

**A MEETING OF THE BROADS (2006) INTERNAL DRAINAGE BOARD WAS HELD AT HICKLING BARN, HICKLING, NORFOLK ON MONDAY 22 MAY 2017 AT 10.00 AM.**

| <b>Elected Members</b> | <b>Appointed Members</b>  |
|------------------------|---------------------------|
| * H J Alston           | <b>Broadland D C</b>      |
| L E Baugh              | Mrs L Hempsall            |
| J Burton               | * G Nurden                |
| * R Buxton             | * F O'Neil                |
| H G Cator OBE          | * V Tapp                  |
| J W Chapman            | D Ward                    |
| * S G Daniels          | <b>Vacancy</b>            |
| * G D Gay              | <b>North Norfolk D C</b>  |
| * M Harris             | Mrs H Cox                 |
| K Hart                 | Mrs A M Fitch-Tillett     |
| * I Robinson           | * Mrs P Grove-Jones       |
| * D Roll               | * W Northam               |
| * F Sharman            | * R C Price               |
| M Smart                | P Rice                    |
| T P Strudwick          | Mrs L Walker              |
| * J G Tallowin         | <b>Vacancy</b>            |
| * E Wharton            |                           |
| * J W K Withers        |                           |
| * S D Wright           | <b>Great Yarmouth B C</b> |
|                        | * T Andrews               |
|                        | * Mrs M Coleman           |
|                        | * H Thirtle               |
|                        | C Walch                   |
|                        | * Mrs S Weymouth          |
|                        | <b>Vacancy</b>            |
|                        | Present (56%)             |

Mr S G Daniels in the Chair

In attendance:

Mr G Bloomfield (Catchment Engineer), Mr P George (Operations Engineer),  
Mr A Goose (Operations Manager), Mr M Philpot (Project Engineer)  
and Mrs M Creasy (minutes)

| <b>ID Broads (2006) IDB, Minute</b>   | <b>Action</b> |
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| <b>22/17 APOLOGIES</b>  |               |
| <b>22/17/01</b> Apologies for absence were received on behalf of Messrs L Baugh, J Burton, H G Cator, J W Chapman, K Hart, M Smart, P Rice, T P Strudwick, D Ward, C Walch, Mrs H Cox, Mrs A Fitch-Tillett, Mrs L Hemsall, Mrs L Walker and the Board's Chief Executive Mr P J Camamile.  |               |
| <b>22/17/02</b> Mr S G Daniels, Vice-Chairman chaired the meeting in the absence of the Chairman.   |               |
| <b>23/17 APPOINTED MEMBERSHIP CHANGES</b>   |               |
| <b>23/17/01</b> Broadland District Council had notified officers on 11 April 2017 of Mr Alan Mallett's resignation as a councillor and appointed member to the Broads (2006) IDB. RESOLVED that this be noted.  |               |
| <b>23/17/02</b> Mr Jim Shrimplin had contacted officers on 17 May 2017 to advise that Great Yarmouth Borough Council had terminated his appointed membership to the Broads (2006) IDB because as he was not a councillor he no longer met the Borough Council's criteria for appointment. RESOLVED that this be noted.  |               |
| <b>24/17 DECLARATIONS OF INTEREST</b>   |               |
| <b>24/17/01</b> Mr A Goose declared an interest in respect of the payments recorded in the Schedule of Paid Accounts made to Account IDs GO0744 and GO0742, due to his family relationship with the account holders. RESOLVED that this be noted.   |               |
| <b>25/17 MINUTES OF THE LAST BOARD MEETING</b>  |               |
| <b>25/17/01</b> The minutes of the last Board meeting held on 23 January 2017 were approved and signed as a true record. There were no matters arising.   |               |
| <b>26/17 OPERATIONS REPORT</b>  |               |
| <b>26/17/01</b> The Operations Report was considered in detail and approved, (a copy of which is filed in the Report Book). Arising therefrom:  |               |
| <b>26/17/02 Horsey Mill (2)</b>   |               |
| Officers had been working with BESL to determine a cost effective option for the Horsey Boat Dyke replacement culvert that would be eligible for funding and a business case would shortly be submitted to the EA. Members acknowledged that works could not start during the summer holiday season but considered that they should commence as soon as possible thereafter. RESOLVED that this |               |

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| <p>be noted.</p>  |                  |
| <p><b>26/17/03 Major Incident Caister Sewage Treatment Works (2)</b></p> <p>(i) Members considered the Catchment Engineer’s report on the incident at the Anglian Water sewage treatment works at Caister on 27 February 2017, which resulted in Anglian Water having to implement their emergency procedures as licenced by the EA, whereby excess treated effluent water was pumped into the IDB system to avoid localised flooding. Anglian Water had subsequently hired in temporary pumping to help to manage the flow and reduce the pressure on the IDB infrastructure. Both IDB members and officers had met with Anglian Water and other stakeholders to manage the incident with minimal risk to people, livestock and property. Mr G D Gay, however, recorded his dissatisfaction with Anglian Water and the time taken, (≈ 9 weeks), for them to complete the required repairs at the treatment works but did record his thanks to the Board’s Environmental Officer, Ms C Laburn for her part in moving things forward. He also felt that Anglian Water should have at the very least, informed the IDB at the outset that it was discharging into the IDB system.</p> <p>(ii) The Catchment Officer reported that Anglian Water had confirmed that all IDB expenditure incurred in responding to this incident would be reimbursed. He would also be attending a ‘wash up’ meeting with Anglian Water to discuss how incidents of this nature could be managed more robustly going forward and would raise the question of Anglian Water funding improvements to the IDB infrastructure to take the additional water flow discharge. RESOLVED that this be noted.</p> | <p><b>GB</b></p> |
| <p><b>26/17/04 Ludham Bridge Redundant Pump House (3)</b></p> <p>The redundant pump house at Ludham Bridge had been demolished and BESL would remove the pump tube during the first week of June whilst undertaking localised flood defence improvements. RESOLVED that this be noted.</p>  |                  |
| <p><b>26/17/05 Capital Works<br/>Repps Pumping Station Bridge Refurbishment (5)</b></p> <p>Mr F Sharman recorded his concern that nothing had progressed with NCC’s originally proposed repairs to the bridge culvert and the overall generally poor state of the Repps pumping station and bank instability. The Project Engineer reported that the IDB had objected to NCC’s original plans for the bridge culvert due to issues with reduced flow capacity but NCC had since agreed to pay for an independent calculation to determine what, if any impact sleeving the bridge culvert may have on the IDB drain and the Project Engineer would continue to press NCC for a solution. RESOLVED that this be noted.</p>   | <p><b>MP</b></p> |

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| <p><b>26/17/06 Capital Works - Muckfleet Main Drain (5)</b></p> <p>At the time of this meeting the Project Appraisal Report for the Muckfleet scheme was still with the EA National Approval Board for final funding approval. RESOLVED that this be noted.</p>   |               |
| <p><b>26/17/07 Capital Works - Halvergate (5)</b></p> <p>(i) The Operations Engineer reported that desilting works had been undertaken to facilitate works starting on the Halvergate scheme, (phase 2) in June 2017.</p> <p>(ii) In response to Mr G Nurden's query about works on a watercourse in the Acle road vicinity that had allegedly contributed to localised subsidence, the Operations Engineer advised that the watercourse in question was not maintained by the IDB and suggested that Mr Nurden or the relevant parish council contact the landowner responsible for the watercourse.</p>   |               |
| <p><b>26/17/08 Capital Works – Brograve: Hempstead Marshes Trial (5)</b></p> <p>The Operations Manager reported that a meeting to discuss the Hempstead Marshes Trial results had been held at Lessingham on 19 May 2017 where the possibility of installing a water control structure to increase water levels by up to 250mm without impacting upstream levels had been discussed. Subject to consultation and agreement with affected landowners it may be possible to install the water control structure during July 2017. RESOLVED that this be noted.</p>  | <b>PG</b>     |
| <p><b>26/17/09 Upper Thurne Integrated Drainage Improvements</b></p> <p>The Catchment Engineer apprised members of the proposal submitted to the EA to agree a boundary for a project for integrated drainage improvements within the Upper Thurne catchment which could benefit the SSSIs in the area, if progressed.</p>  |               |
| <p><b>26/17/10 Sutton Pump</b></p> <p>(i) Mr J Withers declared an interest at this point due to his ownership of the land on which the Sutton pump sits and also of the land proposed for development to be discussed.</p> <p>(ii) The Catchment Officer reported that he had met with RSPB and other stakeholders on 6 March 2017 to discuss the area that would benefit from a new pump replacing the existing pump at Sutton and to determine the amount of grant funding that would be derived from that area of benefit. Originally Natural England had designated an area of benefit which, according to the EA benefit appraisal ratio, would generate £45k in grant towards the cost of a new pumping station. However, the original NE designation had been underestimated and had subsequently been estimated between 30 – 40 hectares, which may potentially generate</p> |               |

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| <p>sufficient funding for a new pumping station.</p> <p>(iii) The Catchment Officer was in discussion with the Local Planning Authority about possible development of land owned by the Withers family in Sutton, as well as a potential third party housing development in the area and the potential benefit that a new pumping station could bring to new development and the whole of Sutton from a surface water drainage perspective, given the implied flooding problems in this area. Whilst there were some obvious conflicts of interest here for the Withers family, and the Local Planning Authority may deem a new pumping station to be of more benefit in a different location to the existing, depending on where development was eventually consented, the Catchment Officer recorded that positive discussions concerning a new pump to replace the existing Sutton pump were ongoing and Mr I Robinson recorded his thanks to the Catchment Officer for his efforts in this regard. RESOLVED that this be noted.</p> |        |
| <p><b>26/17/11 Integrated River Maintenance Meeting 6 March 2017</b></p>  |        |
| <p>The Anglia Eastern Regional Flood and Coastal Committee had approved IDBs in the Eastern region undertaking maintenance works on main river up to £350k per annum over a three year period and the Board's officers were drawing up a programme of works that would benefit the Board's internal drainage district to be agreed with the EA and undertaken by the Board in 2017/18. This would effectively allow the Board to determine where its precept money is spent, to the benefit of the internal drainage district. RESOLVED that this be noted.</p>   |        |
| <p><b>26/17/12 Health and Safety</b></p>  |        |
| <p>There were no reportable incidents to record during this reporting period. RESOLVED that this be noted.</p>  |        |
| <p><b>27/17 PLANNING REPORT</b></p>   |        |
| <p><b>27/17/01</b> There were no planning matters for consideration during this reporting period. RESOLVED that this be noted.</p>  |        |
| <p><b>28/17 ENVIRONMENTAL REPORT</b></p>  |        |
| <p><b>28/17/01</b> The Environmental Report, (a copy of which is filed in the Report Book), was considered in detail and approved. There were no matters arising.</p>   |        |
| <p><b>29/17 INTERNAL AUDIT REPORT 2016/17</b></p>   |        |
| <p><b>29/17/01</b> The Internal Audit Report for 2016/17 including the three observations and subsequent recommendations as prepared by</p>   |        |

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| <p>the Board's Internal Auditor, (King's Lynn and West Norfolk Borough Council Shared Internal Audit Services), together with the Chief Executive's responses and completion dates, (copies of which are filed in the Report Book), were considered in detail and approved. Arising therefrom:</p>   |               |
| <p><b>29/17/02</b> Members were advised that the King's Lynn and West Norfolk Borough Council now shares its internal audit service with Fenland District Council and as a result of this the WMA Member Boards' internal audit had been undertaken by a new manager of the King's Lynn and West Norfolk Borough Council Shared Internal Audit Services, Kathy Woodward.</p>   |               |
| <p><b>29/17/03</b> Members considered and approved the changes to the Board's Financial Regulations as recommended by the Consortium Management Committee at its meeting on 30 March as a result of the phishing emails sent to the WMA on 5/6 December 2016, which were reported to the Internal Auditor and subsequently included in the observations and recommendations arising from the Internal Audit Report 2016/17. RESOLVED that this be noted.</p> |               |
| <p><b>29/17/04</b> The substantial level of assurance awarded by the Internal Auditor on conclusion of the audit was noted.</p>  |               |
| <p><b>30/17 APPOINTMENT OF INTERNAL AUDITOR FOR 2017/18</b></p>  |               |
| <p><b>30/17/01</b> It was agreed and thereby RESOLVED to approve the re-appointment of the King's Lynn &amp; West Norfolk Borough Council's (shared with Fenland District Council) Internal Audit Service to undertake the Board's Internal Audit for 2017/18.</p>   |               |
| <p><b>31/17 ANNUAL RETURN YEAR ENDING 31 MARCH 2017: SECTION 1 ANNUAL GOVERNANCE STATEMENT</b></p>   |               |
| <p><b>31/17/01</b> Members were apprised of the requirements for the Annual Return for 2016/17 in accordance with The Accounts and Audit Regulations 2015 and the circulation from ADA on 3 April 2017 of the March 2017 issue of the Governance and Accountability for Smaller Authorities in England Practitioners Guide to Proper Practices to be applied in the preparation of statutory annual accounts and governance statements.</p>                  |               |
| <p><b>31/17/02</b> The Annual Governance Statement as shown in Section 1 of the Broads (2006) IDB Annual Return for the year ending 31 March 2017 was considered in detail and approved by the Board. RESOLVED that this be noted.</p>   |               |
| <p><b>32/17 FINANCIAL REPORT YEAR ENDING 31 MARCH 2017</b></p>   |               |
| <p><b>32/17/01</b> The Financial Report for the year ending 31 March 2017 was</p>  |               |

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|                 | considered in detail and approved, (a copy of which is filed in the Report Book). There were no matters arising.  |        |
|                 | <b>33/17 ANNUAL RETURN YEAR ENDING 31 MARCH 2017:<br/>SECTION 2 ACCOUNTING STATEMENTS</b>   |        |
| <b>33/17/01</b> | The Accounting Statements shown in Section 2 of Broads (2006) IDB's Annual Return for the year ended 31 March 2017 were considered in detail and approved. RESOLVED that this be noted.   |        |
|                 | <b>34/17 DATE OF COMMENCEMENT PERIOD FOR THE EXERCISE OF PUBLIC RIGHTS</b>  |        |
| <b>34/17/01</b> | In accordance with the Accounts and Audit Regulations 2015, the responsibility for setting the date for the exercise of public rights to inspect the accounts now resides with the Board's Responsible Finance Officer rather than the external auditor. It was agreed to publish notice on the Board's website and display it in the WMA (Eastern) depot that the Accounts year ending 31 March 2017 would be available for inspection for the 30 working day period commencing 12 June 2017 and ending 21 July 2017. RESOLVED that this be noted. |        |
|                 | <b>35/17 SCHEDULE OF PAID ACCOUNTS</b>  |        |
| <b>35/17/01</b> | The Schedule of Paid Accounts for the period 1 January 2017 – 31 March 2017 totalling £255,150.15, (a copy of which is filed in the Report Book), was considered in detail and approved. There were no matters arising.   |        |
|                 | <b>36/17 MATERIAL CHANGES TO RISK REGISTER</b>  |        |
| <b>36/17/01</b> | Members considered the risk register for those risks with a risk assessment matrix score of $\geq 6$ . Arising therefrom:   |        |
| <b>36/17/02</b> | Members considered there were no material changes to be made during this reporting period. RESOLVED that this be noted.   |        |
|                 | <b>37/17 CORRESPONDENCE</b>   |        |
| <b>37/17/01</b> | <b>National Audit Office, (NAO) Report on IDBs and ADA's response</b>   |        |
|                 | (i) Members considered the NAO Report on IDBs, which had been published in March 2017, to be unduly critical of IDBs, particularly in regard to IDBs' governance and oversight arrangements. It was considered that the report did not accurately reflect the majority of IDBs in England and noted that ADA intended to send a further,  |        |

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| <p>more robust response in support of IDBs to the NAO, that would be followed up with a response from the WMA to the NAO outlining how the report did not accurately reflect the WMA Member Boards. RESOLVED that this be noted.</p> <p>(ii) Members noted that the NAO report did actually include reference to the Broads (2006) IDB due to its inclusion in the top 10 IDBs in England with a high number of members, (39). It was agreed that the Board would need to reconsider its membership again to reaffirm the requirement for the relatively high number of members. RESOLVED that this be noted.</p>   | <b>PJC/ The Board</b> |
| <p><b>38/17 NEXT MEETING</b></p> <p><b>38/17/01</b> The next Board meeting was scheduled for 14 August 2017 at 10.00 am in Hickling Barn.</p>   |                       |
| <p><b>39/17 ANY OTHER BUSINESS</b></p> <p><b>39/17/01</b> Mrs S Weymouth recorded that Somerton Parish Council had asked the Board to note the good communications currently experienced between the Parish Council and IDB officers in respect of water levels in the Somerton catchment. RESOLVED that this be noted.</p>   |                       |
| <p><b>40/17 OPEN FORUM: TO HEAR FROM ANY MEMBER OF THE PUBLIC, WITH LEAVE OF THE CHAIRMAN</b></p> <p><b>40/17/01</b> There were no Members of the Public present at today's meeting.</p>  |                       |
| <p><b>41/17 CONSORTIUM MATTERS</b></p> <p><b>41/17/01</b> The unconfirmed minutes of the last Consortium Management Committee meeting held on 31 March 2017 were considered in detail and approved. Arising therefrom:</p> <p><b>41/17/02 Surface Water Development Contribution Rate (SWDC) (11/17/05)</b></p> <p>It was agreed and thereby RESOLVED to approve the WMA CMC recommendation increase the SWDC rate with effect from 1 April 2017 by 1% to £75,500 per impermeable hectare.</p> <p><b>41/17/03 Direct Employees Pay Increase 2017/18 (12/17/06)</b></p> <p>It was agreed and thereby RESOLVED to approve the WMA CMC recommendation to award a 1% consolidated inflationary increase to direct employees' salaries and wages and all other emoluments with effect from 1 April 2017, together with a 0.4% unconsolidated</p> |                       |



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| increase.  |               |
| <b>41/17/04 Schedule of Paid Accounts</b>  |               |
| The WMA Schedule of Paid Accounts for the period 1 December 2016 to 28 February 2017 totalling £167,510.48 as approved at the Consortium Management Committee meeting on 31 March 2017, was considered in detail and adopted. There were no matters arising. |               |
| <b>41/17/05 Financial Report</b>   |               |
| The WMA Financial Report for the period 1 April 2016 to 28 February 2017, as approved at the Consortium Management Committee meeting on 31 March 2017 was considered in detail and adopted by the Board. There were no matters arising.                      |               |
| <b>41/17/06 Issues for discussion at next CMC meeting</b>  |               |
| There were no specific issues raised by Members requiring discussion at the next Consortium Management Committee meeting on 30 June 2017.  |               |
| <b>42/17 CONFIDENTIAL BUSINESS</b>   |               |
| <b>42/17/01</b> There was no confidential business to discuss.   |               |

## BROADS (2006) INTERNAL DRAINAGE BOARD

### OPERATIONS REPORT FOR THE PERIOD FEBRUARY 2017 - MAY 2017

#### 1. REVENUE MAINTENANCE WORKS

Works have been undertaken on Board main drains in these catchments: Upton, Potter Heigham, Hickling, Ludham, Hermitage, Horning, Ingham, Hempstead, Irstead, Postwick, Happisburgh, Chapelfield, Halvergate, East Ruston

#### 2. PUMPING STATIONS

##### **Major Incident Horsey Mill**

A meeting has been held with BESL who have now developed costs and cost benefit assessments for the work, which has indicated that the preferred solution to replace the structure will receive funding. They will now complete a Business Case for the project and submit it for funding. The current programme aim is to start work in Autumn/winter 2017.

##### **Major Incident Castor Sewage Treatment Works**

The incident occurred Monday 27 February 2017 when the side wall of the ductile steel concrete lined outfall pipe c1.2m dia. from the Final Effluent Treatment Process (cleaned discharge water) failed resulting in immediate flooding of surrounding area adjoining the works. Anglian Water implemented their emergency procedures licenced by the Environment Agency resulting in pumping water backwards into our Drainage District to avoid imminent flooding to highways and property locally.

The water arrived at Mautby Pumping station resulting in daytime running of the pumps to manage the abnormally high flows. The discoloured water and increased volume was witnessed by the pump attendant and reported to the Operations Manager who investigated further and reported findings to the Catchment Engineer.

Anglian Water were made aware of the implications of their actions and immediately responded by hiring in temporary pumping to manage this flow reducing the burden on our infrastructure. Our Operations Manager and local Board Member worked with their Contractor to facilitate these pumps at our station see photograph 1 below.



Anglian Water tried to undertake a temporary repair to the cracked pipe but on evaluating the degree of damage felt the proposed solution would not be fit for required operating pressures.

An emergency stakeholder meeting was held with both board officers and members present. The ongoing drawing down of our water table was raised and the potential adverse impact of contamination of irrigating crops and drinking for livestock highlighted. Agreed safe guards including increased frequency and wider breath of analysis to include heavy metals for example was undertaken to ensure the risk to people, livestock and livelihood was kept to a minimum.

The decision was taken to cut the damaged section out and replace it. This required designing and manufacturing bespoke components to fit the insitu. pipework that had deformed slightly as a result of the failure occurring.

Week commencing 1 May 2017 a 100 tonne crane was used to support the existing pipework while it was cut out of the pipeline with the new section successfully installed by the Friday.

The new configuration is under assessment currently being pressure tested to its maximum design discharge of 1200l/sec. In the meantime there has been a phased reduction in pumping to our catchment, whilst being monitored by Anglian Water and independently verified by the Environment Agency to ensure no adverse environmental consequence to our district.

The Catchment Engineer has received confirmation from Anglian Water that they will reimburse our expenses in responding to this emergency incident.

Moving forward a wash up meeting will be held to agree how an incident of this nature will be dealt with in the future and ensure a robust plan is in place.

## HAPPISBURGH TO WINTERTON DISTRICT

1. Brograve: (3 No. Pumps)  
No major problems reported

2. Horsey: (1 No. Pump)  
No major problems reported
3. Somerton South: (2 No. Pumps)  
No major problems reported.
4. Somerton North: (1 No. Pump)  
No major problems reported.
5. Somerton Auxiliary: (1 No. Submersible)  
No major problems reported.

#### **LOWER BURE FLEET & ACLE MARSHES DISTRICT**

1. Tunstall Pump: (2 No. Pumps)  
No major problems reported.
2. Five Mile Pumping Station: (1 No. Pump)  
No major problems reported.
3. Ashtree Pumping Station: (1 No. Pump)  
Tidal flap requires maintenance.
4. Breydon Pumping Station: (2 No. Pumps)  
No major problems reported.
5. Berney Pumping Station: (1 No. Pump)  
No major problems reported.
6. Seven Mile Pumping Station: (2 No. Pumps)  
No major problems reported
7. Stracey Arms Freshwater Intake Works: (Automatic inlet penstock)  
No problems reported.

#### **LOWER YARE FIRST DISTRICT**

1. Buckenham Pumping Station: (1 No. Pump)  
No major problems reported.
2. Postwick Pumping Station; (1 No. Pump)  
No major problems reported.

#### **LOWER YARE FOURTH DISTRICT**

1. Cantley Pumping Station: (1 No. Pump)  
No major problems reported.

#### **MIDDLE BURE DISTRICT**

1. The Doles Pumping Station: (3 No. Pumps)  
No major problems reported.

2. Hermitage Pumping Station: (1 No. Pump)  
No major problems reported.

### **MUCKFLEET & SOUTH FLEGG DISTRICT**

1. Stokesby Pumping Station: (2 No. Pumps - Archimedes Screw Pumps)  
No major problems reported.
2. Mautby Pumping Station: (2 No. Pumps - Archimedes Screw Pumps)  
No major problems reported.

### **REPPS MARTHAM & THURNE DISTRICT**

1. Martham Pumping Station: (1 No. Pump)  
No major problems reported.
2. Repps Pumping Station: (1 No. Pump)  
No major problems reported.
3. Thurne Pumping Station: (1 No. Pump)  
No major problems reported.

### **SMALLBURGH DISTRICT**

1. Hickling

Stubb Pumping Station: (1 No. Pump)  
No major problems reported.

Eastfield Pumping Station: (1 No. Pump)  
No major problems reported.

Catfield Pumping Station: (1 No. Pump)  
No major problems reported.

Martham Heigham Holmes Pumping Station: (1 No. Pump)  
Cavitation reported and is under investigation

Potter Heigham Pumping Station: (2 No. Pumps)  
No major problems reported.

Horsefen Pumping Station: (1 No. Pump)  
No major problems reported.

Ludham Bridge North Pumping Station: (1 No. Pump)  
No major problems reported.

Ludham Bridge South Pumping Station: (1 No. Pump)  
No major problems reported.

St Benet's Pumping Station. (1 No. Pump)  
Cavitation reported and is under investigation

Horning Grove Pumping Station: (1 No. Pump)  
No major problems reported.

Irstead Pumping Station: (1 No. Pump)  
No major problems reported.

Sutton Pumping Station: (1 No. Pump)  
No major problems reported.

Chapelfield Pumping Station: (1 No. Pump)  
No major problems reported.

Wayford Bridge Pumping Station: (1 No. Pump)  
No major problems reported.

East Ruston: (Tonnage Bridge Pumping Station – 1 No. Pump)  
No major problems reported.

### **3. CONSTRUCTION WORKS**

#### **Ludham Bridge pump house (Redundant)**

The pump house has now been demolished and the pump tube is due to be removed in the first week of June. BESL are due to improve the flood defence behind the pump in Summer 2017.

### **4. PLANT**

No issues to report.

### **5. CAPITAL WORKS**

#### **Repps Pumping Station Bridge Refurbishment**

Norfolk County Council have agreed to pay for an independent calculation to determine whether sleeving the bridge culvert is possible without reducing capacity.

#### **Muckfleet Main Drain**

PAR is still with the EA National Approval Board for final approval.

#### **Halvergate**

Enabling and site set up works have progressed well with construction of the new High Level Carrier channel programme to start early June 2017.



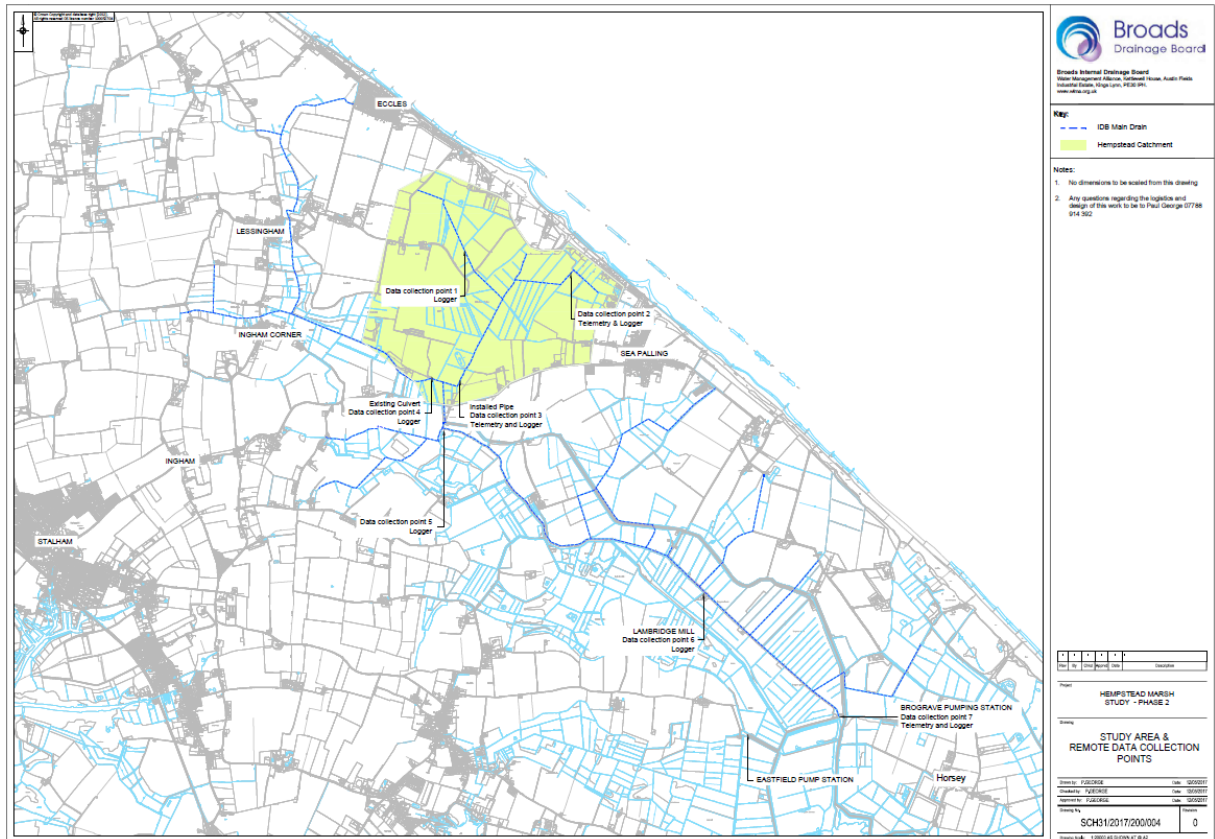
*Water vole mitigation and fencing works at Halvergate*

Approximately 10km of temporary fencing is being installed, over 100 sections of 6m pipe varying between 0.4m and 1m diameter and 3000tns of type 1 is being delivered to site. Approximately 4.6km of the Fleet has been desilted to assist construction of two Fleet Aqueducts.

Working closely with the RSPB we have managed to mitigate and avoid disturbance to nesting birds allowing work to progress during this sensitive time of the year.

### **Brograve - Hempstead Marshes Trial**

Cranfield University students collected data during a field study week w/c 13 March 2017. Prior to which a pipe was installed into the main IDB drain to allow baseline data collection to commence. Various other data collection points have been set up in the catchment, to monitor water levels and salinity with the goal of identifying a water level management regime that would improve water quality without impacting flood risk.



*Plan showing catchment monitoring locations*

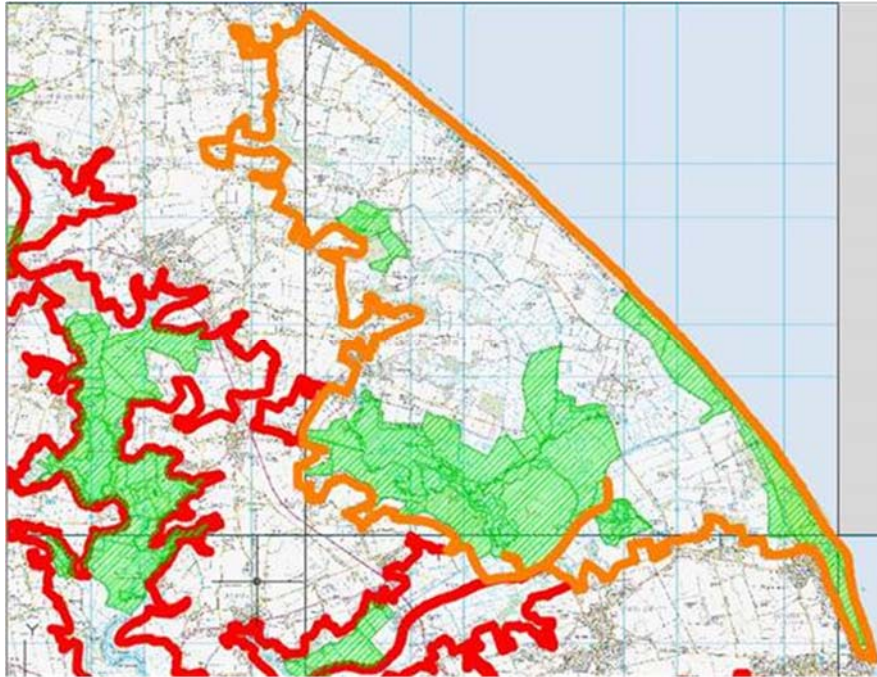
The findings of the study along with recommendations are to be presented at an evening meeting at Lessingham village hall on the 19 May 2017.

### **Upper Thurne Integrated Drainage Improvements**

FCERM1 project mandate has been sent into the Environment Agency to agree the project boundary for the Upper Thurne Integrated Drainage Improvements (UTIDI) project. The indicative benefits area is vast (See map 1 below) and includes the combined pump drainage districts of Somerton South, Somerton North, Horsey, Brograve, Eastfield & Stubb.

The Catchment Engineer has put a compelling case forward that with improved intelligent variable speed controlled pump systems improvements will be witnessed downstream, therefore the associated area of the Thurne Broads & Marshes SSSI that benefits should also be awarded to the capital improvements as part of the business case. There are other environmentally designated habits such as Winterton Dunes SSSI which will need to be assessed that are also likely to benefit from good water level management provided by our pumps attracting further support from central government funding as part of these improvements.





Map 1

### **Martham Depot refurbishment**

Refurbishment of the depot continues. Internal painting and rewiring has been carried out with a new lighting system fitted. The floor is to be levelled and painted next, ready for the workshop to be fitted with work benches and equipment.



*Workshop internal upgrades*

## **6. OPERATIONAL MATTERS**

Nothing to report this period.

## **7. TELEMETRY**

Nothing to report this period.

## 8. HYDROLOGY – UK Overview (extracts from <http://www.metoffice.gov.uk/climate/uk/summaries/2017>)

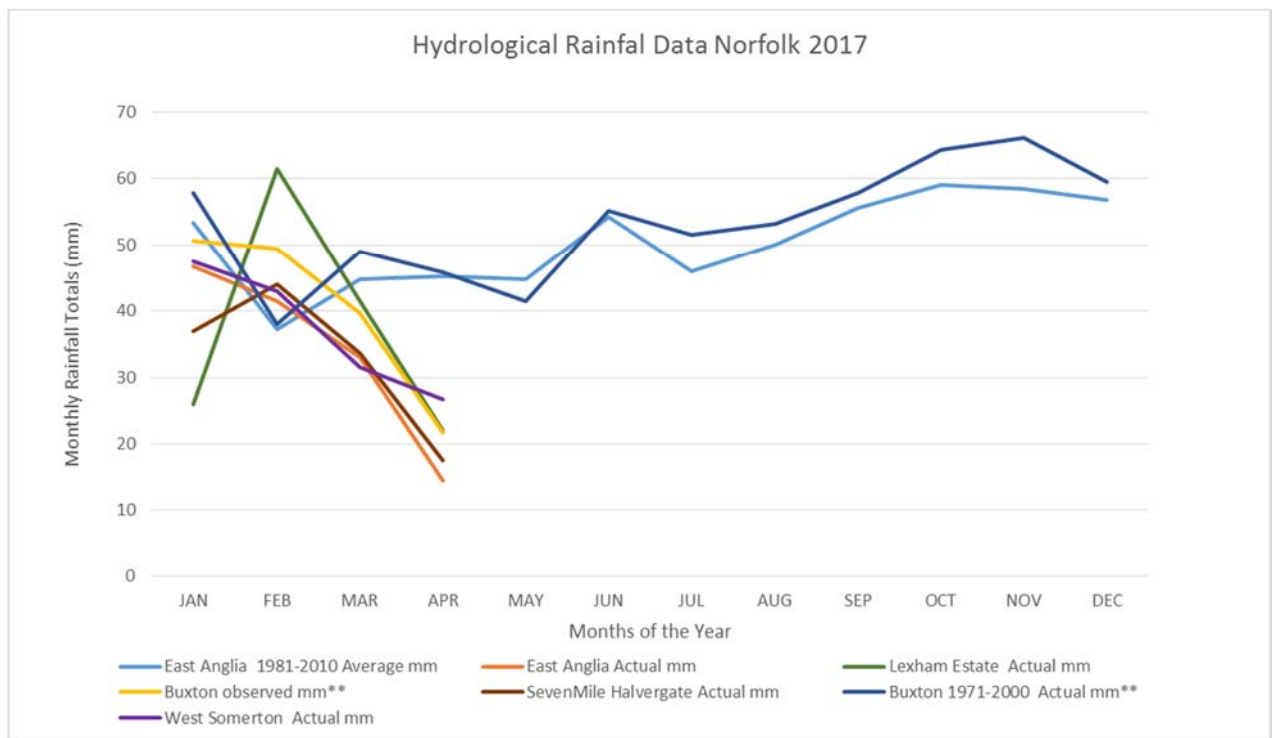
January started with a brief northerly outbreak which brought bright and fairly cold weather with overnight frost. The second week was unsettled and increasingly windy, and there was snow in many places on the 12th-14th. The second half of the month was mostly dry and settled, and cold at times, especially in the south, but it turned much milder and wetter in the last few days.

February started with a mild and wet south-westerly type, but between the 5th and 12th easterly winds prevailed and brought mostly dry but cloudy weather, with snow for many parts on the 11th and 12th but generally limited accumulations on the ground at low levels. From the 13th onwards it was generally mild, and it was relatively quiet until the 20th but the last third of the month was unsettled and often windy.

March began mild and changeable with mainly south-westerly winds. The south-westerly type persisted until mid-month but there were some quieter interludes. It was unsettled and briefly colder from the 20th to the 22nd with some snow in the north. Several days of dry sunny weather followed, but it turned unsettled again and very mild for the last few days.

April began with slackening low pressure over the country and a mix of sunshine and showers, but it soon became dry, warm and sunny for most parts as high pressure built from the south. It was often unseasonably warm until the 9th with plenty of dry sunny weather. The rest of the month was cooler but remained mostly dry and settled. A northerly outbreak brought widespread wintry showers on the 25th and 26th, and the 30th was wet in the south-west.

### Rainfall:



|     | East Anglia 1981-2010 Average mm | East Anglia Actual mm | Lexham Estate Actual mm | Buxton observed mm** | SevenMile Halvergate Actual mm | Buxton 1971-2000 Actual mm** | West Somerton Actual mm |
|-----|----------------------------------|-----------------------|-------------------------|----------------------|--------------------------------|------------------------------|-------------------------|
| JAN | 53.4                             | 46.7                  | 26                      | 50.7                 | 37                             | 57.8                         | 47.5                    |
| FEB | 37.2                             | 41.4                  | 61.5                    | 49.4                 | 44                             | 38                           | 43                      |
| MAR | 44.8                             | 33.1                  | 41.5                    | 39.7                 | 33.6                           | 49                           | 31.5                    |
| APR | 45.3                             | 14.5                  | 22                      | 21.7                 | 17.6                           | 45.8                         | 26.8                    |
| MAY | 44.8                             |                       |                         |                      |                                | 41.4                         |                         |
| JUN | 54.3                             |                       |                         |                      |                                | 55.2                         |                         |
| JUL | 46                               |                       |                         |                      |                                | 51.6                         |                         |
| AUG | 50.1                             |                       |                         |                      |                                | 53.2                         |                         |
| SEP | 55.6                             |                       |                         |                      |                                | 57.8                         |                         |
| OCT | 59                               |                       |                         |                      |                                | 64.3                         |                         |
| NOV | 58.5                             |                       |                         |                      |                                | 66.1                         |                         |
| DEC | 56.8                             |                       |                         |                      |                                | 59.5                         |                         |

\* <http://www.metoffice.gov.uk/climate/uk/summaries/2017>

\*\* <http://www.buxton-weather.co.uk/weather.htm#daily>

## 8. STAFF/WORKFORCE – MEETINGS - TRAINING/EDUCATION

### **Catchment Engineer attended the following meetings:**

20 December 2016

Meeting with Enviro Water Consultant regarding their professional services.

31 January /2017

UEA Pymnesium research update.

02 February 2017

Broads Forum Brograve/Hempstead Proposed trial tabled.

06 February 2017

Eel & Fish Steering Group Meeting. London.

22 February 2017

Hempstead Marsh Cranfield Student Project started landowner meeting.

02 March 2017

Emergency Response to Castor Sewage Works.

06 March 2017

Sutton Pump Stakeholder meeting Revised Benefit area.

13 March 2017

Brograve Partnership Meeting.

22 March 2017

Meeting with Board Chairman to discuss WMA Officer Involvement to influence nationally via ADA Committees and Defra Conference.

29 March 2017

EA and Consultant meeting to discuss further innovative solutions to screening for eels at pumping stations.

**Project Engineer attended the following meetings:**

6 March 2017

Environment Agency Main River Maintenance Meeting.

2 May 2017

Meeting with Graham Brown, Norfolk County Council.

**Operations Engineer attended the following meetings:**

30 January 2017

Halvergate site visit to mark out mitigation features.

01 February 2017

Halvergate site visit to meet with RSPB to discuss mitigation measures.

02 February 2017

Halvergate site visit to mark out mitigation features.

15 February 2017

Site meetings to Martham, Chapelfield & Wayford with Adrian Gardner and Operation Manager.

24 February 2017

Site visits with Operations Manager to Chapelfield to meet landowner, to Mautby to carry out GPS Survey and to Caister to investigate maintenance requirements.

03 March 2017

Hempstead Marsh visit to meet landowner.

06 March 2017

Integrated main river maintenance meeting with Environment Agency.

08 March 2017

Halvergate site visit to carry out GPS Survey.

13 March 2017

Brograve partnership meeting to discuss Hempstead marsh study phase 2.

29 March 2017

Site meeting at Tunstall and Stokesby to obtain GPS data and discuss eel passage options.

19 April 2017

Halvergate site meeting to mark out fence line.

26 April 2017

Halvergate site meeting with Landowner.

03 May 2017

Site meeting with Operations Engineer (Pete Roberts) Operations Manager (Ali Bloomfield and Operations Manager (AG) to discuss construction detail, plans and programmes.

### **Workforce**

20 April 2017

Face fit test and training carried out at Martham depot for all operational employees.

26 – 27 April 2017

Lantra All Terrain vehicle (ATV) training carried out at Halvergate for Alan Goose, Alan Cullingford, Caroline Laburn, James Armstrong, Barry Harding & Ali Bloomfield.

**Broads IDB  
Environmental Report  
May 2017**

The following information pertains to environmental work carried out for the Broads IDB involving the Technical and Environmental Officer (TEO) and/or the Technical and Environmental Assistant (TEA), from the 11 January 2017 – 08 May 2017.

**1. Information for the Board**

**Halvergate Higher Level Water Carrier - Fleet Scheme**

The Halvergate Higher Level Water Carrier Project, to improve fresh water ingress to the Halvergate marshes SSSI, SPA, SAC and RAMSAR site is underway. Preconstruction mitigation measures have been undertaken following the submission and assent of the Habitats Regulation assessment. Destructive searches for water vole have been undertaken and the working corridor has been cleared of vegetation to prevent nesting birds for the construction phase of the project.



Destructive searches of burrows at Halvergate

**2. Statutory Duties towards Conservation**

**Pework Checks and Site Visits**

16 January 2017

The TEO, the Operations Engineers and Operations Manager surveyed the Halvergate site to determine mitigation requirements during pre-construction and construction phases of the project.

30 January 2017

The TEA and Paul George, Operations Engineer marked out various crossings at locations throughout the Halvergate marshes (DRN124P0310). The TEA carried out Water Vole Surveys.

02 February 2017

The TEA and Paul George, Operations Engineer marked out the the pre-construction and construction areas at Halvergate marshes.

10 February 2017

The TEA conducted water vole surveys at Halvergate marshes with a consultant ecologist.

13 February 2017

The TEA conducted water vole surveys at Halvergate marshes) with two consultant ecologists.

16 February 2017

The TEA attended a site visit to Chapelfield with Alan Goose, Paul George, Operations Engineer and Adrian Gardiner, Natural England Officer.

6 March 2017

The TEO carried out destructive searches for water vole at various mitigation on the Halvergate Marshes.

08 March 2017

The TEO, Operations Engineer and Operations Manager carried out a site visit to Halvergate to monitor mitigation progress for pre-construction and construction phases of the project.

20 March 2017

The TEA conducted a water vole activity check at Halvergate marshes with a Consultant Ecologist.

27 March 2017

The TEA carried out a site visit to Halvergate marshes with the TEO and Alan Goose. The TEA assessed the desilting of the fleet to ensure it was being carried out as per the conditions of the Habitats Regulation Assessment and NE assent. The TEO carried out water vole mitigation can activity checks prior to destructive searches.

29 March 2017

The TEA took Neil Marshall, Hand Operative to various locations on Halvergate to hand trim areas for the purposes of water vole mitigation and carry out activity checks.

29 March 2017

Broads Officers met with officers from the EA and Jonathon Bramley, Engineer from, "The Eel Screen Company" to discuss a potential alternative solution to eel screening at Stokesby, Tunstall and Breydon Pumping stations. The solution looked at using a series of verticle strobed LED lights which sit behind the weed screen and use a series of visual queues to deter eels and fish from entering into the pump.

21 April 2017

The TEA carried out a site visit to the Muckfleet to inform the Habitats Regulation Assessment for pre-construction aand construction activities.

### **3. Meetings and Training Attended:**

18 January 2017

The TEO and Project Engineer attended the Trinity Broads Partnership meeting at the to discuss and listen to issues regarding the Trinity Broads and give an update on the Muckfleet Project. Representatives from the Norfolk Wildlife Trust, Environment Agency, Natural England, Broads Authority, Essex and Suffolk Water were in attendance.

23 January 2017

The TEO attended the North and North/West Norfolk Catchment Partnership Meeting at County Hall with representatives from the Norfolk Rivers Trust, NCC, EA to look at a catchment based approach to disuse pollution problems in the North and North-West part of the County.

24 January 2017

Am. The TEO attended the Fenland Good Ecological Potential meeting, with a view to understanding the crossover of achienving goog ecological potential in Broads IDB drainage ditches classified as Highly Modified or Artificial channels.

Pm. The TEO attended the Floating Pennywort Steering Group meeting at County Hall with a view to trying to ensure that the WMA Eastern Boards are equipped with

information to try to keep Floating Pennywort out of WMA Eastern maintained drains. Representatives from the NCC, EA and Waveney Rivers Trust were in attendance.

06 February 2017

The Catchment Engineer and TEO attended a workshop in London to support a new Environment Agency R&D project which will develop guidance to support the screening and passage of fish and eel at flood risk management infrastructure with the aim to, "Develop a new guide and supporting tools which synthesise existing research, guidance and practical experience to help the planning/appraisal, design, construction and maintenance of fish and eel screens, deterrents, passes and fish-passible pumps."

07 February 2017

A Team meeting was held for WMA Eastern officers at Kettlewell Hoese, Kings Lynn.

09 February 2017

The TEO, TEA, PA to the CEO and Data Manager undertook an ISO 14001 and ISO 9001 management meeting.

13 March

TEA and TEO undertook an ISO14001 Internal Audit.

06 April 2017

The TEA attended a Norfolk Non-Native Species Initiative meeting at Norfolk County Hall to understand the status of Non- Native Species throughout the county.

19 April 2017

The TEA attended a meeting with Rory Sanderson, Environment Agency, to discuss the Muckfleet project and progressing the Water Framework Directive assessment.

20 April 2017

The TEO and the Operations Engineer undertook a teleconference with representatives of the Norfolk Vanguard Offshore Windfarm Project to gain an understanding of the project, share information from BIDB, NRIDB and ecological perspective.

24 April 2017

Am. Broads IDB Officers and the EA attended a meeting called by Anglian Water to discuss the ongoing issue of the burst sewage treatment pipe at Caister Sewage works and the impact on Mautby Pump and agricultural land. A date for fixing the leak was set as the 05 May 2017. Further sampling was found to be necessary and will be reviewed by the EA. Potential areas to locate bunds and developing a future emergency procedure for any similar event which may occur in the future was also discussed.

Pm. The TEO attended the Floating Pennywort Steering Group meeting at County Hall with a view to trying to ensure that the WMA Eastern Boards are equipped with information to try to keep Floating Pennywort out of WMA Eastern maintained drains. Representatives from the NCC, EA, Waveney Rivers Trust and Waveney IDB were in attendance.

26 – 27 April 2017

The TEO and five other officers from the WMA Eastern received training and certification on the safe handling and use of an All Terrain Vehicle for use on the Halvergate Project.

03 May 2017

A Staff and Best Practice meeting was held at Kettlewell House, Kings Lynn.

#### **4. Non - Compliance**

Nothing to report within this period.

#### **5. Complaints**



Nothing to report within this period.

**6. Assents Granted and/or Applied for:**

| <b>Licence / Assent / Habitat Regulations Assessment</b>  | <b>Applied</b>   | <b>Granted</b> |
|---|------------------|----------------|
| Water Framework Directive compliance assessment for the Fleet Drain, Halvergate Marshes (DRN124P0310)                         | 16 February 2017 | N/A            |
| NE Assent and Habitats Regulation Assessment for Preconstruction and Construction Activities on the Halvergate SSSI, SAC, SPA | 23 February 2017 | 06 March 2017  |

**7. Freedom of Information Act Requests**

None during this period.



**Water Management Alliance**  
**INTERNAL AUDIT REPORT**  
**2016/17**

**April 2017**

Contents:

1. Executive Summary
2. Overall Conclusion
3. Acknowledgements
4. Detailed Observations, Recommendations and Agreed Actions
- APP 1 Agreed Terms of Reference

## 1. Executive Summary

---

The audit of the Water Management Alliance and the constituent Internal Drainage Boards was carried out by Kathy Woodward for the year 2016-17. This Executive Summary sets out our overall conclusion on the system reviewed, and summarises the key recommendations arising. A copy of the Terms of Reference for this audit is attached as **Appendix 1**.

Regulation 5 of the Accounts and Audit Regulations 2015 requires that '*A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance*'. The completion of this internal audit fulfils that role.

It should be noted that any system of internal control is designed to manage risk to a reasonable level, and therefore Internal Audit cannot provide absolute assurance against loss. As well as being effective, controls need to be proportionate to the risk involved and not overburden the organisation with excessive costs.

The Water Management Alliance provides administration and management services to the five constituent Internal Drainage Boards, namely Broads, King's Lynn, East Suffolk, Norfolk Rivers and South Holland. During the financial year 2016-17 the Alliance entered into a contract to provide administration and management services to the Pevensy and Cuckmere Water Level Management Board for a period of two years.

New guidance was issued on 30<sup>th</sup> March 2017 by the Joint Practitioners' Advisory Group (JPAG), '*Governance and Accountability for Smaller Authorities in England – A Practitioners Guide to Proper Practices to be applied in the preparation of statutory annual accounts and governance statements, March 2017*'. Although the new guide does not become mandatory until the 2017/18 financial reports are prepared, the Water Management Alliance has decided on early adoption on a voluntary basis. With this in mind the auditor has considered the effect the new guidance would have on the required internal audit and has concluded that essentially the work remains the same. Therefore the audit has been undertaken in line with previous years, based on the 2007 guidance. Audit work has included review of the procedures and systems of control in place at the Water Management Alliance and considered if they were effective and being applied as intended. Sample testing was carried out on elements as considered necessary by the auditor in order to substantiate the application of the control.

As part of the audit a follow-up was carried out on the recommendations raised in last year's report. Most of the recommendations made have been implemented. There is one recommendation still outstanding in relation to segregation of duties in timesheet authorisation, but this is only a best practice recommendation with no significant risks arising as a consequence.

## 2. Overall Conclusion

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In conclusion, the procedures used at the Water Management Alliance are simple but effective, and appear to be carried out diligently by all staff concerned. Controls are

working as expected. However, there are some aspects that can be improved and details of recommendations can be found in Section 4 together with the actions agreed with the Chief Executive.

The overall level of assurance attributed to the system is:

|                       |   |
|-----------------------|---|
| Substantial Assurance | A sound system of internal control, but there are a few weaknesses that could put achievement of system objectives at risk. |
|-----------------------|---|

The observations and recommendations are detailed in Section 4. Each recommendation is allocated a priority as defined below:

|        |  |
|--------|--|
| High   | Major risk requiring action by the time the final report is issued.              |
| Medium | Medium risk requiring action within six months of the issue of the draft report. |
| Low    | Matters of limited risk. Action should be taken as resources permit.             |

### **3. Acknowledgements**

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We would like to express our thanks for their assistance and co-operation to:

Mary Creasy, Personal Assistant (CEO)

Sallyanne Jeffrey, Finance Officer

Trish Walker, Finance Assistant

Graham Tinkler, Rating Officer/Site Warden

| Observations and their effects/ Recommendations  | Priority | Agreed Action/ Responsible Officer/ Target Date  |
|--|----------|--|
| <p><b>1. Bank Reconciliation</b></p> <p><b>Observation</b></p> <p>Bank reconciliations are carried out weekly, as per Financial Regulations. Evidence is presented to the Chief Executive each month in the form of a cash flow statement. King’s Lynn IDB bank account became overdrawn during the year, but was rectified the following day with no charges being incurred.</p> <p>There were a number of occasions where the dates on the cashbook reconciliation did not tie back to the bank statements being reconciled. The information contained within the report was correct.</p> <p>The use of the unreconciled reports on the cash book seems to have dropped off throughout the course of the year resulting in a large amount of manual reconciliation taking place.</p> <p>It was difficult in some cases to identify the information relating to each individual bank reconciliation that is filed within the folder</p> <p><b>Consequence</b></p> <p>Monthly reconciliations are carried out correctly but this is not always evidenced.</p> <p>The method of carrying out the bank reconciliation is thorough but the supporting reports from Sage are not always printed. The unreconciled reports are not used effectively.</p> <p><b>Recommendation</b></p> <ol style="list-style-type: none"> <li>1. Agree to use the unreconciled report function of sage to minimise the amount of manual reconciliation needed in the process to improve the audit trail of the reconciliation.</li> <li>2. Agree to use file separation in the folders to identify each individual bank reconciliation.</li> </ol> | Low      | <p>Agreed.</p> <p>The unreconciled report will be used more consistently.</p> <p>Filing will be improved.</p> <p>Finance Officer</p> |

| Observations and their effects/ Recommendations  | Priority | Agreed Action/ Responsible Officer/ Target Date   |
|--|----------|---|
| <p><b>2. Timesheet Authorisation</b></p> <p><b>Observation</b></p> <p>Files containing the timesheets were requested and checked for evidence of timesheets and authorisation.</p> <p>Results were summarised in a spreadsheet. All timesheets had been signed by the Operations Managers for each Board and by the Finance Officer for WMA.</p> <p>The Broads Operations Manager is authorising his own timesheets due to the remoteness of the working area. The Operations Manager is now managing 3 sites, Broads, Norfolk Rivers and East Suffolk. For this reason at the end of each month an invoice is raised to recharge supervisory time for the other IDB's. While the Broads Operations Manager is salaried, the timesheets are used to evidence the recharges to other boards.</p> <p><b>Consequence</b></p> <p>There is no segregation of duties. This is not best practice, however there is a some mitigating control as all payroll is countersigned by the Chief Executive when is has been entered into Sage and the report produced.</p> <p><b>Recommendation</b></p> <p>To be discussed to establish if the new offices at Martham create on opportunity for a monthly meet up of the Catchment Engineer and the Operations Manager to sign / countersign timesheets when required.</p> | Low      | <p>Agreed.</p> <p>The method of authorising these timesheets will be reviewed.</p> <p>Chief Executive/Catchment Engineer.</p> |



| Observations and their effects/ Recommendations   | Priority | Agreed Action/ Responsible Officer/ Target Date |
|---|----------|---|
| <p>2) Duplicate invoices could be processed as there is no system control in place to prevent this happening. Each transaction cannot be identified individually by its reference (transaction) number causing confusion.</p> <p><b>Recommendation</b></p> <p>1) Financial Regulations need to be followed at all times, by all members of staff. An enhancement has been made to the financial regulations for adoption immediately.</p> <p>2) Finance Officer to speak to finance system advisors about 'unique' reference numbers and if this can be incorporated into the system upgrade.</p> |          |   |





## **WATER MANAGEMENT ALLIANCE**

### **INTERNAL AUDIT TERMS OF REFERENCE 2016-17**

## **1. INTRODUCTION**

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1.1 This document sets out the strategy and plan for the audit of the Water Management Alliance for the year 2016-17.

1.2 Section 6 of The Accounts and Audit Regulations 2015 states that '*The relevant body must conduct a review at least once in a year of the effectiveness of its system of internal control*'.

1.3 Internal Audit is defined as '*an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.*'

Public Sector Internal Audit Standards, April 2017

1.4 The Internal Auditor will work in accordance with the Public Sector Internal Audit Standards (PSIAS) adopted by CIPFA from April 2017 and thus will be able to provide the review required by the Regulations.

1.5 The authority of the Internal Auditor is established in the Financial Regulations.

1.6 The audit work will concentrate on records and systems used by the Water Management Alliance, who provide the financial and administrative functions for:

- Broads (2006) IDB
- East Suffolk IDB
- King's Lynn IDB
- Norfolk Rivers IDB
- South Holland IDB.
- Pevensey and Cuckmere Water Level Management Board

As such, this work will enable the auditor to complete the Annual Returns for all six Boards.

## **2. OBJECTIVES AND SCOPE OF THE AUDIT**

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2.1 The work of the Internal Auditor will be guided by 'Governance and Accountability for Smaller Authorities in England – A Practitioners Guide (Rev March 2017)'.

2.2 In order to be able to complete section 4 of the Electronic Annual Return for 2017 the auditor will consider the following:

- A. The Accounting Records  
To ensure that the accounting system is accurate, complete and timely, and that data input is being verified appropriately.
- B. Financial Regulations and Standing Orders  
To ensure that they are current and are being adhered to.
- C. Risk Management processes  
To ensure that management review the Risk Register on a regular basis and that risk is being identified and actively managed in a proportionate manner.

D. Budgetary Controls

To ensure that the budgets are prepared on a realistic basis and are monitored throughout the year and any variations are investigated, with corrective action being taken if necessary.

E. Income Controls

To ensure that processes are in place and functioning correctly to collect, record and bank income in full and on time.

F. Petty Cash Procedures

To ensure petty cash provisions are reasonable, used in accordance with Financial Regulations and adequate records are kept of payments made.

G. Payroll Controls

To ensure that remuneration to employees and Board Members is calculated correctly and in accordance with the levels agreed by the Board, and that all HMRC requirements are complied with.

H. Asset Management

To ensure that there are satisfactory processes in place to maintain the register and check for accuracy.

I. Bank Reconciliation

To ensure that periodic and year-end bank account reconciliations were properly completed and verified.

J. Year-end Procedures

To ensure that the appropriate accounting basis have been used to prepare the year-end accounting statements and that figures contained in the statements can be verified by reference to working papers and accounting records.

2.3 Any recommendations and issues arising from the previous audit will also be followed up to establish if they have been implemented or if there is a satisfactory explanation for non-implementation.

2.4 Contained within the scope of work described above it is implied that the auditor will have due regard for Value for Money considerations and the potential for fraud.

### **3. TASKS**

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3.1.1 The project tasks are to:

- Establish if the procedures recorded as part of the audit for 2015-16 remain the same and document any changes that may have taken place.
- Perform tests to establish that systems are operating in accordance with the procedures and that good practice is being complied with.

## Internal Audit Services

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- Assess strengths and weaknesses of the systems operated and the levels of financial and management risk.
- Discuss the results with the Chief Executive and make recommendations as appropriate, which will be communicated to the Boards by means of a report.
- Complete Section 4 of the Electronic Annual Return for 2016-17.

### 4. WORK PLAN

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4.1 The audit will be undertaken by  
Miss Kathy Woodward, CPFA  
Shared Internal Audit Manager, Borough Council of King's Lynn and West Norfolk.

4.2 The audit has been allocated 5 days, which will be utilised as follows:

| <b>Task</b>   | <b>Time</b> |
|---|-------------|
| Confirm existing procedures and record any changes. Undertake a follow-up of actions agreed from the audit report for the year 2015-16. | 0.5         |
| Testing – to establish that processes are being applied as intended.  | 3.5         |
| Conclusions and discussion  | 0.5         |
| Completing the Return and reporting if required.  | 0.5         |

### 5.0 AGREEMENT

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|  | <b>Signature</b> | <b>Date</b> |
|--|------------------|-------------|
| Phil Camamile<br>Chief Executive,<br>Water Management Alliance   | .....            | .....       |
| Kathy Woodward<br>Shared Internal Audit<br>Manager<br>Borough Council of King's<br>Lynn and West Norfolk | .....            | .....       |

**WMA: FINANCIAL REGULATIONS  
PROPOSED CHANGE TO PROCEDURES, FOLLOWING CYBERCRIME INCIDENT OF 5/6 DECEMBER  
2016**

1. Payments should never be made to anyone on the strength of an email request from a budget holder without being authorised in the proper manner, as set out in section D of each Board's Financial Regulations.
2. When the Finance Officer or Finance Assistant receives an email instruction to pay someone purporting to come from the Chief Executive, the payment will only be made:
  - 2.1 if the email has come from the Chief Executive using his/her WLMA domain, e.g. [phil@wlma.org.uk](mailto:phil@wlma.org.uk), and
  - 2.2 if the email has an Invoice attached to it; made out to the WLMA or one of its Member Boards quoting a valid Purchase Order Number, and/or where a clear explanation is given by the Chief Executive detailing what the payment is for and where the expenditure should be coded to, and crucially
  - 2.3 after the request has been verified by the Finance Officer either in person or on the telephone with the Chief Executive him/herself.
  - 2.4 Only when these 3 checks have been made will the payment be processed by BACS transfer, which will be subject to the usual 3 day clearance period. Payment will never be made by CHAPS transfer where funds are cleared immediately the payment is made, unless otherwise requested by the Chief Executive in person.
  - 2.5 If the Chief Executive requests that the payment be made by CHAPS transfer, the Finance Assistant or Finance Officer will complete a manual payment requisition for the Chief Executive to sign, thereby authorising the CHAPS transfer and confirming financial values, coding (where necessary), the person/company to be paid and the bank details to which the bank transfer will be made.
3. The WMA will insure against cybercrime attacks arising from phishing emails, viruses and data theft etc., subject always to the adequacy of cover provided and the affordability of premiums.

P J CAMAMILE  
CHIEF EXECUTIVE

24 MARCH 2017

From: 01 April 2016  
To: 31 March 2017

Period To: 12  
Year Ended: 31 March 2017

| Notes                    | Income and Expenditure Account              | Y-T-D<br>Budget<br>£ | Y-T-D<br>Actual<br>£ | Y-T-D<br>Variance<br>£ | Annual<br>Budget<br>£ | Projected<br>Out-Turn<br>£ | Projected<br>Variance<br>£ |
|--------------------------|---|----------------------|----------------------|------------------------|-----------------------|----------------------------|----------------------------|
| <b>Income:</b>           |   |                      |                      |                        |                       |                            |                            |
|                          | Occupiers Drainage Rates                    | 265,123              | 265,123              | 0                      | 265,123               | 265,123                    | 0                          |
| 1                        | Special Levies issued by the Board          | 610,659              | 610,659              | 0                      | 610,659               | 610,659                    | 0                          |
|                          | Grants Applied                              | 741,491              | 118,638              | -622,853               | 741,491               | 118,638                    | -622,853                   |
|                          | Rental Income                               | 1,000                | 936                  | -64                    | 1,000                 | 936                        | -64                        |
| 2                        | Highland Water Contributions                | 241,239              | 172,495              | -68,744                | 241,239               | 172,495                    | -68,744                    |
| 3                        | Income from Rechargeable Works              | 1,230                | 187,267              | 186,037                | 1,230                 | 187,267                    | 186,037                    |
|                          | Development Contributions                   | 0                    | 0                    | 0                      | 0                     | 0                          | 0                          |
|                          | Investment Interest                         | 2,550                | 5,640                | 3,090                  | 2,550                 | 5,640                      | 3,090                      |
| 4                        | Other Income                                | 66,178               | 127,047              | 60,869                 | 66,178                | 127,047                    | 60,869                     |
|                          | <b>Total Income</b>                         | <b>£1,929,470</b>    | <b>£1,487,805</b>    | <b>-£441,665</b>       | <b>£1,929,470</b>     | <b>£1,487,805</b>          | <b>-£441,665</b>           |
| <b>Less Expenditure:</b> |   |                      |                      |                        |                       |                            |                            |
| 6                        | Capital Works                               | 849,491              | 128,525              | 720,966                | 849,491               | 128,525                    | 720,966                    |
| 7                        | Environment Agency Precept                  | 151,184              | 151,184              | 0                      | 151,184               | 151,184                    | 0                          |
| 8                        | Maintenance Works                           | 903,721              | 790,067              | 113,654                | 903,721               | 790,067                    | 113,654                    |
|                          | Development Expenditure                     | 0                    | 0                    | 0                      | 0                     | 0                          | 0                          |
|                          | Interest Payments                           | 0                    | 299                  | -299                   | 0                     | 299                        | -299                       |
| 9                        | Administration Charges                      | 131,373              | 143,026              | -11,653                | 131,373               | 143,026                    | -11,653                    |
| 3                        | Cost of Rechargeable Works                  | 0                    | 166,070              | -166,070               | 0                     | 166,070                    | -166,070                   |
| 5                        | Net Deficit/(Surplus) on Operating Accounts | 0                    | 18,679               | -18,679                | 0                     | 18,679                     | -18,679                    |
|                          | <b>Total Expenditure</b>                    | <b>£2,035,769</b>    | <b>£1,397,851</b>    | <b>£637,919</b>        | <b>£2,035,769</b>     | <b>£1,397,851</b>          | <b>£637,919</b>            |
|                          | Profit/(Loss) on disposal of Fixed Assets   | £0                   | £0                   | £0                     | £0                    | £0                         | £0                         |
| 10                       | <b>Net Surplus/(Deficit)</b>                | <b>-£106,299</b>     | <b>£89,953</b>       | <b>£196,252</b>        | <b>-£106,299</b>      | <b>£89,953</b>             | <b>£196,252</b>            |

From: 01 April 2016  
To: 31 March 2017

Period To: 12  
Year Ended: 31 March 2017

| Notes     | Balance Sheet as at 31-3-2017         | Opening Balance<br>£ | Movement<br>This Year<br>£ | Closing<br>Balance<br>£ |
|-----------|---------------------------------------|----------------------|----------------------------|-------------------------|
| <b>11</b> | <b>Fixed Assets:</b>                  |                      |                            |                         |
|           | Land and Buildings                    | 193,427              | 21,956                     | 215,383                 |
|           | Plant and Equipment                   | 167,181              | 246,535                    | 413,716                 |
|           | Pumping Stations                      | 144,380              | -36,095                    | 108,285                 |
|           | Shared Consortium Assets              | 0                    | 0                          | 0                       |
|           |                                       | <b>504,988</b>       | <b>232,396</b>             | <b>737,384</b>          |
|           | <b>Current Assets:</b>                |                      |                            |                         |
| 12        | Bank Account                          | 237,079              | -35,345                    | 201,734                 |
|           | Stock                                 | 900                  | 3,157                      | 4,057                   |
| 13        | Trade Debtors                         | 5,000                | 8,558                      | 13,558                  |
| 14        | Work in Progress                      | 45,313               | -42,873                    | 2,440                   |
| 15        | Term Deposits                         | 1,100,000            | 400,000                    | 1,500,000               |
| 16,17     | Drainage Rates and Special Levies Due | 1,176                | -1,110                     | 66                      |
| 18        | Prepayments                           | 0                    | 0                          | 0                       |
|           | Prepayments to WMA                    | 22,548               | -13,113                    | 9,435                   |
|           | Accrued Interest                      | 0                    | 0                          | 0                       |
|           | VAT Due                               | 33,181               | 1,319                      | 34,500                  |
|           |                                       | <b>1,445,197</b>     | <b>320,593</b>             | <b>1,765,790</b>        |
|           | <b>Less Current Liabilities:</b>      |                      |                            |                         |
|           | Trade Creditors                       | 83,183               | 79,575                     | 162,758                 |
| 19        | Grants Unapplied                      | 130,900              | 428,462                    | 559,362                 |
|           | Accruals                              | 3,269                | 8,442                      | 11,711                  |
|           | Payroll Controls                      | 0                    | 0                          | 0                       |
|           | Debtors paid in advance               | 10,000               | -10,000                    | 0                       |
| 20        | Loans due in less than one year       | 7,350                | -7,350                     | 0                       |
|           |                                       | <b>234,702</b>       | <b>499,129</b>             | <b>733,831</b>          |
|           | <b>Net Current Assets</b>             | <b>1,210,495</b>     | <b>-178,536</b>            | <b>1,031,959</b>        |
|           | <b>Less Long Term Liabilities:</b>    |                      |                            |                         |
| 28        | Net Pension Liability/(Asset)         | 54,000               | 131,000                    | 185,000                 |
| 20        | Loans due in more than one year       | 0                    | 0                          | 0                       |
|           |                                       | <b>54,000</b>        | <b>131,000</b>             | <b>185,000</b>          |
|           | <b>Net Assets</b>                     | <b>£1,661,483</b>    | <b>-£77,140</b>            | <b>£1,584,343</b>       |
| <b>21</b> | <b>Reserves:</b>                      |                      |                            |                         |
|           | <b>Earmarked</b>                      |                      |                            |                         |
| 22        | General Reserve                       | 1,003,625            | 100,065                    | 1,103,690               |
| 23        | Development Reserve                   | 100,751              | 0                          | 100,751                 |
|           | Plant Reserve                         | 305,827              | 0                          | 305,827                 |
| 24        | Capital Works Reserve                 | 108,600              | 0                          | 108,600                 |
|           |                                       | <b>1,518,803</b>     | <b>100,065</b>             | <b>1,618,868</b>        |
|           | <b>Non-Distributable</b>              |                      |                            |                         |
| 25        | Revaluation Reserve                   | 196,680              | -46,206                    | 150,474                 |
| 26        | Pension Reserve                       | -54,000              | -131,000                   | -185,000                |
|           |                                       | <b>142,680</b>       | <b>-177,206</b>            | <b>-34,526</b>          |
|           | <b>Total Reserves</b>                 | <b>£1,661,483</b>    | <b>-£77,140</b>            | <b>£1,584,343</b>       |

P J CAMAMILE MA FCIS  
CHIEF EXECUTIVE

S JEFFREY BSc (Hons) FCCA  
FINANCE OFFICER

**From: 01 April 2016**  
**To: 31 March 2017**

**Period To: 12**  
**Year Ended: 31 March 2017**

**Note Notes to the Accounts**

- 1 Special Levies collected from constituent Billing Authorities were as follows:

|                                | <u>Y-T-D Budget</u> | <u>Y-T-D Actual</u> |
|--------------------------------|---------------------|---------------------|
| Broadland District Council     | 156,250             | 156,250             |
| Great Yarmouth Borough Council | 176,707             | 176,707             |
| North Norfolk District Council | 275,266             | 275,266             |
| South Norfolk District Council | 2,436               | 2,436               |
|                                | <b>610,659</b>      | <b>610,659</b>      |

- 2 The Highland Water Claim for 2016/17 is now due to be paid by the Environment Agency (EA) to the Board in September, following the changes made in 2015 to the timetable (previously the payment was made in two installments - one in May and one in December).

- 3 A profit of £21,197 has been made on Rechargeable Works.

- 4 Other Income for this year is made up as follows:

|                        | <u>Y-T-D Budget</u> | <u>Y-T-D Actual</u> |
|------------------------|---------------------|---------------------|
| Shared Income from WMA | 64,228              | 123,458             |
| Sundry Income          | 1,500               | 2,989               |
| Summons Costs          | 450                 | 600                 |
|                        | <b>66,178</b>       | <b>127,047</b>      |

- 5 The Net Operating Deficit/(Surplus) for this year to date is made up as follows:

|                                 | <u>Y-T-D Budget</u> | <u>Y-T-D Actual</u> |
|---------------------------------|---------------------|---------------------|
| Labour Operations Account       | 0                   | 29,334              |
| Mobile Plant Operations Account | 0                   | -10,655             |
|                                 | <b>0</b>            | <b>18,679</b>       |

Detailed operating surpluses/(deficits) for the Labour Operations Account and each item of Mobile Plant are shown in the Labour and Plant Operations Reports, which can be made available to members on request.

- 6 The gross cost and net cost of each capital scheme is detailed on the schedule of capital works and approved by the Board annually, which is managed by the Project Engineer and can be made available to Members on request.

- 7 The EA Precept due for 2016/17 is payable to the EA on 31 May and the other half is payable to them on 30 November.

- 8 The detailed maintenance operations in each sub catchment is approved by the Board annually and shown on the schedule of maintenance works, as managed by the Operations Manager, which can be made available to Members on request. Expenditure is analysed as follows:

|                                     | <u>Y-T-D Budget</u> | <u>Y-T-D</u>   |
|-------------------------------------|---------------------|----------------|
| Labour Charges                      | 256,859             | 200,156        |
| Pump Attendance                     | 25,794              | 20,100         |
| Plant Charges                       | 74,435              | 58,004         |
| Insurance                           | 13,596              | 10,594         |
| Out-sourced repairs and maintenance | 186,775             | 145,543        |
| Materials                           | 3,528               | 2,749          |
| Electricity                         | 127,022             | 98,981         |
| Telemetry                           | 1,609               | 1,254          |
| Plant Hire                          | 404                 | 315            |
| Depreciation                        | 0                   | 0              |
| <b>Direct Works</b>                 | <b>690,022</b>      | <b>537,696</b> |
| Technical Support Staff Costs       | 195,229             | 236,823        |
| Other Technical Support Costs       | 6,470               | 3,252          |
| Biodiversity Action Plan Costs      | 12,000              | 12,296         |
| <b>Maintenance Works</b>            | <b>903,721</b>      | <b>790,067</b> |

- 9 Administration charges reflect the Board's share of consortium expenditure (excluding the technical support costs, which are included in the maintenance works expenditure). Detailed expenditure is monitored by the Consortium Management Committee and the Board every three months:



From: 01 April 2016  
To: 31 March 2017

Period To: 12  
Year Ended: 31 March 2017

**Note Notes to the Accounts**

|   |                |                |
|---|----------------|----------------|
| Administration Staff Costs              | 89,932         | 90,455         |
| Other Administration Costs              | 39,241         | 50,577         |
| Drainage Rates AV Increases/(Decreases) | 0              | 52             |
| Kettlewell House Depreciation           | 1,029          | 1,029          |
| Sundry Expenses                         | 421            | 170            |
| Settlement Discount                     | 750            | 743            |
| Debtors written off                     | 0              | 0              |
|   | <b>131,373</b> | <b>143,026</b> |

10 At the time of preparing the Estimates, the Board planned to finance the estimated net deficit this year as follows:

|                     |                 |
|---------------------|-----------------|
|                     | <b>Budget</b>   |
| Development Reserve | 0               |
| Plant Reserve       | 0               |
| General Reserve     | -106,299        |
|                     | <b>-106,299</b> |

11 The movement in Fixed Assets is detailed in the Fixed Assets Register for 2016/17, which can be made available to members on request. Summarised movements are as follows:

|  | Land and<br>Buildings | Plant and<br>Equipment | Pumping<br>Stations | Total            |
|--|-----------------------|------------------------|---------------------|------------------|
| <b>Cost</b>  |                       |                        |                     |                  |
| Opening Balance as at 1-4-2016                       | 208,190               | 235,112                | 412,722             | 856,024          |
| (+) Additions  | 31,080                | 309,451                | 0                   | 340,531          |
| (-) Disposals  | 0                     | 0                      | 0                   | 0                |
| Closing Balance as at 31-3-2017                      | <b>239,270</b>        | <b>544,563</b>         | <b>412,722</b>      | <b>1,196,555</b> |
| <b>Depreciation</b>                                  |                       |                        |                     |                  |
| Opening Balance as at 1-4-2016                       | 14,763                | 67,931                 | 268,342             | 351,036          |
| (+) Depreciation Charge for year                     | 9,125                 | 62,915                 | 36,095              | 108,135          |
| (-) Accumulated depreciation written out on disposal | 0                     | 0                      | 0                   | 0                |
| Closing Balance as at 31-3-2017                      | <b>23,888</b>         | <b>130,847</b>         | <b>304,436</b>      | <b>459,171</b>   |
| Net Book Value as at 31-03-2016                      | <b>193,427</b>        | <b>167,181</b>         | <b>144,380</b>      | <b>504,988</b>   |
| Net Book Value as at 31-3-2017                       | <b>215,383</b>        | <b>413,716</b>         | <b>108,285</b>      | <b>737,384</b>   |

The Board also shares ownership of a proportion of the WMAs Shared Fixed Assets, which were last valued by Cruso & Wilkin Chartered Surveyors, as at 31 March 2012. Such assets have a Net Book Value of zero.

12 The Bank Account balance will be kept to a minimum following the decision to invest additional working balances on the short term money market. The Bank Account is reconciled as follows:

|   | 2015/16        | 2016/17        |
|---|----------------|----------------|
| Opening Balance as at 1-4-2016 b/fwd      | -41,658        | 237,079        |
| (+) Receipts                              | 1,860,214      | 2,249,383      |
| (-) Payments                              | -1,581,477     | -2,284,727     |
| (=) Closing Balance as at 31-3-2017 c/fwd | <b>237,079</b> | <b>201,734</b> |
| Balance on Statement as at 31-3-2017      | 245,596        | 146,280        |
| Less: Unpresented Payments                | -8,517         | 55,454         |
| Add: Unpresented Receipts                 | 0              | 0              |
| Closing Balance as at 31-3-2017 c/fwd     | <b>237,079</b> | <b>201,734</b> |

13 Aged Debtor profile is currently as follows:

| Debt period            | Amount        | Number of<br>Debtors |
|------------------------|---------------|----------------------|
| <=30 days              | 13,558        | 6                    |
| >30 days and <=60 days | 0             | 0                    |
| >60 days and <=90 days | 0             | 0                    |
| >90 days               | 0             | 0                    |
|                        | <b>13,558</b> | <b>6</b>             |

From: 01 April 2016  
To: 31 March 2017

Period To: 12  
Year Ended: 31 March 2017

**Note Notes to the Accounts**

| >90 days  | Amount   | Inv.Date                    | Originator           |
|---|--|-----------------------------|----------------------|
| N/A   | N/A  | N/A                         | N/A                  |
|   | <b>0</b>   |                             |                      |
| 14  | Work In Progress (WIP) is currently made up of the following jobs:.  |                             |                      |
|   |  | <b>Estimated Completion</b> | <b>Originator</b>    |
| REA003  | 345.00   | On going                    | Ops Manager          |
| RAN001  | 839.00   | On going                    | Ops Manager          |
| Gas Oil (ES and NR)                                   | 1,256.00   | 30.04.17                    | Finance Officer      |
|   | <b>2,440.00</b>  |                             |                      |
| 15  | Term Deposits are currently as follows:  |                             |                      |
|   | <b>Capital</b>   | <b>Investment Date</b>      | <b>Maturity Date</b> |
| <b>Financial Institution</b>                          |  |                             | <b>Interest Rate</b> |
| Natwest Bank plc                                      | 500,000  | 26/10/2016                  | 26/10/2017 0.51%     |
| National Counties Building Society                    | 200,000  | 16/01/2017                  | 18/04/2017 0.30%     |
| Nottingham Building Society                           | 500,000  | 31/01/2017                  | 28/04/2017 0.33%     |
| National Counties Building Society                    | 300,000  | 15/02/2017                  | 18/04/2017 0.25%     |
|   | <b>1,500,000</b>   |                             |                      |
| 16  | Special Levies are due to be paid by Constituent Councils in two halves on 1 May and 1 November every year.  |                             |                      |
| 17  | Drainage Rates are paid by occupiers of agricultural land and/or buildings. There are currently 14 Ratepayers that have not paid their Drainage Rates for 2016/17, as compared to 13 Ratepayers this time last year. Summarised transactions for Drainage Rates and Special Levies during the year are as follows: |                             |                      |
|   | <b>2015/16</b>   | <b>2016/17</b>              |                      |
| Arrears b/fwd   | 5,777  | 1,176                       |                      |
| Drainage Ratepayers                                   | 263,260  | 265,123                     |                      |
| Special Levies for the year                           | 606,370  | 610,659                     |                      |
| Payments Received                                     | -873,968   | -876,929                    |                      |
| Annual Value Decrease                                 | -3,207   | -3,992                      |                      |
| Annual Value Increase                                 | 3,126  | 2,820                       |                      |
| New Assessments                                       | 81   | 1,155                       |                      |
| Irrecoverables and write offs                         | -777   | -1,378                      |                      |
| Summons Collection Costs                              | 450  | 1,200                       |                      |
| Special Levy Adjustment                               | 51   | 0                           |                      |
| Sundry adjustments                                    | 14   | 232                         |                      |
| Arrears c/fwd   | <b>1,176</b>   | <b>66</b>                   |                      |
| 18  | There are no current prepayments.  |                             |                      |
| 19  | Grants Unapplied are those grants that we have received in advance of doing work on the following schemes:   |                             |                      |
|   | <b>2015/16</b>   | <b>2016/17</b>              |                      |
| SCH02: Hickling Broad - Stubb Road (100%)             | 77   | 77                          |                      |
| SCH04: Upton WLMP (100%)                              | 1  | 1                           |                      |
| SCH05: Calthorpe Broad (100%)                         | 403  | 403                         |                      |
| SCH10: Halvergate Marshes WLMA (100%)                 | 177  | 7,177                       |                      |
| SCH11: Sutton Ochre Improvement (100%)                | 10   | 0                           |                      |
| SCH19: Damgate Marshes (100%)                         | 69   | 69                          |                      |
| SCH65: Halvergate Marshes Water Level Management Plan | 0  | 246,752                     |                      |
| SCH23: Shallam Dyke                                   | 2,730  | 2,721                       |                      |
| SCH50: Parrots Feather: Norfolk County Council (100%) | 2,448  | 2,448                       |                      |
| SCH57: South Walsham GWP (100%)                       | 40   | 40                          |                      |
| SCH31: Brograve Study (100%)                          | 63,426   | 54,102                      |                      |
| SCH45: Hickling (100%)                                | 26,505   | 26,505                      |                      |
| SCH06: Stubb Mill Pump Replacement (45%)              | 4,186  | 4,185                       |                      |
| SCH12: Muckfleet Survey & Options Appraisal           | 409  | 0                           |                      |
| SCH13: Five Mile Pump Replacement (45%)               | 787  | 787                         |                      |
| SCH14: Hermitage Pump/Structure Replacement (45%)     | 800  | 800                         |                      |
| SCH15: Thurne Pumping Station (45%)                   | 394  | 394                         |                      |
| SCH27: Ludham Bridge                                  | 2,350  | 2,350                       |                      |
| SCH60: Tunstall Pumping Station Emergency Works (45%) | 2,684  | 2,684                       |                      |
| SCH07: Potter Heigham Automatic Weedscreen            | 4,632  | 4,632                       |                      |

From: 01 April 2016  
To: 31 March 2017

Period To: 12  
Year Ended: 31 March 2017

**Note Notes to the Accounts**

|  |                |                |
|--|----------------|----------------|
| SCH09: River Yare Pumping Station Improvement      | 2,477          | 2,477          |
| SCH32: Eastfield Pumping Station Auto Weedscreen   | 2,066          | 2,066          |
| SCH08: St Benet's Pumping Station                  | 14,230         | 14,230         |
| SCH66: Horsey Boat Dyke Culvert Emergency Works    | 0              | 0              |
| SCH67: Horsey Boat Dyke Culvert Works FCERM7 Study | 0              | 76,460         |
| SCH69: Stokesby PS Bypass FCERM7 Study             | 0              | 40,000         |
| SCH70: Tunstall PS Bypass FCERM7 Study             | 0              | 68,000         |
|  | <b>130,900</b> | <b>559,362</b> |

20 Outstanding Public Works Loan is currently as follows:

**<= 1 year**

Loan Number 478101: Upton Dole Pumping Station (8.125%) 0.00 Last Payment Made: August 2016

21 The Reserves are managed in accordance with the Capital Financing and Reserves Policy, as approved by the Board on 27 January 2014. This policy is available for viewing on the Board's website.

22 Movements on the General Reserve are made up as follows:

|  | <b>2015/16</b>   | <b>2016/17</b>   |
|--|------------------|------------------|
| Opening Balance, as at 1-4-2016 b/fwd        | 860,754          | 1,003,625        |
| Net Surplus/(Deficit) for the year           | 209,603          | 89,953           |
| Net transfer (to)/from Development Reserve   | 7,368            | 0                |
| Net transfer (to)/from Capital Works Reserve | -74,100          | 0                |
| Revaluation Reserve adjustment               | 0                | 10,112           |
| Closing Balance, as at 31-3-2017 c/fwd       | <b>1,003,625</b> | <b>1,103,690</b> |

23 The purpose of the Development Reserve is to reduce the impact on drainage rates from development that takes place in the area. The Board charges developers a standard rate per impermeable hectare for agricultural land which is developed and becomes a hard standing area, such as housing, roadways etc. The money is credited to this Reserve (earmarked to the sub catchment) and then used to reduce the gross cost of capital work needed to cater for the additional flows arising from such development. The income for this Reserve therefore comes exclusively from developers and is used to help fund improvement works that are necessary because of development. The Development Reserve is currently made up as follows:

|   | <b>2015/16</b> | <b>Tfr from Gen. Reserve</b> | <b>Tfr to Gen. Reserve</b> | <b>2016/17</b> |
|---|----------------|------------------------------|----------------------------|----------------|
| Muckfleet and South Flegg (Former Sub District) | 96,293         | 0                            | 0                          | 96,293         |
| Middle Bure (Former Sub District)               | 4,458          | 0                            | 0                          | 4,458          |
|   | <b>100,751</b> | <b>0</b>                     | <b>0</b>                   | <b>100,751</b> |

24 The Capital Works Reserve largely represents the committed cost of capital schemes that the Board has approved where suppliers have not actually invoiced for work, either due to slippage in the programme or other issues with the contract. The advantage to the Board of committing scheme costs at the time contracts are awarded is that grant aid can be claimed in advance of incurring the expenditure, and, the year end balance of the General Reserve does not fluctuate significantly. The Capital Works Reserve is currently made up as follows:

|  | <b>2015/16</b> | <b>Tfr from Gen. Reserve</b> | <b>Tfr to Gen. Reserve</b> | <b>2016/17</b> |
|--|----------------|------------------------------|----------------------------|----------------|
| SCH27: Ludham Bridge Pumping Station Refurbishment       | 5,100          | 0                            | 0                          | 5,100          |
| SCH60: Tunstall Pump Replacement (Emergency Works)       | 6,000          | 0                            | 0                          | 6,000          |
| SCH32: Eastfield Weedscreen                              | 6,500          | 0                            | 0                          | 6,500          |
| Weedscreen Cleaner Panel - Stokesby & Mautby             | 13,000         | 0                            | 0                          | 13,000         |
| Pumping Station Flap (up to 3)                           | 12,000         | 0                            | 0                          | 12,000         |
| Pumping Station Seals (up to 6)                          | 36,000         | 0                            | 0                          | 36,000         |
| Stokesby Main Drain Reprofiling                          | 20,000         | 0                            | 0                          | 20,000         |
| Wayford Mill Drain Bund                                  | 6,000          | 0                            | 0                          | 6,000          |
| Ludham Bridge Boatyard - Making good old Pumping Station | 4,000          | 0                            | 0                          | 4,000          |
|  | <b>108,600</b> | <b>0</b>                     | <b>0</b>                   | <b>108,600</b> |

25 Movements on the Revaluation Reserve are made up as follows:

**From: 01 April 2016**  
**To: 31 March 2017**

**Period To: 12**  
**Year Ended: 31 March 2017**

**Note Notes to the Accounts**

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|  |                |
|--|----------------|
|  | <u>2016/17</u> |
| Opening Balance, as at 1-4-2016 b/fwd  | 196,680        |
| Less:                                  |                |
| Pumping Station Depreciation           | <u>-46,206</u> |
| Closing Balance, as at 31-3-2017 c/fwd | <b>150,474</b> |

26(i) The Board provides its employees with access to the Local Government Pension Scheme but does not need to Account for this as a defined benefit pension scheme to comply with the limited assurance audit regime. However the Board has chosen to do so because it does have a pension liability, which has been calculated by the LGPS Fund Actuary as at 31 March 2017.

26(ii) The Board is a member of the Water Management Alliance Consortium and as such also has a proportion of the pension liability for the shared staff that are employed by King's Lynn IDB, t/a the Water Management Alliance. The Fund Actuary for Norfolk County Council has prepared a separate Report for the Water Management Alliance, which identifies a notional net pension liability of £1,827,000 as at 31 March 2017 that is shared by all 5 Member Boards. The Board's share of this pension liability is set out every year in the WMAs Basis of Apportionment, which was approved by the Board on 1 February 2016.

**27 Related Party Disclosures**

(i) The Board is a full member of Anglia Farmers Ltd, an agricultural purchasing cooperative. Several members of the Board are also shareholders of this organisation. The Board made payments of £213,423.69 to this company upto 31/03/17.

(ii) The following Board members have performed pump attendant and maintenance duties at the Board's pumping stations during the year, for which they have received an allowance. Mr Harris received £7,742.40 from the Board for pump attendant duties and £3,195.00 for general maintenance, Mr Wharton received £420.00 from the Board for improvement works to access track Mautby pump and Mr Wright received £1,040.00 from the Board for pump attendant duties.

(iii) All elected members of the Board pay drainage rates either as individuals, Partners in Partnerships, or as Directors of limited companies; the exact nature of which can be found in the Rate Book as at 1 April 2016.

(iv) The Board is a member of the Water Management Alliance Consortium, who provide administrative services to the Board. The Board has 3 representatives who serve on the Consortium Management Committee, that include the Chairman and the 2 Vice Chairmen of the Board. The Chairman received £3,500.00 Chairman's Allowance and £0.00 travelling expenses.

(v) The Board has paid B G Goose & Partners a sum of £12,718.72 for undertaking tractor & flail work upto 31/03/17. The Board's Operations Manager is a partner of this business.

(vi) The Board has paid Ben Goose £52,143.00 up to 31/03/17 for undertaking excavation and basket cutting work. The Board's Operations Manager is related to Ben Goose.

(vii) The Board has paid £1,277.57 to Chapman Farms Ltd during 2016/17 for renting space to house telemetry equipment at Thunderhill and for renting the land to house Somerton Auxilliary Pumping Station Kiosk. The Board member Mr J Chapman is a Director in this company.

(viii) The Board has paid £473 for renting land at Horsey Pumping Station. The Board member, Mr Buxton of Horsey Estates, owns this land.

(ix) The Board uses Rating Software for the collection of Drainage Rates known as DRS. This software is owned by South Holland IDB and was developed by Mr P J Camamile, the Chief Executive. The software is supported at no cost to the Board by Byzantine Ltd. Mr P J Camamile is the Company Secretary of Byzantine Ltd and his wife Mrs P Camamile is a Director. Both are shareholders.

**Recommended Actions:**

1. To approve the Financial Report for the period ending 31-3-2017.

P J CAMAMILE MA FCIS  
CHIEF EXECUTIVE

S JEFFREY BSc (Hons) FCCA  
FINANCE OFFICER

From: 01 April 2016  
To: 31 March 2017

Period To: 12  
Year Ended: 31 March 2017

| BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2017           | ACTUAL<br>2015/16<br>£ | ACTUAL<br>2016/17<br>£ |
|---|------------------------|------------------------|
| <b>1 Balances brought forward</b>                                 |                        |                        |
| General Reserve   | 860,754                | 1,003,625              |
| Development Reserve   | 108,119                | 100,751                |
| Plant Reserve   | 305,827                | 305,827                |
| Capital Works Reserve   | 34,500                 | 108,600                |
| Revaluation Reserve   | 232,775                | 196,680                |
| Pension Reserve   | -123,000               | -54,000                |
| <b>As per Statement of Accounts</b>                               | <b>1,418,975</b>       | <b>1,661,483</b>       |
| <b>(-) Fixed Assets, Long Term Liabilities and Loans</b>          |                        |                        |
| Pension Liability   | -123,000               | -54,000                |
| Loans Outstanding (Current Liabilities)                           | -7,350                 | -7,350                 |
| Long Term Borrowing   | -13,852                | 0                      |
| Net Book Value of Tangible Fixed Assets                           | 354,855                | 504,988                |
|   | <b>210,653</b>         | <b>443,638</b>         |
| <b>(=) Adjusted Balances brought forward</b>                      | <b>1,208,322</b>       | <b>1,217,845</b>       |
| <b>2 (+) Rates and Special Levies</b>                             |                        |                        |
| Drainage Rates  | 263,282                | 265,123                |
| Special Levies issued by the Board                                | 606,421                | 610,659                |
| <b>As per Statement of Accounts</b>                               | <b>869,703</b>         | <b>875,782</b>         |
| <b>3 (+) All Other Income</b>                                     |                        |                        |
| Grants Applied  | 93,525                 | 118,638                |
| Rental Income   | 936                    | 936                    |
| Highland Water Contributions                                      | 186,039                | 172,495                |
| Income from Rechargeable Works                                    | 136,660                | 187,267                |
| Investment Interest   | 4,908                  | 5,640                  |
| Development Contributions   | 0                      | 0                      |
| Other Income  | 130,182                | 127,047                |
| Profit/(Loss) on disposal of Fixed Assets                         | 0                      | 0                      |
| <b>As per Statement of Accounts</b>                               | <b>552,250</b>         | <b>612,023</b>         |
| <b>(+) Income from Sale of Fixed Assets (above profit/(loss))</b> |                        |                        |
| Capital Cost of disposals   | 48,500                 | 0                      |
| Less: Accumulated depreciation written out                        | -39,500                | 0                      |
|   | <b>9,000</b>           | <b>0</b>               |
| <b>(=) Adjusted Other Income</b>                                  | <b>561,250</b>         | <b>612,023</b>         |
| <b>4 (-) Staff Costs</b>  |                        |                        |
| Labour Operations Account   | 173,066                | 365,932                |
| Technical Support Staff Costs                                     | 197,354                | 236,823                |
| Administration Staff Costs  | 85,349                 | 90,455                 |
|   | <b>455,769</b>         | <b>693,210</b>         |
| <b>5 (-) Loan Interest/Capital Repayments</b>                     |                        |                        |
| Loan Interest   | 1,447                  | 299                    |

From: 01 April 2016  
To: 31 March 2017

Period To: 12  
Year Ended: 31 March 2017

| BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2017  | ACTUAL<br>2015/16<br>£ | ACTUAL<br>2016/17<br>£ |
|--|------------------------|------------------------|
| Capital Repayments                                       | 13,851                 | 7,350                  |
| <b>As per Statement of Accounts</b>                      | <b>15,298</b>          | <b>7,649</b>           |
| <b>6 (-) All Other Expenditure</b>                       |                        |                        |
| Capital Works  | 142,099                | 128,525                |
| Maintenance Works  | 655,761                | 790,067                |
| Environment Agency Precept                               | 143,985                | 151,184                |
| Administration Charges                                   | 124,619                | 143,026                |
| Cost of Rechargeable Works                               | 126,919                | 166,070                |
| Net Deficit/(Surplus) on Operating Accounts              | 10,152                 | 18,679                 |
| Development Expenditure                                  | 7,368                  | 0                      |
| Depreciation of Pumping Stations                         | 36,095                 | 36,095                 |
| <b>As per Statement of Accounts</b>                      | <b>1,246,998</b>       | <b>1,433,646</b>       |
| <b>(-) Depreciation Charged (Non Cash)</b>               |                        |                        |
| Plant and Equipment                                      | 36,481                 | 62,915                 |
| Pumping Stations   | 36,095                 | 36,095                 |
| Land and Buildings                                       | 7,560                  | 9,125                  |
|  | <b>80,136</b>          | <b>108,135</b>         |
| <b>(-) Staff Costs now reported in Box 4</b>             | <b>455,769</b>         | <b>693,210</b>         |
| <b>(+) Capitalised Additions</b>                         |                        |                        |
| Land and Buildings                                       | 156,740                | 31,080                 |
| Plant and Equipment                                      | 82,529                 | 309,451                |
|  | <b>239,269</b>         | <b>340,531</b>         |
| <b>(=) Adjusted Other Expenditure</b>                    | <b>950,363</b>         | <b>972,832</b>         |
| <b>7 (=) Balances carried forward</b>                    |                        |                        |
| General Reserve  | 1,003,625              | 1,103,690              |
| Development Reserve                                      | 100,751                | 100,751                |
| Plant Reserve  | 305,827                | 305,827                |
| Capital Works Reserve                                    | 108,600                | 108,600                |
| Revaluation Reserve                                      | 196,680                | 150,474                |
| Pension Reserve  | -54,000                | -185,000               |
| <b>As per Statement of Accounts</b>                      | <b>1,661,483</b>       | <b>1,584,343</b>       |
| <b>(-) Fixed Assets, Long Term Liabilities and Loans</b> |                        |                        |
| Pension Reserve  | -54,000                | -185,000               |
| Loans Outstanding (Current Liabilities)                  | -7,350                 | 0                      |
| Long Term Borrowing                                      | 0                      | 0                      |
| Net Book Value of Tangible Fixed Assets                  | 504,988                | 737,384                |
|  | <b>443,638</b>         | <b>552,384</b>         |
| <b>(=) Adjusted Balances carried forward</b>             | <b>1,217,845</b>       | <b>1,031,959</b>       |
| <b>8 Total Cash and Short Term Investments</b>           |                        |                        |
| Cash at Bank and in Hand                                 | 237,079                | 201,734                |



# Broads Drainage Board

From: 01 April 2016  
To: 31 March 2017

Period To: 12  
Year Ended: 31 March 2017

| BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2017           | ACTUAL<br>2015/16<br>£ | ACTUAL<br>2016/17<br>£ |
|---|------------------------|------------------------|
| Short Term Investments  | 1,100,000              | 1,500,000              |
| <b>As per Statement of Accounts</b>                               | <b>1,337,079</b>       | <b>1,701,734</b>       |
| <b>9 Total Fixed Assets and Long Term Assets (Net Book Value)</b> |                        |                        |
| Land and Buildings  | 193,427                | 215,383                |
| Plant and Equipment   | 167,181                | 413,716                |
| Pumping Stations  | 144,380                | 108,285                |
| Shared Consortium Assets  | 0                      | 0                      |
| <b>As per Statement of Accounts</b>                               | <b>504,988</b>         | <b>737,384</b>         |
| <b>10 Total Borrowings</b>  |                        |                        |
| Loans Due (<= 1 Year)   | 7,350                  | 0                      |
| Loans Due (> 1 Year)  | 0                      | 0                      |
| <b>As per Statement of Accounts</b>                               | <b>7,350</b>           | <b>0</b>               |



# Broads Drainage Board

From: 01 April 2016  
To: 31 March 2017

Period To: 12  
Year Ended: 31 March 2017

| BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2017 | ACTUAL<br>2015/16<br>£ | ACTUAL<br>2016/17<br>£ |
|---|------------------------|------------------------|
|---|------------------------|------------------------|

| 7, 8 RECONCILIATION BETWEEN BOXES 7 AND 8 | ACTUAL<br>2015/16<br>£ | ACTUAL<br>2016/17<br>£ |
|---|------------------------|------------------------|
|---|------------------------|------------------------|

|          |  |                  |                  |
|----------|--|------------------|------------------|
| <b>7</b> | <b>Balances carried forward (adjusted)</b>                 | <b>1,217,845</b> | <b>1,031,959</b> |
|          | <b>(-) Deduct: Debtors and Prepayments</b>                 |                  |                  |
|          | Trade Debtors  | 5,000            | 13,558           |
|          | Stock and Work in Progress                                 | 46,213           | 6,498            |
|          | Drainage Rates and Special Levies Due                      | 1,176            | 66               |
|          | Prepayments  | 0                | 0                |
|          | Prepayments to WMA   | 22,548           | 9,435            |
|          | Accrued Interest   | 0                | 0                |
|          | Vat Due from HMRC  | 33,181           | 34,500           |
|          |  | <b>108,118</b>   | <b>64,056</b>    |
|          | <b>(+) Add: Creditors and Payments Received in Advance</b> |                  |                  |
|          | Creditors Control Account                                  | 83,183           | 162,758          |
|          | Grants Unapplied   | 130,900          | 559,362          |
|          | Accruals   | 3,269            | 11,711           |
|          | Receipts Paid in Advance                                   | 10,000.00        | 0.00             |
|          |  | <b>227,352</b>   | <b>733,831</b>   |
|          | <b>(=) Box 8</b>   | <b>1,337,079</b> | <b>1,701,734</b> |
| <b>8</b> | <b>(=) Total Cash and Short Term Investments</b>           |                  |                  |
|          | Cash at Bank and in Hand                                   | 237,079          | 201,734          |
|          | Short Term Investments                                     | 1,100,000        | 1,500,000        |
|          |  | <b>1,337,079</b> | <b>1,701,734</b> |

P J CAMAMILE  
CHIEF EXECUTIVE

11 MAY 2017



# Local Councils, Internal Drainage Boards and other Smaller Authorities in England

## Annual return for the year ended 31 March 2017

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Every smaller authority in England with an annual turnover of £6.5 million or less must complete an annual return at the end of each financial year in accordance with proper practices summarising its activities. In this annual return the term 'smaller authority'\* includes a Parish Meeting, a Parish Council, a Town Council and an Internal Drainage Board.

**The annual return on pages 2 to 4 is made up of three sections:**

- Sections 1 and 2 are completed by the smaller authority. **Smaller authorities must approve Section 1 before Section 2.**
- Section 3 is completed by the external auditor.

In addition, the **internal audit report** is completed by the smaller authority's internal audit provider.

**Each smaller authority must approve Section 1 and Section 2 in order and in accordance with the requirements of the Accounts and Audit Regulations 2015.**

### Completing your annual return

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the annual return.

Complete all highlighted sections. Do not leave any highlighted box blank. Incomplete or incorrect returns require additional external auditor work and may incur additional costs.

Send the annual return, together with the bank reconciliation as at 31 March 2017, an explanation of any significant year on year variances in the accounting statements, **your notification of the commencement date of the period for the exercise of public rights** and any additional information requested, to your external auditor by the due date.

**Your external auditor will ask for any additional documents needed for their work. Unless requested, do not send any original financial records to the external auditor.**

Once the external auditor has completed their work, certified annual returns will be returned to the smaller authority for publication and public display of Sections 1, 2 and 3. You must publish and display the annual return, including the external auditor's report, by 30 September 2017.

It should not be necessary for you to contact the external auditor for guidance.

More guidance on completing this annual return is available in the Practitioners' Guide that can be downloaded from [www.nalc.gov.uk](http://www.nalc.gov.uk) or from [www.slcc.co.uk](http://www.slcc.co.uk) or from [www.ada.org.uk](http://www.ada.org.uk)

\*for a complete list of bodies that may be smaller authorities refer to schedule 2 to Local Audit and Accountability Act 2014

# Section 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of

smaller authority here:

BROADS (2006) INTERNAL DRAINAGE BOARD

our responsibility for ensuring that there is a sound system of internal control, including 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 2017, that:

|   | Agreed |     | 'Yes' means that this smaller authority:  |   |
|---|--------|-----|---|---|
|   | Yes    | No* |   |   |
| 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 smaller authority to conduct its business or on 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 smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.  | ✓      |     | considered the financial and other risks it faces and has 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 smaller 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  | NA  | has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts. |

This annual governance statement is approved by this smaller authority on:

DD/MM/YYYY

Signed by Chair at meeting where approval is given:

SIGNATURE

and recorded as minute reference:

MINUTE REFERENCE

Clerk:

SIGNATURE

\*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how this smaller authority will address the weaknesses identified.

## Section 2 – Accounting statements 2016/17 for

Enter name of  
smaller authority here:

BROADS (2006) INTERNAL DRAINAGE BOARD

|   | Year ending           |                       | Notes and guidance  |
|---|-----------------------|-----------------------|---|
|   | 31 March<br>2016<br>£ | 31 March<br>2017<br>£ |   |
| 1. Balances brought forward   | 1208322               | 1217845               | 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  | 869703                | 875782                | Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.  |
| 3. (+) Total other receipts   | 561250                | 612023                | 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  | 455769                | 693210                | Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.   |
| 5. (-) Loan interest/capital repayments   | 15298                 | 7649                  | Total expenditure or payments of capital and interest made during the year on the smaller authority's borrowings (if any).  |
| 6. (-) All other payments   | 950363                | 972832                | Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).  |
| 7. (=) Balances carried forward   | 1217845               | 1031959               | 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                                   | 1337079               | 1701734               | The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>                                |
| 9. Total fixed assets plus long term investments and assets                         | 504988                | 737384                | This cell shows the value of all the property the authority owns. It is made up of its fixed assets and long-term investments.  |
| 10. Total borrowings  | 7350                  | 0                     | The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).  |
| 11. (For Local Councils Only) Disclosure note re Trust funds (including charitable) | Yes                   | No                    | The Council acts as sole trustee for and is responsible for managing Trust funds or assets.<br>N.B. The figures in the accounting statements above do not include any Trust transactions. |

I certify that for the year ended 31 March 2017 the accounting statements in this annual return present fairly the financial position of this smaller authority and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

SIGNATURE

Date

DD/MM/YYYY

I confirm that these accounting statements were approved by this smaller authority on:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by Chair at meeting where approval is given:

SIGNATURE

## Section 3 – External auditor report and certificate

In respect of:

Enter name of  
smaller authority here:

### 1. Respective responsibilities of the body and the auditor

This smaller authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The smaller authority prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2017; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review the annual return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and does not provide the same level of assurance that such an audit would do.

### 2. 2016/17 External auditor report

(Except for the matters reported below)\* on the basis of our review of the annual return, in our opinion the information in the annual return is in accordance with proper practices and no other matters have come to our attention giving cause for concern that relevant legislative and regulatory requirements have not been met. (\*delete as appropriate).

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

### 3. 2016/17 External auditor certificate

We certify/do not certify\* that we have completed our review of the annual return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2017.

\* We do not certify completion because:

External auditor signature

External auditor name

Date

Note: The NAO issued guidance applicable to external auditors' work on 2016/17 accounts in Auditor Guidance Note AGN/02. The AGN is available from the NAO website ([www.nao.org.uk](http://www.nao.org.uk))

# Annual internal audit report 2016/17 to

Enter name of smaller authority here:

BROADS (2006) INTERNAL DRAINAGE BOARD

This smaller authority's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2017.

Internal audit has been carried out in accordance with this smaller 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 smaller authority.

| Internal control objective   | Agreed? Please choose only one of the following |     |                |
|--|---|-----|----------------|
|  | Yes   | No* | Not covered**  |
| A. Appropriate accounting records have been kept properly throughout the year.   | ✓   |     |                |
| B. This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.  | ✓   |     |                |
| C. This smaller 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.   |   |     | N/A            |
| G. Salaries to employees and allowances to members were paid in accordance with this smaller 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 and year-end bank account reconciliations were properly carried out.   | ✓   |     |                |
| 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. (For local councils only)<br>Trust funds (including charitable) – The council met its responsibilities as a trustee.  |   |     | Not applicable |

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

Name of person who carried out the internal audit Kathy Woodward

Signature of person who carried out the internal audit K Woodward Date 03/05/2017

\*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, internal audit must explain why not (add separate sheets if needed).

## Guidance notes on completing the 2016/17 annual return

1. You must apply proper practices for preparing this annual return. Proper practices are found in the Practitioners' Guide\* which is updated from time to time and contains everything you should need to prepare successfully for your financial year-end and the subsequent work by the auditor. NALC, SLCC and ADA have helplines if you want to talk through any problem you encounter.
2. Make sure that your annual return is complete (i.e. no empty highlighted boxes), and is properly signed and dated. Avoid making amendments to the completed return. Any amendments must be approved by the smaller authority, properly initialled and explanation provided. Annual returns containing unexplained or unapproved amendments may be returned and incur additional costs.
3. **Smaller authorities must approve Section 1 on page 2 before approving Section 2 on page 3.**
4. Use the checklist provided below. Use a second pair of eyes, perhaps a Councillor or Board Member, to review the annual return for completeness and accuracy before sending it to the external auditor.
5. Do not send the external auditor any information not specifically asked for. Doing so is not helpful. However, you must tell the external auditor about any change of Clerk, Responsible Finance Officer or Chair.
6. Make sure that the copy of the bank reconciliation which you send to your external auditor with the annual return covers all your bank accounts. If your smaller authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree your bank reconciliation to Box 8 on the accounting statements (Section 2 on page 3). You must provide an explanation for any difference between Box 7 and Box 8. More help on bank reconciliation is available in the Practitioners' Guide\*.
7. Explain fully significant variances in the accounting statements on page 3. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include a complete numerical and narrative analysis to support your explanation. There are a number of examples provided in the Practitioners' Guide\* to assist you.
8. If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which the auditor will make a charge.
9. **You must inform the external auditor of the date set for the commencement of the period for the exercise of public rights.**
10. Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2016) equals the balance brought forward in the current year (Box 1 of 2017).
11. Do not complete Section 3 which is reserved for the external auditor.

| Completion checklist – 'No' answers mean you may not have met requirements |   | Done? |
|--|---|-------|
| All sections   | All highlighted boxes have been completed?  |       |
|  | All additional information requested, <b>including the dates set for the period for the exercise of public rights</b> , has been provided for the external auditor? |       |
| Section 1  | For any statement to which the response is 'no', an explanation is provided?  |       |
| Section 2  | Smaller authority approval of the accounting statements is confirmed by the signature of the Chair of the approval meeting?   |       |
|  | An explanation of significant variations from last year to this year is provided?   |       |
|  | Bank reconciliation as at 31 March 2017 agreed to Box 8?  |       |
|  | An explanation of any difference between Box 7 and Box 8 is provided?   |       |
| Sections 1 and 2   | Trust funds – all disclosures made if a Council is a sole managing trustee? NB: Do not send trust accounting statements unless requested.                           |       |
| Internal Audit report  | All highlighted boxes completed by internal audit and explanations provided?  |       |

\*Note: The Practitioners' Guide is available from your local NALC, SLCC or ADA representatives or from [www.nalc.gov.uk](http://www.nalc.gov.uk) or [www.slcc.co.uk](http://www.slcc.co.uk) or [www.ada.org.uk](http://www.ada.org.uk).

# Broads (2006) IDB

## Schedule of Paid Accounts

Payment Date From : 01/01/2017

Payment Date To : 31/03/2017

| <u>Account ID</u> | <u>Name</u>                      | <u>Details</u>            | <u>Amount Paid<br/>This Period</u> |
|-------------------|----------------------------------|---------------------------|------------------------------------|
| AN0004            | Dave Andrews                     | Surveying                 | 587.00                             |
| AN0120            | Anglia Farmers Ltd               | Electricity/Materials     | 48,226.52                          |
| AR0001            | Archant Regional                 | Advertising               | 332.64                             |
| BA0004            | BASEcology Ltd                   | Water Vole Surveys        | 423.70                             |
| BI0003            | Carl Bird Ltd                    | Plant Hire                | 1,680.00                           |
| BSL001            | Broadland Stainless Steel        | Brackets                  | 127.20                             |
| BT0001            | BT Payment Services              | Telephone/Broadband       | 347.38                             |
| BU0001            | Bupa                             | Bupa                      | 359.52                             |
| CI0001            | City Electrical Factors          | Spares & Repairs          | 5,696.09                           |
| CJ0340            | C J Spares Ltd                   | Spares                    | 2,474.61                           |
| CL0350            | Clarke Hydraulics                | Hydraulic Pipes           | 191.16                             |
| CO0002            | T P Colman Engineering           | Plant Repairs             | 108.00                             |
| CU0001            | A & W Cushion Ltd                | Materials                 | 6,185.34                           |
| DI0003            | Display Products Ltd             | Brackets                  | 111.60                             |
| DV0001            | DVLA                             | Vehicle Tax               | 515.00                             |
| EA0002            | East Suffolk IDB                 | Rechargeable Works        | 11,394.00                          |
| EA0003            | East Coast Insulations Ltd       | Asbestos Survey           | 459.00                             |
| EE0001            | EE                               | Telephone                 | 30.36                              |
| EO0550            | E.On UK PLC                      | Electricity               | 34.72                              |
| ER0001            | Ernest Doe & Sons Ltd            | Plant Service             | 2,418.58                           |
| GO0742            | B J Goose                        | Drain Maintenance         | 20,445.00                          |
| GO0744            | B G Goose & Partners             | Plant Hire & Labour       | 7,030.72                           |
| GS0001            | G & S Stores Ltd                 | Small Tools               | 501.28                             |
| HA0004            | A G Harris                       | Round Bales               | 432.00                             |
| HA0005            | Jeremy Halls                     | Surveys/monitoring        | 2,499.90                           |
| HO0004            | Mr M Hoit                        | Water Vole Surveys        | 635.46                             |
| HU0001            | Hubble                           | Small Tools               | 344.05                             |
| IN0002            | Independent Lifting Services     | Hardware                  | 115.47                             |
| IN0004            | Industrial Training Services Ltd | Training                  | 660.00                             |
| IN0950            | Inland Revenue                   | Paye & NIC                | 22,471.97                          |
| LA0001            | W Lanham & Son Ltd               | Lowloader Move            | 2,832.00                           |
| LA0003            | Mr K Langdon                     | Water Vole Surveys        | 295.68                             |
| LA0004            | Land Ecology                     | Nest Searching            | 568.70                             |
| LI0001            | Linstead Farm & Garden Machinery | Plant Repairs/Expenditure | 1,680.06                           |
| LO0001            | Robin Lofty                      | Plant Maintenance         | 400.00                             |
| LU1290            | Ludham Garage Ltd                | Plant Service             | 1,150.49                           |
| MO0004            | Mooney Demolition Co Ltd         | Demolition                | 2,280.00                           |
| NE0001            | Newey & Eyre                     | Telemetry Upgrade         | 1,654.07                           |
| NI1450            | Nicholsons                       | Hardware/Fuel             | 6,528.16                           |
| NO1470            | Norfolk Pension Fund             | Pension Contributions     | 18,223.93                          |
| NO1475            | Norfolk Rivers IDB               | Rechargeable Work         | 10,816.20                          |
| PE0001            | Peoplesafe                       | Lone Worker Unit          | 172.80                             |

# Broads (2006) IDB

## Schedule of Paid Accounts

Payment Date From : 01/01/2017

Payment Date To : 31/03/2017

| <u>Account ID</u> | <u>Name</u>                    | <u>Details</u>       | <u>Amount Paid<br/>This Period</u> |
|-------------------|--------------------------------|----------------------|------------------------------------|
| PU0001            | Pulsar Process Measurement Ltd | Pulsar Unit/Repairs  | 675.60                             |
| RO0002            | Rollesby Primary School        | Childcare Vouchers   | 729.00                             |
| SE0001            | Selwood Ltd                    | Pump Hire            | 30,807.53                          |
| SO0001            | South Holland IDB              | Rechargeable Work    | 3,794.98                           |
| TH0001            | Paul V. Thain                  | Maintenance Works    | 4,200.00                           |
| TH0003            | Robert Thain                   | Maintenance Works    | 1,660.00                           |
| TU0001            | A D Tubby & Son                | All Pump Maintenance | 144.00                             |
| VJ0001            | V & J Knitwear Ltd             | Protective Clothing  | 84.36                              |
| VO0001            | Vodafone                       | Mobile Phones        | 399.89                             |
| WA0001            | Water Management Alliance      | Rechargeable Work    | 19,538.63                          |
| WA0003            | Watson Fuels                   | Gas Oil              | 7,997.28                           |
| YA0001            | Yarmouth Rewinds Ltd           | Pump Maintenance     | 1,132.52                           |
| YE0001            | Yeoman Windows &               | Windows              | 546.00                             |

Please note that the amounts shown above include Vat £ 255,150.15



**BROADS INTERNAL DRAINAGE BOARD  
RISK REGISTER**

| <b>STRATEGIC OBJECTIVES</b>   | <b>RISK</b>   | <b>IMPACT</b>  | <b>LIKELIHOOD SCORE (1 – 3)</b> | <b>IMPACT SCORE (1 – 3)</b> | <b>RISK RATING (HIGH, MEDIUM, LOW)</b> | <b>RESPONSE (ACTIONS PLANNED/TAKEN)</b>  |
|---|---|--|---------------------------------|-----------------------------|--|--|
| To reduce the flood risk to people, property, public infrastructure and the natural environment by providing and maintaining technically, environmentally and economically sustainable flood defences within the Internal Drainage District (IDD) | Reduction in, or insufficient finance, grant and income<br><br>EA may cease to pay highland water contributions to IDBs   | Erosion of Board’s capital and general reserves<br><br>Reduction in FCERM service the Board is able to provide<br><br>Unable to replace assets as scheduled in asset management plan | 3                               | 3                           | High 9 →                               | Explore alternative funding streams  |
|   | Environment Agency (EA) is no longer willing or able to carry out work on sea defences that protects the Internal Drainage District, or continues to maintain these but to a reduced standard | Potential overtopping into IDD in severe weather events and cost implications of managing the increase in water  | 2                               | 3                           | High 6 →                               | Develop Investment Plan with key stakeholders in each flood compartment                                |
|   | EA is no longer willing or able to carry out work on Main   | Will limit the Board’s ability to fulfil its statutory function  | 2                               | 3                           | High 6 →                               | Need to formally identify, record and advise EA of works required. Develop protocol to undertake works |

**BROADS INTERNAL DRAINAGE BOARD  
RISK REGISTER**

| STRATEGIC OBJECTIVES   | RISK  | IMPACT   | LIKELIHOOD SCORE (1 – 3) | IMPACT SCORE (1 – 3) | RISK RATING (HIGH, MEDIUM, LOW) | RESPONSE (ACTIONS PLANNED/TAKEN)   |
|--|---|--|--------------------------|----------------------|---------------------------------|--|
|  | Rivers,   |  |                          |                      |                                 | on recharge basis<br><br>Potential to implement PSCA to undertake works  |
|  | Operations works constrained by the Water Framework Directive legislation and Habitat Regulations Assessments<br><br>Onus of proof sits with IDBs | IDB could incur penalties/fines                                      | 2                        | 3                    | High 6 ↓                        | Work with EA, NE and voluntary sector orgs to meet WFD requirements.<br><br>Agree interpretation of Habitat Regulations Assessments with NE.<br><br>SMO regularly updated to remain WFD compliant<br><br>Regular SMO update training for employees<br><br>Ensure affected landowners are aware of agreed water levels.<br><br>Pursue funding from all available sources. |
| To enable and facilitate land use for residential, commercial, recreational and environmental purposes by guiding and regulating activities, which have the potential to increase flood risk | Planning Authorities ignore advice provided by Board, which leads to increased flood risk<br><br>Lack of staff resources                          | Potential for increased flood risk<br><br>Lost income from SWDCs and | 2                        | 3                    | High 6 ↑                        | Get involved with each constituent Planning Authority to better integrate/ coordinate planning and flood risk management issues<br><br>Board comments made on planning applications are available on each Planning Authority's website   |

**BROADS INTERNAL DRAINAGE BOARD  
RISK REGISTER**

| STRATEGIC OBJECTIVES | RISK   | IMPACT  | LIKELIHOOD SCORE (1 – 3) | IMPACT SCORE (1 – 3) | RISK RATING (HIGH, MEDIUM, LOW) | RESPONSE (ACTIONS PLANNED/TAKEN)   |
|----------------------|--|---|--------------------------|----------------------|---------------------------------|--|
|                      | <p>results in turning a blind eye to Byelaw/Land Drainage Act infringements and contraventions or failure to collect development contributions and commuted sums</p> <p>Potential for developers to hand over management of SUDs to private management companies, who may fail in their responsibility to maintain them in the long term</p> | <p>commuted sums</p> <p>Inadequate or total lack of maintenance of SUDs could have an adverse impact on the IDB infrastructure and subsequently increase the risk of flooding</p> |                          |                      |                                 | <p>Planning/Enforcement issues reported at Board and Committee meetings</p> <p>Lobby LPAs to include IDBs as Statutory Consultees and to treat IDB watercourses as SUDs</p> <p>Promote IDB services for adoption of SUDs in planning consents to ensure they are maintained in perpetuity</p> <p>Look to introduce a SUDs adoption and charging policy</p> |

**Risk Assessment Matrix (From the Risk Management Strategy and Policy as approved 23 January 2017)**

**Risk Assessment Matrix**

|                   |                   |                   |                   |
|-------------------|-------------------|-------------------|-------------------|
| <b>Likelihood</b> |                   |                   |                   |
| Highly Likely     | <b>Medium (3)</b> | <b>High (6)</b>   | <b>High (9)</b>   |
| Possible          | <b>Low (2)</b>    | <b>Medium (4)</b> | <b>High (6)</b>   |
| Unlikely          | <b>Low (1)</b>    | <b>Low (2)</b>    | <b>Medium (3)</b> |
|                   | Negligible        | Moderate          | Severe            |
|                   | <b>Impact</b>     |                   |                   |

The categories for impact and likelihood are defined as follows:

**IMPACT**

- Severe – will have a catastrophic effect on the operation/service delivery. May result in major financial loss (over £100,000) and/or major service disruption (+5 days) or impact on the public. Death of an individual or several people. Complete failure of project or extreme delay (over 2 months). Many individual personal details compromised/revealed. Adverse publicity in national press.
- Moderate – will have a noticeable effect on the operation/service delivery. May result in significant financial loss (over £25,000). Will cause a degree of disruption (2 – 5 days) or impact on the public. Severe injury to an individual or several people. Adverse effect on project/significant slippage. Some individual personal details compromised/revealed. Adverse publicity in local press.
- Negligible – where the consequences will not be severe and any associated losses and or financial implications will be low (up to £10,000). Negligible effect on service delivery (1 day). Minor injury or discomfort to an individual or several people. Isolated individual personal detail compromised/revealed. NB A number of low incidents may have a significant cumulative effect and require attention.

**LIKELIHOOD**

- Highly likely: very likely to happen
- Possible: likely to happen infrequently
- Unlikely: unlikely to happen.

**Distributed to:**

**Broads (2006) IDB Members**

Andrews T  
Alston H J  
Baugh L E  
Burton J  
Buxton R  
Cator H G  
Chapman J W  
Coleman M Mrs  
Cox Mrs H  
Daniels S G  
Fitch-Tillett A M Mrs  
Gay G D  
Grove-Jones P Mrs  
Harris M  
Hart K  
Hempsall L Mrs  
Northam W  
Nurden G  
O'Neill F  
Price R C  
Rice P  
Robinson I  
Roll D  
Sharman F  
Shrimplin J  
Smart M  
Strudwick T P  
Tallowin J G  
Tapp V  
Thirtle H  
Walch C  
Walker L Mrs  
Ward D C  
Weymouth S Mrs  
Wharton E  
Withers J W K  
Wright S D

**Officers**

Bloomfield G  
Camamile P J  
George P  
Goose A  
Jeffrey Miss S  
Laburn Ms C  
Mandley Ms H  
Philpot M  
Thomas Mrs K