

LOWER MEDWAY INTERNAL DRAINAGE BOARD



MINUTES OF A MEETING of the **Finance Committee** held at
The Boards Offices, 17 Albion Place, Maidstone
on **Monday 2 December 2019**

Members of the Committee Present

S Batt
D Dewar-Whalley
J Lewis
J Mair

In attendance

M D Watson - Chief Executive
J Murphy – Finance Officer
L Rowland – Office Manager

1. APOLOGIES FOR ABSENCE

Apologies received from S Mair.

D Dewar-Whalley was asked to chair the meeting in the absence of S Mair.

2. MINUTES

RESOLVED that the Minutes of the Finance Committee Meeting held on 24 June 2019 are correctly recorded and that they be signed by the Chairman.

(As attached to these Minutes - Appendix 1)

3. MATTERS ARISING FROM PREVIOUS MINUTES

Minutes of 28 January

item 9 – Any Other Business, Key Person Insurance

Following the last meeting the Chief Executive has been in contact with Paul Waterhouse to discuss Key Man Insurance, apparently only two providers Royal London and Aviva provide this sort of cover. Quotation is as overleaf.

LMIDB

Keyman Term (including terminal illness) and Critical Illness 5 years sum assured
£150,000 monthly Premiums

Life (including Terminal Illness) Aviva £11.90
Including Critical Illness Aviva £74.67

Keyman Income Protection Maximum Benefit £54,000 (75% of £72,000) Term 5 years
Benefit 2 years

Deferred (1 month) Royal London £61.05

Members discussed the options and all **AGREED** to go ahead with the Keyman Income Protection insurance only at this stage.

**Minutes of 24 June
item 9 – Any Other Business, HSBC Account**

We need to approve the revised rules for accessing the HSBC account and minute the names of who will have access to the account and how the account will work. Reminder that we require a cheque book and paying in book.

Once this has been done the Chief Executive will complete the bank mandate accordingly.

Both items were actioned in July 2019.

The Chief Executive confirmed that both J Mair and S Mair have both now been added so they can access the account, which means the entire Finance Committee now have access.

4. BILLS COMMITTEE

RECEIVED the Minutes of the Bills Committee Meeting held on 24 June, 31 July, 19 August, 23 September, 24 October and 21 November 2019.

(As attached to these Minutes - Appendix 2)

5. BANK BALANCES

The Bank Statements were produced for the Chairman to sign as follows:

| | <u>Date</u> | |
|----------------------------------|------------------|------------|
| Handelsbanken Paying In Account | 19 November 2019 | 778,352.54 |
| Handelsbanken Paying Out Account | 19 November 2019 | 395,199.56 |
| Handelsbanken Savings Account | 31 October 2019 | 606,665.63 |
| HSBC Current Account | 9 November 2019 | 861,362.54 |

TOTAL **£2,641,580.27**

6. RATES AND SPECIAL LEVY COLLECTION

REPORTED that the Rates and Special Levies collected as at 19 November 2019 amounted to £1,433,791, which represents 99% of the total due for the year. Outstanding balance £4,585.

S Batt asked if we could see the bad debtors in a different format, ie current year debt and older than current year debt.

D Dewar-Whalley said that while 99% is excellent it is the Finance Committee's responsibility to investigate the outstanding debts.

The Finance Officer agreed to email the Finance Committee the debtors list.

7. REVIEW OF EXPENDITURE

RECEIVED details of the Boards expenditure to date.

(As attached to these Minutes - Appendix 3)

The Finance Officer explained that the credit amount of £29.99 related to the private mileage amounts that are paid by the Works Supervisor and the Technical Assistant.

The Chief Executive explained that the high amount for this year for Rushenden Pump Station was because the pumps were replaced earlier in the year and this cost was not expected.

S Batt confirmed that the works for the Rushenden Pump Station were still going out to tender as planned.

The Chief Executive explained that he was due to hear more at the end of January when he would be expected to be asked for the specifications we require with the view for the works to go out to contract in April.

The Chief Executive explained that the insurance costs were higher mainly due to the new Directors and Officers insurance.

The Chief Executive explained that the computer services costs were higher due to the initial set-up costs of Sage and DRS costs.

D-Dewar-Whalley asked how much costs would be for Sage next year and if they had been budgeted for.

The Finance Officer confirmed that they had been budgeted for and these costs were less than £300 per month and this cost was split between Upper and Lower.

The Chief Executive explained that the legal and professional fees were lower than budgeted as more costs were expected to be added.

D Dewar-Whalley raised the postage in the joint administration costs were much higher than expected and asked why that was the case.

The Finance Officer pointed out the postage and B016 costs in Lower administration costs were zero and suggested that the postage costs should have been allocated there instead.

The Chief Executive explained that the subscription and conference fees were much higher mainly due to more Members attending the ADA Conference than usual.

8. RECHARGABLE WORKS

REPORTED that the following amounts for rechargeable works have been invoiced since April 2019:

UMIDB £15,100

REPORTED that the following amounts for rechargeable works have been received since April 2019:

UMIDB £4,904

The Finance Officer explained the difference between the invoiced and received amounts was because that we work one month behind. She also explained that there were labour costs recharged to Upper which was more than usual.

9. ANY OTHER BUSINESS

a) George Webb Finn Quotations

The Chief Executive confirmed we had received 2 quotations from George Webb Finn. The first relating to the depot which consisted of 55-70 hours work for approximately £10k. The second relating to the office which consisted of 20 hours work for £3.5k.

S Batt confirmed that this quote included everything. He also said that if we struggle with a joint office and depot we must keep an open mind, even if that includes renting an office. He said we must see what that market brings up, but the most important thing was to move ahead with a new depot as we are having trouble getting the plant into the current depot.

S Batt explained that we need to look at what sites are available. He would like to look at 6 or 7 sites and compare the potential costs.

D Dewar-Whalley's view of the office was that it was not logical to have it at the end of the A249 and suggested that we accept quotation 1 and put quotation 2 on hold until we have moved forward with the depot.

All Members **AGREED** to go ahead with quotation 1, and quotation 2 would be looked at again at a later date.

The Chief Executive explained that the fire doors may have to be replaced at the office before selling the building.

D Dewar-Whalley asked whether next door were still interested in the building and asked that we find out.

b) EA Deal

S Batt explained to Members a potential 5-8 year deal that was in the pipeline with the EA which involved Capel Fleet and White Drain.

S Batt confirmed that we had secured £318k back this year and the Chief Executive had paperwork to submit for this.

10. CLOSURE

There being no further business the Chairman thanked Members for their attendance and declared the meeting closed.