Middle Level Commissioners are considered as duly authorised officers and therefore able to use the Board's powers and IDB Byelaws for their operational and regulatory roles on behalf of the Board.

The Board are asked to confirm the stance that their Chairman, Vice Chairman, District Officer(s), pump attendants and employees (if applicable) are considered as duly authorised officers and therefore able to use the Board's powers and IDB Byelaws for their operational and regulatory roles on behalf of the Board.

3. Responsible Finance Officer

Robert Hill the MLC Treasurer leaves at the end of January 2025 and Andrew Wool has been appointed as MLC Head of Finance. There are a number of resolutions recommended to the Board to manage the transition and improve resilience, thus reducing risk to the Board.

The Board are requested to approve, that while there is a Service Level Agreement for the provision of clerking services in place between the Board and the Middle Level Commissioners:

a) **That the role of the position of Head of Finance to the Middle Level Commissioners is to include the appointment as Responsible Financial Officer to the Board.**

b) **That the person appointed as Head of Finance for the Middle Level Commissioners be added to the Barclays Bank PLC mandate and authorised to sign cheques and authorised to make payments on behalf of the Board.**

c) **That the person appointed as clerk to the Middle Level Commissioners be added to the Barclays Bank PLC mandate and be authorised to sign cheques and to authorise payments on behalf of the Board.**

d) **That the person appointed as Head of Finance to the Middle Level Commissioners will be appointed as the administrator on behalf of the Middle Level Commissioners to the Barclays Bank PLC internet banking platform as used by the Middle Level Commissioners.**

e) **That following Mr Robert Hill leaving the employment of the Commissioners that the Head of Finance of the Middle Level Commissioners be delegated the authority to appoint a member of the finance team to be an additional administrator on the Barclays Bank PLC internet banking platform as used by the Middle Level Commissioners.**

4. Risk Assessment and Insured Values

4.1 Our insurance has been arranged using Towergate insurance brokers for the year to 31st March 2025. AXA offered a 2-year extension of the tri-partite agreement we had previously signed, and this was accepted as they offered to keep our business combined policy premium at the same rate for 2025-2026, subject to there being any changes to the existing cover, i.e. increase in valuations.

Having professional valuations of ours and IDB pumping stations for insurance purposes is an action identified by our internal auditors. We have received a proposal from a company called Kroll and they have offered two options:

- Sample site visits to a representative set of 15 pumping stations followed by a desk top assessment covering the remainder - £30k + VAT and expenses.
- Site visits to all pumping stations - £55k + VAT and expenses.

This is clearly a sizable project that we would need to oversee as client and facilitate a seamless programme of visits with relevant IDB officers to keep expenses reasonable. Within their terms and conditions there is also client liability for the quality and completeness of data and information they request in order to fulfil their valuations. We will need to review the proposal with IDB Chairs and establish how costs would be apportioned.

The Board's is asked for their opinion on the pumping station valuation proposal.

5. Policy Reviews

We have an ongoing review and update of policies. Within this we are also improving our management of Freedom of Information requests. The update to the Privacy Policy has identified some area of Data Protection that require further attention. It is timely to schedule a Data Audit, which will help to identify any further areas that require updating. Additional staff and Board/IDB training will be a likely result, along with some other strengthening of procedures across the business.

The Board are asked to note the update and re-publication of their Complaints Procedure and Privacy Policy.

The Board are asked to review and approve the publication of an Anti-Bribery policy (Appendix 3) which includes the need to log offers of gifts and hospitality.

The Board are asked to approve that the MLC Lead Clerk, currently Ruth Martin, acts as their Data Protection Officer and acknowledge that this role will be associated within the incumbent employee role of MLC Lead Clerk.

6. IDB1

6.1 **Defra Reporting**

All IDBs are required to report annually to Defra via an Annual Report called an IDB1 form. These reports are copied to the Environment Agency and to the relevant District Councils.

In September 2024 an updated form has been issued to cover the 2023/24 returns and is due for submission by 28 February 2025.

There are new or enhanced questions within the form which indicate increasing expectations on IDBs of government.

In summary:

- Breakdown with financial reporting of electricity and fuel cost
- Reporting on biodiversity enhancement expenditure alongside conservation
- Value of drainage rate debt
- Detail of any Public Sector Cooperation Agreements
- Whether a specific Board Member is focussed on ensuring that health and safety is considered within board decision making.
- Significant new reporting expectations in terms of public engagement, including media engagement, public meetings and public events.

6.2 Currently we are working through the additional information required and the changes needed to our systems to align with these requirements. Forms will be completed and submitted and reported at the next scheduled meeting of the Board.

7. Consideration of potential litigation, liabilities, commitments:

7.1 The clerk to report.

Author Name: Paul Burrows
Role: Clerk

Appendix 1	**Annual Governance & Accountability Return (AGAR) for the year ending 2024.**
Appendix 2	**Internal Audit Report**
Appendix 3	**Anti-bribery policy**

Appendix 1

Haddenham Level Drainage Commissioners

Notice of conclusion of the audit

Annual Governance & Accountability Return for the year ended 31st March 2024

Sections 20(2) and 25 of the Local Audit and Accountability Act 2014
Section 16 of the Accounts and Audit Regulations 2015 (SI 2015 /234)

1 The Audit of accounts for the Haddenham Level Drainage Commissioners for the year ended 31st March 2024 has been completed and the accounts have been published.

2 The Annual Governance & Accountability Return including the auditor's certificate and opinion is available for inspection and copying by any local government elector of the area of Haddenham Level Drainage Commissioners on application to:

The Clerk
Haddenham Level Drainage Commissioners
85 Whittlesey Road
March
Cambridgeshire
PE15 0AH

between the hours of 9.00am and 4.00pm on Mondays to Fridays (excluding public holidays), when any local elector may make copies of the Annual Return.

3 Copies will be provided to any local elector on payment of £2.40 for each copy of the Annual Return

Announcement made by: P Burrows - Clerk to the Board

Date of Announcement: 15th August 2024

Annual Internal Audit Report 2023/24

HADDENHAM LEVEL DRAINAGE COMMISSIONERS

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During the financial year ended 31 March 2024, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2023/24 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")*			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations *(during the 2023-24 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).*	✓		
N. The authority has complied with the publication requirements for 2022/23 AGAR *(see AGAR Page 1 Guidance Notes).*	✓		

O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken: 26/04/2024 30/04/2024 01/05/2024

Name of person who carried out the internal audit: WHITINGS LLP

Signature of person who carried out the internal audit: B. BEECH – WHITINGS LLP

Date: 01/05/2024

***If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).**

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2023/24

We acknowledge as the members of:

HADDENHAM LEVEL DRAINAGE COMMISSIONERS

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	Agreed No*		'Yes' means that this authority:
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:

25/04/2024

and recorded as minute reference:

C.538

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

Chair M. Clark

Clerk BG Abbott

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Section 2 – Accounting Statements 2023/24 for

HADDENHAM LEVEL DRAINAGE COMMISSIONERS

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.
1. Balances brought forward	252,941	256,201	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	192,882	223,465	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	38,946	71,357	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	37,016	44,438	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	42,964	42,964	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	148,588	262,613	Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	256,201	201,008	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	283,859	339,223	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	2,493,805	2,493,805	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	236,993	202,855	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

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

Date 05/04/2024

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

25/04/2024

as recorded in minute reference:

C:539

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

M. Chire

Section 3 – External Auditor's Report and Certificate 2023/24

In respect of **Haddenham Level Drainage Commissioners – DB0035**

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit,** it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2024; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor's limited assurance opinion 2023/24

On the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

Other matters not affecting our opinion which we draw to the attention of the authority:

None

3 External auditor certificate 2023/24

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2024.

External Auditor Name			
PKF LITTLEJOHN LLP			
External Auditor Signature	PKF Littlejohn LLP	Date	08/08/2024

Whitings
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BB/MM053
30 June 2024

Messrs. P Burrows, R Hill and S Ablett
Middle Level Offices
85 Whittlesey Road
March
Cambs.
PE15 0AH

Dear Messrs. P Burrows, R. Hill, and S Ablett,

MLC administered Internal Drainage Boards - Internal Audit 2023-2024

Having completed the internal audit work for the various Internal Drainage Boards administered by the Middle Level Commissioners officers for the year ended 31 March 2024, we are pleased to provide you with the following recommendations to be considered for implementation. We have included some general points and some points which are related to specific boards.

General points

1. **Asset Valuations and Insurances – mainly for residential properties.**

   It is noted that, whilst a large proportion of boards took the option to revalue for insurance purposes their pumping station and residential assets during recent years, there are still some boards that have not followed suit. We have seen elsewhere that such revaluations have sometimes resulted in significant uplifts in value, and as such we would suggest that any remaining boards that have yet to carry out such an exercise do so at the earliest convenience. It should be noted that this is largely in relation to residential property. Should a complete rebuild following an unforeseen catastrophic event be required, current valuations may no longer be appropriate given today's prices which may lead to a shortfall in funds which would have to be drawn out of surplus funds if other financial arrangements were not available.

   We would recommend that in the absence of specific information to the contrary suggesting need for earlier review, that a revaluation exercise be performed for insurance purposes at least every 5 years on all major board assets. This is especially important given the significant increase in material and labour costs seen in recent times as a result of rising inflation and global material shortages. However, we are pleased to note that boards are being asked whether they wish for insurance to be index linked going forward and would strong suggest that all boards agree to this proposal.

Client comment:

While we have put it to Boards to review pumping station valuations for insurance purposes, as separate statutory authorities it is up to each Board to review and approve what they consider to be an appropriate valuation and your point concerning possible under-insured amounts having to be funded directly by the Board following an event has been highlighted previously. We are recommending that Boards should look to index link valuations and we will continue in asking all Boards again to consider this at subsequent meetings, along with consideration of current valuations. Valuation of residential property is an area we have and will continue to focus on for future meetings.

A number of Boards have recognised the potential impact of increased costs on valuations and have taking steps to re-value, however, the consulting engineer is currently reviewing the methodology for valuation of pumping stations, to ensure there is a robust process, which will be then used going forward.

This is an area already programmed to be reviewed every five years and hopefully with indexing we may not require such individual valuations going forward.

2. Employee Benefits

Following HMRC's announcement that double cab pickups would be treated as cars rather than vans for benefit in kind purchases from 1st July 2024 this was swiftly reigned in following a backlash from affected parties, largely from the construction and agricultural sectors. Given the new Labour governments need to increase the tax receipts into the Treasury this could be a measure that is revisited and we would advise that you be mindful of any changes that arise in the forthcoming Autumn Budget, although nothing has been confirmed at this stage.

With regards to other employee benefits, we note that where applicable these are being recognised as benefits in kind and disclosed on the form P11d, we would encourage the value of these benefits to be reviewed on a regular basis to ensure that these are reflective of what the employee receives, especially where some boards providing the living accommodation to their employees.

Client comment:

We are aware of the case and potential implications to employees of classification of vehicles, and for this and other areas will be following the autumn budget closely. Generally, we do not make changes concerning additional passenger/load capabilities to that of the original manufacturer's specification, which are relied upon alongside the HMRC guidance when designating vehicles for taxation/benefits in kind.

The benefit charge for living accommodation is calculated in accordance with HMRC recommended valuations. We have started payrolling any standard benefits but are currently unable to do this for accommodation and use of vehicles.

3. Provisions

We are pleased to note that, in the main; provisions recognised within the accounts of applicable boards are being monitored and written back as required. There are still isolated cases where provisions are "brought forward and carried forward" that relate in excess of the standard life of debt, being 6 years. Whilst we are satisfied there is reasonable rationale for their retention we would question whether payments could be reinforced if the life of debt has been exceeded, with the exception of amounts recognised in respect of development contributions. We would encourage continued review of provisions brought forward from prior years, especially those exceeding the standard life of debt, writing these off as appropriate, with board approval as appropriate.

Client comment:

As part of the year end accounting procedures, provisions/balances are looked at on an individual basis and decisions made on relevance as to retain or to write back.

4. Budget figures

We refer to the significant overspend arising in the 2023/24 against the budget set for the same period. We understand that this is largely due to the unprecedented levels of rainfall experienced during the 2023/24 winter period which in turn resulted in the most significant volume of water ever pumped by the organisation. Which has resulted in pumping stations operating at capacity for a number of months, using significantly more fuel and electricity to enable this.

Given the change in weather patterns globally and in our region, we would recommend that a higher budgeted energy and fuel cost be provided for in the budget going forwards, and that the organisation maintain sufficient reserves to combat any such deficiencies in the future. Consideration should also be taken as to whether budgets should be updated for actual results if significant variances are apparent, to ensure they remain meaningful to the individual boards to which they relate.

Client comment:

As part of the finance regulations, we are required to carry out a budget monitoring exercise during the course of the year. For those Boards that have a relevant meeting, this is reviewed by the Board at their autumn/winter meeting. For all other Boards the monitoring exercise is completed as at the end of the calendar year, at this point the majority of the drain maintenance works have been completed, as would be any planned maintenance works at pumping stations. The expenditure to-date is then forecast to the end of the financial year and compared to the budget and initially sent to the chairman for review. Depending on the outcome of the monitoring exercise depends on whether it is considered appropriate to hold an emergency meeting. However, it is likely that if there were an extraordinary event the Board would be aware "in real time" and appropriate action taken at that point.

It is not policy to update budgets depending on levels of expenditure as there is no ability to increase revenue through rates and special levy once they have been set. The original budget is therefore used as comparative to analyse variances of actual expenditure against.

We have started to use a 5-year average for pumping volumes, calculating these against actual/anticipated electricity unit rates. For the 2024/2025 rate setting process we started to build in a 'climate change factor' into the 5-year average calculation, which will be refined for future years. While aware of the need to hold sufficient balances, this was highlighted during the 2023/2024 storm events and as well as having climate change awareness in the budget setting process Boards also were required to take steps concerning the reinstatement of balances depleted during the year.

It is intended to introduce a range of Key Health Indicators for all boards, part of which will be taking into account the impact of climate change on budgets and relevant level of balances required.

5. Surplus Funds

In previous years we have communicated the importance of investing cash assets that are not required to fund operational needs, to combat the erosion of these liquid assets through inflation. We are pleased to see that the organisation have taken heed of this advice and made a number of deposits with Barclays, in addition to discussing the potential pooling of cash resources with IDB's under their administration to gain access to higher rates of interest. Whilst inflation has now fallen back to 2%, the lowest level in nearly three years, it is important to continue to reinvest and "sweat" these assets going forward.

Client comment0:

We are currently making treasury deposits for individual Boards within the mandated authority given by each authority but need to manage this with specific cash flow requirements while also making consideration to having balances available for potential event situations requiring immediate cash. We will be monitoring additional staff time required to manage this while discussing matters further with our bankers.

6. Rental of Land

It was previously noted that some IDB's were renting out land to tenants at lower than market rate and that this should be reviewed to ensure value for money principles were being applied.

We are happy to note that some IDB's have increased the rental values of land to market rates, although there are still some IDB's where the rental value is significantly below market value and we advise that the market values are increased for these boards to ensure value for money principles are applied going forwards.

Client comment:

Boards which have land holding for rent generally review rents in accordance with tenancy agreements and use local land agents for guidance. A number of Boards have small holdings of land which are let at reasonable rates with a view to keep the land tidy and in good order as they are not necessarily commercially viable. A number of Boards have slamp land, which cannot be considered the same as general agricultural land for rental purposes. All Boards look to get the best rents available, but these are relevant to the size and type of land being let.

7. Financial Regulations

Last year we noted that the Financial Regulations were due to be updated by the end of the year, following a delay due to the retirement of the Chief Executive and appointing of the new Chief Executive/Clerk in February 2023. We are pleased to see that during 2024 the boards are reviewing and approving the updated Financial Regulations and Financial Code and look forward to considering this area during the course of the 2024/25 internal audit.

Client comments:

There will be a full review of the provision of clerking services and will be, as has been mentioned reviewing these regulations for presentation to boards for the 2025 meeting season.

8. Bank Transfers

We are satisfied with the accuracy of bank and cash balances and have successfully reconciled these to the underlying accounting records. We note that transfers between bank accounts are being recorded as movement per-month in the accounting records, on enquiry this was due to time constraints experienced within the finance department during the financial year. Whilst we are satisfied that reconciliations have been carried out manually correctly, we would recommend that all bank movements are fully reflected in the postings to the accounting software of the board.

Client comment:

Concerning audit point 5 – surplus funds, to maximise returns within the mandated authority with Barclays we are required to operate linked accounts, with receipts/payments being made from the standard current account. This account has a fixed balance which is adjusted following receipts/payments to it – surplus balances above the fixed limit transferred to the Business Premium account, deficit balances below the fixed amount transferred from the Business Premium account to the current account. These transfers are adjusted through the accounting software in relation to the statement frequency, with both accounts being fully reconciled – a credit in one account being matched with a debit in the other. Current staff resources do not allow for additional time to be spent transferring individual values, the net transfer for the statement being made – as we are doing this for around 28 accounts this currently provides the best value for money to the boards.

9. National Saving & Investment bank accounts

We understand that a formal complaint has been lodged with National Savings & Investments. Firstly in relation to the organisation and its administered entities desire to change the signatories on the investment accounts held with this organisation and secondly due to the fact that bank statements for the period to 31 March 2024 have not been received for the majority of boards. As a result interest receivable has had to be estimated, we have considered the estimations and are happy that these are reasonable by reference to the last received statement and the applicable interest rate. We look forward to reviewing the position in the 2024/25 financial year.

<u>*Client comment:*</u>

This was an unfortunate situation but to recognise the interest in the correct accounting period estimates were made. Differences between estimates and actuals will be adjusted through the 2024/2025 accounting statements.

10. Website Publication

We note that there has been, for a number of years, significant information available to the public. We note that for some boards the latest information does not appear to have been updated, for example the JPAG practitioner guide on the website across all the boards has not been updated since the 2018/19. An updated version of JPAG guide is made available each year.

The same situation related to the Annual Return Form (DEF-IDB1), which appeared have not been updated since year ended 31 March 2022.

We would recommend that all items are updated on the website for applicable boards as soon as practicable, or remove if regulations do not require such information to be published on the website.

<u>*Client comment:*</u>

Every effort is made to update the relevant pages of all authorities in an efficient and timely manner and in accordance with the regulations.

Your comment is noted and procedures are being amended concerning this for the future.

11. Outstanding old cheques and unreconciled transactions

We are pleased to note that the majority of old outstanding cheques and unreconciled transactions are being written off across all Board in the timely manner. However, there was the isolated cases where this has not occurred. We would suggest that concerted effort is made to ensure all old and unreconciled transactions are written off as soon as it is clear that such transactions will not be paid in or received.

Client comment:

Bank reconciliations should be looked at and cleared for older unpresented transactions, however, these will initially be transferred to debtor/creditor until their statutory standard life has expired. For 'house-keeping' these will be looked at as part of the year-end processes.

12. Fees for the service of District Officers and Pump Attendants

We have noted that not all boards are approving payment rates for the services rendered by District Officers and/or Pumping Attendant during the board meetings, instead approval is confirmed as a percentage increase, generally being in line with the Middle Level Commissioners award.

We appreciate that the board is approving the payment lists, where the amount is specified. However, we would suggest to include the amount to the discussion during the meeting and confirm the approved sum in the minutes as per prior years.

Client comment:

District Officer/pump attendants are contracted services and the boards are approving an amount for the provision of these services, however, the point is noted and the actual amount payable discussed at the meeting should be recorded in the minutes.

Specific Points

Nightlayers IDB

During our review it was noted that land sold during the year was not recorded on the fixed asset register. Our subsequent enquiries found that as the land was considered of minimal value individually this was included within the adjoining pumping station's valuation and was within the footprint of the old pumping station site. The consideration achieved is higher than would generally be expected due to its importance to a local developer.

We would suggest that you consider whether any other parcels of land held by administered boards could be sold in similar circumstances and if so, whether the valuation individually or as part of the overall pumping station valuation is appropriate.

Client comment:

While we are aware of these circumstances the Nightlayers position was rare. We will monitor sites which could have areas with potential for re-sale, substantial value can only be attached after developers make applications and this proves to be the only access. Unless these circumstances arise an uplift in valuation will not be possible.

Waldersey IDB and Hundred of Wisbech IDB – Joint Pumping Arrangement

As in previous years it is noted that there is a discrepancy between debtor held in Waldersey IDB and the creditor held in Hundred of Wisbech IDB.

Waldersey IDB – Debtor	£92,912.67
Hundred of Wisbech IDB - Creditor	£93,919.96
Difference	**£1,007.29**

We are pleased to note that this difference is insignificant for the current year. The difference arises due to the accounts of Hundred of Wisbech IDB being completed before Waldersey IDB, leading to a provision being required in the former's books in the absence of more accurate information being available. The difference is adjusted in the following year's Accounts for Hundred of Wisbech.

We note that there have been discussions to potentially amalgamate the two boards, this would eradicate the anomaly. However, in the absence of this, we suggest that meetings and account preparation periods be brought into line, if possible, to eradicate this issue.

Client comment:

These costs relate to the contribution for the costs of the shared pumping facility and at the time of production of the year end accounting statements discussions were taking place concerning potential changes to the contribution as a result of changes in land use. A new proposal had been put forward which was broadly approved by both Boards.

There are no current plans to change meeting dates so as one set of accounts is finalised before the other there is likely to remain creditor/debtor position in both sets of accounts although now that all older balances have been cleared, any in-year balance should be cleared, generally a year in arrears.

At the 2024 meetings for both Boards amalgamation was discussed and both Boards have approved to enter into discussions concerning a potential amalgamation between the Boards.

March East IDB

During our review it was noted that the pumping station attendants' payments were not all authorised during the year. This included an additional payment to the Binnimoor pumping station's attendant following him taking over from the previous attendant. We understand following discussion with the board that this was the result of an error in the minutes as the fees' amount was not specified, but the payments were clearly approved by the board. We would suggest that the board considers their internal processes for ensuring the accuracy of minutes.

Client comment:

The services of pump attendant are carried out by contractors and the Board approves the payment for these services. Procedures have been looked at to ensure proper recording in the minutes.

Hundred of Wisbech

We noted that a parcel of land has been transferred to the board during the 2023-24 year with the attenuation pond, sized at approximately 1 acre. This land was estimated by the Chairman and District Officer to have a value totalling £5,000, a value approved by the Board. We have not been provided with any professional valuation or justification with regards to this valuation. We understand that the land cannot be used for development or agriculture, making it difficult to value due to the lack of specific use.

We understand that the consideration of land valuation has conducted after the year end and details should be included in the next published minutes related to June 2024 meeting.

We look forward to reviewing this in due course.

Client comment:

This area is designated as an attenuation pond, holding surface water to discharge at a controlled rate into the District System. The valuation takes into account its use and therefore limited value. In view of this and to maintain value for money for the Board it was agreed by the officers of the Board not to engage professional valuers.

Manea & Welney

During our review, it was noticed that the Debtors Report showed a significant unallocated amount of £1,456,606.99. Following discussion with the client, we understand that this is an isolated incident related to software issue and not down to the human error. We are satisfied that balance showing on the Debtors Report is correct and no difference was identified.

We take this opportunity to thank your staff involved in our audit for their assistance and cooperation in achieving substantial completion by the stated target deadlines. We trust that the engagement team have not caused significant disruption during the execution of their procedures.

Yours sincerely,

Whitings LLP

Whitings LLP

Appendix 3

middle level commissioners

And administered IDBs.

Governance

Anti Bribery Policy

(includes gifts, hospitality & donations)

2024 - 2029

The Bribery Act 2010 is the legislation relating to bribery. Very generally, this is defined as giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so. This could cover seeking to influence a decision-maker by giving some kind of extra benefit to that decision maker rather than what can legitimately be offered as part of a tender process.

Government guidance summarises that it is illegal to offer, promise, give, request, agree, receive or accept bribes – and highlights that organisations should have an anti-bribery policy if there is a risk that someone who works for you or on your behalf might be exposed to bribery.

An anti-bribery policy should be appropriate to the level of risk the organisation faces and should include:

- your approach to reducing and controlling the risks of bribery.
- rules about accepting gifts, hospitality or donations.
- guidance on how to conduct your business, eg negotiating contracts.
- rules on avoiding or stopping conflicts of interest.

Risk Assessment

The Middle Level Commissioners and administered Internal Drainage Boards are considered as at minimal risk of bribery given that business is undertaken almost entirely within the UK.

As there is very little risk of bribery being committed on behalf of the organisation it is considered that there is no need for extensive written documentation or policies.

The most likely area of MLC or IDB business with a bribery risk are outlined below and these already have adequate controls:

- Bribery by others to secure business from the MLC/IDB
- Bribery by others to secure regulatory decisions from MLC/IDBs
- Bribery by others to secure operational benefits from MLC/IDBs
- Bribery by MLC/IDB employees or MLC Board/IDB members of others to influence an advantage.

Control Measures

- MLC/IDB Board Member declarations of interest and the application by the clerk of these within meetings and decision making.
- Boards, their delegated Committees and/or MLC employees as service providers making key procurement and regulatory decisions rather than individuals.
- Application and review of Internal Controls
- Within the MLC staff structure there are no procurement/regulatory decisions made without more than one employee being involved
- Application of Member Code of Conduct and employee performance and disciplinary procedures
- Offers of gifts, hospitality and donations to be reported to the Chief Executive/Clerk.

Gifts, Hospitality and/or Donations

Employees and members should treat with extreme caution any offer of a gift, favour or hospitality that is made to them personally. The person or organisation making the offer may be doing or seeking to do business with the MLC/Board or may be applying to the MLC/Board for some decision to be taken in his favour or someone with whom he is connected.

There are no hard and fast rules about the acceptance or refusal of hospitality or tokens of goodwill. For example, working lunches may be an appropriate way of doing business provided they are approved by the Chief Executive/Clerk and provided no extravagance is involved. In the same way it may be reasonable for staff/members to represent the MLC/Board at a social function or sporting event organised by outside persons or bodies. Persons attending such functions or events as part of an official MLC/Board delegation are exempt from the above registration requirement, providing their attendance has been approved by the Chief Executive.

Each member or employee is personally responsible for all decisions connected with the acceptance or offer of gifts or hospitality and for avoiding risk of damage to public confidence. The receipt and detail of gifts and hospitality should always be reported to the Chief Executive/Clerk.

When gifts and/or hospitality have to be declined, those making the offer should be courteously but firmly informed of the procedures and standards operated by the MLC/Board and told why hospitality cannot be accepted. This should be logged within the register in order to track any patterns.

Members and employees should not accept significant personal gifts from contractors and outside suppliers, although the Board will allow members and employees to keep insignificant items of token value such as pens, calendars and diaries of an estimated value below £20. These insignificant items do not require recording in the Gifts and Hospitality Register.

Acceptance by members and employees of hospitality through attendance at relevant conferences and courses is acceptable where it is clear the hospitality is corporate rather than personal and where the member or employee is satisfied that any purchasing decisions will not be compromised. Where visits to inspect equipment, supplies or services are required, employees and members should ensure that the MLC/Board meets the cost of such visits to avoid jeopardising the integrity of subsequent purchasing decisions.

Procedure

MLC/IDB Board Members and Employees are required to log the offer and acceptance/rejection of a gift, hospitality or donation within the Gifts and Hospitality Register by emailing details of the offer to chiefofficers@middlelevel.gov.uk

Dealing with Bribery

Bribery committed by an employee will be considered a disciplinary issue and likely to be treated as gross misconduct.

Bribery or attempted bribery committed by a third party may lead to the termination of the business relationship.

Bribery committed by an MLC or IDB Member will be considered as a breach of the Member Code of Conduct.

Miss Ablett referred the Board to the Governance report and summarised its content.

a) Annual Governance & Accountability Return (AGAR) and Internal Auditor

i) The Board considered and approved the comments of the Auditors on the Annual Return for the year that ended on the 31st March 2024.

ii) The Board considered and approved the Audit Report of the Internal Auditor for the year that ended on the 31st March 2024.

b) Authorisations

Miss Ablett referred to the Clerk's comments regarding duly authorised officers being able to use the powers and byelaws for their operational and regulatory roles on the Commissioners' behalf.

RESOLVED

That all employees and contractors of the Middle Level Commissioners, together with the Chairman, Vice Chairman and District Engineer be considered as duly authorised officers on the Commissioners' behalf.

c) Responsible Finance Officer

Miss Ablett referred to the retirement of Robert Hill, the Treasurer of the Middle Level Commissioners, at the end of January 2025 and reported that Andrew Wool had been appointed as the Middle Level Commissioners' Head of Finance. She advised a number of resolutions were required to manage the transition and improve resilience thus reducing risk to the Commissioners.

RESOLVED

i) That the Head of Finance of the Middle Level Commissioners be appointed as the Responsible Financial Officer for the Commissioners.

ii) That the Head of Finance be added to the Barclays Bank mandate and authorised to sign cheques and make payments.

iii) That the person appointed as Clerk to the Middle Level Commissioners be added to the Barclays Bank mandate and authorised to sign cheques and make payments.

iv) That the person appointed as Head of Finance to the Middle Level Commissioners be appointed as Administrator to the Barclays Bank internet banking platform as used by the Middle Level Commissioners.

v) That following Mr Hill's retirement, the Head of Finance of the Middle Level Commissioners be delegated the authority to appoint a member of the finance team to be an additional administrator on the Barclays Bank internet banking platform.

d) <u>Risk Assessment and Insured Values</u>

Miss Ablett reminded Members of the need to ensure the pumping stations were adequately insured and referred to the Clerk's comments regarding the pumping station valuation proposal.

She reported the proposal would need to be reviewed with the IDB Chairs to establish how costs would be apportioned.

Members discussed the comments and agreed that more information was required. The Chairman agreed to report back to the Commissioners at their next meeting.

<u>RESOLVED</u>

That more information be made available once the proposal has been reviewed by IDB Chairs, and put to the Commissioners at their next meeting.

e) <u>Policy review</u>

Miss Ablett referred to the Clerk's ongoing review and update of policies.

<u>RESOLVED</u>

i) That the update and re-publication of the Commissioners' Complaints Procedure and Privacy Policy be noted.

ii) That the publication of an Anti-Bribery policy, which includes the need to log offers of gifts and hospitality, be approved.

iii) That the Middle Level Commissioners' Lead Clerk, currently Ruth Martin, be authorised to act as the Commissioners' Data Protection Officer.

f) <u>Consideration of potential litigation, liabilities, commitments.</u>

Miss Ablett reported that as part of the Annual Governance review the Board were required to consider if there were any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end that have a financial impact on the authority. She confirmed that there were no such matters that have been raised through the office of the clerk. Members gave consideration to the position.

C.555 Finance Report

Viz:

Provided by the Middle Level Commissioners		Item No:	12
Meeting:	**HADDENHAM LEVEL DRAINAGE COMMISSIONERS**	**Subject:**	**FINANCE REPORT**
Date:	**Thursday 7th November 2024**	**Officer Responsible:**	**Robert Hill/Sam Ablett**

RECOMMENDATIONS

The Board is asked to:

A. Fees, renumerations and Subscriptions
B. Note the Precept to the Environment Agency & Highland Water Contributions
C. Review Budget Monitoring 2024/2025

1. Storm Recovery Grant

Following the setting of the rates for 2024/2025 we were advised of the criteria for submissions of claims against the Government announced Storm Recovery Grant and a claim for the first phase of funding (T1) was submitted for £72,509.44, which has now been received. Although claims have been submitted for combined IDB works against the Storm Recovery resilience works (T2) there has been no indication from the Environment Agency concerning the progress of claims submitted or possible eventual payment of claims.

2. Highland Water Contributions

2.1 When completing the budget proposal claims were estimated against the likely out-turn for 2023/2024 and the budgeted expenditure for 2024/2025. The winter storm events gave claims significantly in excess of previous claims but following an understanding that the Environment Agency were able to switch funding within their revenue/capital programmes the full estimated claims were included in the rating proposals. The highland water claim included within the rating estimates was £19,171.98. Following an earlier Government announcement, details were eventually released concerning the Storm Recovery Grant and a claim for the first trance (T1) was submitted in the sum of £72,509.44.

2.2 To adjust for this additional funding the relevant elements of the Storm Recovery Grant (T1) need to be adjusted against the highland water claims. The highland water calculation for these additional receipts amounts to £3,397.25, which will be adjusted from the Strom Recovery Grant.

Payment of the submitted highland water claims are currently outstanding although the Environment Agency has recently been in contact seeking additional information concerning submitted claims. The forecast has been completed using the submitted claims.

2.1 **Precept to the Environment Agency**

2.2 Internal Drainage Boards are required to pay a Precept (IDB Precept) to the Environment Agency for their expenses managing water passing into main rivers. Predominantly, the Precept funds additional maintenance downstream of and/or benefitting IDB districts.

The precept for 2022/2023 was £36,672.

3. Replacement Excavator – Public Works Loan application

This matter is to be dealt with as a separate agenda item withing the papers.

4. Budget monitoring

The current forecast for income/expenditure to 31st March 2025 shows that expenditure could be in-line with the budget against which rates were set.

However, members are advised that these figures are estimating pumping costs to be in-line with the budget proposal against which the rates have been set and should therefore also take into account the significant financial implications major storm events can have on drainage Board budgets.

When completing the 2023/2024 out-turn concerns were raised by the finance officer over the electricity charges for Sutton Gault pumping station and a claim was lodged against the supplier (Corona Energy). The final out-turn figures were completed using those charged and this matter was highlighted at the meeting. Following further works by the engineer a credit adjustment has now been received in the sum of £19,830. This is shown within the forecast as 'income' – The highland water claim within the rate budget was based on the totals within the out-turn figures and the subsequent claim submitted to the Environment Agency was based on the adjusted totals. The resulting highland water value will be adjusted against the Corona Energy credit adjustment.

The forecast figures include a provision of £12,000 for repairs at Sutton gault pumping station as recommended by the engineer.

The full highland water claims have been included but while payment remains outstanding it is the recommendation that the balance of the Storm recovery Grant (T1) is held in reserve.

The Commissioners have received £75,490 as settlement for the Atlas excavator. These funds will be used against the purchase of a new machine and at this time are not reflected in these figures.

To balance the budget the reinstatement of balances provision has been reduced by £9,090 from the budgeted amount to £6,290.

There will be a full reconciliation of balances at the financial year end.

Author Name: Robert Hill/Sam Ablett
Role: Treasurer/Assistant Treasurer

Appendix 1 Budget Monitoring

Appendix 1

HADDENHAM LEVEL DRAINAGE COMMISSIONERS
BUDGET MONITORING 2024/2025

		Approved Budget 2024/2025	Actual TO 30th Sept. 2024	Forecast to 31st March 2025
1 CHANNEL MAINTENANCE		16,800	15,944 [A]	25,000 [B]
2 LABOUR		52,000	28,034	55,500
3 REPAIRS AND RENEWALS		13,000	6,646 [C]	24,500 [D]
4 FUEL		92,000	21,814	92,000 [E]
5 RATES, INSURANCES & TELEPHONES		12,425 [F]	9,330 [F]	14,500 [F]
6 ADMINISTRATION		14,750	8,092	16,750
7 ASSET REPLACEMENT		0	0	0
8 E. A. PRECEPT		38,906	19,453	38,906
9 LOAN REPAYMENT		42,964	21,482	42,964 [G]
10 IMPROVEMENT WORKS		21,000 [H]	1,355	21,000 [H]
11 REINSTATEMENT OF BALANCES		15,389 [I]	0.00	6,290 [I]
		319,234	**132,149**	**337,410**
INCOME		**66,010**	**22,089** [J]	**84,186** [K]
Net Expenditure	253,224	**253,224**	**110,060**	**253,224** [L]
Rate Requirement		**50.00** p		
Rate set				
AV 506,448				
Gen. Fund balance	open	148,893	148,893	148,893
Rates raised	50.00p	253,224	205,454	253,638
net expenditure		253,224	110,060	253,224
adj. balances		15,389		6,290
closing balance		**164,282**	**244,287**	**155,597**

A -	Includes for:	
	Flail mowing - Contractor	5,940
	Excavator hire- Contractor	4,524
		10,464
B -	Includes provision for contractor accounts	6,300
C -	Includes repair pump motor - Sutton Gault p/s	2,567
D -	Includes provision for Sutton gault p/s w/s/c reps.	12,000
E -	provisions estimated to budget allowances	
F -	Includes gross water charges (re-charged to 3rd party)	
G -	First repayments for addition loan for excavator replacement likley to fall into 25/26 financial year	
H -	Provision for replacement of culverts	
I -	Provision for reinstaement of balances reduced by winter 23/24 pumping	
J -	Includes credit against 23/24 Sutton p/s electricity	19,830
K -	Includes metered discharge	15,000
	Includes calculated highland water claim	15,374
	Includes asset fund for new culverts	21,000
	Includes credit against 23/24 Sutton p/s electricity	19,830
		71,204
L -	**Figures do not include for Storm receovery funding**	
	Does not include excavator insurance receipt	
	Figures assume highland water claims to be paid in full	

Ms Ablett reported on the budget monitoring and forecast for income/expenditure. She referred to the possible implications of an underpayment of Highland Water claims and possible future Storm Recovery applications.

RESOLVED

That the budget monitoring be approved.

C.556 Date & Time of next Meeting

Thursday 24th April 2025 at 5pm.