

A MEETING OF THE KING'S LYNN INTERNAL DRAINAGE BOARD WAS HELD IN THE BOARD ROOM, KETTLEWELL HOUSE, AUSTIN FIELDS INDUSTRIAL ESTATE, KING'S LYNN, NORFOLK ON FRIDAY, 24 MAY 2019 AT 9.30 AM.

Elected Members

- * J R Askew
- K Banham
- Ms S Keene
- R S Markillie
- * S A R Markillie
- T Matkin
- Mr N Padwick
- * M Riddington
- * J Symington
- * A Whitehead

Appointed Members

King's Lynn & W N B C

- * B Ayres
- M Chenery of Horsbrugh
- C Crofts
- R W Groom
- * Lord Howard of Rising
- * B Long
- Mrs E Nockolds
- T Smith
- * D Whitby
- Mrs S Young

Fenland District Council

D Oliver

- * Present (43%)

Mr B Long in the Chair

In attendance:

Mr C Beaumont (WMA Project Engineer), Mr G Brown (WMA Flood and Water Manager), Mr P Camamile (Chief Executive), Mr G Howe (Project Manager), Miss S Jeffrey (Rating and Finance Manager), Ms C Laburn (Environmental Manager), Mr R Taylor (Operations Manager), Mrs C Cocks and Ms M Ward-Ampleford (minutes)

ID	King's Lynn IDB, Minute	Action
44/19	APOLOGIES FOR ABSENCE	
44/19/01	Apologies for absence were received on behalf of Messrs K Banham, M Chenery of Horsbrugh, C Crofts, R W Groom, R S Markillie, T Matkin, D Oliver, N Padwick, T Smith, Ms S Keene, Mrs E Nockolds and Mrs S Young.	
45/19	INTRODUCTIONS	
45/19/01	The Chairman welcomed Michele Ward-Ampleford to her first King's Lynn IDB meeting at Kettlewell House.	
45/19/02	The Chairman apprised members there were nine members in attendance and the Board was quorate.	

46/19 DECLARATIONS OF INTEREST

46/19/01 Mr J Askew declared an interest in respect of the payment to Richard Askew Agricultural Supplies Ltd, due to his family relationship with the account holder. RESOLVED that this be noted.

47/19 MINUTES OF THE LAST MEETING

47/19/01 The minutes of the last Board meeting held on 15 March 2019 were approved and signed as a true record. Arising therefrom:

47/19/02 Nar Ouse Way (29/19/06)

The Chief Executive reported there had been no exchange of contracts and that this could only take place when the Borough Council had provided all the required indemnities. There was also an issue with the new transformer that needed to be located in the highway verge, which therefore required permission from the Norfolk County Council.

47/19/03 Annual Inspection (39/19/01)

It was unanimously agreed and thereby RESOLVED to move the Annual Inspection date from the 12 July 2019 to the 13 September 2019.

48/19 ENGINEERING REPORT

48/19/01 The Engineering Report, (a copy of which is filed in the Report Book), was considered in detail and approved. Arising therefrom:

48/19/02 Islington Catchment Flood Risk Management Scheme (31/19/02)

The feasibility report and budget price had been updated in line with the preferred option of four cumec concrete volute fish friendly pumps. The pre-construction order had been placed with Balfour Beatty through the National Scape Framework, which would allow programme and pricing of the delivery agreement to run in parallel with the ongoing detailed design.

Mr J Askew asked if there would be a back-up generator for the new station. The Project Manager advised that he had insisted there must be a generator, with the ability to run at least two of the four pumps. It was unanimously agreed and thereby RESOLVED that this must be the case.

Mr J Symington asked if we could sell any surplus electricity produced by the generator to the grid, the Project Manager advised

GH/MN

that the fuel consumption and cost of diesel would probably make this prohibitive.

Tree and vegetation clearance was completed prior to demolition of the bungalow.

The contracts had been signed and further work was due to commence on 17 June 2019.

48/19/03 Wolferton Catchment Flood Risk Management Scheme (31/19/03)

The control panels had been installed in the building and the wiring, with the exception of the mains connection, had been completed. First stage commissioning of the pumps on generator power only had also been completed.

The weedscreen cleaner had been commissioned as of 23 May 2019. The work to re-instate the sea bank had been completed and the bank had been covered with erosion control matting and grass seeded.

The Project Manager requested various items of equipment be removed and retained by the Board prior to demolition of the old station: the diesel engine previously used to run an auxiliary generator and pump, the motor from the large electric pump, diesel tank, and some parts from the electrical panel. It was agreed to make enquiries about selling the other surplus equipment. The large electric motor (1960's vintage) would be cleaned up and re-painted for display in the foyer of the new office.

49/19 ENVIRONMENTAL REPORT

49/19/01 The Environmental Report was considered in detail and approved (a copy of which is filed in the Report book). Arising therefrom:

49/19/02 Wolferton Pumping Station Deliver – Ecological Input and Update (1.1)

The Environmental Manager gave an overview of the Wolverton project bat survey on 25 March 2019 to ensure bats had not managed to access the building via the holes drilled for scaffolding. Destructive searches for water voles were undertaken by the Environmental Manager on 27 March 2019, on the burrows located along the length of the IDB main drain. A fish rescue operation is scheduled prior to infilling in front of the old pumping station building and new infrastructure is in place for the Swallows following the netting of the old pumping station intake.

49/19/03 Standard Maintenance Operation Policy Document – Kings Lynn (1.2)

Consultation and liaison with the Operations Manager, Mr R Taylor and the Consultant Ecologist, Ms D Ward had been undertaken during this period to prepare the document. It was envisaged that the revised policy document would be presented to the Board for consideration and adoption at the 12 July 2019 Board meeting.

Lord Howard of Rising left the meeting at this point

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50/19 PLANNING REPORT

50/19/01 The Planning Report was considered in detail and approved (a copy of which is filed in the Report Book). Arising therefrom:

50/19/02 The Flood and Water Manager advised members that there were 17 applications where the team was awaiting information back or waiting for the applicants to accept conditions/consents.

50/19/03 **18_01108_C: Application to install gravel car park, kerbing and removable barriers within 9 metres of a Board Adopted Watercourse (North Lynn Drain) at Edward Benefer Way, Kings Lynn (33/19/04)**

Officers had recently been made aware of unconsented works being undertaken within 9m of the Board's adopted watercourse North Lynn Drain (DRN132P0103). The work included the erection of removable barriers approximately 4-5 m from the brink of the drain as well as permeable (gravel) surfacing. The barriers were seated in holes concreted into the ground. Kerbing had been installed near to the removable barriers. It was agreed and thereby RESOLVED to defer consideration of this application until it could be established what permissions from the Board existed to cover the full extent of activity alongside this drain.

50/19/04 **19_01314_C: Application to install and retain boundary features within 9 metres of a Board Adopted Watercourse (Black Ditch Level Drain) at School Road, Tilney St Lawrence (33/19/05)**

Members considered an application to retrospectively relax Byelaw 10 (no works within 9 metres of an adopted watercourse or other drainage or flood risk management infrastructure) to regularise work previously undertaken within 9 metres of the Board's Black Level ditch Drain (DRN145P0402). It was agreed and thereby RESOLVED to refuse this application for consent as it was against the Board's current policy that restricted hedging within 7m of the brink of the Board's watercourse.

50/19/05 **19_01467_A: Request to adopt Avenue Drain alongside The Avenue, Wiggshall St Mary The Virgin (2.3)**

Members considered a request for the adoption of approximately 760 metres of ordinary watercourse. This watercourse was located immediately to the north of a highway and within open agricultural

land. The watercourse used to be adopted and maintained by the Board until 2 years ago when it was de-mained, as it met the Board's criteria for abandonment serving a single landowner only. It was noted that the Board's criteria for adoption and abandonment remained unchanged. It was agreed and thereby RESOLVED to refuse this application.

50/19/06 Delegated Consents (2)

The delegated consents determined by the Chief Executive's Management Committee in accordance with their delegated authority were considered in detail and duly noted. There were no matters arising.

50/19/07 Fees Associated with Consents Granted (2)

Members were apprised that two fees associated with consents granted had been invoiced during the reporting period totalling of £98,539.65.

51/19 PLANNING AND BYELAW POLICY

51/19/01 The revised Planning and Byelaw Strategy, together with the summary of consultation responses (copies of which are filed in the Report Book) were considered in detail and approved. It was agreed and thereby RESOLVED to adopt the new Planning and Byelaw Policy as written, along with the officer recommendation to review Planning and Byelaw Policy after one year.

52/19 INTERNAL AUDIT REPORT 2018/19

52/19/01 The Internal Audit Report for 2018/2019 as prepared by the Board's Internal Auditor, together with the Chief Executive and Finance Officer's responses (copies of which are filed in the Report Book), were considered in detail and approved. There were matters arising.

52/19/02 The Internal Auditor's recording of the substantial level of assurance awarded on conclusion of the audit was noted.

52/19/03 It was agreed and thereby RESOLVED to approve the re-appointment of the King's Lynn and West Norfolk Borough Council's Internal Audit Service (shared with Fenland District Council) to undertake the Board's Internal Audit for 2019/20.

53/19 FINANCIAL REPORT YEAR ENDING 31 MARCH 2019

53/19/01 The Financial Report for the year ending 31 March 2019, was considered in detail and approved (a copy of which is filed in the Report Book). There were matters arising.

54/19 ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN 2018/19 PART 3 SECTION 1 ANNUAL GOVERNANCE STATEMENT

54/19/01 The Annual Governance Statement shown in Section 1 of the King's Lynn IDB Annual Governance and Accountability Return for the year ended 31 March 2019 was considered in detail and approved by the Board.

55/19 ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN 2018/19 PART 3 SECTION 2 ACCOUNTING STATEMENTS 2018/19

55/19/01 The Accounting Statements shown in Section 2 of the King's Lynn IDB Annual Governance and Accountability Return for the year ended 31 March 2019 were considered in detail and approved by the Board.

56/19 DATE OF COMMENCEMENT PERIOD FOR THE EXERCISE OF PUBLIC RIGHTS

56/19/01 It was agreed and thereby RESOLVED to publish notice on the Board's website and display also in the office reception, that the Accounts year ending 31 March 2019 would be available for the inspection for the 30 working day period commencing 17 June 2019 and ending on 26 July 2019. RESOLVED that this be noted.

57/19 SCHEDULE OF PAID ACCOUNTS

57/19/01 The Schedule of Paid Accounts for the period 1 March 2019 to 31 March 2019 totalling £879,243.34, (a copy of which is filed in the Report Book), was considered in detail and approved. Arising therefrom:

57/19/02 It was noted that the amount paid to Spearhead Machinery Ltd for "servicing and parts" was in fact for a new machine.

58/19 RISK REGISTER

58/19/01 Members considered the risk register for those risks with a risk assessment matrix score of ≥ 6 . There were no changes proposed and all risks were duly noted.

59/19 CORRESPONDENCE

59/19/01 There was no correspondence requiring the Board's consideration during this reporting period.

60/19 DATE OF NEXT MEETING

60/19/01 The date of the next meeting would take place at 9.30 am on 12 July 2019 here at Kettlewell House.

61/19 ANY OTHER BUSINESS

61/19/01 There was no other business to discuss.

62/19 OPEN FORUM: TO HEAR FROM ANY MEMBER OF THE PUBLIC, WITH LEAVE OF THE CHAIRMAN

62/19/01 There were no members of the public present.

63/19 CONSORTIUM MATTERS**63/19/01 Unconfirmed minutes**

The unconfirmed minutes of the last Consortium Management Committee meeting held on 29 March 2019 were considered in detail and approved. There were no matters arising.

63/19/02 Schedule of Paid Accounts

The WMA Schedule of Paid Accounts for the period 1 December 2018 to 28 February 2019 totalling £478,892.17 as approved at the Consortium Management Committee meeting on 29 March 2019, was considered in detail and adopted by the Board. There were no matters arising.

63/19/03 Financial Report

The WMA Financial Report for the period 1 April 2018 to 28 February 2019, as approved at the Consortium Management Committee meeting on 29 March 2019 was considered in detail and adopted by the Board. There were no matters arising.

63/19/04 To mandate the Board Representatives

There were no specific items raised for discussion at the next Consortium Management Committee meeting on 28 June 2019. Should members wish any item to be raised at the next meeting, they should raise it with the Board's representatives:

Mr B Long (Chairman)
Mr T Matkin (Vice Chairman)
Lord Howard of Rising

64/19 CONFIDENTIAL BUSINESS

64/19/01 It was agreed and thereby RESOLVED to exclude the public from the next part of the meeting due to the confidential nature of the business to be transacted, in accordance with Section 2 of the Public Bodies (Admission to Meetings) Act 1960.

ENGINEERING & OPERATIONS REPORT

1 CAPITAL WORKS

1.1 ISLINGTON CATCHMENT FLOOD RISK MANAGEMENT SCHEME

Further to the Project Board meeting 4 March 2019 the Feasibility report and Budget price was updated in line with the preferred option of four number 4 cumec concrete volute fish friendly pumps.

Royal Haskoning have revised the Partnership Funding Calculator in line with the revised scheme and submitted to the EA who have now approved funding and issued a letter confirming full eel regs exemption for the scheme.

The Pre-construction order has been placed with Balfour Beatty through the National Scape Framework so they can prepare programme and pricing for the delivery agreement in parallel with ongoing detailed design.

Physical modelling should be completed by end-May.

Site works: Tree and vegetation clearance was completed prior to demolition of the bungalow.

1.2 WOLFERTON CATCHMENT FLOOD RISK MANAGEMENT SCHEME

Control Building

The control panels have been installed in the control building and the wiring, with the exception of the mains connection has been completed. By the time of this meeting the first stage commissioning of both the generator and electrical panels should have been completed so allowing the new station to become operational on generator power only. Following this, the decommissioning and demolition of the old station can commence.





Pump Intake

The pump intake is now complete with all handrails and the weedscreen cleaner is installed ready for commissioning, along with the generator and electrical control panels. All three pumps are now installed within the canisters and the wiring to the control panels is complete.



Bank re-instatement

Work to re-instate the sea bank has recently been completed so we are once again fully protected from the tide. The bank has been covered with erosion control matting and grass seed.

The only work remaining over the sea bank is the installation of handrails to the outfall structure.



2. RECHARGEABLE WORK

Work Carried Out For	Date	Complaints
Robinson Farms Carbrooke Ltd (Paperhall Farm)	11 January 2019	None
Mr P Bunning (Walton Highway)	31 January 2019	None
Mr M Reeve (Marshland St James)	1 February 2019	1
Anglian Planters (Wiggenhall St Mary)	22 February 2019	None
Downham and Stow IDB	22 February 2019	None
Castle Rising Estates	7 March 2019	None

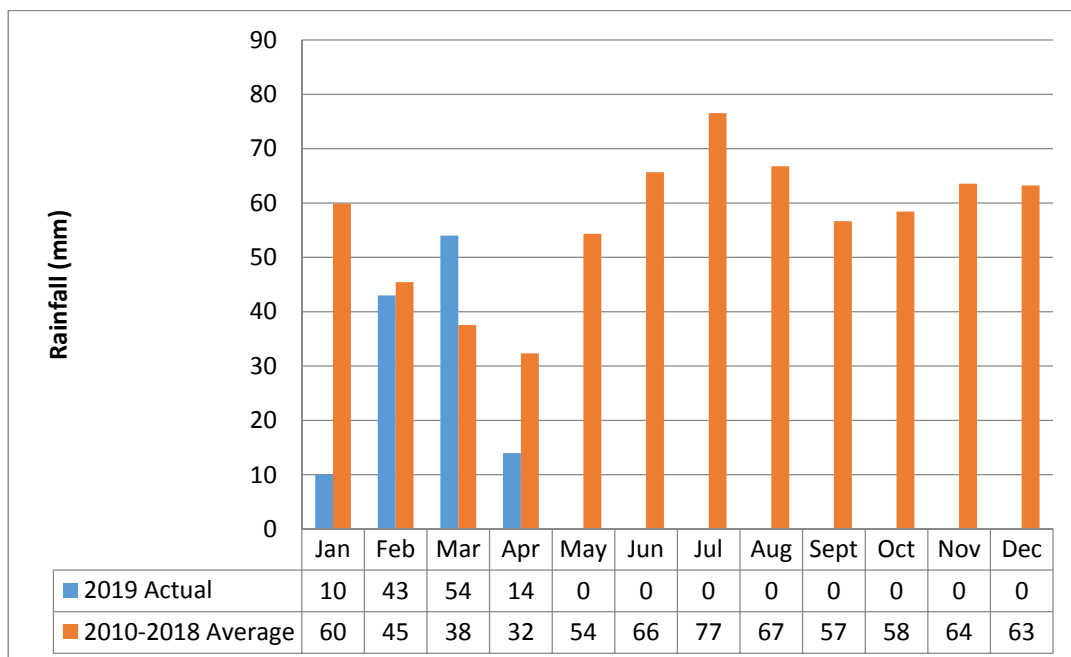
3. HEALTH & SAFETY

3.1 ACCIDENTS AND NEAR-MISSES

There have been no accidents or near misses during this reporting period.

4. RAINFALL

LOCATION	March		April		Cumulative	
	2019	2010-2018 Average	2019	2010-2018 Average	2019	2010-2018 Average
ISLINGTON PUMPING STATION	59	33	14	31	115	104
PIERREPOINT PUMPING STATION	54	38	11	32	118	105
WOLFERTON PUMPING STATION	47	36	10	32	99	101



Kings Lynn IDB - Environmental Report May 2019

The following information pertains to environmental work carried out for the Kings Lynn IDB involving the Environmental Team from the 6 March 2019 – 10 May 2019.

1. Information for the Board

1.1 Wolferton Pumping Station Delivery– Ecological Input and Update

The Environmental Manager, (EM), and the ecological contractor, Ward Associates, continue to have an ecological overview of the Wolferton Project.

A followup bat survey was undertaken on the old pump building on 25 March by Mill House Ecology, to ensure bats had not managed to access the building via the holes drilled for scaffolding.

Destructive searches for water voles were undertaken by the EM on 27 March 2019, on the burrows located along the length of IDB main drain specified for infilling. This activity took place under the IDB water vole class licence.

A fish rescue operation is scheduled to take place prior to infilling in front of the old pumping station building.

Swallows are now occupying the pump intake of the newly constructed IDB pump following the netting of the old pumping station intake.

1.2 Review of the Standard Maintenance Operations Document – Kings Lynn

Further consultation and liaison has been undertaken during this period with the Operations Manager, Rob Taylor and the Consultant Ecologist, Diana Ward in the preparation of the Kings Lynn Standard Maintenance document. It is proposed that the revised document will be presented to the board for comment and adoption at the July Board Meeting.

2. Non – Compliance

2.1 Nothing to report within this period.

3. Complaints

3.1 Nothing to report within this period.

4. Assents Granted and/or Applied for:

4.1 Nothing to report within this period.

5. Training / Meetings Attended

5.1 Environmental Team Meetings 22 March 2019, 04 April 2019, 09 May 2019

6. Site Visits

6 March 2019

The EM undertook a site check to monitor the maintenance recently undertaken on Derby Fen. The maintenance undertaken was in line with what was agreed in Autumn 2018.

08, 22 and 27 March 2019

The EM undertook water vole surveys to inform vegetation management at Wolferton Pumping Station.

Training and Meetings Attended by the Environmental Team

25 February 2019

The EM attended the River Waveney Floating Pennywort Steering Group meeting at Norfolk County Council to understand the continuing control methods being put in place by the Norfolk Non Native Species Initiative to monitor and control this highly invasive species, with a view to ensuring it does not infest other areas of Norfolk and Suffolk.

14 March 2019

The EO Helen Mandley attended the Norfolk mink meeting at the Broads Authority, Yare House. The Broads IDB continue to contribute to this project and there is an overall decline in mink kills across Norfolk.

30 April – 1 May 2019

EO Jamie Manners and Operations Manager Paul George attended the River Restoration Conference. This was attended by over 350 people from private and public sector organisations, charities and academic institutions. It provided an excellent opportunity for learning about the latest research and practical application of river restoration techniques and Natural Flood Management (NFM), sharing ideas, and networking. The Norfolk Rivers IDB has been and continues to be involved in delivering river restoration and NFM projects, and the knowledge gained at this conference will be used in their delivery and for developing new opportunities.

Caroline Laburn - Environmental Manager WMA

PLANNING REPORT

1. SUMMARY OF ACTIVITY IN REPORTING PERIOD

- 1.1 This planning report covers the reporting period 8 March 2019 to 9 May 2019. There are currently 19 consent applications being processed. The most common types of consent that the Board receive and determine in its regulatory capacity are set out in the table below alongside the current breakdown of cases.

<i>Application Type</i>	<i>Number</i>
Byelaw 3 (B3) – Discharge of Treated Foul Water (TFW):	1
Byelaw 3 (B3) – Discharge of Surface Water (SW):	4
Byelaw 4 (B4) / Section 23 (S23), LDA 1991 – Alteration of watercourse	6
Byelaw 10 (B10)– Works within 9 m of a Board’s maintained watercourse:	8
Total:	19

- 1.2 The current status of these applications are;

<i>Application Type</i>	<i>B3 - TFW</i>	<i>B3 - SW</i>	<i>B4/S23</i>	<i>B10</i>	<i>Total</i>
Awaiting further information from the applicant:	0	1	6	3	10
Awaiting applicants acceptance of conditions:	0	1	0	1	2
Being processed by officers:	1	2	0	2	5
To be determined by the Board in this report:	0	0	0	2	2
Total:	1	4	6	8	19

- 1.3 As is highlighted by the table immediately above there are 2 applications requiring consideration by the Board in this report. These are;

- 18_01108_C: Application to install gravel car park, kerbing and removable barriers within 9 metres of a Board Adopted Watercourse (North Lynn Drain) at Edward Benefer Way, Kings Lynn
- 19_01314_C: Application to install and retain boundary features within 9 metres of a Board Adopted Watercourse (Black Ditch Level Drain) at School Road, Tilney St Lawrence.

These are detailed in section 2 below along with the officer recommendation for determination.

- 1.4 Also for consideration by the Board is a request to adopt a private watercourse (19_01467_A) and the Draft Planning and Byelaw Strategy detailed in section 7.

2. ITEMS REQUIRING THE BOARD'S CONSIDERATION

2.1. 18_01108_C: Application to install gravel car park, kerbing and removable barriers within 9 metres of a Board Adopted Watercourse (North Lynn Drain) at Edward Benefer Way, Kings Lynn

- a. Earlier in the year the Board's officers were made aware of works being undertaken within 9m of the Board's adopted watercourse North Lynn Drain (DRN132P0103). The work in question included the erection of removable barriers approximately 4-5 m from the brink of the drain as well as permeable (gravel) surfacing. It should be noted that the removable barriers have been seated in holes concreted into the ground. Kerbing has also been installed near to the removable barriers. Following a number of site meetings with the owner an application to relax Byelaw 10 (no works within 9 metres of a Boards adopted watercourse) was received seeking consent for these works.
- b. This application is required to be determined by the Board, as opposed to by officers under delegated authority because of the following:
 - The proposal concerns works already undertaken
 - The works are closer to the brink of the drain than that recommended by the Board's current policy (6m).
 - Enquiries from other parties along this drain indicate there is a desire for others to replicate this approach should it be approved by the Board
- c. From an operational perspective, access along this drain currently often presents difficulties. Machinery access requires a number of property owners to remove their cars from the Board's maintenance strip which necessitates notifying the owners of the properties of our intended visit. This can result in a delay in awaiting their compliance with our request. However, it is clear that previously approval has been granted by the Board for permanent surfacing/parking on the property immediately adjacent to the applicant's property.
- d. If approved, any consent would likely be conditioned, with conditions including the following:
 - The need for the applicant to enter into the Board's standard Deed of Indemnity
 - A bespoke condition requiring the removal of temporary fencing and the moving of parked vehicles to facilitate access on the request of the Board
 - An informative condition stating clearly that the Board accepts no responsibility for any damage to kerbing, surfacing or fencing caused by the Boards machinery in the course of its operations.
 - A condition stating that consent is given subject to a review of the impact on the Board's operations of issuing temporary consent. This review would include a specific reference to how the applicant has facilitated access over a 12 month period. Following this review the condition would allow for the consent to be revoked if there was reasonable cause or extended if the applicant had complied with the conditions of consent.
- e. **Recommendation:** The officer recommendation would normally be for refusal given that the distance of the fencing from the brink of the drain is less than required within the Board's current policy. It should be noted however that there are both historic permissions and regular unconsented parking along this stretch of watercourse. As such a refusal would likely necessitate the need to enforce along a wide frontage of activity that has historically been allowed to occur. The officer recommendation is therefore for approval as any approval would seek to regularise current activity subject

to the applicant accepting the conditions of consent stated above which would seek to control this activity.

f. **Supporting maps and photos:** Please see the maps provided below.

Map 1: Location map

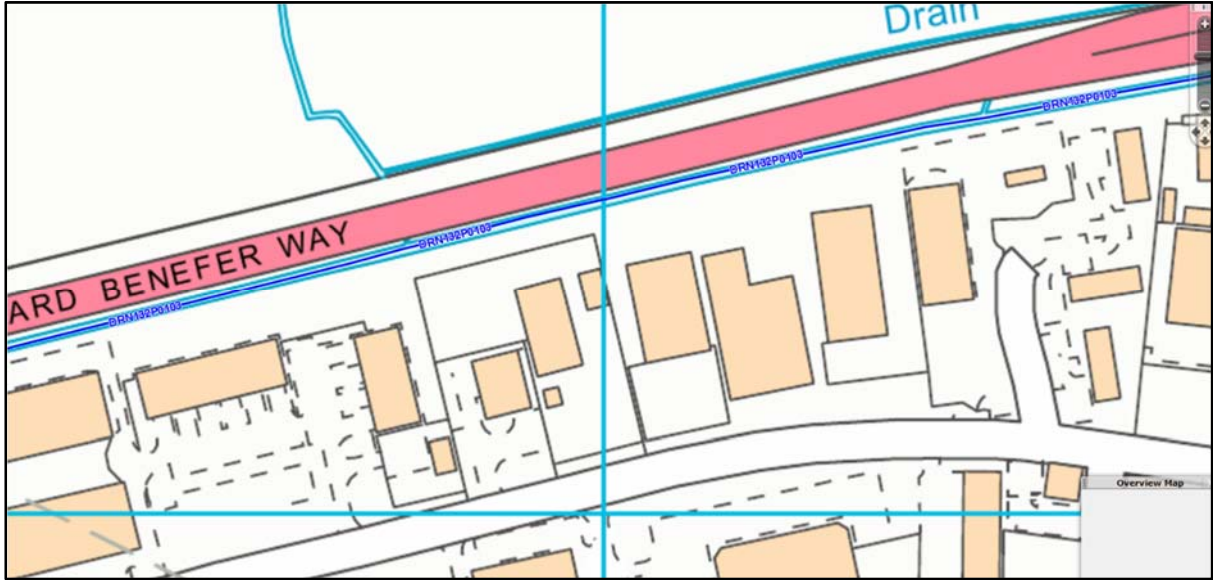


Photo 1: Satellite view of site prior to works

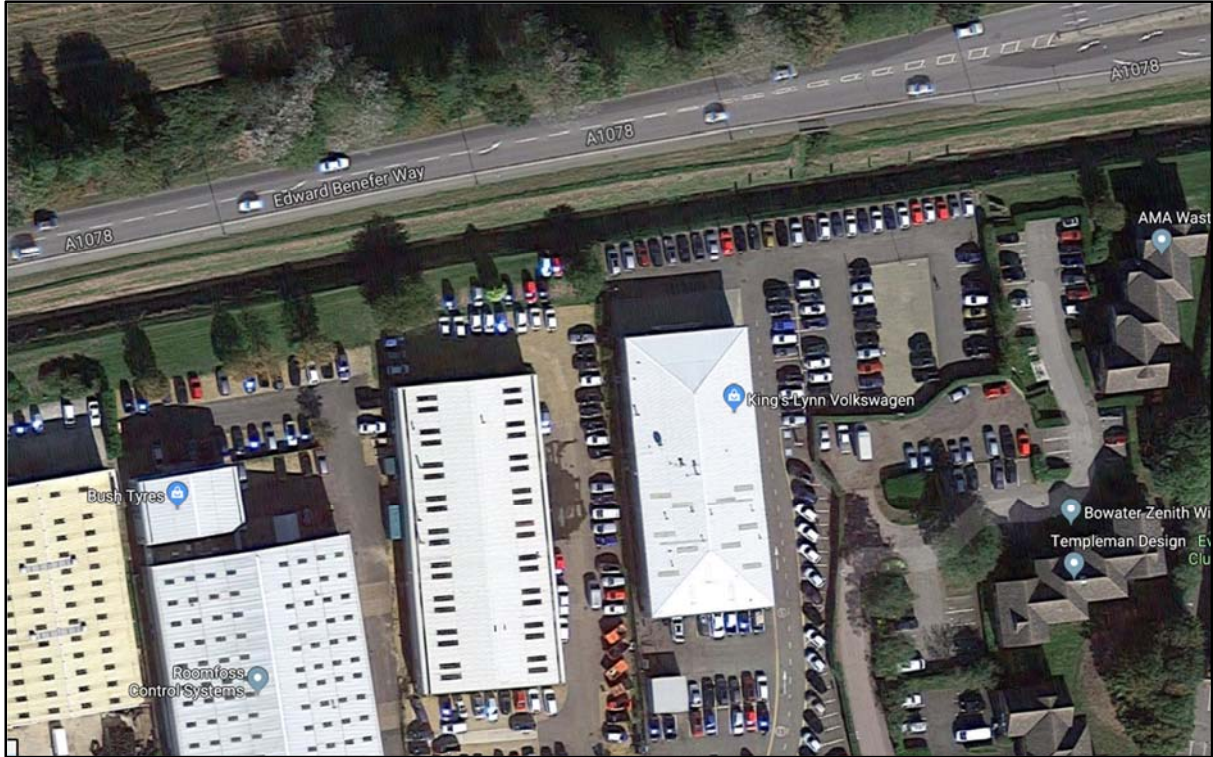


Photo 2: Photo of site after works

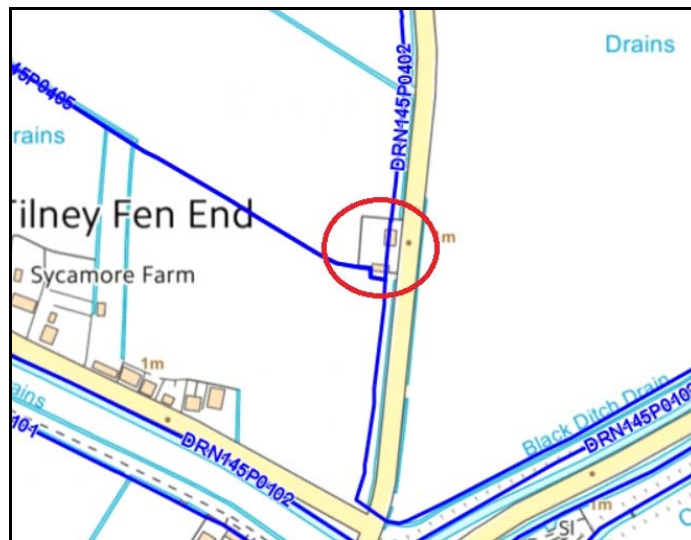


2.2. 19_01314_C: Application to install and retain boundary features within 9 metres of a Board Adopted Watercourse (Black Ditch Level Drain) at School Road, Tilney St Lawrence.

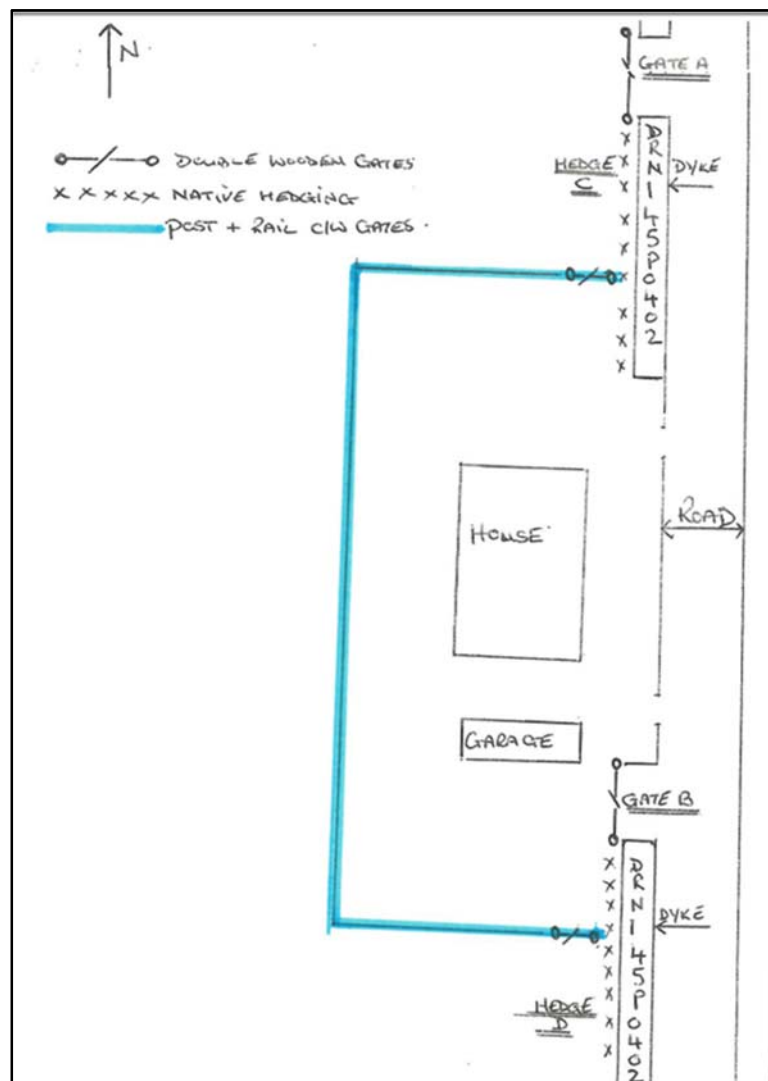
- a. An application to relax Byelaw 10 (no works within 9 metres of a Boards adopted watercourse or other drainage or flood risk management infrastructure) has been received by the Board to undertake works within 9 metres of Black Level ditch Drain (DRN145P0402). The applicant states in their submission that some (although not all) works have already been undertaken although they are aware that consent should have been sought from the Board prior to these works.
- b. The works carried out to date are:
- A double wooden gate (marked A, 7.3 metre opening) to the existing northern field entrance
 - A double wooden gate (marked B, 6 metres opening) to the existing southern entrance
 - Native hedging (marked C, 36 metre long running from the northern top of the dwelling to gate A
 - Native hedging (marked D, 256 metres long) running south from Gate B
- c. The proposed works include:
- A post and rail fence (marked blue on the enclosed plan) to surround the dwelling, which will include two double gates each opening 4.8 metres to be positioned at the end of the watercourse DRN145P0402.
 - The installation of a sand bag style retaining wall at each end of the existing piped watercourse adjacent to the property.
- d. This application is required to be determined by the Board, as opposed to by officers under delegated authority, as;
- The proposal includes the installation of extensive permanent works within 9 metres of a Board Adopted watercourse
 - The applicant is related to a current Board member
- e. Any approval would be subject to the board's standard conditions and specifications as well as those set out in the application. Specifically conditions and specifications may include:
- The native hedging should be no taller than 4ft (1.2m) in height.
 - If the hedging is above this height, the Board may ask that these features be permanently removed.
 - The Board must be able to access their infrastructure at all times.
- g. **Recommendation:** The officer recommendation is for the application to be approved subject to the applicant's written acceptance of conditions being attached to the consent.

g. Supporting maps and drawings:

Map 1: Location within Tilney St Lawrence



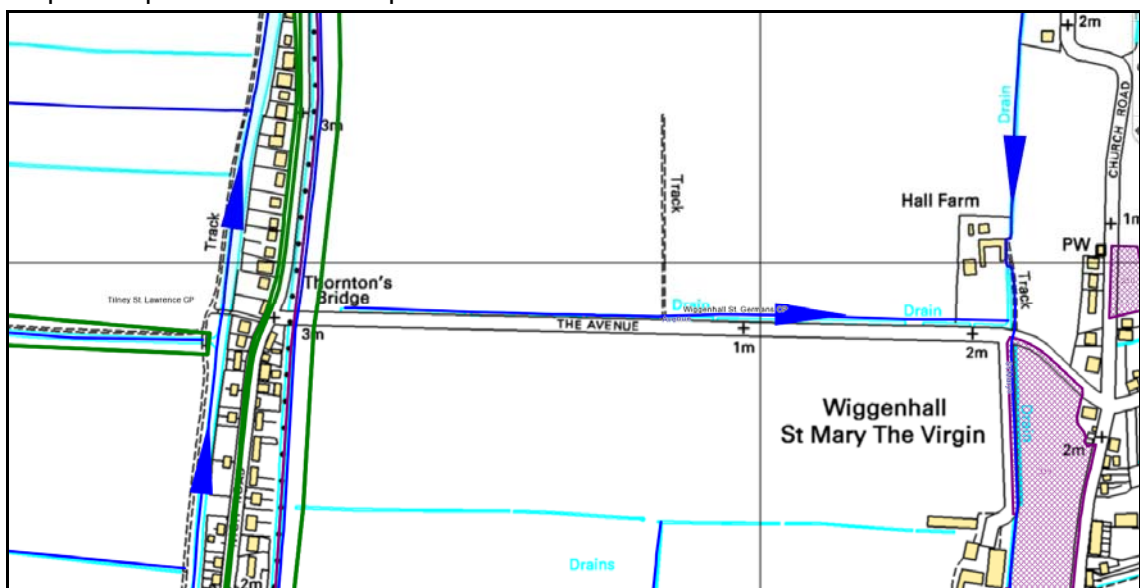
Drawing 1: Plan showing proposed features



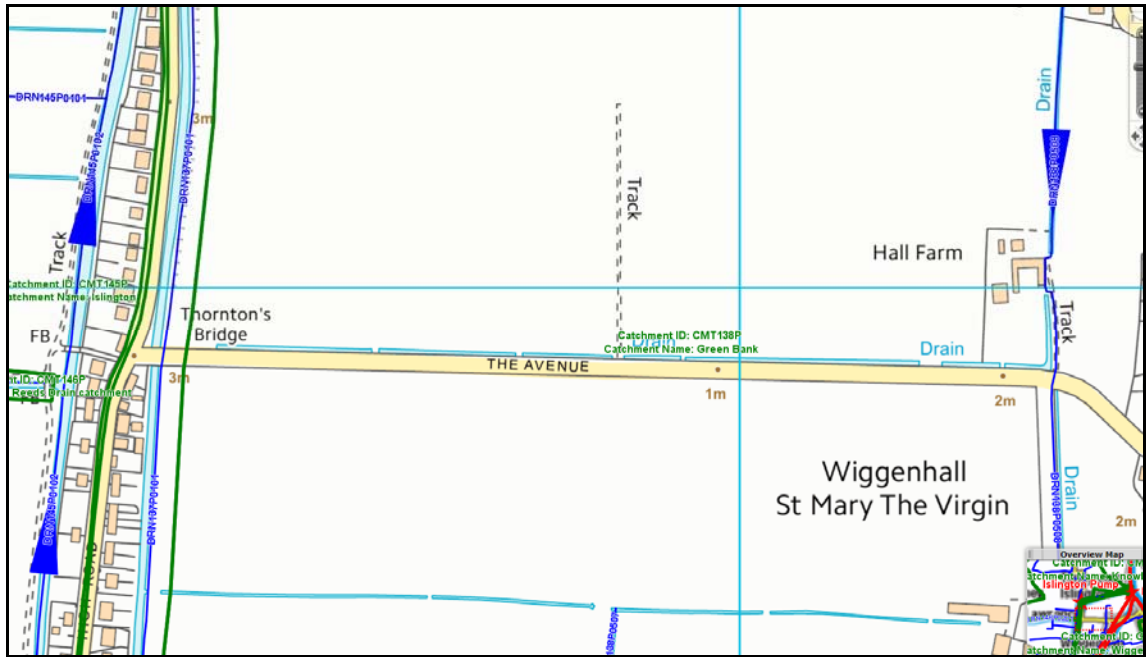
2.3. 19_01467_A: Request to adopt Avenue Drain alongside The Avenue, Wiggenhall St Mary The Virgin

- a. A request has been received by the Board from a tenant farmer for the adoption of approximately 760m of watercourse. This watercourse is located immediately to the north of a highway and within open agricultural land (all of which is in the proposer's control). The watercourse used to be adopted (and maintained) by the Board (drain DRN138P0509) however was de-mained 2 years ago following an officer proposal which was considered by the Board on 19 May 2017. The Board agreed with the officer recommendation as it met the Board's criteria for abandonment given it served only a single landowner. When it was an adopted watercourse it formed the upstream end of the Board's adopted network.
- b. The Boards criteria for adoption remains unchanged, stating that it would consider "a watercourse with more than one riparian owner/occupier, or that caters for more than one owner/occupier within its catchment, which causes persistent drainage problems, or would do if a perceived change in circumstances was to take place, where effective maintenance would prevent these problems from occurring" for adoption.
- c. In submitting their request for adoption the applicant stated they were surprised at the de-maintenance of this watercourse in 2017, with what they view as little consultation with themselves. They understand that there were previously issues with a specific culvert, however, they feel this has subsequently been resolved by the removal of this structure. They feel that as all the land served by this drain is heavily under-drained it is clearly dependent upon the maintenance of this watercourse. They have also highlighted their payment of drainage rates on the land under their control that would benefit from the adoption of this watercourse. As such the applicant hopes this request can be considered favourably by the Board.
- d. **Recommendation:** As the proposed adoption is not in line with the Board's current policy the officer recommendation would normally be for the request to be refused. That stated, it is accepted that there are some complexities with this case given the Board's past involvement with the watercourse and as such officers accept the matter is for the Board to determine. By way of context the assumed cost to the Board of maintaining the watercourse would be approximately £1,000 per annum.

Map 1: Map of Avenue Drain pre-abandonment in 2017



Map 2: Map of Avenue Drain post abandonment in 2017



3. DELEGATED CONSENTS DETERMINED

3.1 During this reporting period, the following 13 consents under the Land Drainage Act 1991 and Board's Byelaws have been determined by Officers in accordance with their delegated authority.

<i>Application Type</i>	<i>Number</i>
Byelaw 3 (B3) – Discharge of Treated Foul Water (TFW):	3
Byelaw 3 (B3) – Discharge of Surface Water (SW):	2
Byelaw 4 (B4) / Section 23 (S23), LDA 1991 – Alteration of watercourse	4
Byelaw 10 (B10)– Works within 9 m of a Board's maintained watercourse:	4
Total:	13

3.2 These determined consents are listed in more detail in the table overleaf.

Case. Ref.	Case File Sub-type	Parish	Location / Site Name	Description of Application or Proposal	Determination
18_00463_C	Section 23, LDA 1991	Terrington St Clement	Market Lane	Proposal to culvert existing watercourse with 600mm dia. pipe for approx. 65m	Granted 13/03/2019
18_00875_C	Byelaw 3 Surface Water	King's Lynn	Lynnsport 3	Proposal to discharge surface water from 8,080m ² at an unrestricted discharge rate	Granted 05/04/2019
18_00876_C	Byelaw 10	King's Lynn	Lynnsport 3	Proposal to install outfall headwall and undertake works within 9 metres of Board adopted watercourse	Granted 05/04/2019
18_00953_C	Section 23, LDA 1991	Walsoken	Green Lane	Proposal to extend existing culvert by 6m	Granted 12/03/2019
19_01212_C	Byelaw 3 Treated Foul Water	South Wootton	Nursery Lane	Proposal to discharge treated foul water at max. daily rate of 0.9 m ³	Granted 01/04/2019
19_01284_C	Byelaw 3 Surface Water	Terrington St Clement	Low Lane	Proposal to discharge surface water from 146m ² at a rate of 1.2 litres per second	Granted 09/05/2019

Case. Ref.	Case File Sub-type	Parish	Location / Site Name	Description of Application or Proposal	Determination
19_01285_C	Byelaw 3 Treated Foul Water	Terrington St Clement	Low Lane	Proposal to discharge treated foul water at a max. daily rate of 3 m ³	Granted 29/04/2019
19_01286_C	Section 23, LDA 1991	Snettisham	Beach Road	Proposal to install a 15m culvert using 350mm internal diameter pipe	Granted 02/04/2019
19_01103_C	Byelaw 10	Wisbech	Meadowgate Lane	Proposal to install both removable and non-permanent fencing within 9 metres of Board adopted watercourse	Granted 13/03/2019
19_01303_C	Section 23, LDA 1991	Walsoken	Wilkins Road	Proposal to culvert 3 watercourses for approximately 250m to bring field into use	Granted 11/04/2019
19_01309_C	Byelaw 3 Treated Foul Water	Tilney All Saints	Church Road	Proposal to discharge treated foul water at max. daily rate of 0.75 m ³	Granted 12/03/2019

4. ENQUIRIES

4.1 Officers have responded to 7 enquires during the reporting period, outlined below;

Case. Ref.	Case File Sub-type	Parish	Description
18_00921_Q	About Regulation	King's Lynn	Enquiry regarding flow from proposed housing development
19_01181_Q	About works	West Walton	Enquiry regarding proposed drainage works for proposed development
19_01353_Q	About Planning	Kings Lynn	Local Plan Review
19_01368_Q	About Regulation	Clenchwarton	Enquiry regarding new electricity pole adjacent to bank
19_01382_Q	About Regulation	Emneth	Enquiry regarding historic consent application
19_01384_Q	About Infrastructure	West Winch	Request for information for flood risk assessment
19_01450_Q	About Regulation	Walpole Highway	Enquiry regarding change of land use
19_01276_Q	About Planning	Terrington St Clement	Enquiry regarding existing works

5. PLANNING COMMENTS

5.1. Officers have provided comments on 14 applications that are either in or could impact on the Boards Internal Drainage District. 5 of these applications are for major developments and are summarised below;

Planning App. Ref.	Parish	Location / Site Name	Stage of Planning	Description
13/01223/Disc_A	Clenchwarton	Fosters Sports Ground, Main Road	Discharge of Conditions	Residential Development of 40 dwellings
18/02176/RMM	Terrington St John	Land On The North West Side of Old Church Road	Reserved Matters	Residential Development of 46 dwellings
18/01533/OM	Clenchwarton	Land at Freebridge Farm	Hybrid	Commercial Development
14/01022/DISC_C	Hunstanton	Land South of Hunstanton	Discharge of Conditions	Residential Development of 166 dwellings
17/00757/DISC_A	King's Lynn	Premier Inn, Clenchwarton Road	Discharge of Conditions	22 bedroom extension to existing hotel annex block

6. FEES ASSOCIATED WITH CONSENTS GRANTED

6.1 There have been 2 fees invoiced during the reporting period. These fees are detailed below;

Type of charge	Case ref.	Site	Amount (no VAT)	Date invoiced	Paid? Y/N	"Trigger" and reason for payment
Surface Water Development Contribution	19_01209_C	Units G and L Only, Freebridge Park, Clenchwarton Road, Kings Lynn	£3,922.85	11/03/2019	No	Granting of consent for 3,350 m ² of impermeable area discharging into Board's Cut Bridge Drain at a rate of 1 litre per second
Surface Water Development Contribution	18_00875_C	Lynnsport 3, Greenpark Avenue, Kings Lynn	£94,616.80	05/04/2019	No	Granting of consent for 8,080 m ² of impermeable area discharging into Board's Bawsey Drain at an unrestricted rate
Total:			£ 98,539.65			

7. DRAFT PLANNING AND BYELAW STRATEGY

7.1 Introduction

- a. The member Internal Drainage Boards (“IDBs”) of the Water Management Alliance (“WMA”) have been guided in their application of statutory regulatory powers under the Land Drainage Act 1991 and each Board’s Byelaws by a [Planning and Byelaw Policy document](#) adopted in April 2012.
- b. Following the inception of the new Planning Team within the WMA, officers have continued to be guided by this document. In light of their experiences using the document, and also in response to wider Government legislative and policy changes, officers have also initiated a review of its approach. This review is the subject of this report.

7.2 Intention and Results of the Review

- a. The intention of the current review of the Planning and Byelaw Policy was to compile a single document that;
 - Communicated the vision and mission of the WMA member IDBs
 - Promotes the role of our regulatory powers and how they link to planning considerations.
 - Set out clearly the local instances where IDBs should be consulted on new development proposals and at what stage (Outline, Reserved Matters etc.)
 - Communicates the circumstances where the IDB would object to technical aspects of development proposals and at what planning stage
 - Sets out the IDB approach to determination of our regulatory matters (consents and enforcement)
 - Provides other Risk Management Authorities with an opportunity to comment on our approach via consultation
 - Highlights the link between planning, regulation, IDB evidence base and operational matters.
- b. The approach to regulation as set out under the previous April 2012 Planning and Byelaw Policy is summarised as follows;
 - Applications for discharge consent are determined under delegation unless they are contested or the significance of the discharge rate/volume would not be accommodated.
 - Applications for altering non-Board watercourses are determined under delegation.
 - Applications for altering Board watercourses (where they are not a replacement or the minimum length for access) are considered by the Board.
 - Applications for works within 9m are generally considered by the Board where permeant above ground works are proposed.
- c. In our review and assessment of the current Planning and Byelaw Policy it has become clear that over the last 6 years each WMA member Board has faced challenges in applying this approach to regulation. As such this historically led to a variance in the consideration and outcome of regulatory cases between Boards. The creation of a single Planning Team in 2018 has enabled the creation of common systems of work, the standardisation of forms, letters, consents and the conditions of consent. This has

gone a long way in ensuring the consistency of application of the current byelaws and policy.

7.3 The Draft Planning and Regulatory Strategy

- a. A new draft Planning and Regulatory Strategy has been drafted, a link to which is provided in the agenda. In addition to the previous WMA Planning and Byelaw Policy the new draft document has drawn on, and sought to consolidate, the following WMA / IDB Policy documents;
- WMA Group Vision, Mission and Values (as presented on the [website](#))
 - WMA [Drought Policy](#), Version 1
 - WMA Operations - [Sustainability Policy](#) – Version 1, 25/09/2015
 - Individual Board's [Fly Tipping Policy](#)
 - Individual Board's [Ragwort Control Policy](#)
 - Individual Board's [Supplementary Guidance for Adoption and Abandonment of Watercourses](#), 2009
 - Individual Board's [SuDS Adoption Policy](#)
- b. The rationale for incorporating these wider documents within the proposed document (for consultation) has been to recognise the cross over that these policies have to regulation and to reduce the number of documents that customers have to find or cross reference.
- c. The focus of the new draft Planning and Regulatory Strategy is to;
- Seek attenuated discharges to maintain the capacity of the Board's drainage network and pumping stations
 - Seek to maintain and regularise the current levels of access to the Boards adopted network
 - Seek to only allow culverting based on the minimum need for access to retain as much volumetric capacity within the network as possible
 - Meet all legal requirements for the recording of consents
 - Seek the timely reporting of contraventions to enable enforcement action to be pursued
- d. It should be noted that, in aiming to realise the outcomes set out above, the approach to regulation articulated in the new document does not vary greatly from the previous policy. However some elements do differ, and these are set out below;
- The financial stipulations relating to commuted maintenance fees have been included within Boards [Charging Policy](#).
 - The complexity of activities allowable under Byelaw 10 has been simplified significantly.
 - The delegation of decision making requires clarification through minor amendments to each Board's Schedule of Reserved Matters to ensure consistency in how the policies are to be applied
 - Explanations detailing the independence of the IDB regulatory process and the links to other regulatory regimes (such as planning and environmental matters) and the use of our evidence base have been included.
- e. The planning section now also clearly states when officers believe that the WMA member IDBs should be consulted on planning. These include;

- Applications for development located wholly or partly within the Internal Drainage District where;
 - The site is within 9 metres of a Board-maintained watercourse, or
 - The proposal includes works within Board-maintained or privately-maintained watercourses that require consent under the Boards Byelaws or the Land Drainage Act 1991, or
 - The proposal includes the alteration of site levels that may lead to displacement of flood water
 - The means of surface water disposal is indirect or direct positive discharge into a Board-maintained or privately-maintained watercourse and the increase in the site's impermeable area is significant, or
 - The site is in an area known to suffer from poor drainage
- Applications for development within the Board's catchment that has the potential to increase surface run-off - For these sites the Board's officers will assess the significance of the proposed volume of surface water runoff to be discharged and whether to respond to the consultation

7.4 Consultation with Local Planning Authorities

- a. Following approval from the Consortium Management Committee on 7 December 2018, a working copy of the Draft Planning and Byelaw Strategy was circulated for comment to the 20 Local Planning Authorities (including Lead Local Flood Authorities) who operate within the 5 Internal Drainage Districts. As these authorities are amongst the potential end users of the document and as such it was considered imperative to involve their officers in the development of the document.
- b. While the circulation email clearly acknowledged that the document is under continual development, it was requested that comments were submitted to the planning team before 5pm on the 22nd March 2019. Only 6 responses were received to this consultation. The Flood and Water Manager will provide a verbal update on the scope and nature of these responses.

7.5 Recommendation

- a. The views of Board members is sought on the draft document. The officer recommendation is that subject to the implementation of any suggested amendments by members that the Strategy is adopted by the Board to help guide Officers in the implementation of the Boards regulatory approach.

C.H. BRADY – FLOOD AND WATER OFFICER
E.C. ROBERTS – FLOOD AND WATER OFFICER
G.R. BROWN – FLOOD AND WATER MANAGER
J.F. NOBBS – FLOOD AND WATER OFFICER

Borough Council of
**King's Lynn &
West Norfolk**



Final Internal Audit Report

**WATER MANAGEMENT ALLIANCE -
REVIEW OF EFFECTIVENESS OF RISK
MANAGEMENT, CONTROL AND GOVERNANCE
PROCESSES**

30th April 2019



Internal Audit Service

This audit has been conducted in accordance with the Accounts & Audit Regulations 2015 and our Audit Charter, and complies with the Public Sector Internal Audit Standards. It should be noted that the assurances provided here can never be absolute, and therefore only reasonable assurance can be provided that there are no major weaknesses in control subject to Internal Audit review (at the time of testing).

The co-operation and assistance of all staff involved is greatly appreciated. This review was conducted by Mike Tweed to whom any query concerning the content of this report should be made to Michael.Tweed@West-Norfolk.gov.uk

The Executive Summary sets out the results of the work carried out and our overall conclusion on the system reviewed, and summarises the key recommendations arising.

Consultation

Draft report issued	18th April 2019
Management agreement received	29th April 2019
Final report issued	30th April 2019

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Executive Summary

Our Assurance Opinion: SUBSTANTIAL								
No. of Assurances Over Control Areas Reviewed					No. of Recommendations & Priorities			
Full	Substantial	Limited	No	Total	High	Medium	Low	Total
5	3	1	0	9	1	1	12	14

Overall Objective and System Background
<p>The overall objective of the audit was to ensure the robustness and effectiveness of the risk management, internal control and governance processes operating within the Water Management Alliance (WMA).</p> <p>The WMA provides administrative and management support services to the five constituent Internal Drainage Boards, namely Broads, King’s Lynn, East Suffolk, Norfolk Rivers and South Holland, and to the Pevensey & Cuckmere Water Level Management Board.</p>

Summary of Key Control Issues
<p>Based upon the work carried out, Substantial Assurance can be given regarding the robustness and effectiveness of the risk management, internal control and governance processes operating within the WMA. However, some control issues were identified which require attention by management:</p> <p>GDPR:</p> <ul style="list-style-type: none"> Benchmarking the WMA Data Protection Policy against a sample of Borough Councils’ policies identified some areas, such as risks of non-compliance, staff responsibilities and data breaches, which are not mentioned in WMA’s policy. Not all staff have received the online training in GDPR. No separate policy/procedural document has been compiled on data breaches. <p>Fixed Assets:</p> <ul style="list-style-type: none"> Fixed Asset Registers do not include the location of assets or officer responsible. A formal annual physical verification of fixed assets does not take place. The inventory of IT equipment provided to staff for their use when working at home is not up to date. <p>Governance Arrangements:</p> <ul style="list-style-type: none"> Board Members are not required to submit an annual declaration of interests form. Only two thirds of current Board Members have submitted a fully and correctly completed declaration of interests form; 14 Members have not submitted a return and a further 35 have not completed the form fully/correctly. Appointed Members’ declaration of interests forms are filed incorrectly on the Broads’ website. There is inconsistency in the number of Members on each Board; for example, King’s Lynn and South Holland each have 21, whereas Broads has 38 and Norfolk Rivers 29. There is low attendance at Board meetings; typically only two thirds of Members attend each meeting; at Norfolk Rivers, only half attend Board meetings.

Summary of Key Recommendations

The key recommendations arising from the audit are:

GDPR:

- Data Protection Policy should be enhanced to include risk of non-compliance, staff responsibilities, process for dealing with data breaches, breach of the policy by staff or Members, and duties of DPO.
- All relevant staff should receive appropriate training in GDPR and data protection.
- Policy/procedure detailing the investigation and reporting of data breaches should be compiled.

Fixed Assets:

- Each Board's asset register should include location of the asset and officer responsible.
- Annual physical verification of all assets recorded on each Board's asset register should be undertaken.
- Inventory of IT equipment provided to staff for use at home should be updated.

Governance Arrangements:

- Members should be asked to confirm that their current declaration of interests is correct and up to date.
- Members should complete a declaration of interests form for each new term of office.
- Completed declaration of interests forms should be filed under the correct Member on each Board's website.
- Membership of Broads, Norfolk Rivers and East Suffolk should be reduced to no more than 21 Members each, in-line with King's Lynn and South Holland.

Summary of Agreed Recommendations

The CEO of WMA has agreed to undertake the following actions:

- Data Protection Policy will be enhanced to include the points recommended.
- Those staff who have yet to receive external training will receive an appropriate "lower level" of training in data protection and GDPR.
- A policy/procedure detailing the investigation and reporting of data breaches will be compiled.
- Each Board's asset register will include location of the asset and officer responsible.
- An annual physical verification of all assets held at each depot will be undertaken.
- The Inventory of IT equipment will be updated.
- An email will be sent out to all Members asking them to confirm that their current declaration of interests is correct and up to date.
- The website has been updated with all those Declaration of Interests forms received from Members during the last financial year; completed forms are now filed correctly under the appropriate Member on the website.
- The CEO will seek to reduce the Membership of Broads, Norfolk Rivers and East Suffolk to no more than 21 Members each, in-line with King's Lynn and South Holland.

2. Objective & Scope

- 2.1 The overall objective of the audit was to ensure the robustness and effectiveness of the risk management, internal control and governance processes operating within the Water Management Alliance (WMA).
- 2.2 The audit involved the following:
- Reviewing the income collection, payroll and year-end procedures in place.
 - Reviewing each Board's Fixed Asset Register to ensure they are complete, accurate and properly maintained, and that periodic verification of assets takes place.
 - Assessing the risk management arrangements in place and the robustness of each Board's Risk Register and their risk policies and procedures.
 - Assessing the robustness of the policies and procedures in place relating to the General Data Protection Regulations (GDPR) and Data Protection Act (DPA) 2018 and ascertaining training provided to staff and Members.
 - Assessing the robustness of the governance arrangements in place, in particular reviewing the Members' declaration of interests process, the process for declaring gifts and hospitality, key governance policies, and assessing the appropriateness of the number of Members to achieve the effective and cost efficient operation of each Board.
 - Reviewing the process for the write-off of debts.
 - Reviewing the process in place for succession planning.
- 2.3 Recommendations arising from the previous audit were followed-up to ensure their implementation by management.
- 2.4 The audit review was undertaken in liaison with the Personal Assistant (CEO), the Finance & Rating Manager and the Rating Officer / Site Warden, and consisted of discussions relating to the risk management, control and governance processes and review of relevant documentation.
- 2.5 Due regard was taken of the guidance issued on 30th March 2018 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 2018)" and "Good Governance for IDB Members" published by the Association of Drainage Authorities (ADA) in November 2018.
- 2.6 Following completion of the audit, Internal Audit completed section 4 of the Electronic Annual Governance and Accountability Return for 2018/19.
- 2.7 The review was undertaken during March and April 2019.

3. Background Information

- 3.1 The WMA provides administrative and management support services to the five constituent Internal Drainage Boards, namely Broads, King's Lynn, East Suffolk, Norfolk Rivers and South Holland, and to the Pevensey & Cuckmere Water Level Management Board.

4. Our Opinion

4.1 On the basis of the work undertaken, management can be provided with an overall opinion of “Substantial Assurance” regarding the robustness and effectiveness of the risk management, internal control and governance processes operating within the WMA.

OVERALL INTERNAL AUDIT OPINION: SUBSTANTIAL ASSURANCE	
Control Objectives	Assurance Opinion
1. Rates Collection – To ensure that processes are in place and functioning correctly to collect, record and bank income in full and on time.	Full
2. Payroll – To ensure that salaries and wages have been paid correctly and in a timely manner, with tax and NIC deducted correctly.	Full
3. Year End Procedures – To ensure that the final accounts have been produced using appropriate accounting policies and any adjustments fully explained.	Full
4. Risk Management – To ensure that robust risk management arrangements are in place, that Boards review their significant risks and mitigating controls on a regular basis, and that a Risk Management Policy is in place.	Substantial
5. GDPR/DPA – To ensure that a robust framework is in place demonstrating compliance with GDPR 2016 and DPA 2018.	Substantial
6. Fixed Assets – To ensure that asset registers are complete, accurate and properly maintained, that stock is held securely, and that robust security of assets is in place.	Limited
7. Governance Arrangements – To ensure that robust governance arrangements are in place.	Substantial
8. Write-Offs – To ensure that robust processes are in place for the write-off of debts and that write-offs are appropriately authorised.	Full
9. Succession Planning – To ensure that adequate arrangements are in place for succession planning.	Full

4.2 The detailed findings and recommendations arising from the review are attached as Appendix A, incorporating the agreed management actions.

4.3 The two recommendations arising from the previous report have been actioned:

- A PDF copy of each bank reconciliation is saved into the relevant file at the end of the month;
- WMA are upgrading to Sage 200c on 26th April 2019.

4.4 Appendix B provides definitions of the Internal Audit assurance opinions given in the report and of the recommendation priorities.

4.5 The Terms of Reference for the audit review are attached as Appendix C.

5. Reporting

- 5.1 A copy of the final report will be sent to the Chief Executive of the Water Management Alliance.

6. Acknowledgements

- 6.1 Internal Audit would like to express our thanks to the following for their assistance during the course of the audit:

- Sallyanne Jeffrey, Finance & Rating Manager
- Trish Walker, Rating & Finance Officer
- Graham Tinkler, Rating Officer / Site Warden
- Mary Creasy, Personal Assistant (CEO)

Findings, Recommendations and Action Plan

Control Objective 4: Risk Management – To ensure that robust risk management arrangements are in place, that Boards review their significant risks and mitigating controls on a regular basis, and that a Risk Management Policy is in place.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
1.	<p><u>Finding</u> The Risk Management Policy does not state the frequency of review, who it is to be reviewed by and when it is next due for review. The policy was last reviewed in January 2017 and is generally reviewed by the Board every three years, or earlier if there are any changes advised by the JPAG Practitioners' Guide.</p>	<p>The Risk Management Policy should state how often it should be subject to review, who it is reviewed by (i.e. the Board) and when it is next due for review.</p>	Low	<p>Agreed. RMP has been updated and the new front pages of the policy uploaded to the WMA website for all six Boards.</p>	<p>Phil Camamile, CEO WMA. Completed.</p>
2.	<p><u>Finding</u> Each Board's Risk Register only gives the current risk score; they do not give the target risk score i.e. the risk score which the organisation is working towards. By showing both target and current risk scores, it can be seen if any progress has been made in mitigating each risk.</p> <p>It is not clear who the responsible officer is for addressing each risk. The Good Governance Guide for IDB Members (Nov 2018) states, at 10.2.2, that the IDB's Risk Register should assign ownership for each risk.</p> <p>The ADA Risk Management Strategy & Policy template includes a suggested format for a Risk Register, which differs to the format currently used by each Board. The ADA Risk Register includes the following column headings:</p> <ul style="list-style-type: none"> • Strategic objectives • Risks • Key controls – what controls/systems are in place to mitigate these risks? 	<p>Management should consider enhancing the format of each Board's Risk Register so that it includes the following details:</p> <ul style="list-style-type: none"> • Strategic objectives; • Risks – key risks to achieving strategic objectives; • Key controls – those controls/systems currently in place to mitigate each risk; • Assurances on controls – evidence demonstrating that the systems and controls in place are effective in mitigating the risk; • Current risk score; • Gaps in control – where controls are lacking or are ineffective; • Gaps in assurance – where is further evidence of effective control required? 	Low	<p>The CEO stated to Internal Audit that the Risk Registers used to be laid out in the format as recommended, but that in 2017 it was decided to change them to follow the "simpler" format set out in Section 5, Appendix 1 of the JPAG Practitioner's Guide 2017. The Risk Registers do still show the strategic objectives agreed by the five Boards every year and all risks are linked to these objectives.</p> <p>Following guidance received from External Audit, it has been decided to keep the current format of the Risk Registers (following the JPAG best practice guidance). However, the CEO is to</p>	<p>No required action.</p>

Findings, Recommendations and Action Plan

Control Objective 4: Risk Management – To ensure that robust risk management arrangements are in place, that Boards review their significant risks and mitigating controls on a regular basis, and that a Risk Management Policy is in place.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
	<ul style="list-style-type: none"> • Assurances on controls – what evidence shows controls / systems are effective? • Risk score • Gaps in controls – where are there no controls or ineffective controls? • Gaps in assurance – where is further evidence of effective control required? • Action plan – what should we do to rectify the situation? • Responsible officer / implementation date. 	<ul style="list-style-type: none"> • Action Plan – actions/controls required to meet target risk score; • Target risk score • Officer responsible for implementing required actions; • Due date for reaching target risk score; • Update on required actions/controls; • Current status. 		raise the possibility of amending the current risk register format with JPAG.	

Findings, Recommendations and Action Plan

Control Objective 5: To ensure that a robust framework is in place demonstrating compliance with GDPR and DPA 2018.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
3.	<p><u>Finding</u> From benchmarking the WMA's Data Protection Policy against a sample of Borough Councils' own such policies, there are a number of areas which are not included in the WMA policy:</p> <ul style="list-style-type: none"> • Risks to compliance with DPA/GDPR, such as accidental or deliberate breach of data protection, potential sanctions imposed against WMA by the ICO as a result of loss or misuse of data, and potential legal action from data subjects following a breach. • Staff responsibilities regarding data protection/GDPR. • Duties of the Data Protection Officer. • Data Breaches – brief mention in the policy but the procedure for dealing with data breaches is not included. • Breach of policy by a Member or staff – the WMA policy does not state that failure to comply with the policy could amount to misconduct, which could be a disciplinary matter, leading to the dismissal of staff, and serious breaches could result in personal criminal liability. Breach of the policy by a Member would be a potential breach of the Members' Code of Conduct. A data protection breach could lead to individual officers or Members being prosecuted under GDPR, not just WMA. 	<p>The WMA Data Protection Policy should be enhanced by including the following:</p> <ul style="list-style-type: none"> • Risks of non-compliance; • Staff responsibilities relating to Data Protection and GDPR; • Process for dealing with data breaches; • Breach of policy by staff or Member; • Duties of DPO. 	Low	Agreed. The Data Protection Policy document will be revised to include the points as recommended at the next scheduled policy review.	Phil Camamile, CEO WMA. 31 st December 2019

Findings, Recommendations and Action Plan

Control Objective 5: To ensure that a robust framework is in place demonstrating compliance with GDPR and DPA 2018.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
4.	<p><u>Finding</u> According to a spreadsheet provided to Internal Audit, of the 32 members of staff at WMA who are required to undertake GDPR training, only 11 to date have completed the online training. However, the CEO and Data Manager have given guidance/training on GDPR compliance to all of the other staff shown in the spreadsheet at a number of Internal Best Practice meetings, which are held quarterly. Therefore, most staff and all Line Managers are therefore aware of the requirements of GDPR and the Information Security & Systems – Acceptable Use Policy, as it affects them.</p>	All relevant members of staff should receive appropriate training in GDPR and Data Protection.	Low	All of the key staff have had GDPR training. Those staff that have yet to receive any external training as shown in the spreadsheet will receive an appropriate “lower level” of training in due course, but it is not a priority for them because of the nature of their roles. Not everyone in the spreadsheet has access to personal data.	Phil Camamile, CEO WMA. 31 st December 2019
5.	<p><u>Finding</u> WMA does not have a written policy/procedural document describing the process to be followed in the investigation and reporting of data breaches. At present, WMA refers to the ICO website guidance with regards to reporting a data breach.</p>	Management should consider compiling a written policy/procedure detailing the process to be followed in the investigation and reporting of data breaches.	Low	Agreed, although this is covered briefly in the Information Security & Systems - Acceptable Use Policy (particularly 4.4).	Phil Camamile, CEO WMA. 30 th September 2019

Findings, Recommendations and Action Plan

Control Objective 6: To ensure that asset registers are complete, accurate and properly maintained, that stock is held securely, and that robust security of assets is in place.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
6.	<p><u>Finding</u> The JPAG Practitioners' Guide (March 2018) at point 5.57 lists the key information which is needed in an asset register. This recommends that an asset register should include the location of the asset and the responsible officer (the guidance states that it may be appropriate to assign responsibility for each asset to members of staff). It is noted that the Boards' asset registers do not include location or responsibility. However, assets listed in the Fixed Asset Register are either located at each Board's depot or working in/alongside the infrastructure within the drainage district.</p>	In accordance with the JPAG guidance, each Board's asset register should include location of the asset and the officer responsible for each asset.	Low	Agreed, although each Board's Financial Regulations clearly state who is responsible for its tangible fixed assets (Section R: Security).	Phil Camamile, CEO WMA. 30 th September 2019
7.	<p><u>Finding</u> There is a lack of evidence of an annual physical verification of assets, listed on each Board's asset register, taking place. Point J.4 of the Financial Regulations states that at least once a year, the Finance Officer will confirm the accuracy of the fixed asset register by carrying out a physical inspection of the Board's assets. Some managers do check their assets periodically; however, this is not evidenced. Monthly financial reports, which include the Board's asset register, are sent to each manager; therefore, managers should be aware of the assets they are responsible for.</p>	In accordance with the Financial Regulations, an annual physical verification of all assets recorded on each Board's Fixed Asset Register should be undertaken so as to confirm the accuracy of the register.	Medium	Agreed. A process of undertaking annual checks of assets held at each depot will be introduced. This will include the verifying of asset IDs and taking photographs of assets, evidencing the checking process.	Phil Camamile, CEO WMA. 30 th September 2019

Findings, Recommendations and Action Plan

Control Objective 6: To ensure that asset registers are complete, accurate and properly maintained, that stock is held securely, and that robust security of assets is in place.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
8.	<p><u>Finding</u> WMA maintain an inventory of IT equipment held by staff; however, there is a lack of assurance that the inventory is up to date. The Data Manager is currently undertaking an audit of IT equipment such as laptops, phones and printers provided to staff for use in their work, which they may have at home. An email was sent to relevant staff asking them to confirm details of any such items held by them; to date, only a few have replied back. It should be noted that this only applies to the three WMA Eastern Boards where most staff work from home; it does not apply to the other three Boards.</p>	<p>The inventory of IT equipment held by staff for their use at home should be updated. This should be referenced when staff leave the organisation to ensure that all such equipment is returned.</p>	Low	Agreed.	<p>Phil Camamile, CEO WMA. 30th September 2019.</p>

Findings, Recommendations and Action Plan

Control Objective 7: To ensure that robust governance arrangements are in place

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
9.	<p><u>Finding</u> Board Members are not required to make an annual declaration of interests; a new form is required for each new term of office i.e. every three years. However, it has been made clear to Members that the requirement for ensuring their details are correct rests with them; this is included in the Members' Code of Conduct (section 13) and on the first page of the Declarations of Interest Form (item 1).</p>	In the absence of Members submitting an annual declaration of interests form, an email should be sent to each Member each year asking them to confirm their current declaration as being correct and up to date. Members should be given 28 days to respond; if no response is forthcoming, the assumption can be made that there is no change. However, it should be made clear to Members that the requirement for ensuring that their details are correct rests with them.	Low	Agreed; an email will be sent to all Board Members every year.	Phil Camamile, CEO WMA. 31 st December 2019
10.	<p><u>Finding</u> A review was undertaken of the declaration of interest's forms filed by Members on each Board's website. This identified that of the 142 current members across the 6 Boards, only 93 members (65%) had submitted a fully and correctly completed declaration of interests form; 14 members had not filed a return and 35 had not completed the form correctly/fully. At the top of the form it clearly states that where a question does not apply then the member should put "NONE" and that they should not leave any boxes blank. One member had only signed and dated the form, leaving all of the questions blank; another had answered just one question, leaving the rest blank. Several members had left some questions blank, while others had crossed through a question rather than writing "NONE". All forms had been signed.</p>	All Members should complete a declaration of interests form for each new term of office i.e. every three years.	Low	Agreed. Members are always asked to submit a declaration of interest form and most do. Due to a lack of resources, the website is not always kept up to date. The CEO has been through all of the Dols received during the last financial year and has updated the website.	Phil Camamile, CEO WMA. Completed

Findings, Recommendations and Action Plan

Control Objective 7: To ensure that robust governance arrangements are in place

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
	<p>Members are required to complete a declaration of interest form every 3 years i.e. at each new term of office. However, several forms were identified dating longer than that, typically from 2015, although one appeared to date from 2011, and another from 2013.</p> <p>It should be noted that Members are also required by law to declare an interest in any of the business being transacted at each Board meeting (this is a standard agenda item); such declarations are regularly made and always minuted.</p>				
11.	<p><u>Finding</u> A total of eight declarations of interest (DoI) forms had been filed under the wrong member on the Broads website relating to Appointed Members; the forms had been filed out of sequence, with each member's form filed under the name of the member listed below them. In addition, for one appointed member who had not filed a return, their entry contained a copy of a form relating to someone else who is not shown on the current list of members.</p>	<p>Completed declaration of interests forms should be filed under the correct Member on each Board's website.</p> <p>Management should consider removing the DoI forms from the website so as to prevent similar errors happening in the future. The CEO informed Internal Audit that no other IDB publishes its Members' Dols on their website.</p>	Low	<p>Agreed. The CEO has been through the Dols of elected and appointed members for all Boards to ensure that they are current and correct, and has uploaded them onto the website. These were checked by Internal Audit (on 29/04/19) and no errors were found.</p>	<p>Phil Camamile, CEO WMA. Completed.</p>
12.	<p><u>Finding</u> The Employees' Code of Conduct states that any gift or hospitality valued at more than £25 must be declared in the Register of Gifts & Hospitality. The Members' Code of Conduct does not mention such a limit. The Register of Members' Interests Form states the limit at £30.</p>	<p>The same de minimus limit, above which a gift or hospitality must be declared, should be stated in the Employees' and Members' Codes of Conduct and in the Register of Members' Interests Form.</p>	Low	<p>Agreed. The correct de-minimus figure is £30; this figure was changed by all of the Boards a few years ago and the revised Members Code of Conduct does not appear to have been uploaded to the WMA website.</p>	<p>Phil Camamile, CEO WMA. Completed.</p>

Findings, Recommendations and Action Plan

Control Objective 7: To ensure that robust governance arrangements are in place

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
				The CEO has updated the Members Code of Conduct for each Board to reflect the current figure of £30 and uploaded the new documents to the website.	
13.	<p><u>Finding</u> Some key governance policies do not state when they were last reviewed, frequency of review or when they are next due for review. However, it should be noted that most policies do have the Date Last Reviewed and Next Review Date on the first page of the policy.</p> <p>Key governance documents should be reviewed every three to five years; however, the Whistleblowing Policy has not been reviewed since January 2008.</p>	Key governance documents should state when they were last reviewed, by whom (i.e. the Board) and when they are next due to be reviewed. Any document which has not been reviewed within the last five years should be reviewed.	Low	<p>Agreed. All governance policies will be updated so that they state on their front page Date Last Reviewed and Next Review Date.</p> <p>Most governance policies are reviewed every three years at the start of a new three year term, after the IDB has had an election. It would appear that the Whistleblowing Policy slipped through the review process; however, all other governance policies are up to date.</p> <p>A register of policies will be compiled listing all Board policies, the date they were last reviewed and date when they are next due for review.</p>	Phil Camamile, CEO WMA. 30 th September 2019.

Findings, Recommendations and Action Plan

Control Objective 7: To ensure that robust governance arrangements are in place

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
14.	<p><u>Finding</u> There are wide differences in the number of Members each Board has. For example, King's Lynn and South Holland both have 21 Members, whereas Broads has 38 and Norfolk Rivers 29. Attendance at Board meetings is low; typically, only two thirds of Members attend each meeting; at Norfolk Rivers, only half of Members attend Board meetings. ADA's Good Governance Guide (November 2018) states that Defra suggest that IDBs should have 21 Members; it states that "larger IDBs may wish to consider reconstituting to a smaller size, to see fewer vacant seats, more contested elections, and better attendance at meetings".</p>	<p>The membership of Broads, Norfolk Rivers and East Suffolk should be reduced to no more than 21 Members each, as they are geographically much smaller than both King's Lynn and South Holland.</p>	High	<p>Agreed. The CEO will seek to reduce the membership of Broads, Norfolk Rivers and East Suffolk to no more than 21 Members each.</p>	<p>Phil Camamile, CEO WMA. 30th December 2019.</p>

Assurance Opinion and Recommendation Priority Definitions

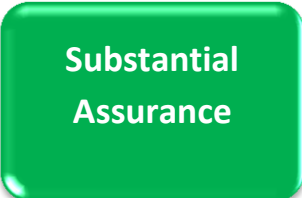
Assurance Opinion

Definition



Full Assurance

In our opinion, there is a **sound** system of internal control that is likely to achieve the system objectives, and which is operating effectively in practice.



Substantial Assurance

In our opinion, there is a sound system of internal control operating, but there are a **few weaknesses** which could put the achievement of system objectives at risk.



Limited Assurance

In our opinion, there is a system of internal control with a number of weaknesses likely to **undermine** achievement of system objectives, and which is vulnerable to abuse or error.



No Assurance

In our opinion, there is a **fundamentally flawed** system of internal control that is unlikely to achieve system objectives and is vulnerable to serious abuse or error.

Recommendation Priority

Definition



Low

These issues would contribute towards improving the system under review, and are of limited risk. It is expected that corrective action to resolve these will be taken as resources permit.



Medium

A control process that contributes towards providing an adequate system of internal control. It is expected that corrective action to resolve these will be implemented within three to six months.



High

A fundamental control process, or statutory obligation, creating the risk that significant fraud, error or malpractice could go undetected. It is expected that corrective action to resolve these will be commenced immediately.

Internal Audit Service

Borough Council of
**King's Lynn &
West Norfolk**



WATER MANAGEMENT ALLIANCE

**REVIEW OF EFFECTIVENESS OF RISK
MANAGEMENT, CONTROL & GOVERNANCE
PROCESSES**

**INTERNAL AUDIT
TERMS OF REFERENCE
2018-19**

1. INTRODUCTION

- 1.1 This document sets out the strategy and plan for the audit of the Water Management Alliance for the financial year 2018-19.
- 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) Internal Drainage Board
 - East Suffolk Internal Drainage Board
 - King's Lynn Internal Drainage Board
 - Norfolk Rivers Internal Drainage Board
 - South Holland Internal Drainage Board
 - Pavensey & Cuckmere Water Level Management Board.

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

2. OBJECTIVES AND SCOPE OF THE AUDIT

- 2.1 The work of the Internal Auditor will be guided by 'Governance and Accountability in Internal Drainage Boards in England – A Practitioners Guide (Rev March 2018)'.
- 2.2 In order to be able to complete section 4 of the Electronic Annual Governance and Accountability Return for 2018-19, the auditor will consider the following internal control objectives (as stated on the return):
- A Accounting Records
To ensure that appropriate accounting records have been properly kept throughout the financial year.
- B Financial Regulations and Standing Orders
To ensure that the authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

- C Risk Management
To ensure that the authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.
- E. Income
To ensure that expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.
- G Payroll
To ensure that salaries to employees and allowances to Members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.
- H Asset Management
To ensure that asset registers are complete, accurate and properly maintained, and that robust security of assets is in place.
- J Year End Procedures
To ensure that accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cash book, supported by an adequate audit trail and, where appropriate, debtors and creditors were properly recorded.

2.3 In addition to the above, the audit will cover the following:

- GDPR – robustness of the policy and procedural documents, and adequacy of training provided to staff and members.
- Board Members' declarations of interest – review of the process for members declaring interests.
- Write-offs – review of the process for the write-off of debts.
- Succession Planning – review of the succession planning process.

2.4 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.

2.5 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

3.1 The project tasks are to:

- Establish if the procedures recorded as part of the audit for 2017-18 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.

- 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 Governance and Accountability Return for 2018-19.

4. WORK PLAN

4.1 The audit will be undertaken by Mike Tweed, Internal Auditor, Borough Council of King's Lynn and West Norfolk.

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

Task	Time
Confirm existing procedures and record any changes. Undertake a follow-up of actions agreed from the audit report for the year 2017-18.	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. AGREEMENT

	Signature	Date
Phil Camamile Chief Executive, Water Management Alliance
Kathy Woodward Shared Internal Audit Manager Borough Council of King's Lynn and West Norfolk

From: 01 April 2018
 To: 31 March 2019

 Period: 12
 Year Ending: 31 March 2019

Notes	Income and Expenditure Account	Y-T-D Budget £	Y-T-D Actual £	Y-T-D Variance £	Annual Budget £	Projected Out-Turn £	Projected Variance £
<u>Income:</u>							
	Occupiers Drainage Rates	316,022	316,022	0	316,022	316,022	0
1	Special Levies issued by the Board	1,918,285	1,918,285	0	1,918,285	1,918,285	0
	Grants Applied	1,134,000	2,634,627	1,500,627	1,134,000	2,634,627	1,500,627
	Rental Income	3,200	365	-2,835	3,200	365	-2,835
2	Highland Water Contributions	40,646	49,052	8,406	40,646	49,052	8,406
	Income from Rechargeable Works	0	74,092	74,092	0	74,092	74,092
	Investment Interest	50,000	35,834	-14,166	50,000	35,834	-14,166
	Development Contributions	0	128,589	128,589	0	128,589	128,589
4	Other Income	158,503	172,511	14,008	158,503	172,511	14,008
	Total Income	£3,620,656	£5,329,377	£1,708,721	£3,620,656	£5,329,377	£1,708,721
<u>Less Expenditure:</u>							
5	Capital Works	8,176,091	5,296,869	2,879,222	8,176,091	5,296,869	2,879,222
6	Environment Agency Precept	165,284	163,371	1,913	165,284	163,371	1,913
7	Maintenance Works	1,202,760	1,046,775	155,985	1,202,760	1,046,775	155,985
	Development Expenditure	0	21,688	-21,688	0	21,688	-21,688
	Interest Payments	0	258,275	-258,275	0	258,275	-258,275
8	Administration Charges	297,023	344,286	-47,263	297,023	344,286	-47,263
	Cost of Rechargeable Works	0	67,646	-67,646	0	67,646	-67,646
3	Net Deficit/(Surplus) on Operating Accounts	0	125,722	-125,722	0	125,722	-125,722
	Total Expenditure	£9,841,158	£7,324,633	£2,516,526	£9,841,158	£7,324,633	£2,516,526
	Profit/(Loss) on disposal of Fixed Assets	£0	£28,917	£28,917	£0	£28,917	£28,917
9	Net Surplus/(Deficit)	-£6,220,502	-£1,966,339	£4,254,163	-£6,220,502	-£1,966,339	£4,254,163

From: 01 April 2018
 To: 31 March 2019

 Period: 12
 Year Ending: 31 March 2019

Notes	Balance Sheet as at 31-3-2019	Opening Balance £	Movement This Year £	Closing Balance £
10	Fixed Assets:			
	Land and Buildings	913,818	-241,720	672,098
	Plant and Equipment	918,599	59,825	978,424
	Pumping Stations	177,696	-88,848	88,848
	Shared Consortium Assets	0	0	0
		2,010,113	-270,744	1,739,370
	Current Assets:			
11	Bank Account	9,463,622	-9,391,522	72,100
	Stock	7,229	483	7,712
12	Trade Debtors	116,066	-10,263	105,803
13	Work in Progress	0	0	0
14	Term Deposits	5,400,000	6,600,000	12,000,000
15,16	Drainage Rates and Special Levies Due	28,148	-20,513	7,635
17	Prepayments	0	0	0
	Prepayments to WMA	16,822	-6,554	10,268
	Accrued Interest	0	0	0
	VAT Due	46,372	245,692	292,064
18	Grants Due	0	1,434,000	1,434,000
		15,078,259	-1,148,677	13,929,582
	Less Current Liabilities:			
	Trade Creditors	60,370	-52,177	8,193
	Accruals	65,000	-64,750	250
	Payroll Controls	0	0	0
	Finance Leases	0	0	0
	Receipts Paid in Advance	211	66	277
	Loans due in less than one year	158,974	-65,579	93,395
		284,555	-182,440	102,115
	Net Current Assets	14,793,704	-966,237	13,827,467
	Less Long Term Liabilities:			
25	Pension Liability	3,360,000	254,000	3,614,000
	Loans due in more than one year	9,841,026	-25,166	9,815,860
		13,201,026	228,834	13,429,860
	Net Assets	£3,602,792	-£1,465,815	£2,136,977
19	Reserves:			
	Earmarked			
20	General Reserve	2,438,695	-2,073,239	365,456
21	Development Reserve	1,080,443	106,900	1,187,343
22	Capital Works Reserve	0	0	0
23	Plant Reserve	2,821,148	0	2,821,148
18	Grants Reserve	117,958	843,372	961,330
		6,458,244	-1,122,967	5,335,277
	Non-Distributable			
24	Revaluation Reserve	504,548	-88,848	415,700
25	Pension Reserve	-3,360,000	-254,000	-3,614,000
		-2,855,452	-342,848	-3,198,300
	Total Reserves	£3,602,792	-£1,465,815	£2,136,977

 P J CAMAMILE MA FCIS
 CHIEF EXECUTIVE

 S JEFFREY BSc (Hons) FCCA
 FINANCE & RATING MANAGER

From: 01 April 2018
 To: 31 March 2019

Period: 12
 Year Ending: 31 March 2019

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>
Borough of King's Lynn & West Norfolk	1,811,028	1,811,028
Fenland District Council	83,979	83,979
South Holland District Council	23,278	23,278
	<u>1,918,285</u>	<u>1,918,285</u>

- 2 The Highland Water Claim for 2018/19 is due to be paid by the Environment Agency (EA) to the Board in September, following the changes made to the timetable in 2015 (previously the payment was made in two installments - one in May and one in December).

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

	<u>Y-T-D Budget</u>	<u>Y-T-D Actual</u>
Labour Operations Account	0	61,717
Mobile Plant Operations Account	0	64,006
	<u>0</u>	<u>125,722</u>

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. These Reports are scrutinised by the Board's Plant and Works Committee every year.

- 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	155,503	169,010
Summons Costs	1,000	2,625
East Wash Coastal Management CIC Administration Fee	500	500
Sundry Income	1,500	376
	<u>158,503</u>	<u>172,511</u>

- 5 The cost of each capital scheme is approved by the Board annually and detailed on the schedule of capital works, as managed by the Planning/Enforcement Officer, which can be made available to members on request. This Report is also scrutinised by the Board's Plant and Works Committee every year.

- 6 The EA Precept due for 2018/19 is less than we originally estimated. It has been paid in full.

- 7 The detailed maintenance operations in each sub catchment are 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. The summarised analysis of expenditure is as follows:

	<u>Y-T-D Budget</u>	<u>Y-T-D Actual</u>
Labour Charges	437,867	404,313
Plant Charges	232,418	214,607
Materials	1,823	1,684
Contractors	84,428	77,958
Electricity	126,050	116,391
Pumping Station Insurances	30,020	27,719
Telemetry	20,156	18,612
Heating Fuel	1,548	1,430
Pumping Station Depreciation	0	0
Direct Works	934,310	862,713
Technical Support Staff Costs	205,616	173,793
Other Technical Support Costs	30,000	2,419
Biodiversity Action Plan Costs	7,834	7,850
Contingency	25,000	0
Annual Asset Reinstatement Provision	0	0
Maintenance Works	1,202,760	1,046,775

- 8 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:

	<u>Y-T-D Budget</u>	<u>Y-T-D Actual</u>
Administration Staff Costs	98,160	99,197
Other Administration Costs	179,891	202,308
Sundry Expenses	0	0
Pension Pay Strain 2017/18	0	29,000
Drainage Rates AV Increases/(Decreases)	9,000	4,497
Kettlewell House Depreciation	7,972	7,972
Sundry Debtors written off	1,000	0
Settlement Discount	1,000	1,313
	<u>297,023</u>	<u>344,286</u>

- 9 The Board has planned to increase/(reduce) balances by financing expenditure from the following reserves:

	<u>Budget</u>
PWLB	-5,842,091
General Reserve	-378,411

From: 01 April 2018
 To: 31 March 2019

Period: 12
 Year Ending: 31 March 2019

Note Notes to the Accounts

-6,220,502

- 10 The movement in Fixed Assets is detailed in the Fixed Assets Register for 2018/19, which can be made available to members on request.

	Land and Buildings	Plant and Equipment	Pumping Stations	Total
Cost				
Opening Balance b/fwd	1,417,491	1,657,827	888,480	3,963,798
(+) Additions	0	238,954	0	238,954
(-) Disposals	-233,748	-86,195	0	-319,943
Closing Balance c/fwd	1,183,743	1,810,586	888,480	3,882,809
Depreciation				
Opening Balance b/fwd	503,674	739,228	710,784	1,953,685
(+) Depreciation Charge for year	7,972	178,630	88,848	275,450
(-) Accumulated depreciation written out on disposal	0	-85,695	0	-85,695
Closing Balance c/fwd	511,645	832,162	799,632	2,143,440
Net Book Value as at 31-3-2018	913,817	918,599	177,696	2,010,113
Net Book Value as at 31-3-2019	672,098	978,424	88,848	1,739,369

The Board also share ownership of a proportion of the WMAs Shared Fixed Assets, which were last valued by Cruso & Wilkin, Chartered Surveyors, as at 31 March 2018. Such assets have a Net Book Value of zero.

- 11 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:

	2017/18	2018/19
Opening Balance as at 1-4-2018 b/fwd	113,338	9,463,622
(+) Receipts	15,279,413	9,305,333
(-) Payments	-5,929,129	-18,696,855
(=) Closing Balance as at 31-3-2019 c/fwd	9,463,622	72,100
Balance on Statement as at 31-3	9,480,196	128,471
Less: Unpresented Payments	-17,511	-56,371
Add: Unpresented Receipts	937	0
Closing Balance as at 31-3-2019 c/fwd	9,463,622	72,100

- 12 Aged Debtor profile is currently as follows:

Debt period	Amount	Number of Debtors
<=30 days	14,947	7
>30 days and <=60 days	6,900	1
>60 days and <=90 days	19,313	1
>90 days	64,643	1
	105,803	10
>90 days	Amount	Inv. Date Originator
Lovell Partnerships Ltd	64,643	14/12/2017 Flood & Water Manager
	64,643	

- 13 Work In Progress (WIP) is currently made up of the following jobs:

Customer	Amount	Estimated Completion Date	Budget Holder
N/A	0		
	0		

- 14 Term Deposits are currently as follows:

Financial Institution	Capital	Investment Date	Maturity Date	Interest Rate
Nottingham Building Society	1,000,000	15/05/2018	15/04/2019	0.92%
Cambridge Building Society	1,000,000	26/07/2018	26/07/2019	1.00%
West Bromwich Building Society	1,000,000	31/07/2018	30/04/2019	0.80%
Furness Building Society	1,000,000	03/08/2018	02/08/2019	1.00%
Monmouthshire Building Society	1,000,000	03/08/2018	02/08/2019	0.95%
Saffron Building Society	1,000,000	03/08/2018	05/08/2019	1.02%
Hinckley & Rugby Building Society	1,000,000	29/08/2018	29/08/2019	1.05%
National Counties Building Society	1,000,000	31/08/2018	30/08/2019	1.05%
Skipton Building Society	500,000	28/09/2018	31/05/2019	0.62%
Newcastle Building Society	1,000,000	15/10/2018	14/06/2019	0.96%
Principality Building Society	1,000,000	31/10/2018	28/06/2019	0.91%
Progressive Barclays	500,000	30/11/2018	31/05/2019	0.90%
Progressive Barclays	500,000	14/12/2018	31/05/2019	0.87%
Vernon Building Society	500,000	14/12/2018	14/06/2019	0.88%
	12,000,000			

- 15 Special Levies are paid by Constituent Councils in two halves on 1 May and 1 November.

- 16 Drainage Rates are paid by occupiers of agricultural land and/or buildings. There are currently 91 Ratepayers that have not paid their

From: 01 April 2018
 To: 31 March 2019

Period: 12
 Year Ending: 31 March 2019

Note Notes to the Accounts

Drainage Rates for 2018/19, as compared to 98 Ratepayers this time last year. Summarised transactions for Drainage Rates and Special Levies during the year are as follows:

	<u>2017/18</u>	<u>2018/19</u>
Arrears b/fwd	22,818	28,148
Drainage Rates for the year	309,685	316,022
Special Levies for the year	1,880,625	1,918,285
Payments Received	-2,205,021	-2,273,296
Settlement Discount	-1,186	-1,313
Returned/(Represented) amounts	0	451
Value /(Decreases)	-5,936	-18,849
Value Increases	3,910	16,333
New Assessments	2,091	2,516
Irrecoverables and write offs	-2,421	-4,500
The East Coastal Management CIC	20,681	20,667
Summons collection costs	2,925	2,625
Special Levy Adjustment	0	0
Drainage Rate Adjustment	-23	536
Paid Refunds	0	10
Sundry adjustments/Summons	0	0
Arrears c/fwd	<u>28,148</u>	<u>7,635</u>

17 There are currently no Prepayments.

18 Grants Unapplied are those grants that we have received in advance of doing work on the following schemes:

	<u>2017/18</u>	<u>2018/19</u>
SCH30: Islington Catchment Flood Risk Management Scheme	50,958	22,472
SCH42: Islington Catchment Flood Risk Management Scheme	67,000	938,858
	<u>117,958</u>	<u>961,330</u>

Grants Reserve b/fwd at 01.04.18	117,958
Add: Grants Received	2,044,000
Add: Grant Due	1,434,000
Less: Grants Applied	-2,634,627
Grant Reserve c/fwd at 31.03.19	<u><u>961,330</u></u>

Grants Due:	
SCH43 Wolferton (Due 2021/22)	1,434,000
	<u><u>1,434,000</u></u>

19 The Reserves are managed in accordance with the Balances and Earmarked Reserves Policy for 2018/19, as approved by the Board on 19 January 2018. This policy is available for viewing on the Board's website.

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

	<u>2017/18</u>	<u>2018/19</u>
Opening Balance, as at 1 April b/fwd	2,195,674	2,438,695
Net Surplus/(Deficit) for the year	446,797	-1,966,339
Net transfer (to)/from Development Reserve	-203,776	-106,900
Net transfer (to)/from Capital Works Reserve	0	0
Net transfer (to)/from Plant Reserve	0	0
Revaluation Reserve adjustment	0	0
Closing Balance c/fwd	<u>2,438,695</u>	<u>365,456</u>

21 Movements on the Development Reserve are made up as follows:

	<u>2017/18</u>	<u>2018/19</u>
Opening Balance, as at 1 April b/fwd	876,667	1,080,443
Net contributions transferred from General Reserve	203,776	106,900
Closing Balance c/fwd	<u>1,080,443</u>	<u>1,187,343</u>

22 Movements on the Capital Works Reserve are made up as follows:

The Capital Works Reserve largely represents the committed cost of capital schemes that the Board has approved in previous years, where suppliers have not actually invoiced for work, due to slippage in the programme or other issues with the contract:

	<u>2017/18</u>	<u>Gen. Reserve</u>	<u>2018/19</u>
SCH33 Wolferton Pumping Station - Structural Investigation	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>

23 The Fixed Plant Reserve and Mobile Plant Reserve have been merged into a single Plant Reserve, as at 31 March 2014:

	<u>2018/19</u>
Fixed Plant Reserve	2,021,148
Mobile Plant Reserve	800,000
Plant Reserve	<u>2,821,148</u>

From: 01 April 2018
To: 31 March 2019

Period: 12
Year Ending: 31 March 2019

Note **Notes to the Accounts**

24	Movements on the Revaluation Reserve are made up as follows:	
		<u>2018/19</u>
	Opening Balance, as at 1 April b/fwd	504,548
	Less:	
	Pumping Station & Kettlewell House Depreciation	-88,848
	Closing Balance c/fwd	<u>415,700</u>

25 Pension Liability

- (i) The Pension Liability is calculated by the Local Government Pension Scheme (LGPS) Fund Actuary at the end of every financial year. It is a notional liability that is shown as a Long Term Liability on the Balance Sheet. This figure is meant to show the extent of the Board's liability at the Balance Sheet date, based on a number of actuarial assumptions. However it is important to note that this sum does not represent an estimate of the exit cost of withdrawing from the LGPS at the Balance Sheet date.
- (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 £2,429,000 as at 31 March 2019 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 18 January 2019.

26 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 paid Anglia Farmers Ltd £155,460.05 upto 31/03/19.
- (ii) Board member Mr J Askew is related to Mr R Askew, Director of Richard Askew Agricultural Supplies Ltd, which is one of the Board's suppliers. The Board paid Askew Agricultural Supplies Ltd £4,269.49 upto 31/03/19.
- (iii) Mr Harvey Howe is employed by the Board as a full time Operative. The Board's Project Manager is related to Harvey Howe.
- (iv) 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 2018.
- (v) 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 Vice Chairman of the Board. The Former Chairman received £875.00 Chairman's Allowance for his duties between 01.04.18-30.06.18. The current Chairman received £1,458.33 Chairman's Allowance for his duties between 01.11.18 - 31.03.19.
- (vi) 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 31-3-2019.

P J CAMAMILE MA FCIS
CHIEF EXECUTIVE

S JEFFREY BSc (Hons) FCCA
FINANCE & RATING OFFICER

Annual Governance and Accountability Return 2018/19 Part 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2018/19

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Part 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with Proper Practices.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **annual internal audit report** is completed by the authority's internal auditor.
 - **Sections 1 and 2** are to be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published **before 1 July 2019**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both):
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2019
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2018/19

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the review and is able to give an opinion on the limited assurance review, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on a publicly accessible website:

Before 1 July 2019 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2018/19**, approved and signed, page 4
- **Section 2 - Accounting Statements 2018/19**, approved and signed, page 5

Not later than 30 September 2019 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 & 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

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

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2018/19

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this Annual Governance and Accountability Return. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the Annual Governance and Accountability Return is complete (i.e. no empty highlighted boxes), and is properly signed and dated. Where amendments are made by the authority to the AGAR after it has been approved by the authority and before it has been reviewed by the external auditor, the Chairman and RFO should initial the amendments and if necessary republish the amended AGAR and recommence the period for the exercise of public rights. If the Annual Governance and Accountability Return contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the annual internal audit report if possible prior to approving the annual governance statement and before approving the accounts.
- Use the checklist provided below to review the Annual Governance and Accountability Return for completeness before returning it to the external auditor by email or post (not both).
- Do not send the external auditor any information not specifically requested. However, **you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the Annual Governance and Accountability Return covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2018) equals the balance brought forward in the current year (Box 1 of 2019).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the period for the exercise of public rights. From the commencement date for a single period of 30 consecutive working days, the approved accounts and accounting records can be inspected. Whatever period the RFO sets it **must** include a common inspection period – during which the accounts and accounting records of all smaller authorities must be available for public inspection – of the first ten working days of July.
- The authority **must** publish the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2019**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?		
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?		
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', is an explanation provided?		
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?		
	Has an explanation of significant variations from last year to this year been provided?		
	Has the bank reconciliation as at 31 March 2019 been reconciled to Box 8?		
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.		

***Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices**, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2018/19

KINGS LYNN INTERNAL DRAINAGE BOARD

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation during the financial year ended 31 March 2019.

The internal audit for 2018/19 has been carried out in accordance with this 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 authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This 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.			✓
G. Salaries to employees and allowances to members were paid in accordance with this 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. IF the authority certified itself as exempt from a limited assurance review in 2017/18, it met the exemption criteria and correctly declared itself exempt. (<i>"Not Covered" should only be ticked where the authority had a limited assurance review of its 2017/18 AGAR</i>)			
L. During summer 2018 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations.			Not applicable ✓
M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable

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

Date(s) internal audit undertaken

25/03/19 - 18/04/19

Name of person who carried out the internal audit

Kathy Woodward INTERNAL AUDITOR

Signature of person who carried out the internal audit

K Woodward

REQUIRED

Date

29/04/19

*If the response is 'no' you must include a note to 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, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2018/19

We acknowledge as the members of:

KINGS LYNN INTERNAL DRAINAGE BOARD

our responsibility for ensuring that there is a sound system of internal control, including arrangements for 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 2019, that:

	Agreed		'Yes' means that this 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 authority to conduct its business or manage 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 authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and 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 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	N/A
			✓
			has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets should be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

Signed by the Chairman and Clerk of the meeting where approval was given:

and recorded as minute reference:

Chairman

Clerk

Other information required by the Transparency Codes (not part of Annual Governance Statement)
Authority web address

WWW.WLMA.ORG.UK/KINGS-LYNN-1081HOME/

Section 2 – Accounting Statements 2018/19 for

KINGS LYNN INTERNAL DRAINAGE BOARD

	Year ending		Notes and guidance
	31 March 2018 £	31 March 2019 £	
1. Balances brought forward	4,536,902	14,952,679	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	2,190,310	2,234,306	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	10,657,966	2,767,406	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	745,000	835,456	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	0	349,018	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	1,687,529	6,283,253	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	14,952,679	12,486,864	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	14,863,622	12,072,100	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	2,010,113	1,739,369	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	10,000,000	9,909,255	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, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets. N.B. The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2019 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

P. Lemanule

SIGNATURE REQUIRED

Date

25/04/19

I confirm that these Accounting Statements were approved by this authority on this date:

DATE

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chairman of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

Section 3 – External Auditor Report and Certificate 2018/19

In respect of

ENTER NAME OF AUTHORITY

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2019; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability 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 External auditor report 2018/19

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation 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 authority:

(continue on a separate sheet if required)

3 External auditor certificate 2018/19

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2019.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

COMMITTY

*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

Annual Governance and Accountability Return 2018/19

Annual Internal Audit Report 2018/19 – additional sheet

Following on from three years of Internal Audits providing substantial assurance on the level of controls identified for:

Kings Lynn Internal Draining Board

The Internal Auditor agreed with the Management to rotate the frequency of the standard internal control objective audits and include additional governance related audits.

The audit areas not covered in 2018/19 were:

D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT was appropriately accounted for.

I. Periodic and year-end bank account reconciliations were properly carried out.

These audits were previously covered in the 2017/18 audit and will be included within the 2019/20 audit.

Additional internal control objectives audited during the 2018/19 audit were:

- *GDPR – robustness of the policy and procedural documents, and adequacy of training provided to staff and members.*
- *Board Members' declarations of interest – review of the process for members declaring interests.*
- *Write-offs – review of the process for the write-off of debts.*
- *Succession Planning – review of the succession planning process.*

King's Lynn IDB

Schedule of Paid Accounts

Payment Date From : 01/03/2019

Payment Date To : 31/03/2019

<u>Account ID</u>	<u>Name</u>	<u>Details</u>	<u>Amount Paid This Period</u>
AD0102	ADC (East Anglia) Ltd	Maintenance Works	3,480.00
AN0100	Anglia Farmers Ltd	Electricity	16,675.94
AN0101	Anglian Water	Water Charge	376.10
AR0001	Arval	Fuel	1,458.65
AS0120	Richard Askew Agricultural Supplies	Spares & Repairs	1,007.98
BA0002	Balfour Beatty Civil Eng Ltd	Advanced works	350,961.50
BO0001	Borough Council of King's Lynn &	Pierpoint Rates	221.00
BO0240	BOC Ltd	Oxygen	223.80
BR0007	Breheny Civil Engineering Ltd	Capital Works	147,808.21
BT0270	BT	Phone/Broadband	176.16
CR0380	King's Lynn Auto Electrical Ltd	Electrical Parts	398.73
CR0398	Cruso & Wilkin	Professional Fees	102.00
DO0004	John W Doubleday	Spares & Repairs	3,297.25
DO0005	Ernest Doe & Sons Ltd	Hedge Trimmer/Mirror	832.72
EN0520	Engineering & Hire Ltd	Plant Spares & Repairs	831.00
EON001	E.ON	Electricity	19.22
FE0001	Fenflow Ltd	Pump Overhaul	624.00
FR0001	Franklin Industrial Supplies Ltd	Small Tools	206.15
GEO001	Geotechnical Engineering Ltd	Ground Investigation	15,957.60
HA0810	Hayley Group plc	Engineering Supplies	901.95
IN0001	Inland Revenue	Paye & Nic	10,223.35
IN0950	Industrial Maintenance Group Ltd	Small Tools/Light Plant	394.27
JE1010	Jewson Ltd	Materials	61.02
JO1060	A T Johnson	Spares	41.88
KL0001	King's Lynn Engine Centre	Vehicle Repairs & Service	30.00
MA0001	Marshall Ford DD	Ford Lease	471.98
MA0008	B W Mack (Machinery) Ltd	Door Hinge	88.28
MH0001	MHE Consulting Ltd	Bat Licence Return	789.66
MI1355	Middle Level Commissioners	Engineering Consultancy Fees	178.20
MP0001	M P Alarms	Service Contract	1,470.00
MU0001	Murley Agricultural Supplies Ltd	Spares/Repairs	436.00
NO0001	Norfolk Pension Fund	Pension Contributions	37,812.54
NO0008	Norfolk Trailers	Ifor Willians LM186 Trailer	3,984.00
OF0001	OFCOM	Radio Licence	410.00
OR1550	Oriel Systems Ltd	Telemetry Maintenance	4,221.60
PBA001	Peter Brett Associates LLP	Capital Works	47,078.75
PD0001	PDSM Ltd	Measuring overhead electric wires	250.05
PP0001	PPG Architectural Coatings UK Ltd	Paint	31.97
RB0001	R & B Turf & Groundcare	Spares & Repairs	168.99
RO0003	Royal Haskoning DHV	Capital Works	11,550.00
SP0002	Spearhead Machinery Ltd	Servicing/Parts	172,108.80
ST0002	Stapleton's (Tyre Services) Ltd	Tyres/Puncture Repairs	206.45

King's Lynn IDB

Schedule of Paid Accounts

Payment Date From : 01/03/2019

Payment Date To : 31/03/2019

<u>Account ID</u>	<u>Name</u>	<u>Details</u>	<u>Amount Paid This Period</u>
TI2050	Timber Services Ltd	Materials	11.88
VJ2250	V & J Knitwear Ltd	Protective Clothing	258.48
VO0001	Vodafone Ltd	Mobile Phone	1,413.61
WA0002	Ward Associates	Capital Works	1,747.26
WA2310	Water Management Alliance	Rechargeable Works	36,728.77
WA2320	Watling JCB Ltd (Wymondham)	Service/Repairs	1,515.59

Please note that the amounts shown above include Vat £ 879,243.34

**KING'S LYNN 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)
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)	(1a) Reduction in, or insufficient finance, grant and income (1b) EA may cease to pay highland water contribution to IDBs	Erosion of Board's capital and general reserves Reduction in FCERM service the Board is able to provide Unable to replace assets as scheduled in the Board's asset plan and EA MTP	3	3	High 8 ↓	Explore alternative funding streams. Continue to lobby Defra to update the Land Drainage Act 1991 to refer to current rating lists used by billing authorities for calculating special levies, as this would support the extension of the Board's area to its watershed, which in turn would provide additional drainage rates to the Board from the upland area. Defra supports the Rivers Authority and Land Drainage Private Members Bill, which, if enacted could facilitate these aims. Close liaison with EA to support its next 6 year compulsory spending programme to facilitate inclusion of IDB programmes/FDGiA where possible
	(1d) The EA is no longer willing or able to carry out work on sea defences that protects the Internal Drainage District, or	Potential overtopping into the IDD during severe weather events. Cost implication of managing the increase in	2	3	High 6 ↓	Formation of the East Coast Management Strategy with KL&WNBC and local business community, which will contribute to recycling and beach recharge works costs when EA activity is

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RISK REGISTER**

STRATEGIC OBJECTIVES	RISK	IMPACT	LIKELIHOOD SCORE (1 – 3)	IMPACT SCORE (1 – 3)	RISK RATING (HIGH, MEDIUM, LOW)	RESPONSE (ACTIONS PLANNED/TAKEN)
	continues to maintain the sea defences but to a reduced specification	water				withdrawn. IDB to work with key stakeholders to develop strategy for investment to reduce risk. Use of Public Sector Cooperation Agreement (PSCA) to facilitate partnership working with other risk management authorities (RMAs).
	(1e) Flood risk management for the Fens project. EA project looking at collaborative and partnership approach with all relevant IDBs to future flood risk management of the Great Ouse Fens	Potential reduction in grant funding for flood risk management in the Fens	2	3	6 →	Board representation on this project implemented by the EA.
	(1g) Potential for enforced works on IDB infrastructure arising from implementation of Eel Regs 2009	Huge cost implication if works are not grant funded	2	3	6 →	EA has provided derogation until end of 2020. Board to apply for grant aid at the time when planned refurbishments take place.
To enable and facilitate	(3a) Planning	Increased flood	67			Planning/Enforcement is

**KING'S LYNN 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)
land use for residential, commercial, recreational and environmental purposes by guiding and regulating activities, which have the potential to increase flood risk	<p>Authorities ignore advice provided by Board, which leads to increased flood risk</p> <p>(3b) SUDs managed by private management companies who allow them to fall into disrepair through lack of long term maintenance</p>	<p>risk</p> <p>Potential for lost income from SWDCs and commuted sums</p> <p>Inadequate or lack of maintenance of SUDs could have an adverse impact on the IDB infrastructure and subsequently increase the risk of flooding</p>	2	3	High 6 ↑	<p>undertaken by the Group's Flood and Water Officers and issues are raised at Board and Committee meetings.</p> <p>Officers' comments on planning applications are available on Local Authority websites.</p> <p>A SUDs adoption and charging policy has been approved by the Board in November 2016.</p> <p>The Board adopted the variable SWDC rate and banding arising from the 2018 review undertaken in conjunction with WMA Flood and Water Manager. New rates and bandings have been introduced on 1 October 2018.</p> <p>Updated Planning and Byelaw Strategy Document approved by the WMA on 7 December 2018 for consultation with LPAs before presenting to WMA Member Boards for adoption.</p>

Risk Assessment Matrix (From the Risk Management Strategy and Policy as approved 13 January 2017)

Risk Assessment Matrix

Likelihood			
Highly Likely	Medium (3)	High (6)	High (9)
Possible	Low (2)	Medium (4)	High (6)
Unlikely	Low (1)	Low (2)	Medium (3)
	Negligible	Moderate	Severe
	Impact		

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:

Members

Askew J R
Ayres B
Banham K
Baron M Chenery of Horsbrugh
Crofts C
Groom R W
Keene S Ms
Lord Howard of Rising
Long B (Chairman)
Markillie R S
Markillie S A R
Matkin T (Vice-Chairman)
Nockolds E Mrs
Oliver D
Padwick N
Riddington M
Smith T
Symington J
Whitby D
Whitehead A
Young S Mrs

Officers

Brown G
Camamile P J
Howe G
Jeffrey Miss S
Laburn Ms C
Neale Mrs M
Taylor R