

MINUTES of Meeting of Finance Sub-Committee held on Tuesday 11th January 2022 via Microsoft Teams Online Meeting due to Global Pandemic. No attendance at the Ouse & Derwent Offices, Crockey Hill, York

PRESENT

Cllr J Cattanach (In the Chair)
Mr R E Britton
Mr J Hopwood
Mr J Daniel

The Clerk – Mr W Symons
Finance Officer – Mrs F Bradley
Engineering Assistant – Mr N Culpan

Apologies for absence were received from Mr S Wragg.

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

The Chairman informed he was a Council Nominated Member of Selby IDB.

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

The Chairman moved that the Minutes of the Meeting held on the 28th September 2021 including the ‘Private and Confidential’ and the ‘Commercial in Confidence’ item, a copy of which had been sent to all Sub Committee Members, are APPROVED and that they forthwith be signed by the Chairman as a correct record. This was seconded by Mr R E Britton.

APOLOGIES FOR ABSENCE

DECLARATION OF INTEREST

MINUTES OF LAST MEETING

MATTERS ARISING

Pumping Station Contingency Plan

The Clerk reported that the pumping station contingency plan of installing three phase external outlets at pumping stations was advancing. These were intended to be used with submersible pumps to augment pumping stations when breakdown or servicing is required.

ELECTION
OUTCOME

MEMBERSHIP
NUMBER
REDUCTION

Workforce Holiday Season Cover

The Board has sustained at least two Members of the workforce available on normal working days over the Christmas and holiday period. This approach has given continuity in inspection over the holiday season and thus not required out of hour attendance. However, the weather was reasonably mild in this period.

There were no further matters arising from the Minutes which were not covered under the agenda items.

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.

New Unitary Authority

The Chairman noted that the new unitary authority election was due on 5th May 2021 which will create a reduction in numbers of Councillors and a transition on the Authority will then start and run for a year.

Mr R E Britton noted that Nominated Board Members do not necessarily need to be County Councillors.

The Chairman noted that the Board already had Nominated Members who were not County Councillors.

The Clerk informed that the formal reduction in Board Membership numbers was progressing. The Environment Agency Solicitor had informed the Board's Clerk that the numbers proposed had been agreed with Defra at 23, the number being slightly larger than the recommended 21. The next phase was for the Agency to provide a sealed document to Defra on this basis and they would then advertise the scheme.

CONSORTIUM
ARRANGEMENTS

TRANSFER TO
SPECIAL LEVY
AND WRITE-OFF

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 18 months following the reconstitution.

The Clerk confirmed the next meeting of the Consortium Management Committee (CMC) will be held on Tuesday 8th February 2022 at 2pm via Microsoft Teams.

The Board at last year's meeting was represented by Mr R E Britton and the Chairman (Cllr J Cattnach). They both agreed to represent the Board again at the forthcoming annual meeting if the Board wishes. The arrangements require the Board to nominate two Members with the power to act on behalf of the Board.

The Clerk informed the Sub Committee that the Boards 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.

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

Land Transfer to Special Levy

The Clerk referred to the list and maps of the locations circulated with the agenda. This along with the write-off of drainage rates which cannot be recovered and land transfers to Special Levy from the Boards agricultural rating.

The Sub Committee Members REVIEWED the list and AGREED with the Clerk to recommend the transfer to Special Levy:

1. The land on account 90-641-6 shown in the circulated list to Selby District Council is now gardens;
2. The land on account 90-607-9 shown in the circulated list to Selby District Council is being developed as properties with the write-off of £16.16;
3. The land on account 90-125-0 shown in the circulated list to Selby District Council is a garden with the write-off of £2.93;

4. The land on Persimmon's account at Germany Beck, Fulford shown in the circulated list to City of York Council is being developed as properties with the write-off of £87.12 (the percentage of land being transferred as previously agreed).

The Clerk informed the transfers will take place from 1st April 2022 to reflect the land no longer being used for agricultural usage.

Mr R E Britton proposed that the Sub Committee RECOMMENDED to the Main Board that the land should be transferred to Special Levy (Selby District Council and City of York Council) as above, this along with writing off the sum of £106.21.

The Chairman seconding the proposal of Mr R E Britton, which was UNANIMOUSLY AGREED by Sub Committee Members.

PLANT RENEWALS/ PURCHASE

Proposed Approach to Maintenance Works

The Clerk informed that the Board will again contract out all the flailing works, which will be put out to tender as usual. The Board now has 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 Boards 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.

2021/22 Plant Replacement

The Clerk reported the Boards old Ford Ranger had been part exchanged for a new Isuzu D-Max 4x4 Pickup.

2022/23 Plant Replacement

Excavator

The Clerk explained it is intended to replace its Hyundai HX140 excavator. The market commanding high second-hand values and extended periods for delivery of new equipment.

Trailers

The Board further wishing to purchase a tipping trailer and considering part exchanging an older one.

Submersible Pumps

The Board further is considering the purchase of a small submersible pump as part of its pumping station contingency plan. Then a further medium and large pump budget allowing in financial year 2023/24.

Plant Reserves

The Clerk suggested any budget surplus at the end of financial year 2021/22 be added to the Boards plant reserves to fund future purchases.

Excavator Usage and Replacements

Mr R E Britton asked about the usage (hours run) and the replacement of the excavators. In particular if it might be better to hire them when required.

The Engineering Assistant informed that the required excavators needed specific equipment which was not always available and it was much easier to use your own equipment.

The Clerk informed that the decision on how and if the excavator is replaced can be considered and discussed further and very much was related to market conditions at the time. The point of consideration at the moment is allocating funding so the excavator can be changed.

The Chairman agreeing and believed it was important to look at all options and to have ongoing reviews considering alternatives raised.

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 and also for any surplus from the Boards accounts to be used to increase the plant reserves.

BUDGET 2022/2023

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 Boards work being conducted using red diesel. If taxed white diesel has to be used then this would be an additional cost which would have to be funded from the Boards reserves. The Board further may get additional 'Highland Water' income from the Environment Agency.

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

Newlands Pumping Station

The Clerk informed the Boards budget included costs as advised by the Engineering Assistant for refurbishment of the pumps at Newlands.

The Clerk highlighted the out turn budget estimate for the end of 2021/22. This showed a deficit of £75,733. This along with estimates for financial year 2022/23. The budget included for Newlands Pumping Station pump refurbishment. The paper being based on the Board sustaining its existing drainage rate.

The Clerk noted that RPI at the current time is about 2% to 3% and with the uncertainty of material shortages and Coronavirus could rise further in the future. This highlighting a risk and being indicative of rising costs.

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

(SEE APPENDIX TO MINUTES)

PROPOSALS FOR LAYING OF THE RATE 2022/23

The Sub Committee Members considered the Boards balances held along with the budget proposals and the rate of a sum of 4.38p for 2022/23 with no increase over the rates of 2021/22. Mr R E Britton proposing and the Chairman seconding the proposal, which was UNANIMOUSLY AGREED to RECOMMEND approval to the Board.

The Chairman was pleased that the Boards Sub Committee recommendation is for the rates to be held and not increased except for the implication of land transfer to 'Special Levy.'

WORKFORCE

The Clerk informed that the Board hoped to start the recruitment process for a new Member of the workforce shortly, the costs of which had been included in the Boards estimates. This along with budget including a potential pay increase and taking on board the increased National Insurance costs due to be implemented shortly.

ACCOUNTS FOR CONFIRMATION

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

The Committee reviewed and considered the list of accounts for confirmation and AGREED to RECOMMEND APPROVAL to the Board.

(SEE APPENDIX TO MINUTES)

DATE OF NEXT MEETING

Tuesday 14th June 2022 at 1pm. This being prior to the Board Meeting on 28th June 2022.

FUTURE MEETINGS

Tuesday 27th September 2022 at 1pm. This being prior to the Board Meeting on 18th October 2022.

ANY OTHER BUSINESS

The Clerk suggested that at the current time because of the latest virus strain the Board should hold its next 'Main Meeting' virtually. The Board's 'Standing Orders' allowing this approach.

The Chairman believes that virtual meetings are beneficial because of the potential reduced travelling distances for some Members.

The Sub Committee Members agreed that the next 'Main Meeting' should be held virtually.

Sad Loss of Mr Nigel Colin Forbes Adam

The Clerk noted the sad loss of Nigel Colin Forbes Adam who had been a historical Member of the Board having joined in September 1975.

There being no further business the Chairman declared the Meeting closed.

(APPENDICES TO FOLLOW)