

MINUTES of Meeting of Finance Sub-Committee
held on Tuesday 7th January 2025 at the Ouse & Derwent
Offices, Crockey Hill, York

PRESENT

Cllr J Cattnach (In the Chair)
Mr J Hopwood
Mr J Daniel

The Clerk – Mr W Symons
Finance Officer – Mrs F Bradley

APOLOGIES FOR
ABSENCE

Apologies for absence were received from Cllr J
Brooks and Mr N Culpan (Assistant Engineer).

DECLARATION OF
INTEREST

The Chairman informed he was a council nominated
member of Selby IDB but no longer on Kyle and Ouse IDB.
He also uses Brodericks (the company providing the
Board's internal audit), with his work as Chairman of Selby
District Vision.

There were no declarations of interest related to the
items listed on the Agenda.

The Clerk offered to provide the Chairman with the
contact details of the City of York Council's officer who
makes the nominated council appointments to the Board to
discuss the council's appointments to the various Boards
regarding membership and attendance at meetings.

The Clerk informed Members that the Register of
Members Interests was available for inspection and update
as required.

MINUTES OF
MEETING

It was UNANIMOUSLY RESOLVED that the
Minutes of the meeting held on 24th September 2024, a copy
of which had been sent to all Sub-Committee Members, be
taken as read and approved and that they are forthwith
signed by the Chairman as a correct record.

MATTERS ARISING

The Clerk informed that a Mr M Henderson was
being recruited as the City of York Council's Flood Risk
Manager, filling the vacancy created by the promotion of
Mr S Wragg.

The Chairman informing he is very pleased the
appointment is being made as it will put a greater input from
the City of York Council if he attends Board meetings.

The Clerk reported that no further matters were arising from the Minutes of the last meeting which were not covered on the Agenda.

ELECTION OUTCOME

The Clerk as Returning Officer advised that the new Board had come into place from 1st November. An election had not been required as the number of nominations did not exceed the number of positions on the Board. In view of this all the current Members were re-elected.

Chairman and Vice Chairman Position

The Chairman and Vice Chairman informing they were happy to be considered to be nominated for the new Board.

MEMBERSHIP NUMBER REDUCTION

The Clerk informed he has not had any further information provided on the progress of reconstituting the Board with a reduced membership number.

Election Requirements

The Clerk reported as far as he was aware, following the reconstitution, the Board will be reformed which will amend the number of Members. An election is then expected to be held in the year after, up to 18 months later following the reconstitution.

TRANSFER TO SPECIAL LEVY AND WRITE OFF

The Clerk informed that he annually updated the land for consideration for transfer to 'Special Levy' and the resultant write-off of agricultural rates which cannot be raised.

Special Levy

The Clerk had circulated maps and a summary table with the Agenda for the Board's consideration.

The Sub-Committee UNANIMOUSLY RECOMMENDED to the Main Board that the land should be transferred to Special Levy (North Yorkshire Council and City of York Council) as above.

Members noted it would be useful if a more detailed address of the location on the front sheet could be provided for the main meeting (this included on the enclosed documents).

Amounts to be Written Off

An overall sum in drainage rates remaining on land transferred to Special Levy which cannot be collected amounts to £151.43 which is requested for consideration of writing off.

The transfer to Special Levy and sums to be written off was considered by Members. The Clerk explained the implications on the Special Levy demand for both City of York Council and North Yorkshire Council.

The Sub-Committee Members UNANIMOUSLY RECOMMENDED to the Main Board the write-off of £151.43 in drainage rates.

WORKFORCE

Staff and Workforce Pay Increase

The Clerk informed that he had received information that the ADA Lincolnshire Branch pay increase to be for financial year 2025/26 as follows:

To apply a pay award to the 2024/25 salary rates of 5.1% (being the 12-month average of the average weekly earnings figure for the public sector published by the Office for National Statistics).

He informed the employers cost of National Insurance contributions including the pay increase have been used in the estimates for the Board's budgets.

CONSORTIUM ARRANGEMENTS

Meeting Date

The Clerk confirmed the next meeting of the Consortium Management Committee will be held on 4th February 2025 to be held at **Escrick & Deighton Club, 63 Main Street, Escrick, York, YO19 6LQ**. This is prior to the next meeting of the Board on 24th June 2025. If any matters occur which need urgent attention directly by the Board, then a special meeting of the Board will be required prior to the start of the next financial year.

The Clerk informed the Sub-Committee that the Board's administration costs in this year's estimates are presented on the basis of the costs of the Consortium Arrangements which will be discussed at the CMC annual meeting.

Sustaining the Board's Nominated Members on the CMC Committee

The Clerk asked the Board if it wished to sustain its two nominated Members for the meeting who are Cllr J Cattnach and Cllr J Brooks.

The Sub-Committee's RECOMMENDATION if accepted by the Board is to nominate both Cllr J Brooks and the Chairman (Cllr J Cattnach) for them to attend the annual CMC Meeting.

DRAINAGE RATING SOFTWARE (DRS)

The Clerk had circulated with the Agenda details of a software package for managing land ownership and the Board's drainage rate income. He informed drainage boards use some bespoke software to hold statutory data on its rated land and properties. The database being used to generate the Board's rate demands and manage the income against the individual rate accounts when they are paid. The current software is owned and supported by an individual Board providing a service to many other drainage boards. The software however is old and in need of updating. The Board providing the software has given notice that the system will no longer be supported after 1st April 2025. They however are offering to continue to host equivalent software with the data being held on the supporting Board's computer servers and users having to login on the internet for day-to-day usage. This solution however does not address the software being old and in need of updating, it also stops the data and information being held on our Board's systems.

Board's Development of Drainage Rating Software

The Clerk informed that the York Consortium was advancing developing its own Drainage Rating Software. This work has progressed to setting up a development server, data migration and reformatting for the new system. The next stage is to advance the database programming.

Development of Commercial Software System

The Clerk noted that the Board has partnered with some other drainage boards to support the development of a potentially Commercial Software System. This being intended to be offered to other Boards to use if they wish to subscribe. The Clerk informing the Consortium lead Board had agreed to help part fund the development of a legal agreement and development of the software. The details of which are Commercial in Confidence. If any further details are required the Clerk can provide them to individual Members. This work however was progressing satisfactorily to plan so the Consortium lead Board has ceased developing its own individual software.

PLANT RENEWAL

Proposed Approach to Maintenance Works

The Clerk informed that the Board will again contract out all the flailing works. The current first year of this two/three year contract is now complete. The Board will sustain its own two tracked excavators so the Board's workforce can concentrate on sludging and tracked excavator maintenance works.

Plant Replacement Frequency

The Clerk noted that the machinery replacement is reviewed in relation to changing market conditions. The Board seeking to get best value for selling its existing plant whilst purchasing replacements at the best possible price. The timing of the change being intended to make the most of machine warranties provided when new. The Board needing to change the machines to sustain productivity to avoid diminishing reliability and increasing maintenance costs.

The Board currently, with its excavators, is funding replacement after five years of regular usage. This however will be dependent on hours run and market conditions. This however excludes attachments if they can be continued to be used with the replacement.

Carbon Usage

The Clerk noting the potential requirement for measuring carbon usage and demonstrating how the Board can reduce its carbon emissions. This potentially becoming a matter of higher importance as a publicly funded authority. In keeping the Board's own equipment up to date, it is likely when replaced will become more efficient and embrace the latest technology.

The Clerk presented the Plant Renewals Schedule, which had been circulated with the Agenda.

2024/25 Plant Replacement

The Clerk reported the Board was progressing the plant renewal programme in this financial year. To date it has purchased a second-hand micro teleporter which is being regularly used.

8T Excavator Replacement

The Clerk reported that the Board's old 8 tonne Kubota excavator needs replacing. The old machine will either be part exchanged or sold privately. It was noted that quite a bit of demand existed for the old machine.

Submersible Pump

The Clerk reported the Board further includes the purchase of a portable large submersible pump, this including the cost of a control panel and pipework. The Board further having a grant from the Asset and Storm Recovery Fund only for this current financial year, which may contribute towards the cost of its purchase.

Recommendation on Delegated Authority for Equipment Sale/Purchase

In relation to the Main Board meeting being the last for the end of the financial year, formal decisions will be required for the following :

- Sale of the existing 8 tonne Kubota excavator;
- Purchase of the replacement 8t excavator (quotations currently being obtained);

- Purchase of the submersible pump control panel and accessories.

The Clerk asked if it was appropriate for the Sub-Committee to recommend delegated authority for the purchase of this equipment. The alternative being arranging a full Board meeting to authorise the expenditure.

The Sub-Committee agreed UNANIMOUSLY to RECOMMEND to the Board that delegated authority be given to the Chairman and Vice Chairman to authorise the investment/sale of the equipment. This being based on the information and recommendation provided by the Engineering Assistant.

2025/26 Plant Replacement

Ford Ranger 4x4 Pick-Up Truck Replacement

The Clerk explained it is intended to replace its Ford Ranger which was purchased in 2018 and will be seeking quotations to establish its replacement. The plant renewal sheet including a potential cost and a likely estimated part exchange value.

Derwent House Ride-On Lawn Mower

The Clerk informed the Board's ride-on lawn mower was wearing out and needing regular repair. Its main use being cutting the grass at Derwent House. The sheet includes an estimate for its replacement and also part exchange value.

Gas Oil Storage Tank

The Clerk noted that the budget also included £3,000 for the replacement of the Board's gas oil storage tank.

Plant Reserves

The Clerk noted that the Board tended to require £30,000 annually to fund its plant replacement programme which was included on the plant renewal sheet. This however, if the Board is running in deficit, is being drawn directly from the Board's reserves when allocated to the plant reserve fund.

BUDGET 2025/26

The Sub-Committee Members considered the plant replacement programme and UNANIMOUSLY AGREED to RECOMMEND the acceptance of the plant replacement programme and approval to progress as proposed above.

The Chairman referred Members to the budget paper and notes, which had been circulated with the Agenda.

The Finance Officer asked if there were any questions on the items in the report.

The Chairman noted he believed the budget notes were very informative and comprehensive.

The Clerk informed that the budget is based on most of the Board's work being conducted using red diesel. He further noted the potential risk with rising electricity prices and uncertainty of heavy rainfall events the difficulty of forecasting costs.

The Finance Officer explained that the Board's forecast was for both the Coal Authority and the Board's pumping stations but clearly was an expenditure risk. The Board's estimates for usage being based on a longer-term historical average.

New Invoice for Maintenance Works Carried Out

The Clerk noted a new invoice had arrived which had not been included in the estimates. The invoice arriving since sending the supporting information out for the Board meeting which is likely to increase the Board's deficit by a further £7,500 (sub-contractors' line) causing a larger deficit than forecast in this budget.

Newlands Pumping Station

The Clerk informed the Board's budget included costs as advised by the Engineering Assistant for the last pump installation which is being funded by the Storm and Asset Refurbishment budget. The work being intended to be completed this financial year.

Budget Overview

The Clerk highlighted the out turn budget estimate for the end of 2024/25. This showed a deficit of £46,098 (£53,500 with extra work invoiced). This along with estimates for financial year 2025/26. The paper being based on the Board increasing its drainage rate to 5.40p in the £. An increase of 4.8% and including the land transfers from drainage rates to the councils 'Special Levy.'

The Chairman asked Members of the Sub-Committee if they had any further queries on the paper and supporting table.

The Sub-Committee Members considered the Board's balances held along with the budget proposals and the rate of a sum of 5.40p for 2025/26 an increase of 4.8% over the rates of 2024/25.

The Sub-Committee Members **UNANIMOUSLY AGREED** to **RECOMMEND** approval to the Board.

LAYING OF THE RATE & SPECIAL LEVIES

ENGINEER'S REPORT

The Clerk reported that no Engineer's Report had been circulated as the third quotation for the purchase of the 8 tonne excavator had not yet been provided by the suppliers. If the quotation becomes available before the next meeting of the Board it may be tabled. If this does not happen the Board will use the Sub-Committee's recommended delegated authority, if approved, to decide on the machine to be purchased and the sale of the old machine being replaced. The Engineering Assistant will confirm the approach at the main meeting of the Board.

TRANCHE 1. 2A and 2B GRANT FUNDING

The Clerk made Members of the Sub-Committee aware at the last meeting of the scheme, which originally was announced at the National Farmers Union Conference of a fund for IDBs to recover from flooding and refurbish assets. A total sum of £75 million being provided based on the following criteria:

- The investment will be made in the 2024/25 financial year;
- The Environment Agency will be administering the scheme;
- Expressions of Interest for storm recovery will be required by 7th June 2024;

- Expressions of Interest for asset improvement will be required by 28th June 2024.

The Expression of Interest required the completion of a form with supporting detail to substantiate the eligibility of the work for funding.

Storm Recovery Work (Tranche 1)

- Replacement of the broken pump at Newlands Pumping Station (this will be subject to screening for Eels Regulation compliance) – £75,000;
- Additional pumping electricity costs during the winter period higher than the last three-year average Board's additional electricity cost – £16,792. It being noted that the Coal Authority stations were excluded;
- Increased costs for bank refurbishment work – £15,000.

Asset Improvement (Tranche 2A)

- Emergency electric standby submersible pumps.

The Clerk informed Tranche 1 has been agreed and funded. Tranche 2A was granted following the ADA National Conference in London. It was also announced at the Conference expressions of interest will be requested in January for further funding to be called Tranche 2B. The applications will be for work to be completed in financial year 2025/26 and values from £100k to £2m.

The Clerk asked the Sub-Committee if they had any concerns in principle about the Derwent House depot facility being used additionally by Selby Internal Drainage Board. This being on the basis they are interested and a suitable rental price could be achieved.

The Sub-Committee RECOMMENDED that the Clerk can talk to Selby IDB about these arrangements to see if they would be interested in proposals on this basis. Then to advance any arrangements if required for future consideration by the Board.

CROCKEY HILL
DEPOT RESOURCE
SHARING WITH
SELBY IDB

CORRESPONDENCE

BANKING ARRANGEMENTS

ACCOUNTS FOR CONFIRMATION

DATE OF NEXT MEETING

DATES OF FUTURE MEETINGS

ANY OTHER BUSINESS

Farm Waste Exemption Charging Consultation

The Clerk referred Members to a current consultation document regarding Environment Agency Waste Management Exemption licences and a potential future charging structure. The Board having concerns about the Board's statutory ability to deposit spoil on the banks of a watercourse under Section 15 of the Land Drainage Act 1991.

The Members of the Sub-Committee noting the correspondence circulated with the Agenda for the meeting.

The Clerk reported there was no further correspondence of significance received since the date of the last meeting.

The Clerk confirmed the Board's current investments and interest rates being achieved.

He noted the potential opportunity of increasing rates if they occur although the current rates appear to have stabilised and it remained uncertain how the economy will change following the recent budget. This along with the difficulties of the requirements of mandating for officers, Chairman and Vice Chairman to operate new accounts as required in the Board's Financial Regulations for accounts with improved interest rates.

The Clerk referred to the list of accounts paid since the date of the last meeting, which had been circulated to all Members with the Agenda.

It was UNANIMOUSLY RESOLVED that payment of these accounts be confirmed.

(SEE APPENDIX TO MINUTES)

Tuesday 10th June 2025 at 10am. This being prior to the Board meeting on 24th June 2025.

Tuesday 23rd September 2025 at 10am. This being prior to the Board meeting on 21st October 2025.

The Chairman closed the meeting at 12pm as there was no other business.

(APPENDICES TO FOLLOW)

