

UMIDB
UPPER MEDWAY INTERNAL DRAINAGE BOARD



MINUTES OF THE MEETING of the BOARD
held via **Zoom Conference Call**
on **Tuesday 29 June 2021 at 1pm.**

Members of the Board Present

H Rogers - Chairman

O Baldock
M Davis
P Dixon
M Gillman
D Goff
S Highwood
S McGregor
J Perry
C Wheeler

In attendance

O Pantrey – Clerk
L Rowland – Office Manager
L Carey – Finance Officer
W Smith – Technical Assistant

1. APOLOGIES

Apologies received from M Boughton, B Hills, S McLeod and G Swift. No response from P Harper and W Thompson.

The Chairman welcomed M Gillman who is a new Member to the board joining us from Tandridge Council and asked everyone present to introduce themselves to the new Member.

2. ITEMS OF INTEREST DECLARATION

None of the Members present declared a pecuniary and/or non-pecuniary interest in any of the items to be discussed on the Agenda.

3. **MINUTES**

RECEIVED a copy of the Minutes of the Meetings of the Board held on 23 March 2021.

(As attached to these Minutes – Appendix 1)

These minutes were circulated to Members via email on 17 May 2021 with a request for any amendments to be advised by 18 June 2021.

AGREED by all Members present that the Minutes of 23 March 2021 were correctly recorded and should be considered as approved.

4. **ACTION LIST & MATTERS ARISING FROM PREVIOUS MINUTES**

RECEIVED a copy of the Action List of the Board held on 23 March 2021.

(As attached to these Minutes – Appendix 2)

The Clerk talked through the ongoing items on the Action List as follows:

Item 3 – AOB, EA PSCA, 25 August 2020

He confirmed this was still ongoing.

Item 8 – Clerks Report, Drainage Works Money, 23 March 2021

He confirmed he had not heard anything from any Councillors regarding this money. He explained that he spoke to Kent County Council about this, and they confirmed their money is already handled.

Item 17 - Internal Audit Sub Committee Meetings, 23 March 2021

The Clerk suggested that the Internal Audit Sub Committee be deferred into the Finance Committee, and this then be reported to the Board accordingly.

The Chairman said that he felt like a fairly significant constitutional change and he asked Members if they had any thoughts on the suggestion from the Clerk.

An in-depth discussion was held regarding this change and how our audits work.

D Goff and S Highwood agreed that it would be the right decision to disband the Internal Audit Sub Committee to avoid repetition.

On a proposition by The Chairman seconded by D Goff it was **AGREED** to disband the Internal Audit Sub Committee and for the responsibilities be devolved to the Finance Committee and if any formal amendment to the constitution be required for this to be done at the next Board meeting.

5. **CHAIRMAN REPORT**

The Chairman explained that his report would be short today as a lot of what he wants to discuss will be coming up later in the agenda. He said since the last Board Meeting in March

he has attended finance meetings, joint services meetings and a meeting of the Chair and Vice Chair of the Upper and Lower Board and he said although they are informal meetings, they are quite useful in determining possible strategic direction.

The Chairman said he also had meeting a couple of weeks ago with D Goff, The Clerk and The Works Supervisor in Hartlake Road in Golden Green where they went to inspect a water level control structure at IDB 89A with a view of taking over responsibility for the maintenance, this also included a conversation after the meeting about amalgamation.

He concluded by saying there had been various discussions, telephone calls and email correspondence in relation to the office move and amalgamation which more of which will come up later in the agenda on those two items.

6. CLERK REPORT

The Clerk's report was presented as follows:

Covid Response

Covid still represents a threat to office life, and we are still working from home in the most part to counter this. Government advice is still a little fluid, but we are now looking at a full time return in August and not July as was originally reported. We will be making arrangements for the move between Albion Place and Conqueror Court during the next few months so increased office presence will be inevitable, although kept to a minimum where possible.

Staffing

William continues to impress in the Technical Assistant role and is settling in well. He has been working on asset management systems while in the office and will be taking on the management of the PSCA work in the coming months. Due to staff sickness, we have been using his soft start mechanism so that he can be utilised by his parent Board in the field at times which has worked well and proved that the concept does offer benefit.

There have been discussions now between Board Chairs and the Finance Committees that we require additional staff in the office. This revolves around replacing the Works Supervisor and also someone to take on the huge amount of conservation work we have lined up. I have designed the new role to be more about general compliance than purely ecological, but with the local groups requesting more and more involvement from the IDB and also a hugely expensive BAP needing practical implementation and management there is a clear need to bring in someone to handle this workload.

We are currently one staff member short in the field after an accident on a training session caused an injury to Jordan, leaving us with only 3 members at this time. This is covered in greater detail in the Health & Safety section of the meeting.

Office Admin

We continue to work from home as stated above and the systems in place, although not perfect, are coping at this time.

WLMA continue to process consent work on our behalf and as seen previously, this is bearing fruit. We will be looking to install bell mouth culverts into the stream to monitor debris

entering the culverts. This site at Church Farm is set to be expanded in the coming months and we are working with the EA and KCC to ensure the attenuation of the site is being managed at a stage level.

Water control structures have now been discussed at Finance committee level and their importance for conservation and maintenance efficiencies has been seen as vital to improving the way we work in the field. It is therefore my request that the Board makes provision in its budget for the replacement of these structures every year so that we might be able to get a better handle on the movement of water, especially during dry summers. This should be tied into the work done by Carol Donaldson to scientifically justify (where possible), the use of water control structures.

The rollout for the Board Member intranet site is also coming to completion. The Chairs were the first wave, the Joint Services members second, the UMIDB members third, and the LMIDB members fourth. Any and all feedback on this is welcome. The site is designed to offer information regarding IDB life to Board members and anything that needs adding will of course only serve to strengthen what the site is trying to achieve. I strongly recommend watching/listening to the ADA videos on good governance. This expands on the blue book you all received that sets out your responsibilities as Board members.

EA Partnership

PSCA work in the Upper district seems unlikely this year, and precept funded works for next year will be discussed shortly.

We have spoken with the EA about a structure at Golden Green and they have said the IDB can close the Hammer Dyke in winter to see if it helps with flooding on Hartlake Road. This also marks the second structure to come back into the control of the IDB, and we will continue to maintain this going forward. There are some remedial works regarding safe access and egress to carry out that will be done by John as soon as he can get it in place.

Local Issues

We have seen some strange weather recently that has brought persistent heavy rain across the district. While this hasn't given too many flooding issues, it has contributed to extremely high levels of growth in the channels. We have started where possible, to cut channels on a single bank basis, prioritising the roads around Collier Street, that were becoming increasingly dangerous to motorists. This comes a month earlier than normal, but combined with the desire to better understand our workloads, we are carrying out EIA's of every channel we work on to ensure we are not excessively damaging wildlife.

Fortunately, the catchment was in a position to absorb a lot of this water and recharge the overall area, but we will need to consider the soil moisture deficit when deciding on timeframes to begin work in the future. The risk to property as a result of in channel growth is fairly low in our watercourses but it is a consideration none the less, especially if we are looking to maintain higher levels for conservation purposes in the future.

Training

SMSTS courses are completed or nearly complete for the Technical Assistant and Clerk. Manual handling courses for the staff have been designed specifically for the work we do and will be carried out once everyone is available. INNS training has been delivered by Andrea Griffiths of the Medway Valley Countryside Partnership and will prove vital in our fight against invasive species.

The Chairman said that he would like to endorse the recommendation of Members making use of the new intranet site. He said that this was very impressive work of the Clerk and he admitted there was things on the site that he had not been aware of so and it was an extremely useful resource. He said that he had experienced some technical issues with some of the links, and he would share this information with the Clerk and if any other Members come across any problems to also make the Clerk aware of them.

7. WORKS SUPERVISOR REPORT

RECEIVED the Works Supervisor Report Number 162.

(As attached to these Minutes - Appendix 3)

The Clerk asked Members if they had any questions on the Works Supervisor Report.

S Highwood asked if Buckhurst Farm was near Groombridge.

The Clerk confirmed it was in Frittenden.

The Clerk reminded Members that the Works Supervisor's offer of any site visits for Members still stood should they wish to see the district.

8. BIODIVERSITY

The Clerk explained that he has had meetings with Carol Donaldson regarding the long term Biodiversity Action Plan (BAP) and he has another meeting on 7 July to discuss how we will practically implement this. He said the Board has not committed to any additional work yet as clarification on price is required and this would need proper management and implementation.

The Clerk said that there is a requirement for a greater involvement with companies such as South East Rivers Trust (SERT) and the Medway Valley Countryside Partnership. He confirmed that the Finance Committee have agreed to make a donation of £2,000 to the Medway Valley Countryside Partnership who do our invasive species works.

The Clerk said he had received a request from a landowner in Lingfield to use some of their fields in the winter to offer some alleviation and he was currently determining the benefits of this by speaking to the EA and Carol Donaldson. He said if this does work it does offer a springboard to similar projects in the future.

The Clerk finally confirmed since C Mackonochie is no longer a member of the Board, the Upper Board require a replacement biodiversity champion.

The Chairman asked that if anyone had a particular interest or can help out in that area to please make it known.

The Chairman also said that the decision to use Medway Valley Countryside Partnership was very much the right decision, so we do not need to store chemicals, hold licences or have training ourselves.

S Highwood confirmed that as a landowner in the Malden and Yalding areas he also makes a contribution to Medway Valley Countryside Partnership, and he was pretty sure that most landowners in that area also contribute.

9. NEW OFFICE UPDATE

For the benefit of the new Members the Chairman explained the history of the search for a new office and confirmed that the Lower Board had recently purchased an office building in Sittingbourne and the Upper Board had agreed to move to the new offices, share the costs on a reasonable basis as detailed in the minutes of the last Board meeting.

The Chairman explained that effectively we will become tenants and joint bills payers for half of the new office as the Lower Board are looking to rent out one of the two floors as the Boards will only be using one floor. He explained the fitting out of the offices and transferring of IT equipment is currently being looked into.

The Chairman said that the Boards had taken joint advice on the Albion Place office and a decision was made to go ahead with putting Albion Place for sale at auction.

The Chairman also said that as Members would be aware, 3-4 years ago the Upper Board Committed to paying £300,000 towards the cost of building a new office at a rate of £80,000 per year. He said that £160,000 of that money has been paid to the Lower Board for that purpose and these payments had ceased a couple of years ago. He explained that of the £160,000 of the money paid, £12,000 has been spent towards professional fees.

The Clerk confirmed that the running costs of one floor will be split 50/50 with the Lower Board or there is an alternative option of paying £40,000 per year, which should be considered as the Upper Board already set aside a similar figure in the budget. He said once costs become more apparent this can be altered as necessary. He said that this will be done on a licence basis and design work has begun with Rap Interiors and all staff have visited the site and made requests that have been taken into consideration and we are waiting the initial designs. He explained that Pantec will be carrying out the migration of the computer equipment. He said that John Stockey has been down to value Albion Place with a view of having a reserve price of £275,000 with a 5% discretion. He said we are trying to get rid of the brown furniture via the auction houses, but this is proving to be a little difficult.

The Chairman said that the Upper and Lower Board should have a formal agreement for the new offices, and he suggested that between D Goff and M Davies they have responsibility for the rental agreement being formalised. He asked M Davies if this was something he had expertise in.

M Davies said not really but he suggested that the Upper Board should draft a licence and he would be quite happy to look at that. He said he would also like to see terms beforehand to include the expenditure that is likely to be shared. He asked when occupation of the new offices was likely to be.

The Clerk said he would estimate occupation in the next 6 to 8 weeks. He explained that the Finance Committee had discussed roughly a market rental price for half of a floor and looked at costs of things like utilities and said that the £40,000 suggested rental was a good place to start as the Upper Board are already budgeting for it.

A detailed discussion took place regarding rental of the new offices and also the fitting out costs.

The Clerk confirmed that the Upper Board have already agreed to pay 50% of the fitting out costs. He said that the Upper Board needs to take control of some of the terms.

M Davies said that we need to hone down on what the deal is, where the figures have come from and if necessary, test the Upper Board.

C Wheeler said that the Upper Board had been hoodwinked all the way along and he questioned why the Lower Board did not purchase the smaller office space at 8 Conqueror Court which cost a lot less at £600,000.

S Highwood confirmed that at the Finance Committee they had took the £40,000 rental figure to pieces and he couldn't see any problem with approving that.

The Chairman said if there is an opportunity to save on that we should and we should also look to gain some benefit from the move. He said it is important that we sit down with the Lower Board to discuss the running and ongoing maintenance costs and we should get that sorted before we move into the new office.

M Davies asked if the Upper Boards funds being held by the Lower Board were being returned to us. He also said that the Upper Board were not forthcoming in sharing reports in the past. Finally, he raised the point that he was expecting to see the Sibley Pares reports regarding the value of the Albion Place offices as it stands and also for development opportunity and we are now being told that it has been decided to sell Albion Place and this was the first he had heard of it.

The Chairman confirmed that the Sibley Pares report was presented to the Finance Committee and he thought that the Finance Committee Papers had been shared with the Board and asked the Office Manager to confirm this.

The Office Manager confirmed that the Finance Committee Papers have only been distributed to the Finance Committee as they usually are, and they are not automatically shared with the Board. She explained that certain elements are always shared with the Board and some of which are included in the agenda today.

The Chairman said as far as he was concerned that was not right and apologised that this information was not shared with all Board Members. He asked that the Office Manager make it a commitment that Finance Committee papers always be shared with the Board Members.

The Clerk said that this was a new request and asked the Chairman to clarify this.

The Chairman confirmed he did not see an issue with sharing all papers and felt all Board Members had the right to see them. He said he was not aware that the Board had not seen the Sibley Pares report and apologised again for this.

The Clerk said that if that was what the Board wanted, he did not have a problem with the Board seeing the papers and this would be done in the future.

C Wheeler said that the Finance Committee used to discuss the finances but now they seem to be the decision makers, and this is why the Board need to be more informed.

M Gillman said he would have thought that the Finance Committee should be making recommendations to the Board and the Board should be making the decisions. He said that

with regards to the sale of Albion Place the Board should have gone through a formal process of agreeing the £275,000.

M Davies said that he was amazed that the Finance Committee has the authority to sell the main asset of the Board without coming back to the Board and he finds it galling that he is appointed to a committee to discuss the property aspects and then he is not told that the property is being sold at auction. He said he couldn't see the point of him being in the committee if he's not kept informed on what's going on. He said he felt that the disposal of Albion Place needed to be handled carefully and the possibilities of development needed to be explored. He asked what authority the Finance Committee have to make that decision without the rest of the Board having a view.

The Chairman said he took that point onboard.

S McGregor agreed with M Davies and said that he does not feel the decision made by the Finance Committee regarding Albion Place is valid and it shouldn't be entertained by the Board.

M Gillman asked if the decision was unlawful.

The Chairman said that the minutes of the meeting and papers can be shared with the Board and if the Board requires that, they can come back for a short meeting to discuss the disposal of Albion Place.

The Clerk said that the Scheme of Delegation says that the Finance Committee is responsible for all matters relating to financial management of the Board's affairs, which would constitute the sale of an asset. He said if this needs to be clearer then we need to look at the Scheme of Delegation and said you can change the Scheme of Delegation to how you see fit, but he did not feel this was the right meeting to do that.

D Goff said that he thought as the Scheme of Delegation stated that the Finance Committee had the right to make that decision, but he was now concerned with the issues raised that perhaps the Finance Committee should have come to the Board with a recommendation instead and for the Board to approve it. He said we have been pushed into this and we are being pushed even more now. He said if this is not correct, we must put our hands up and we will stop now. He also said that if the Board feel this should have been a Board decision we have to accept that. He added that the timings of the meeting hasn't helped as usually the Board would have seen the minutes of the meeting at the Board meeting, but with there only being a week in between the two meetings this has not been possible.

The Clerk commented that he didn't see what the point of the Finance Committee would be and said we may as well just disband it and have the Board make all decisions at every meeting.

D Goff said that the sale of Albion Place should have probably been viewed differently and taken to the Board.

O Baldock said we are danger in going round in circles and he felt that the delegation to the Finance Committee for day to day finances and running of the business is fine, but in terms of the disposal of Albion Place it should be a main Board decision.

P Dixon agreed with O Baldock and thought it was extraordinary that the Finance Committee had the power to make this decision. He said selling a capital asset should be referred back to the Board.

S McGregor agreed with what was being said and selling a major asset should be a Board decision.

The Clerk said that selling Albion Place had already been decided at the last meeting.

M Davies quoted minutes from the previous meeting as follows: *M Davis said that Albion Place was jointly owned and we did need to look into the development potential/prospects and how and when to sell it. He asked whether we needed to distinguish between capital and income and can we spend capital as we like or do we have to ring fence it? The Clerk said that it comes down to the Board's discretion.* He said the minutes do not say it comes down to the Finance Committee's discretion.

The Clerk said that the Board delegates the financial management of the financial affairs of the Board to the Finance Committee. He said that he is looking for the best for the Board and does not want this to be a problem for them. He said he does not want to do the Board out of money or hide decision making process from the Board, he just wants the Board to make a decision. If the Board do not want to do the auction, let's make a decision on it.

The Chairman said that we must fully recognise how do you auction half of the property because it is owned jointly by both Boards. He said what we have identified that an important document like the Sibley Pares valuation hasn't been shared with all Board Members and he felt that the Finance papers should always be shared with them, and the closeness of the Finance and Board meetings has not helped in this instance. He said if Members want the opportunity to review the report and make the decision as a Board, he is happy to communicate that to the Lower Board and for the Board to hold an extraordinary meeting to make a formal decision. Or we could make a decision on this today, although he was aware the Board have not seen the necessary paperwork.

D Goff said in light of what has come out we should get the Finance papers to the Board as soon as we can and then reconvince. He also said it was very important that this is communicated to the Lower Board and the Upper Board meet with the Lower Board, Chairman to Chairman rather than information coming back through the Clerk.

The Chairman confirmed that he would speak with the Lower Board Chairman this afternoon after the meeting. He took this opportunity to inform the Board that S Batt had resigned last week as the Lower Board Chairman due to health reasons and S Mair is now acting Chairman of the Lower Board.

The Finance Committee papers from the 22 June 2021 were circulated to all Board Members by email straight after the Board Meeting.

10. REGISTER OF MEMBERS' INTEREST 2021/20

The Office Manager confirmed just under half of the required forms had been returned and she would be sending out a reminder by email to Members that have not yet completed their forms.

11. POLICIES REPORT

RECEIVED a copy of the updated Governance Documents List.

The following policies were emailed separately to Members from the agenda for Member's review/information:

Updated - Approved
Standing Orders

Updated - Approval Required
Data Protection Compliance Statement
Data Protection Training Policy
Data Retention & Disposal Policy
General Privacy Notice (Website)
Severe Weather Policy

The Chairman asked if there were any questions on the policies.

No questions were asked.

It was unanimously **AGREED** to approve all policies requiring approval as above.

12. INTERNAL AUDITORS END OF YEAR REPORT 2020/21

RECEIVED Mid Kent Audit's end of year internal audit report carried out on 25 May 2021.

(As attached to these Minutes – Appendix 5)

The Finance Officer said that as discussed with the Finance Committee last week we have received the internal audit report back and it was a good report in the end. She said there were 3 issues highlighted and all of these had now been cleared up. She said she had done a lot of work with the auditors, and we have successfully got through this and we are now happy with what we are sending out to the external auditor.

The Clerk asked the Board to recognise the effort the Finance Officer has made to get through this audit. He said that Mid Kent Audit had found areas we were failing in, like governance and we have made a lot of changes in the past six months to ensure that Mid Kent Audit were satisfied we were now meeting the standard requirements of a public body and he believes we are in a very good position now, apart from the Finance Committee which needs future scrutiny.

The Chairman asked if Members had any questions. He said that this is the first year that Mid Kent Audit have been involved in our audit and it had been a learning experience as far as they were concerned.

S McGregor asked about the budgeting and monitoring of budgeting element that had been highlighted in the report.

The Clerk confirmed that this was due to the way we were monitoring our internal budgets and this had now all been rectified as of April 2021.

The Chairman also mentioned the Reserves Policy and said that the Board must bring this into account when we look at the budgeting next year.

The Clerk confirmed that all the Board must do is clearly state what our agreed minimum bank balance is on our Reserve Policy and clarify the difference between the two Boards as Mid Kent Audit did not think this was clear.

13. END OF YEAR ACCOUNTS – YEAR ENDING MARCH 2021

RECEIVED the End of Year Accounts for the year ending 31 March 2021.

(As attached to these Minutes - Appendix 6)

The Finance Officer said that the End of Year Accounts will have changed slightly after the required AGAR corrections, and she would be doing journals to correct this. She said that the AGAR should agree back to the balance sheet, but unfortunately the previous years had never agreed. She explained as she could not get them to agree she approached Sallyanne at the WLMA for some guidance on how to rectify the problem. She said Sallyanne kindly offered to take a look at our accounts and between the two of them they had put in a lot of work to rectify the issue. She said that in the future reserves and assets will be shown more clearly. She concluded by saying that both herself and the Clerk had come into their new roles a year ago and were faced with an atrocious set of accounts and they have worked extremely hard to put this right.

The Chairman thanked The Finance Officer, The Clerk and WLMA for their assistance with the accounts. He asked Members if they had any questions.

No questions asked.

14. ANNUAL RETURN (AGAR) – YEAR ENDING MARCH 2021

RECEIVED the Annual Return for the year ending 31 March 2021.

(As attached to these Minutes - Appendix 7)

The Chairman asked Members if they had any questions.

No questions asked.

15. JOINT SERVICES COMMITTEE MINUTES

RECEIVED the Minutes of the Joint Services Committee held on 2 March 2021.

(As attached to these Minutes – Appendix 8)

The Chairman asked Members if they had any questions.

No questions were asked, minutes were considered as noted.

16. HEALTH & SAFETY UPDATES

The Clerk confirmed that J Schuiling had suffered a serious injury to his finger whilst on a training course and he had missed seven continuous days off work and this had been

reported to RIDDOR accordingly. He confirmed that W Smith now has his Site Manager Safety Training Scheme qualification, and he will be completing this himself on Friday. He confirmed this was a minimum requirement to work with the Environment Agency and W Smith will be taking on a lot of the PSCA work management going forward. He said the HDVS system we were looking to remove from the tractors is working again, but should it continue to be a problem this will be removed from the machines. He confirmed there had now been five near miss reports made in total and we are encouraging staff to report things however minor they are, and that this was a positive sign that shows the Board are taking near misses seriously. He concluded by saying that the Works Health and Safety Group meetings will take place again in person as soon as we are able to do so.

O Baldock confirmed there were no further problems to report, and he was looking forward to the face to face meetings commencing.

17. PLANNING APPLICATIONS & CONSENTS

RECEIVED the Planning Report for 23 March 2021 to Present.

(As attached to these Minutes - Appendix 9)

S Highwood commented that he has been consulted on the 7 applications on the report and asked if he could be consulted in the future as he used to be.

The Clerk clarified that every week he goes through the planning and sends through planning applications to the WLMA that he feels we would comment on. He said these were planning applications and not consent applications.

M Gillman asked whether the Board was statutory consultant and would be commenting on the large developments in South Godstone.

The Clerk said they were not statutory because they did not have the capacity to respond on the scale needed, He did say that he had a keen interest in development just outside the district because one of the biggest factors effecting flooding in the district was unregulated water coming from highland areas. He said that development and the work of KCC offered good protection against unmitigated water coming from highland. He added that he was looking into the possibility of expanding the boundary to a catchment in some instances to better manage water in the upland areas before it got to the flood plain.

18. ELECTIONS

RECEIVED the Elections Programme for 2021.

(As attached to these Minutes - Appendix 10)

The Clerk said that the Elections Programme was sent out to Members to show them the timeline of events and he would like Members to approve this along with the Register of Electors which had not been sent out because it was a lengthy document. He explained that the current list has been printed off DRS.

It was unanimously **AGREED** to approve the Election Programme Timeline and Register of Electors.

The Chairman said that we have places on the Board at the moment and asked the Clerk to confirm the number of vacancies.

The Clerk confirmed that we currently have 4 vacancies on the Board.

The Chairman asked if anyone knows of anyone that may be willing to be put forward for nomination to make it known.

19. BOARD AMALGAMATION

RECEIVED the Medway IDB Amalgamation document.

(As attached to these Minutes - Appendix 11)

The Chairman said that Members had been sent a report which lists the issues involved with amalgamation. He said this is a subject that must be addressed and there is a level of joint working already and have been achieving that for a number of years. He said as far as he is concerned this is a decision that has to be made at Board level and he has particular concerns in terms of the way the Lower Board have put down some preconditions, specifically his concern is the precept rate as the Lower Board are currently almost double the rate of the Upper Board and there is a requirement to have a standard rate should the Board's amalgamate on the report. He also said he was struggling with the idea of the Upper rate payers funding the maintenance of the Lower pumping stations. He concluded by saying that he felt a standard precept rate was going to be a hurdle that would be very difficult to deal with. He asked Members for their comments on amalgamation.

S McGregor said in principle, as the Boards were already working so closely and sharing staff amalgamation might make sense. He said subsidising pumping stations was a hurdle we can't accept. He said should the Lower Board change their mind regarding a separate rate and keeping the finances separate this is something we might do. He concluded by saying amalgamation in principle is a good idea, but the finances don't make sense under these terms.

The Chairman explained that the Lower Board have had a differential rate themselves in the past

J Perry felt it was a step too far from his council's perspective and felt it was a blatant subsidy. He said he liked the idea of the merge in principle but felt that if the Lower Board insist on the same rate this was a nonstarter as far as he was concerned.

The Clerk said that there was nothing to say that the Upper Board has to double its rate and there could be a negotiation and the idea this is subsidising is very misleading and is not a fair comparison. He said either the district is funding the fluvial and tidal drainage of the new district or it isn't and he didn't feel this should be used as an argument. He said that it is likely that DEFRA/EA will want to have this resolved and he asked that we look at the principle of amalgamation and then we look at the detail. He said that the amount of work to get this going is immense and he would like the Board to focus on the principle of amalgamation and discuss the details later.

The Chairman said he fully accepted that but he was finding it difficult to accept that the Lower Board have stated that if the Upper Board do not amalgamate then they will recommend to their Board that they split and the ramifications of that are great. He said he

takes that as a threat and he doesn't feel the Lower Board have given us significant background on how an amalgamated Board would work.

C Wheeler said he was a great supporter of amalgamation in the past, but he has changed his mind totally and felt the sooner we split from the Lower Board the better. He said he was totally against amalgamation and suggested we keep the office and buy the Lower Board's half from them. He also said he felt an EA and DEFRA investigation would be welcome.

M Gillman said being a new Member it was hard to comment, but wanted to raise 2 issues, he said if it isn't broken why fix it, and that we shouldn't confuse reorganisation with progress.

S McGregor said we should not rule anything out at this stage, and we should make conditions of our own for example ensure savings on both Board's precepts. He said that only if there are savings for both Boards should we proceed.

The Clerk said that the Board must get away from a them and us scenario and that is why he felt we shouldn't have a differential rate. He said we cannot treat the potential new Board as two ends.

O Baldock asked if there were any examples of similar amalgamations and how well it has worked.

The Clerk said that the National Audit Office identified benefits to amalgamation of IDBs and the number of IDBs have gone from 172 in 2006, to 163 in 2010, to 112 in 2016. He said this is a common occurrence and ADA/EA's favourable position is a single rate.

The Clerk said that he wanted to make it clear that he is not here on behalf of Lower Board, and he is just looking for the best for both Boards and he believes that amalgamation is the best decision.

P Dixon said that the differential rate is the main stumbling block and felt it was not unreasonable to have a different rate and maybe move to single rate over a number of years.

The Clerk agreed that would be a reasonable way to do at say over 5 years. He said the rate clearly needs to be discussed between the two Boards and we should not make a decision on whether the Upper Board would need to double their rate as this may not be the case.

D Goff said that it was very important that everyone has their say but his view was that we are getting into too much detail at this meeting. He said the general view seemed to be that in principle the amalgamation is something we do need to look at and there should be further meaningful discussions with both parties on the way forward and he would insist that ADA be involved with this. He said we also need to bear in mind that if we do not enter into some sort of agreement the Lower Board they will separate, which leaves us with a bigger problem to deal with and we should avoid that.

S Highwood agreed with D Goff and said that there was an awful lot of discussion needed and amalgamation was a sensible thing to do. He said that the Lower Board were not negotiating or talking to us in a friendly manner.

M Davies said that he disagreed and that not enough detail had been discussed yet. He felt we should explore with the Lower Board the possibility of having a differential rate in different areas, even if that is initially and then move towards the same rate at a later date. He said that he felt it was probably desirable to merge but he could not understand why it should be

a decision to merge or separate. He said he was not comfortable with the threat that if you do not do it in our way we will separate.

O Baldock said that his concern having this discussion is what impact this might have in the Boards co-locating at the new offices and should we amalgamate this would be irrelevant.

A lengthy discussion was had regarding the proposal that should be voted on.

M Davies and J Perry wanted the proposal to be very clear and not assumed that we do want to amalgamate without further information and discussion, especially with regards to the rate.

The Clerk said there must be some commitment from the Board that amalgamation was the direction they were after as the amount of work required to do this is enormous.

S McGregor said he understands where the Clerk was coming from but without the detail we can't make a decision and he was sorry but the work will have to be done and the decision made later.

On a proposition by D Goff seconded by S Highwood, it was **AGREED** in principle to have further discussions with the Lower Board and also engage ADA to look at the advantages and disadvantages of board amalgamation.

This was unanimously **AGREED**.

D Goff said we now need to speak to the Lower Board.

The Chairman confirmed he would be speaking to S Mair this afternoon regarding the disposal of the office and amalgamation.

The Clerk confirmed that the Lower Board have a Board meeting on Monday next week and the same questions will be put to them and then we can begin the process of speaking to ADA. The Clerk asked Members how often they would like updates on this and asked Members who would like to be involved in the ADA meeting.

M Davies said we need to have the feedback from the Lower meeting next week initially.

The Chairman said that the Joint Services should meet with ADA.

C Wheeler asked if he could nominate someone to attend in his place as he felt this could be beneficial.

The Clerk said he did not see a problem doing that but thought it would be an unusual decision that a Member of the Finance Committee would want to delegate that to someone else.

C Wheeler said that he has been a Member of the Board for 20 years and during this time they have done very well to save money and keep the rate as low as possible and he felt all that work could go out of the window pretty quickly if they are not careful.

20. ANY OTHER BUSINESS

There were not any other business matters to discuss.

21. DATE OF NEXT MEETING

The date of the next Board meeting was confirmed for Tuesday 16 November 2021 at 2pm.

22. PRIVATE & CONFIDENTIAL MATTERS

There were no private and confidential matters to discuss.

23. CLOSURE

The Chairman apologised for the length of today's meeting and said that there were fundamental decisions for the future of the Board that we have to face.

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