



Norfolk Rivers
Drainage Board

**STATEMENT OF ACCOUNTS
FOR THE YEAR ENDING
31 MARCH 2020**

Kettlewell House
Austin Fields Industrial Estate
Kings Lynn
Norfolk
PE30 1PH

NOTE ACCOUNTING POLICIES

1 FINANCIAL REPORTING STANDARDS, REGULATION AND GUIDANCE

- (i) The Board has not elected to prepare a full Statement of Accounts required by larger public bodies (Category 1 Authorities), as provided for in the Local Audit and Accountability Act 2014.
- (ii) The Board has completed this Statement of Accounts in accordance with the Financial Reporting Standard for Smaller Entities 2008 (FRSSE) issued by the Accounting Standards Board (other than in respect of the note required for the defined benefit pension scheme) and has prepared an Annual Return which all Category 2 Authorities are required to do, in accordance with Regulation 11 of the Accounts and Audit Regulations 2015 based on these Accounts. The Board is a Category 2 Authority.
- (iii) The Annual Return has been prepared in accordance with proper practices that are set out in Sections 1 to 5 of the Guidance published by the Association of Drainage Authorities in March 2020. This Statement of Accounts therefore includes the Accounting Statement reported in Section 2 of the Annual Return, which has been reconciled to the Income and Expenditure Account and Balance Sheet stated herein.

2 ACCOUNTING CONCEPTS

These accounts have been prepared in accordance with the following accounting concepts:

Going Concern
Prudence
Accruals

3 FIXED ASSETS

- (i) Fixed Assets are recognised as expenditure on the acquisition, creation or enhancement of fixed assets. Most assets with estimated useful economic lives in excess of one year and a value of £5,000 or above are capitalised on an accruals basis in the Accounts.
- (ii) All Fixed Assets are valued on the following basis:

Land and buildings are included in the balance sheet at lower of net current replacement cost and net realisable value, net of accumulated depreciation. Net current replacement cost is assessed as:

Non-specialised operational properties - existing use value

Specialised operational properties - depreciated replacement cost

Vehicles, plant and equipment are included at cost less depreciation

For the purposes of Box 9 in Section 2 of the audited Annual Return, Fixed Assets are valued at Net Book Value.
- (iii) Disposals are written off at cost less depreciation. Any surplus/deficit arising is charged/credited to Exceptional Items in the Income and Expenditure Account.
- (iv) Depreciation has been provided for using the straight line method.
- (v) The useful lives of the various assets held on the Fixed Assets Register are as follows:

NOTE ACCOUNTING POLICIES

Motor Vehicles and Equipment: 3 years
Excavators and Tractors: 5 years
Specialist Plant and Equipment: <= 10 years
Land: not depreciated
Buildings: 20 years

4 STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost or net realisable value.

5 GOVERNMENT GRANTS AND SUBSIDIES

Government grants and contributions have been credited to the Income and Expenditure Account on an accruals basis.

6 PENSIONS

- (i) The Board is a member of the Local Government Pension Scheme (LGPS), administered by Norfolk County Council. This is a funded defined benefit career average salary pension scheme, meaning that the Board and its employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets. The Board has paid a contribution of 22.5% on employees pensionable pay into the pension fund during 2019/20.
- (ii) The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the Income and Expenditure Account in order to spread the cost over the service lives of employees in the scheme. Further costs arise in respect of certain pensions paid to retired employees on an unfunded basis.
- (iii) The Board's pension liability has been calculated by the fund actuary as set out in the accompanying report entitled: 'Actuarial Valuation as at 31 March 2020 for FRS17 Purposes'.
- (iv) The Board also has a share of the pension liability which is attributable to its membership of the Water Management Alliance; a defined benefit scheme operated by Norfolk County Council.

7 TAXATION

Drainage Boards are exempt from Income, Corporation and Capital Gains Taxes. Value Added Tax is included in the Income and Expenditure Account only to the extent that it is irrecoverable.

8 EXCEPTIONAL ITEMS, EXTRAORDINARY ITEMS AND PRIOR YEAR ADJUSTMENTS

- (i) There are no material exceptional or extraordinary items to disclose in the Accounts.
- (ii) Profits or losses on the disposal of fixed assets are shown separately on the face of the Income and Expenditure Account prior to the Operating Net Surplus/(Deficit).

9 INCOME RECOGNITION

Income is recognised at the time of invoicing. In the case of Drainage Rates this is on the 1st April annually.

NOTE	ACCOUNTING POLICIES
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10 FINANCE LEASES

The Board has not taken on any Finance Leases during the accounting period.

11 RESERVES

The Board holds the Reserves as itemised below. The adequacy of these Reserves is reviewed by the Board annually. The purpose of the Reserves can be noted in the Board's Capital Financing and Reserves Policy:

https://www.wlma.org.uk/uploads/NRIDB_Capital_Financing_and_Reserves_Policy.pdf

This policy is reviewed by the Board every 5 years.

- (i) **General Reserve**
- (ii) **Development Reserve**
- (iii) **Plant Renewals Reserve**
- (iv) **Capital Works Reserve**
- (v) **Revaluation Reserve**
- (vi) **Pension Reserve**

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

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	81,586	81,586	0	81,586	81,586	0
1	Special Levies issued by the Board	315,784	315,784	0	315,784	315,784	0
2	Highland Water Contributions from EA	91,057	100,602	9,545	91,057	100,602	9,545
	Grants Applied	100,620	115,164	14,544	100,620	115,164	14,544
3	Income from Rechargeable Works	5,000	267,961	262,961	5,000	267,961	262,961
	Investment Interest	0	6,456	6,456	0	6,456	6,456
	Development Contributions	0	1,321	1,321	0	1,321	1,321
5	Other Income	264,079	209,056	-55,023	264,079	209,056	-55,023
Total Income		£858,126	£1,097,930	£239,804	£858,126	£1,097,930	£239,804
<u>Less Expenditure</u>							
6	Capital Works	100,620	116,437	-15,817	100,620	116,437	-15,817
7	Precept Contributions to EA	74,026	72,693	1,333	74,026	72,693	1,333
8	Maintenance Works	588,407	549,785	38,622	588,407	549,785	38,622
	Development Expenditure	6,000	3,198	2,802	6,000	3,198	2,802
9	Administration Charges	170,785	143,672	27,113	170,785	143,672	27,113
3	Cost of Rechargeable Works	0	234,596	-234,596	0	234,596	-234,596
4	Net Deficit/(Surplus) on Operating Accounts	0	-9,574	9,574	0	-9,574	9,574
Total Expenditure		£939,838	£1,110,807	-£170,969	£939,838	£1,110,807	-£170,969
	Profit/(Loss) on disposal of Fixed Assets	£0	£17,000	£17,000	£0	£17,000	£17,000
Net Surplus/(Deficit)		-£81,712	£4,123	£85,835	-£81,712	£4,123	£85,835

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

NOTES	BALANCE SHEET AS AT 31-3-2020	OPENING BALANCE £	MOVEMENT THIS YEAR £	CLOSING BALANCE £
10	Fixed Assets			
	Land and Buildings	38,961	-999	37,962
	Plant and Equipment	16,738	-3,575	13,163
	Shared Consortium Assets	0	0	0
		55,699	-4,574	51,125
	Current Assets			
11	Bank Account	31,875	294,793	326,668
12	Trade Debtors	64,324	3,749	68,073
13	Work in Progress	2,877	16,449	19,326
14	Term Deposits	900,000	-400,000	500,000
15,16	Drainage Ratepayers and Special Levies Due	314	-464	-150
	Prepayments	0	0	0
17	Prepayments to WMA	22,728	-27,617	-4,889
	VAT Due	-3,947	5,534	1,587
	Grants Due	0	0	0
		1,018,170	-107,556	910,615
	Less Current Liabilities			
	Trade Creditors	52	5,531	5,583
	Accruals	44,450	-6,982	37,468
	Payments Received In Advance	16,853	364	17,217
	Finance Leases	0	0	0
	Payroll Controls	0	0	0
		61,355	-1,087	60,268
	Net Current Assets	956,815	-106,469	850,347
	Less Long Term Liabilities			
19	Pension Liability	169,000	-73,000	96,000
	Net Assets	£843,514	-£38,042	£805,473
20	Reserves			
	Earmarked			
	General Reserve	545,862	4,123	549,985
18	Grants Reserve	150,658	-115,164	35,494
21	Development Reserve	210,035	0	210,035
22	Plant Reserve	65,000	0	65,000
		971,555	-111,042	860,514
	Non-Distributable			
23	Revaluation Reserve	40,959	0	40,959
19	Pension Reserve	-169,000	73,000	-96,000
		-128,041	73,000	-55,041
	Total Reserves	£843,514	-£38,042	£805,473

P J CAMAMILE MA FCIS
CHIEF EXECUTIVE

S JEFFREY BSc (Hons) FCCA
FINANCE & RATING MANAGER

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

Note Notes to the Accounts

- 1 Special Levies due from constituent Billing Authorities are as follows:

	Y-T-D BUDGET	Y-T-D 2019/20
Breckland District Council	50,561	50,561
Broadland District Council	75,499	75,499
King's Lynn and West Norfolk Borough Council	19,204	19,204
North Norfolk District Council	100,751	100,751
Norwich City Council	5,638	5,638
South Norfolk District Council	64,131	64,131
	315,784	315,784

- 2 The EA Highland Water Claim for 2019/20 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). This has been paid in full.

- 3 Rechargeable work includes professional supervision and contracting services to the Broads and East Suffolk IDBs.

- 4 Net Deficit/(Surplus) on Operating Accounts is made up as follows:

	Y-T-D BUDGET	Y-T-D 2019/20
Labour Operations Account	0	13,146
Mobile Plant Operations Account	0	-22,721
	0	-9,574

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

- 5 Other income is made up as follows:

	Y-T-D BUDGET	Y-T-D 2019/20
Shared Income from WMA	264,079	209,056
Insurance Claims	0	0
Sundry Income	0	0
Summons Costs	0	0
	264,079	209,056

- 6 The gross cost of each capital scheme is approved by the Board annually and detailed on the schedule of capital works as managed by the Project Engineer, which can be made available to members on request. The Grants Due/(Unapplied) also correspond with the figures shown on the Balance Sheet. The Executive Committee scrutinise this Report every year.

- 7 The EA Precept due for 2019/20 is payable to the EA on 31 May and the other half is payable to them on 30 November. The Board has no idea where or how this money is spent.

- 8 Detailed maintenance operations are approved by the Board annually and shown on the Operations map, together with the schedule of maintenance works for each catchment, which can be made available to members on request. Expenditure is analysed as follows:

	Y-T-D BUDGET	Y-T-D 2019/20
Labour Charges	70,590	68,468
Plant Charges	10,418	10,105
Materials	8,198	7,952
Contractors	174,663	169,410
Plant Hire & Transport	5,726	5,554
Direct Works	269,596	261,488
Technical Support Staff Costs	306,977	246,084
Other Technical Support Costs	2,000	31,969
Biodiversity Action Plan Costs	9,834	10,244
Maintenance Works	588,407	549,785

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

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

Note Notes to the Accounts

	Y-T-D BUDGET	Y-T-D 2019/20
Administration Staff Costs	127,739	94,201
Other Administration Costs	41,046	48,163
Development Expenditure	6,000	0
Drainage Rates AV Increases/(Decreases)	500	-87
Depreciation Kettlewell House	999	999
Sundry Debtors written off	0	0
Sundry Expenses	0	0
Settlement Discount	501	396
	176,785	143,672

10 TANGIBLE FIXED ASSETS

Cost

	Land and Buildings	Plant and Equipment	Total
Opening Balance as at 1-4-2019 b/fwd	49,950	78,344	128,294
(+) Additions	0	0	0
(-) Disposals	0	-39,847	-39,847
(=) Closing Balance as at 31-3-2020 c/fwd	49,950	38,497	88,447

Depreciation

Opening Balance as at 1-4-2019 b/fwd	10,989	61,581	72,570
(+) Depreciation Charge for year	999	3,600	4,599
(-) Accumulated Depreciation written out on disposal	0	-39,847	-39,847
(=) Closing Balance as at 31-3-2020 c/fwd	11,988	25,333	37,321

Net Book Value as at 31-3-2019	38,961	16,763	55,724
Net Book Value as at 31-3-2020	37,962	13,163	51,125

Full details of all movements during this year are recorded in the Board's Fixed Assets Register, which can be made available to members on request. The Board also shares ownership of a proportion of the WMAs Shared Fixed Assets, which were last valued by Cruso & Wilkin, Chartered Surveyors, as at 31 March 2018. Such assets have a Net Book Value of zero.

- 11** Additional sums are now being invested on the short term money market to maximise the return on the working balances, in accordance with the Board's Investment Policy. The Bank Account is reconciled as follows:

	2018/19	2019/20
Opening Balance as at 1-4 b/fwd	240,663	31,875
(+) Receipts	1,259,168	1,642,422
(-) Payments	-1,467,956	-1,347,629
(=) Closing Balance as at 31-3-2020 c/fwd	31,875	326,668
Balance on Statement as at 31-3-2020	75,227	290,434
Less: Unpresented payments	-43,352	-18,944
Add: Unpresented receipts	0	55,177
Closing Balance as at 31-3-2020 c/fwd	31,875	326,668

- 12** Aged Debtor profile is currently as follows:

Debt period	Amount	Number of Debtors
<=30 days	62,966	7
>30 days and <=60 days	0	0
>60 days and <=90 days (Paid 16th April 2020)	5,107	1
>90 days	0	0
	68,073	8

>90 days	Amount	Inv. Date	Originator
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From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

Note Notes to the Accounts

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- 13 Work in Progress is currently made up of the following jobs:

Customer	Amount	Comp. Date	Originator
RNA0002 NT WEG Scarrow Beck Downstream	5,734.00	Ongoing	Operations Engineer TJ
RWEG257-2018-4555	13,591.50	Ongoing	Operations Engineer PG
	19,325.50		

- 14 Term Deposits are currently as follows:

Financial Institution	Capital	Investment Date	Maturity Date	Variable Interest Rate
West Bromwich Building Society	500,000	31/01/2020	31/07/2020	0.86%
	500,000			

- 15 Special Levies are due to be paid by Constituent Councils in two halves on 1 May and 1 November every year.

- 16 There are currently 27 Ratepayers that have not paid their Drainage Rates for 2019/20, as compared to 54 Ratepayers this time last year. A small number of ratepayers have overpaid during the year, as shown below our drainage rate debtors are in credit. Summarised transactions for Drainage Rates and Special Levies during the year are as follows:

	2018/19	2019/20
Arrears b/fwd	2,190	314
Drainage Rates for the year	78,978	81,586
Special Levies for the year	305,690	315,783
New Assessments	216	445
Value Decreases	-1,018	-706
Value Increases	802	261
Payments Received	-386,928	-397,647
Settlement Discount	-310	-398
Returned/(Represented) amounts	20	79
Irrecoverables and write offs	-908	88
Summons collection costs	1,500	0
Adjustments	82	45
Arrears c/fwd	314	-150

- 17 Prepayments represent the amount that has been paid to the WMA in advance, which will be used by the WMA to pay the Board's share of consortium expenditure during the next reporting period.

18 Grants Reserve

Movements on the Grants Reserve are made up as follows:

	2019/20
Opening Balance at 1-4-2019	-150,658
Add: Grant Received	0
Less: Grant Applied	115,164
Closing Balance as at 31-3-2020	-35,494

	2018/19	2019/20
SCH03 Giant Hogweed Project	3,792	3,792
SCH02 River Wensum Restoration Project WLMP	1,233	1,233
SCH07 River Nar Litcham to Lexham Hall Lakes	760	760
SCH04 River Nar East Lexham Lakes Bypass	0	0
SCH12 River Wensum Restoration Scheme	52,447	22,059
SCH13 River Nar Restoration Scheme 4 Year	88,783	4,007
SCH15 Strategic Modelling and Restoration Project	0	0
SCH25 WFD Maintenance Improvements PSCA	3,643	3,643
	150,658	35,494

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

Note Notes to the Accounts

- 19(i) The Board provides its employees with access to the Local Government Pension Scheme but does not need to Account for this as a defined benefit pension scheme to comply with the limited assurance audit regime. However the Board has chosen to do so because it does have a pension liability, which has been calculated by the LGPS Fund Actuary as at 31 March 2020.
- 19(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 £2,761,000 as at 31 March 2020 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 30 January 2020.
- 20 The Reserves are managed in accordance with the Capital Financing and Reserves Policy, as approved by the Board on 21 January 2015. This policy is available for viewing on the Board's website.
- 21 The purpose of the Development Reserve is to reduce the impact on drainage rates and special levies from development that takes place in the area. The Board charges developers a standard rate per impermeable hectare for agricultural land which is developed and becomes a hard standing area, such as housing, roadways etc. The money is credited to this Reserve and then used to reduce the gross cost of capital work needed to cater for the additional flows arising from such development. The income for this Reserve therefore comes exclusively from developers and is used to fund in part improvement works that are necessary because of development.
- 22 The purpose of this Reserve is to reduce the impact on drainage rates and special levies as and when equipment is bought and sold, in accordance with the plant renewals programme. Depreciation is its primary source of income, which largely comes from drainage rates/special levies in the form of plant charges included within the maintenance budget, together with any profits on disposal. Changes in hourly charge out rates are determined by the Operations Manager and the Chief Executive. Expenditure is determined by the Board, following recommendations made by the Chief Executive and Operations Manager.
- 23 This Revaluation Reserve has arisen from the revaluation of the Board's share of Kettlewell House on 31 March 2009 (approx. 10%).

Related Party Transactions

- 24 Mr J F Carrick is the Chairman of the Norfolk Rivers IDB. He has been paid £3,500 Chairman's Allowance during the year.
- 25 The Board uses Rating Software for the collection of Drainage Rates known as DRS. The software was developed by Mr P J Camamile, the Chief Executive, and is supported 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 31-3-2020.

P J CAMAMILE MA FCIS
CHIEF EXECUTIVE

S JEFFREY BSc (Hons) FCCA
FINANCE & RATING MANAGER

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

Our ID	Capital Scheme	EA Ref.	GI A Level %	Actual 2008/09 to 2015/16 £	Actual 2016/17	Actual 2017/18	Actual 2018/19	Actual 2019/20	Annual Estimate 2019/20 £	Variance (2019/20) £	Cumulative Gross Cost C/Fwd £	Approved Cost £	Variance (adverse)/favourable £	Grant Receivable £	Grant Received B/Fwd £	Grant Received 2019/20 £	Grant Received C/Fwd £	Grant Due/ (Unapplied) £	Grant Applied £
Grant Aided Works:																			
SCH02	River Wensum WLMP	IDB0079	100%	51,766.59	0.00	0.00	0.00	0.00	0	0.00	51,766.59	60,000	8,233.41	51,766.59	53,000.00	0.00	53,000.00	-1,233.41	0.00
SCH03	Giant Hogweed NNI Irradication Scheme	NCC	100%	2,208.31	0.00	0.00	0.00	0.00	0	0.00	2,208.31	6,000	3,791.69	2,208.31	6,000.00	0.00	6,000.00	-3,791.69	0.00
SCH04	River Nar Restoration Scheme	IDB0156	100%	108,263.21	0.00	-216.00	0.00	0.00	0	0.00	108,047.21	153,484	45,436.79	108,047.21	108,047.21	0.00	108,047.21	0.00	0.00
SCH07	River Nar Litcham to Lexham Hall Lakes	IDB0228	100%	62,501.36	0.00	0.00	0.00	0.00	0	0.00	62,501.36	68,464	5,962.64	62,501.36	62,463.88	0.00	62,463.88	-759.98	0.00
	Catchment Officer Employment Costs	IDB0261	100%	40,000.00	0.00	0.00	0.00	0.00	0	0.00	40,000.00	40,000	0.00	40,000.00	40,000.00	0.00	40,000.00	0.00	0.00
SCH12	River Wensum Restoration Scheme	IDB0304	100%	309,623.67	201,950.99	51,371.93	164,236.38	30,388.52	53,929	23,540.48	757,571.49	779,630	22,058.51	757,571.49	779,630.00	0.00	779,630.00	-22,058.51	30,388.52
SCH13	River Nar Restoration Scheme 4 Year	IDB0266	100%	202,414.51	188,428.35	110,115.38	68,466.23	86,048.36	46,691	-39,357.36	655,472.83	654,200	-1,272.83	654,200.00	654,200.00	0.00	654,200.00	-4,007.46	84,775.53
SCH15	Strategic Modelling and Restoration	IDB0324	100%	49,500.00	0.00	-16,500.00	0.00	0.00	0	0.00	33,000.00	53,000	20,000.00	33,000.00	33,000.00	0.00	33,000.00	0.00	0.00
SCH16	Broadland Catchment Partnership		100%	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00	3,500	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
SCH25	WFD Maintenance Improvements PSCA	1070026013	100%	0.00	9,822.35	1,476.95	58.00	0.00	0	0.00	11,357.30	15,000	3,642.70	11,357.30	15,000.00	0.00	15,000.00	-3,642.70	0.00
SCH26	Buxton Slow the Flow NFM	IDB0431	100%	0.00	0.00	0.00	45,000.00	0.00	0	0.00	45,000.00	45,000	0.00	45,000.00	45,000.00	0.00	45,000.00	0.00	0.00
				826,277.65	400,201.69	146,248.26	277,760.61	116,436.88	100,620	-15,816.88	1,721,925.09	1,878,278	111,352.91	1,765,652.26	1,796,341.09	0.00	1,796,341.09	-35,493.75	115,164.05
Non-Grant Aided Works:																			
SCH17	Upstream East Lexham Village			0.00	0.00	0.00	144.00	0.00	0	0.00	144.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SCH22	West Acre Mill Fish Pass			0.00	2,030.00	0.00	0.00	0.00	0	0.00	2,030.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SCH23	Oxnead Headwall			0.00	20,206.08	0.00	0.00	0.00	0	0.00	20,206.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SCH24	Itteringham			0.00	8,470.52	0.00	0.00	0.00	0	0.00	8,470.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
				0.00	30,706.60	0.00	144.00	0.00	0.00	0.00	30,850.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals				£826,277.65	£430,908.29	£146,248.26	£277,904.61	£116,436.88	£100,620	-£15,816.88	£1,752,775.69	£1,878,278	£111,352.91	£1,765,652.26	£1,796,341.09	£0.00	£1,796,341.09	-£35,493.75	£115,164.05

G BLOOMFIELD
CATCHMENT ENGINEER

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

Our ID	Maintenance Works	Actual 2018/19	Actual 2019/20	Annual Estimate	Variance
Smallburgh Sub Catchment					
CMT013G	North Walsham & Dilham Canal Catchment	0.00	29,859.11	4,825	-25,034
CMT014G	Hundred Stream Catchment	5,354.00	6,728.35	3,500	-3,228
Middle Bure Sub Catchment					
CMT026G	Hoveton Catchment	570.00	27,662.00	2,000	-25,662
North Norfolk Rivers Sub Catchment					
CMT042G	Holme Catchment	0.00	6,386.00	3,159	-3,227
CMT043G	Burn Catchment (Burnham Norton)	12,052.37	3,178.61	2,808	-371
CMT044G	Stiffkey Catchment	5,531.50	240.00	0	-240
Upper Yare and Tas Sub Catchment					
CMT061G	Fornsett to Tasburgh				
061G0301	3 Tharston Drain	0.00	0.00	0	0
061G0302	3a Fundenhall Drain	48.00	0.00	0	0
061G0303	3b Peck Drain	72.00	0.00	0	0
061G0304	3c Wacton Drain	0.00	0.00	0	0
061G0305	3d Sandpit Drain	0.00	0.00	0	0
CMT062G	Flordan to Caistor St Edmunds Catchment	3,707.00	4,724.82	0	0
CMT063G	Trowse Catchment	3,505.00	610.00	15,000	14,390
CMT064G	Keswick Catchment	0.00	0.00	2,808	2,808
CMT065G	Greath Melton to Colney Catchment	0.00	0.00	2,808	2,808
CMT066G	Barnham Broom Catchment	0.00	1,420.50	0	-1,421
CMT067G	Thuxton Catchment	2,142.50	3,149.50	2,500	-650
CMT068G	Deopham to Wramplingham	2,111.50	3,610.00	6,500	2,890
CMT069G	Wymondham Catchment	600.00	1,176.00	2,728	1,552
CMT070G	Dyke Beck Catchment	888.00	0.00	0	0
Upper Bure Sub Catchment					
CMT071G	Thurning Catchment	1,860.00	2,136.00	11,367	9,231
CMT072G	Corpustry/Cropton Hall Catchment	4,944.00	3,156.00	5,184	2,028
CMT073G	Mannington Hall Catchment	1,248.00	1,104.00	1,296	192
CMT074G	Itteringham				
074G3401	Itteringham Marsh - 34 Itteringham Marsh u/s Bure	0.00	1,897.00	2,268	371
074G3501	Itteringham Marsh - 35 Itteringham to Oulton	0.00	0.00	1,404	1,404
074G3601	Itteringham Marsh - 36	0.00	0.00	0	0
CMT075G	Blickling-Itteringham Catchment	0.00	190.00	0	-190
CMT076G	Aldborough and Scarrow Beck	7,728.00	7,158.00	11,304	4,146
CMT077G	Blickling Catchment	0.00	4,973.00	0	-4,973
CMT078G	Aylsham Catchment No.1	1,752.00	672.00	1,728	1,056
CMT079G	Aylsham North Catchment No.2	2,426.50	2,274.00	3,500	1,226
CMT080G	Burgh-Next-Aylsham Catchment	528.00	2,754.00	5,329	2,575
CMT081G	Marsham-Brampton Catchment	15,246.00	33,785.00	20,050	-13,735
CMT082G	Buxton - Hevingham Catchment	2,747.00	8,606.00	13,716	5,110
CMT083G	Kings Beck Catchment	32,090.50	55,232.50	38,232	-17,001
CMT084G	Horstead - Hautbois Catchment	1,896.00	1,152.00	1,296	144
CMT085G	Horstead Catchment	912.00	1,608.00	3,888	2,280
CMT086G	Itteringham Marsh Catchment	0.00	0.00	2,948	2,948
Wensum Sub Catchment					
CMT087G	Tatterset A Catchment	0.00	0.00	2,316	2,316
CMT088G	Tatterset B Catchment	0.00	0.00	3,500	3,500

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

Our ID	Maintenance Works	Actual 2018/19	Actual 2019/20	Annual Estimate	Variance
CMT089G	Tatterford - Raynham Catchment	192.00	0.00	0	0
CMT090G	Dunton Patch Catchment	18,633.00	0.00	0	0
CMT091G	Dunton Patch - Nights Common Catchment	0.00	0.00	0	0
CMT092G	Sculthorpe Catchment	4,687.00	2,910.02	4,020	1,110
CMT093G	Gt Ryburgh Catchment	13,154.50	264.00	0	-264
CMT094G	Gt Ryburgh Langor Catchment	5,570.00	0.00	0	0
CMT095G	Gt Ryburgh Stibbard Catchment	5,861.00	3,293.50	0	-3,294
CMT096G	Gt Ryburgh B Catchment	4,085.00	24.00	25,000	24,976
CMT097G	Guist Catchment	192.00	0.00	0	0
CMT098G	Foulsham Catchment	0.00	4,251.00	3,500	-751
CMT099G	Elmham A Catchment	4,631.00	1,086.00	6,000	4,914
CMT100G	Elmham B Catchment	4,920.50	0.00	0	0
CMT101G	Beetley Catchment	0.00	3,994.34	5,000	1,006
CMT102G	Gressenhall A Catchment	0.00	0.00	2,000	2,000
CMT103G	Gressenhall B Catchment	0.00	768.00	0	-768
CMT104G	Dereham Stream Catchment	4,345.27	6,516.50	5,000	-1,517
CMT105G	Billingford Catchment	3,328.00	3,280.40	4,500	1,220
CMT106G	Bylaugh Meadows Catchment	12,608.00	1,566.00	0	-1,566
CMT107G	Swanton Morley Catchment	9,841.50	10,221.00	5,616	-4,605
CMT108G	Easthaugh Catchment	0.00	0.00	0	0
CMT109G	Lenwade Catchment	144.00	120.00	4,968	4,848
CMT110G	Reepham - Booton Catchment	0.00	0.00	2,500	2,500
CMT111G	Swannington Catchment	1,440.00	0.00	5,500	5,500
CMT112G	Ringland - Morton Hall Catchment	8,612.50	6,761.00	4,212	-2,549
CMT113G	Taverham Hall Catchment	468.00	0.00	5,500	5,500
CMT114G	Drayton Low Road Catchment	0.00	0.00	2,106	2,106
CMT115G	Costessey Mill Catchment	312.00	144.00	2,106	1,962
CMT116G	Hellesdon Low Road A Catchment	0.00	0.00	1,404	1,404
CMT117G	Honningham - Berry Hall Catchment	957.00	0.00	0	0
CMT119G	Hellesdon Low Road B Catchment	0.00	0.00	702	702

Upper Nar Sub Catchments

CMT120G	Upper Nar River Catchment	2,773.00	846.00	2,000	1,154
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Direct Works	216,715.14	261,488.15	269,596	8,108
Technical Support Staff Costs	274,020.00	246,084.00	306,977	60,893
Other Technical Support Costs	1,916.00	31,969.00	2,000	-29,969
Biodiversity Action Plan Costs	11,914.00	10,243.50	9,834	-410
Contingency	0.00	0.00	0	0
Maintenance Works	£504,565.14	£549,784.65	£588,407	£38,622

A GOOSE
OPERATIONS MANAGER

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

ID	Direct Works	Actual 2019/20 £	Labour Charges £	Plant Charges £	Materials £	Contractors £	Plant Hire £
Smallburgh Sub Catchment							
CMT013G	North Walsham & Dilham Canal Catchment	29,859.11	2,184.00	380.00	4,182.40	18,353.00	4,759.71
CMT014G	Hundred Stream Catchment	6,728.35	864.50	0.00	8.85	5,855.00	0.00
Middle Bure Sub Catchment							
CMT026G	Hoveton Catchment	27,662.00	3,471.00	7,390.00	0.00	16,801.00	0.00
North Norfolk Rivers Sub Catchment							
CMT042G	Holme Catchment	6,386.00	806.00	0.00	0.00	5,580.00	0.00
CMT043G	Burn Catchment (Burnham Norton)	3,178.61	325.00	0.00	72.37	1,987.00	794.24
CMT044G	Stiffkey Catchment	240.00	240.00	0.00	0.00	0.00	0.00
Upper Yare and Tas Sub Catchment							
CMT061G	Fornsett to Tasburgh						
061G0301	3 Tharston Drain	0.00	0.00	0.00	0.00	0.00	0.00
061G0302	3a Fundenhall Drain	0.00	0.00	0.00	0.00	0.00	0.00
061G0303	3b Peck Drain	0.00	0.00	0.00	0.00	0.00	0.00
061G0304	3c Wacton Drain	0.00	0.00	0.00	0.00	0.00	0.00
061G0305	3d Sandpit Drain	0.00	0.00	0.00	0.00	0.00	0.00
CMT062G	Flordan to Caistor St Edmunds Catchment	4,724.82	757.00	190.00	0.00	3,777.82	0.00
CMT063G	Trowse Catchment	610.00	0.00	0.00	0.00	610.00	0.00
CMT064G	Keswick Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT065G	Greath Melton to Colney Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT066G	Barnham Broom Catchment	1,420.50	175.50	0.00	0.00	1,245.00	0.00
CMT067G	Thuxton Catchment	3,149.50	409.50	0.00	0.00	2,740.00	0.00
CMT068G	Deopham to Wramplingham	3,610.00	735.00	0.00	0.00	2,875.00	0.00
CMT069G	Wymondham Catchment	1,176.00	1,176.00	0.00	0.00	0.00	0.00
CMT070G	Dyke Beck Catchment	0.00	0.00	0.00	0.00	0.00	0.00



Norfolk Rivers

Drainage Board

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

ID	Direct Works	Actual 2019/20 £	Labour Charges £	Plant Charges £	Materials £	Contractors £	Plant Hire £
Upper Bure Sub Catchment							
CMT071G	Thurning Catchment						
071G3701	37 Fulling Mill - Growle Abbey	2,136.00	2,136.00	0.00	0.00	0.00	0.00
071G3801	38 Blackwater to Guestwick	0.00	0.00	0.00	0.00	0.00	0.00
071G3802	38a Thurning Spa	0.00	0.00	0.00	0.00	0.00	0.00
CMT072G	Corpustry/Cropton Hall Catchment	3,156.00	3,156.00	0.00	0.00	0.00	0.00
CMT073G	Mannington Hall Catchment	1,104.00	1,104.00	0.00	0.00	0.00	0.00
CMT074G	Itteringham	0.00	0.00	0.00	0.00	0.00	0.00
074G3401	Itteringham Marsh - 34 Itteringham Marsh u/s Bure	1,897.00	389.00	190.00	0.00	1,318.00	0.00
074G3501	Itteringham Marsh - 35 Itteringham to Oulton	0.00	0.00	0.00	0.00	0.00	0.00
074G3601	Itteringham Marsh - 36	0.00	0.00	0.00	0.00	0.00	0.00
CMT075G	Blickling-Itteringham Catchment	190.00	0.00	190.00	0.00	0.00	0.00
CMT076G	Aldborough and Scarrow Beck	0.00	0.00	0.00	0.00	0.00	0.00
076G2901	29 Scarrow Beck - Aldborough	0.00	0.00	0.00	0.00	0.00	0.00
076G3001	30 Wickmere to Matlaske	0.00	0.00	0.00	0.00	0.00	0.00
076G3002	30a Wickmere Drain	1,392.00	1,392.00	0.00	0.00	0.00	0.00
076G3101	31 Aldborough to Bessingham	1,296.00	1,296.00	0.00	0.00	0.00	0.00
076G3201	32 Aldborough to Dairy Farm	336.00	336.00	0.00	0.00	0.00	0.00
076G3301	33 Aldborough to Thurgaton Hall	978.00	570.00	0.00	0.00	408.00	0.00
076G3302	33a Hanworth Park Spur	708.00	708.00	0.00	0.00	0.00	0.00
076G3303	33b Hanworth Common	0.00	0.00	0.00	0.00	0.00	0.00
076G4001	40 Thwaite Common Drain	2,448.00	2,448.00	0.00	0.00	0.00	0.00
CMT077G	Blickling Catchment	4,973.00	702.00	0.00	0.00	4,271.00	0.00
CMT078G	Aylsham Catchment No.1	672.00	672.00	0.00	0.00	0.00	0.00
CMT079G	Aylsham North Catchment No.2	2,274.00	670.00	0.00	0.00	1,604.00	0.00
CMT080G	Burgh-Next-Aylsham Catchment	2,754.00	1,150.00	0.00	0.00	1,604.00	0.00
CMT081G	Marsham-Brampton Catchment	33,785.00	9,608.00	570.00	0.00	23,607.00	0.00
CMT082G	Buxton - Hevingham Catchment	8,606.00	1,799.00	190.00	0.00	6,617.00	0.00
CMT083G	Kings Beck Catchment	55,232.50	17,267.50	625.00	0.00	37,340.00	0.00

From: 01 April 2019
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Period To: 12
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ID	Direct Works	Actual 2019/20 £	Labour Charges £	Plant Charges £	Materials £	Contractors £	Plant Hire £
CMT084G	Horstead - Hautbois Catchment	1,152.00	1,152.00	0.00	0.00	0.00	0.00
CMT085G	Horstead Catchment	1,608.00	1,608.00	0.00	0.00	0.00	0.00
CMT086G	Itteringham Marsh Catchment	0.00	0.00	0.00	0.00	0.00	0.00
Wensum Sub Catchment							
CMT087G	Tatterset A Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT088G	Tatterset B Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT089G	Tatterford - Raynham Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT090G	Dunton Patch Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT091G	Dunton Patch - Nights Common Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT092G	Sculthorpe Catchment	2,910.02	1,284.02	0.00	0.00	1,626.00	0.00
CMT093G	Gt Ryburgh Catchment	264.00	264.00	0.00	0.00	0.00	0.00
CMT094G	Gt Ryburgh Langor Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT095G	Gt Ryburgh Stibbard Catchment	3,293.50	72.00	0.00	3,221.50	0.00	0.00
CMT096G	Gt Ryburgh B Catchment	24.00	24.00	0.00	0.00	0.00	0.00
CMT097G	Guist Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT098G	Foulsham Catchment	4,251.00	585.00	0.00	0.00	3,666.00	0.00
CMT099G	Elmham A Catchment	1,086.00	816.00	0.00	0.00	270.00	0.00
CMT100G	Elmham B Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT101G	Beetley Catchment	3,994.34	520.00	190.00	0.00	3,284.34	0.00
CMT102G	Gressenhall A Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT103G	Gressenhall B Catchment	768.00	768.00	0.00	0.00	0.00	0.00
CMT104G	Dereham Stream Catchment	6,516.50	1,603.50	0.00	0.00	4,913.00	0.00
CMT105G	Billingford Catchment	3,280.40	338.00	190.00	466.40	2,286.00	0.00
CMT106G	Bylaugh Meadows Catchment	1,566.00	234.00	0.00	0.00	1,332.00	0.00
CMT107G	Swanton Morley Catchment	10,221.00	1,404.00	0.00	0.00	8,817.00	0.00
CMT108G	Easthaugh Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT109G	Lenwade Catchment	120.00	120.00	0.00	0.00	0.00	0.00
CMT110G	Reepham - Booton Catchment	0.00	0.00	0.00	0.00	0.00	0.00



Norfolk Rivers

Drainage Board

From: 01 April 2019
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Year Ended: 31 March 2020

ID	Direct Works	Actual 2019/20 £	Labour Charges £	Plant Charges £	Materials £	Contractors £	Plant Hire £
CMT111G	Swannington Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT112G	Ringland - Morton Hall Catchment	6,761.00	936.00	0.00	0.00	5,825.00	0.00
CMT113G	Taverham Hall Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT114G	Drayton Low Road Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT115G	Costessey Mill Catchment	144.00	144.00	0.00	0.00	0.00	0.00
CMT116G	Hellesdon Low Road A Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT117G	Honningham - Berry Hall Catchment	0.00	0.00	0.00	0.00	0.00	0.00
CMT119G	Hellesdon Low Road B Catchment	0.00	0.00	0.00	0.00	0.00	0.00
Upper Nar Sub Catchments							
CMT120G	Upper Nar River Catchment	846.00	48.00	0.00	0.00	798.00	0.00
All Sub Catchments							
ALL	General Duties	0.00	0.00	0.00	0.00	0.00	0.00
Direct Works		£261,488.15	£68,467.52	£10,105.00	£7,951.52	£169,410.16	£5,553.95

A GOOSE
OPERATIONS MANAGER

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

Plant ID	Plant Item	Productive Units	Charge Out Unit	£ Per Unit	Notional Income	Third Party R & M	Inhouse R & M	Fuels	Services	RFL, Int & Insurance	Depreciation	Total Expenditure	Over/(Under) Recovery
M05	Herder Mowing Bucket	0.00	Hours	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M06	Fuel Bowser	2,740.00	Hours	2.50	6,850.00	0.00	0.00	0.00	0.00	33.68	0.00	33.68	6,816.32
M10	Herder Mowing Bucket	0.00	Hours	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M17	Ifor Williams Trailer	0.00	Hours	2.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M22	Herder Mowing Bucket	0.00	Hours	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M24	Trailer	0.00	Hours	2.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M31	Tree Shearers	112.00	Day	125.00	14,000.00	0.00	0.00	0.00	0.00	0.00	2,000.04	2,000.04	11,999.96
M50	Comfort Space	35.00	Week	190.00	6,650.00	0.00	0.00	0.00	1,146.28	0.00	1,599.48	2,745.76	3,904.24
Mobile Plant Operations Account (this year)		2,887			£27,500.00	£0.00	£0.00	£0.00	£1,146.28	£33.68	£3,599.52	£4,779.48	£22,720.52
Mobile Plant Operations Account (last year)		1,562			£15,725.00	£3,086.96	£0.00	£562.13	£0.00	£783.90	£4,899.44	£9,332.43	£6,392.57

A GOOSE
OPERATIONS MANAGER

From: 01 April 2019
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Period To: 12
Year Ended: 31 March 2020

ID	Labour Operations Account	Actual 2018/19	Actual 2019/20	Annual Estimate	Variance
Work Done:					
7000	Labour Charges	65,712.00	51,752.00	80,000.00	-28,248.00
7005	Contribution from Contractors towards Fixed Overheads	39,292.50	43,166.50	50,000.00	-6,833.50
		105,004.50	94,918.50	130,000.00	-35,081.50
Direct Costs:					
7010	Basic Pay	31,852.75	26,911.68	46,000.00	19,088.32
7020	Overtime	588.72	317.19	700.00	382.81
7080	Call out/expenses	157.44	166.93	175.00	8.07
7100	Travelling	9,088.80	7,572.75	10,500.00	2,927.25
7110	Holiday Pay	5,205.62	4,842.24	5,000.00	157.76
7120	Sick Pay	1,348.27	5,680.32	2,000.00	-3,680.32
		48,241.60	45,491.11	64,375.00	18,883.89
Variable Overheads:					
7070	Mobile Telephone Charges	323.31	533.64	400.00	-133.64
7075	Lone Worker Telephone Charges	432.00	0.00	450.00	450.00
7130	Employers N.I.	3,326.24	3,166.27	4,000.00	833.73
7140	Employers Pension	9,159.80	9,034.05	10,000.00	965.95
7150	Private Medical/Life Assurance	108.10	304.99	125.00	-179.99
		13,349.45	13,038.95	14,975.00	1,936.05
Fixed Supervision Overheads:					
7160	Operations Manager	40,000.00	40,000.00	40,000.00	0.00
7165	Broads Supervision	6,777.00	5,148.00	8,000.00	2,852.00
7240	Training Course Fees	60.59	0.00	100.00	100.00
7250	Protective Clothing/Health and Safety	3,441.11	1,846.23	550.00	-1,296.23
7260	Small Tools/Consumables	706.88	2,540.33	2,000.00	-540.33
		50,985.58	49,534.56	50,650.00	1,115.44
Net Operating Surplus/(Deficit)		-£7,572.13	-£13,146.12	£0.00	-£13,146.12
Productive Hours:					
L02	A Halls	1,012.00	926.00	1,056.00	-130.00
L04	A Brooks	132.00	0.00	0.00	0.00
L05	N Marshall	1,594.00	1,295.50	1,672.00	-376.50
		2,738.00	2,221.50	2,728.00	-506.50
Hours:					
L20	Wayne Risebrow	5,857.00	6,218.00	0.00	6,218.00
L23	B J Goose Digger Hire	118.00	0.00	0.00	0.00
L24	S J Cobbold	70.00	180.00	0.00	180.00
L25	Robert P Thain	0.00	18.00	0.00	18.00
L26	A M Ground Maintenance	0.00	225.00	0.00	225.00
		6,045.00	6,641.00	0.00	6,641.00
Cost/Hour:					
	Direct Cost	17.62	20.48	23.60	3.12
	Variable Overhead	4.88	5.87	5.49	-0.38
	Fixed Overhead	4.27	2.87	0.24	-2.63
		£26.77	£29.22	£29.33	£0.11
Holidays Taken:					
NR0003	A Halls	19	14	19	-5
NR0004	A Brooks	0	0	0	0
NR0005	N Marshall	24	23	24	-1
		43	37	43	-5
Sickdays Taken:					
NR0003	A Halls	2	8	0	-8
NR0004	A Brooks	0	0	0	0
NR0005	N Marshall	10	48	0	-48
		12	56	0	-56

A GOOSE
OPERATIONS MANAGER

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

Asset ID	Fixed Assets Register	Purchased/ Revalued	Depreciation Period (Yrs)	Responsible Officer	Location Of Asset	Capital Cost B/Fwd	Revaluations	Additions	Disposals	Capital Cost C/Fwd	Depreciation B/Fwd	Depreciation	Acc.dprn w/out on disposal	Depreciation C/Fwd	Profit/(Loss) on Disposal	Net Book Value
M05	Herder Mowing Bucket	01/04/2001	5	Alan Goose	NR29 4RF	1,300.00	0.00	0.00	0.00	1,300.00	1,300.00	0.00	0.00	1,300.00	0.00	0.00
M06	Fuel Bowser	01/04/2001	5	Alan Goose	NR29 4RF	2,869.62	0.00	0.00	0.00	2,869.62	2,869.62	0.00	0.00	2,869.62	0.00	0.00
M10	Herder Mowing Bucket	21/10/2011	5	Alan Goose	NR29 4RF	3,903.00	0.00	0.00	0.00	3,903.00	3,903.00	0.00	0.00	3,903.00	0.00	0.00
M17	Ifor Williams Trailer	01/04/2009	3	Alan Goose	NR29 4RF	2,929.00	0.00	0.00	0.00	2,929.00	2,929.00	0.00	0.00	2,929.00	0.00	0.00
M19	Doosan DX80R Excavator	21/10/2011	5	Alan Goose	NR29 4RF	39,847.00	0.00	0.00	-39,847.00	0.00	39,847.00	0.00	-39,847.00	0.00	17,000.00	0.00
M22	Herder Mowing Bucket	31/03/2014	5	Alan Goose	NR29 4RF	1,500.00	0.00	0.00	0.00	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00	0.00
M31	Tree Shearers	01/11/2016	5	Alan Goose	NR29 4RF	10,000.00	0.00	0.00	0.00	10,000.00	4,833.43	2,000.04	0.00	6,833.47	0.00	3,166.53
M50	Comfort Space	27/06/2016	10	Alan Goose	NR29 4RF	15,995.00	0.00	0.00	0.00	15,995.00	4,398.57	1,599.48	0.00	5,998.05	0.00	9,996.95
Fixed Assets: Plant and Equipment						78,343.62	0.00	0.00	-39,847.00	38,496.62	61,580.62	3,599.52	-39,847.00	25,333.14	17,000.00	13,163.48
B01	Kettlewell House: NK391156 (10%)	25/08/2009	50			49,950.00	0.00	0.00	0.00	49,950.00	10,989.00	999.00	0.00	11,988.00	0.00	37,962.00
Fixed Assets: Land and Buildings						49,950.00	0.00	0.00	0.00	49,950.00	10,989.00	999.00	0.00	11,988.00	0.00	37,962.00
Shared Consortium Assets (6.12%)		31/03/2018	1			459.00	78.03	0.00	0.00	537.03	459.00	78.03	0.00	537.03	0.00	0.00
Fixed Assets						£128,752.62		£0.00	-£39,847.00	£88,983.65	£73,028.62	£4,676.55	-£39,847.00	£37,858.17	£17,000.00	£51,125.48

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2020		ACTUAL 2018/19 RESTATED £	ACTUAL 2019/20 £
1	Balances brought forward		
	General Reserve	554,974	545,862
	Development Reserve	181,569	210,035
	Plant Reserve	65,000	65,000
	Revaluation Reserve	40,959	40,959
	Grants Reserve	224,313	150,658
	Pension Reserve	-125,000	-169,000
	As per Statement of Accounts	941,815	843,514
	(-) Fixed Assets and Long Term Liabilities		
	Long Term Liabilities	0	0
	Pension Liability	-125,000	-169,000
	Net Book Value of Tangible Fixed Assets	63,348	55,699
		-61,652	-113,301
	(=) Adjusted Balances brought forward (Net Current Assets)	1,003,467	956,815
2	(+) Rates and Special Levies		
	Drainage Rates	78,996	81,586
	Special Levies issued by the Board	305,690	315,784
	As per Statement of Accounts	384,686	397,370
3	(+) All Other Income		
	Grants Applied	277,761	115,164
	Highland Water Contributions	98,945	100,602
	Income from Rechargeable Works	261,641	267,961
	Investment Interest	5,398	6,456
	Development Contributions	33,489	1,321
	Other Income	211,691	209,056
	Profit/(Loss) on disposal of Fixed Assets	0	17,000
	As per Statement of Accounts	888,925	717,560
	(+) Additional Income from Sale of Fixed Assets		
	Capital Cost of disposals	52,147	39,847
	Less: Accumulated depreciation written out	-50,396	-39,847
		1,751	0
	(+) Grants Applied to Grants Received Conversion		
	(-) Grants Applied	-277,761	-115,164
	(+) Grants Received	204,105	0
		-73,656	-115,164
	(=) Adjusted Other Income	817,020	602,396
4	(-) Staff Costs		
	Labour Operations Account	51,481	49,952
	Shared Technical Support Staff Costs	243,748	246,084
	Shared Administration Staff Costs	92,207	94,201
		387,436	390,237

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

BOX NO.	ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2020	ACTUAL 2018/19 RESTATED £	ACTUAL 2019/20 £
5	(-) Loan Interest/Capital Repayments		
	Loan Interest	0	0
	Capital Repayments	0	0
	As per Statement of Accounts	0	0
6	(-) All Other Expenditure		
	Capital Works	277,905	116,437
	Maintenance Works	504,565	549,785
	Environment Agency Precept	70,501	72,693
	Development Expenditure	5,024	3,198
	Administration Charges	133,439	143,697
	Cost of Rechargeable Works	261,641	234,596
	Net Deficit/(Surplus) on Operating Accounts	1,180	-9,574
	Pension Interest Cost/(Expected Return on Assets)	0	0
	As per Statement of Accounts	1,254,255	1,110,832
	(-) All Other Expenditure (Non Cash)		
	Plant and Equipment	4,899	3,600
	Buildings	0	0
	Depreciation on Kettlewell House (including in admin. Exp.)	999	999
	Pension Interest Cost/(Expected Return on Assets)	0	0
		5,898	4,599
	(-) Staff Costs now reported in Box 4	387,436	390,237
	(+) Capitalised Additions		
	Land and Buildings	0	0
	Plant and Equipment	0	0
		0	0
	(=) Adjusted Other Expenditure	860,922	715,996
7	(=) Balances carried forward		
	General Reserve	545,862	549,985
	Development Reserve	210,035	210,035
	Plant Reserve	65,000	65,000
	Revaluation Reserve	40,959	40,959
	Grants Reserve	150,658	35,494
	Pension Reserve	-169,000	-96,000
	As per Statement of Accounts	843,514	805,473
	(-) Fixed Assets and Long Term Liabilities		
	Long Term Borrowing	0	0
	Pension Liability	-169,000	-96,000
	Net Book Value of Tangible Fixed Assets	55,699	51,125
		-113,301	-44,875
	(=) Adjusted Balances carried forward (Net Current Assets)	956,815	850,348
8	Total Cash and Short Term Investments		

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2020		ACTUAL 2018/19 RESTATED £	ACTUAL 2019/20 £
	Cash at Bank and in Hand	31,875	326,668
	Short Term Investments	900,000	500,000
	As per Statement of Accounts	931,875	826,668
9	Total Fixed Assets and Long Term Assets (Net Book Value)		
	Land and Buildings	38,961	37,962
	Plant and Equipment	16,738	13,163
	Shared Consortium Assets	0	0
	As per Statement of Accounts	55,699	51,125
10	Total Borrowings		
	Loans Due (<= 1 Year)	0	0
	Loans Due (> 1 Year)	0	0
	As per Statement of Accounts	0	0

From: 01 April 2019
To: 31 March 2020

Period To: 12
Year Ended: 31 March 2020

BOX NO.	ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2020	ACTUAL 2018/19 RESTATED £	ACTUAL 2019/20 £
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7, 8	RECONCILIATION BETWEEN BOXES 7 AND 8	ACTUAL 2018/19 £	ACTUAL 2019/20 £
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7	Balances carried forward (adjusted)	956,815	850,348
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(-) Deduct: Debtors and Prepayments

Trade Debtors	64,324	68,073
Work in Progress	2,877	19,326
Drainage Rates and Special Levies Due	314	-150
Prepayments	0	0
Prepayments to WMA	22,728	-4,889
Vat Due from HMRC	-3,947	1,587
Grants Due	0	0
	86,296	83,947

(+) Add: Creditors and Payments Received in Advance (<= 1 Year)

Trade Creditors	53	5,583
Accruals	44,450	37,468
Drainage Rates/Special Levies paid in advance	16,853	17,217
Finance Leases	0	0
	61,356	60,268

(=) Box 8

931,875	826,668
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8 (=) Total Cash and Short Term Investments

Cash at Bank and in Hand	31,875	326,668
Short Term Investments	900,000	500,000
	931,875	826,668

P J CAMAMILE MA FCIS
CHIEF EXECUTIVE

S JEFFREY BSc (Hons) FCCA
FINANCE & RATING MANAGER

30 APRIL 2020

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



FINAL INTERNAL AUDIT REPORT

WATER MANAGEMENT ALLIANCE

**– REVIEW OF EFFECTIVENESS OF SYSTEM OF
INTERNAL CONTROL – 2019-2020**

16th April 2020



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	15th April 2020
Management agreement received	16th April 2020
Final report issued	16th April 2020

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Executive Summary

Our Assurance Opinion: SUBSTANTIAL ASSURANCE								
No. of Assurances Over Control Areas Reviewed					No. of Recommendations & Priorities			
Full	Substantial	Limited	No	Total	High	Medium	Low	Total
5	5	0	0	10	0	5	1	6

Overall Objective and System Background

The overall objective of the audit was to ensure the effectiveness of the system of internal control operating within the Water Management Alliance (WMA).

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.

Summary of Key Control Issues and Risks

Based upon the work carried out, Substantial Assurance can be given regarding the effectiveness of the system of internal control operating within the WMA. However, some control issues were identified which require attention by management:

- As stated in paragraph 17 in the Financial Regulations, the Finance Officer is required to prepare a Financial Report for each Board meeting; however, review of Board agendas for 2019/20 identified that a Financial Report is not presented to the last Board meeting of each financial year (usually held in January).
- East Suffolk IDB and Pevensey & Cuckmere hold just three Board meetings each year, therefore Board Members are not being kept fully informed of the financial position of their Board during the course of the year.
- King's Lynn General Reserve, which is required to be maintained at no less than £600k, stood at -£27,241 as at 30/09/19.
- Of the timesheets tested, two had not been authorised by the appropriate manager.
- Board Members are not being kept fully informed of the level of assets and investments held during the course of the year. These are included in the Financial Report, which as noted above, is not presented at the last Board meeting each year.

Summary of Key Recommendations

The key recommendations arising from the audit are:

- In accordance with Financial Regulations, Boards should receive a financial report for the year to date at each Board meeting, including the meetings held in January / February, so that Board Members are kept fully apprised of the financial position of the IDB.
- The Boards of East Suffolk and Pevensey & Cuckmere should consider increasing the number of Board meetings that they hold each year from three to four, so as to enable Board Members to be apprised of their Board's financial position during the course of the year.
- King's Lynn IDB should ensure that its General Reserve is maintained at no less than 20-25% of net expenditure, i.e. no less than £600k.
- Finance Officers should ensure that all timesheets have been appropriately authorised prior

to payment. Any that have not been signed should be returned to the appropriate manager for authorisation.

- Board Members should be kept fully apprised during the course of the year of the level of assets and investments held by their respective Board. The Financial Report, which includes details of assets and investments held, should be reported at each Board meeting.

Summary of Agreed Actions

The Finance & Rating Manager has agreed to implement the following actions:

- A full Balance Sheet will be included in the Management Report which is presented to Boards and CMC at their meetings in December, January and February, together with supporting notes.
- All capital works expenditure incurred on the Wolferton and Islington pumping station schemes that has been financed by the PWLB loan of £10m will be capitalised (as opposed to simply shown as expenditure on the face of the Income and Expenditure Account (I&E)). The revenue charge every year (or depreciation) that is shown on the I&E Account will equate to the loan repayment, which will regularise the KLIDB General Reserve.
- Any unauthorized timesheets will be returned to the authorising manager for appropriate authorisation to enable payment to be made.
- Assets and investments will be included in the Balance Sheet as part of the Management Report presented to Boards and CMC in December, January and February.

The Chief Executive will put the recommendation to the Boards of East Suffolk and Pevensey & Cuckmere that they consider increasing the number of Board meetings each year from three to four.

2. Objective & Scope

2.1 The overall objective of the audit was to ensure the effectiveness of the system of internal control operating within the Water Management Alliance (WMA).

2.2 The audit involved the following:

- Creditors – sample testing of purchase orders and invoice payments for appropriate authorisation in accordance with Financial Regulations.
- Risk Management - reviewing Board minutes for evidence of review of Risk Register at regular intervals; reviewing each Board's Risk Register for expected and relevant risks.
- Budgetary Control – reviewing Board minutes for evidence that budgets for the year ahead are set and that monitoring reports are presented to the Board on a regular basis with analysis of any variations. Checking that financial reporting to Boards is in accordance with Financial Regulations.
- Reserve's Policy – reviewing each Board's Reserves Policy for adequacy and assessing whether each Board's reserves are appropriate.
- Income – reviewing the system for the receipt and banking of income; test checking a sample of income receipts for evidence of prompt and correct banking, and that VAT is accounted for correctly.

-
- Petty Cash – reviewing the petty cash system and the appropriateness of payments made out of petty cash for appropriateness.
 - Payroll – sample testing of payroll records for correct authorisation of timesheets and correct application of PAYE/NIC deductions.
 - Assets & Investments – reviewing the process for monitoring and reporting investments and assets, ascertaining each Board's current investments and where they are held. Tracing a sample of investments back to source documents for appropriate authorisation. Reviewing the process for the monitoring and reporting of cash flow, ensuring that cash flows are maintained at an appropriate level.
 - Cashbook & Bank Reconciliations – sample testing of the reconciliation of each Board's cashbook to their bank statements, checking that any discrepancies are identified, investigated and explained, and that corrective action is taken. Checking that all bank accounts have remained in credit throughout the whole year.
 - Year End Procedures – checking that accounting statements prepared during the year were prepared using the correct accounting basis.
- 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 Finance & Rating Manager and consisted of discussions relating to the operation of the internal control processes, review of relevant documentation and sample testing of specific transactions.
- 2.5 Due regard was taken of the guidance issued on 30th March 2019 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 2019)" 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 2019/20 for each of the six Boards.
- 2.7 The review was undertaken during March and April 2020.

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 effectiveness of the system of internal control operating within the WMA.

OVERALL INTERNAL AUDIT OPINION: SUBSTANTIAL ASSURANCE	
Control Objectives	Assurance Opinion
1. Creditors - To ensure that all orders have been raised and payments processed in accordance with Financial Regulations.	Full
2. Risk Management – To ensure that the authority has assessed the significant risks to achieving its objectives and has reviewed the adequacy of the arrangements to manage these.	Full
3. Budgetary Control - To ensure that robust controls exists regarding the budget setting and monitoring process, and that budgets are set for the year ahead and are monitored throughout the year, with any variances identified and explained adequately.	Substantial
4. Reserve’s Policy - To ensure that each Board has a Reserves Policy in place relating to capital financing and reserves, and that reserves are appropriate.	Substantial
5. Income – To ensure that expected income is fully received, based on correct prices, properly recorded and promptly banked, and that VAT is appropriately accounted for.	Substantial
6. Petty Cash - To ensure that petty cash provisions are reasonable, used in accordance with Financial Regulations and that adequate records are kept of payments made.	Substantial
7. Payroll - To ensure that salaries and wages have been paid correctly, and that PAYE and NIC have been paid over to HMRC correctly and in a timely manner.	Full
8. Assets & Investments - To ensure that investments and assets are properly recorded, that reimbursements and interest are received promptly and in full, and that cash flows are maintained at an adequate level.	Substantial
9. Cashbook & Bank Reconciliations - To ensure that regular monthly reconciliations are carried out by a responsible officer and that this is evidenced. To ensure that any discrepancies are investigated and explained, and that corrective action is taken where necessary.	Full
10. Year End Procedures – To ensure that accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cashbook, supported by an adequate audit trail and, where appropriate, debtors and creditors were properly recorded.	Full

- 4.2 The detailed findings and recommendations arising from the review are attached as Appendix A, incorporating the agreed management actions and due dates for their implementation.

- 4.3 A total of 14 recommendations were made arising from last year's review; as part of this current year's audit these were followed-up to ensure that they had been implemented by management. The results of the follow-up are attached as Appendix B. Of the 14 recommendations, 10 have been actioned, three partly actioned and one did not require any action to be taken by management. The three recommendations which are currently in the process of being implemented are:
- Physical verification of assets is in progress; not completed for the WMA Eastern Boards due to Covid-19 outbreak;
 - As at 4th March 2020, out of a total of 152 Members across all six Boards, 13 (9%) had not filed a declaration of interest return and six (5%) had not completed the return fully;
 - Norfolk Rivers and East Suffolk IDB have agreed to reduce the number of Members; Broads IDB decided not to reduce the number of their Members.
- 4.4 Appendix C 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 review are attached as Appendix D.

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
 - Phil Camamile, Chief Executive
 - Lisa Manning, Senior Finance & Rating Officer
 - Trish Walker, Finance & Rating Officer
 - Amy Taylor, Finance & Rating Officer.

Findings, Risks, Recommendations and Management Action Plan

Control Objective 3: Budgetary Control - To ensure that robust controls exist regarding the budget setting and monitoring process, and that budgets are set for the year ahead and are monitored throughout the year, with any variances identified and explained adequately.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
1.	<p><u>Finding</u> As stated in paragraph 17 in the Financial Regulations, the Finance Officer is required to prepare a Financial Report for each Board meeting; however, review of Board agendas for 2019/20 identified that a Financial Report is not presented to the last Board meeting of each financial year (usually held in January). For example, the Board of Broads IDB considered and approved the Financial Report for 2018/19 at their meeting in May 2019, the Financial Report for April – June 2019 in August 2019 and the report for April – September 2019 in October 2019. At their meeting in January 2020, the Board did not receive a financial report for the year to date. Similarly, under consortium matters, the Board received a WMA Financial Report at each meeting in May, August and October but not in January 2020.</p> <p><u>Risk</u> Risk that Board Members are not fully apprised of the financial position of their Board during the course of the year.</p>	In accordance with Financial Regulations, Boards should receive a financial report for the year to date at each Board meeting, including the meetings held in January / February, so that Board Members are kept fully apprised of the financial position of the IDB.	Medium	<p>A Management Report containing financial information is presented to the Boards and to the CMC for their meetings in December, January and February, but it only includes detailed Income and Expenditure for the purposes of budgeting and rate setting, and does not include a Balance Sheet.</p> <p>The Earmarked Balances and Reserves are also included in the Management Reports, along with a five-year indicative forecast.</p> <p>We will include a full Balance Sheet with these Management Reports, together with supporting notes, moving forward (please also see rec 6).</p>	<p>Finance and Rating Manager</p> <p>December 2020, January and February 2021.</p>
2.	<p><u>Finding</u> King's Lynn IDB Board reviewed the Financial Report for the period April 2019 to January 2020 at their meeting on 13th March 2020; their next meeting is on 15th May 2020. King's Lynn hold Board meetings every six months, whereas</p>	The Boards of East Suffolk and Pevensey & Cuckmere should consider increasing the number of Board meetings that they hold each year from three to four, so as to enable Board Members to be apprised	Medium	I will put this to both Boards when they next meet, but doubt they will agree or consider it to be necessary.	<p>Chief Executive</p> <p>June 2020</p>

Findings, Risks, Recommendations and Management Action Plan

Control Objective 3: Budgetary Control - To ensure that robust controls exist regarding the budget setting and monitoring process, and that budgets are set for the year ahead and are monitored throughout the year, with any variances identified and explained adequately.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
	<p>the other IDBs have only three or four Board meetings each year; for example, East Suffolk only has three meetings a year and their next meeting is not until 17th June 2020. Therefore, Boards are not being fully appraised of the financial position of the IDB frequently enough.</p> <p><u>Risk</u> Risk that Board Members are not being appraised of the financial position of the Board frequently enough.</p>	of their Board's financial position during the course of the year.		<p>We keep all of our Board members apprised of relevant matters between meetings by newsletters and emails.</p> <p>In fact both of these two Boards have actually asked for less financial information in future, as has been recorded in the Boards minutes (with P&CWLMB expressly requesting that we only report by exception from now on).</p>	

Findings, Risks, Recommendations and Management Action Plan

Control Objective 4: Reserves – To ensure that each Board has a Reserves Policy in place relating to capital financing and reserves, and that reserves are appropriate.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
3.	<p><u>Finding</u></p> <p>Each IDB aims to maintain their General Reserve at a level commensurate with their net expenditure:</p> <ul style="list-style-type: none"> • Broads – no less than 20% of net expenditure i.e. £200k • East Suffolk – between 20-25%; no less than £50k. • King's Lynn – 20-25%; no less than £600k. • Norfolk Rivers – not less than 25%; i.e. £100k. • South Holland – 20-25%; i.e. £600k. • Pevensey & Cuckmere – 20%. <p>Point 4.6 in the Reserves Policy states that "as a minimum, the Board's Reserves (net of grant) should not fall below one year's net expenditure, as set out in ADA's Guide to Good Governance". Therefore, each IDB aims to maintain their Reserves at the following levels:</p> <ul style="list-style-type: none"> • Broads - £1m • East Suffolk - £1m • King's Lynn - £3m • Norfolk Rivers - £0.85m • South Holland – £3.25m • Pevensey & Cuckmere - £0.55m. <p>Analysis of each Board's Reserves (as at 31/09/19) identified that all Boards were maintaining their reserves at appropriate levels, and were complying with 4.6 in the Reserves Policy. However, it is noted that the King's Lynn General Reserve, which is required to be maintained at no less than £600k, stood at -£27,241 as at 30/09/19.</p>	King's Lynn IDB should ensure that its General Reserve is maintained at no less than 20-25% of net expenditure, i.e. no less than £600k.	Medium	<p>It will be at the end of the financial year when we prepare the statutory accounts.</p> <p>All capital works expenditure incurred on the Wolferton and Islington pumping station schemes that has been part-financed by the PWLB loan of £10m will be capitalised (as opposed to simply shown as expenditure on the face of the Income and Expenditure Account (I&E)).</p> <p>The revenue charge every year (or depreciation) that is shown on the I&E Account will equate to the PWLB loan repayment, which will regularise the General Reserve.</p>	<p>Finance and Rating Manager</p> <p>15 May 2020</p>

Findings, Risks, Recommendations and Management Action Plan

Control Objective 5: Income – To ensure that expected income was fully received, based on correct prices, properly recorded and promptly banked, and that VAT was appropriately accounted for.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
4.	<p><u>Finding</u> Each Board has the same Drainage Rates & Special Levies Collection Policy. With the exception of Pevensey & Cuckmere's policy, each Board's policy has passed its stated review date. The policy was reviewed in May/June 2014 and was next due to be reviewed in October/November 2019 i.e. the policy is reviewed every five years. The Pevensey & Cuckmere policy was reviewed on 31st October 2017 and is next due for review in October 2022.</p> <p><u>Risk</u> Risk that the Rate Levies & Collection Policy is out of date and not fit for purpose.</p>	Each Board's Rate Levies & Collection Policy should be reviewed and updated/amended as appropriate.	Low	Agreed.	<p>Chief Executive</p> <p>Next face-to-face meeting of the Boards.</p>

Findings, Risks, Recommendations and Management Action Plan

Control Objective 7: Payroll - To ensure that salaries and wages have been paid correctly, and that PAYE and NIC have been paid over to HMRC correctly and in a timely manner.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
5.	<p><u>Finding</u></p> <p>Payrolls for King's Lynn, Norfolk Rivers, South Holland and Broads IDB, and for WMA, for July 2019 and January 2020, were checked to ensure that:</p> <ul style="list-style-type: none"> • BACS Submission Details report had been initialled by CEO; • Update Records Check Report payroll totals for each employee agreed to their payslip; • Payslip details agreed to timesheet or expenses sheet; • Timesheet or expenses sheet signed by employee; • Timesheet or expenses sheet authorised by the appropriate officer. <p>The following exceptions were identified:</p> <ul style="list-style-type: none"> • C. Rowley (South Holland) claimed three non-taxable miles on his timesheet for w/e 30/12/19 for which he was not paid; • M. Norman (King's Lynn) claimed a total of 31.2 basic hours on his timesheet for w/e 15/06/19 but was only paid for 30.2 hours; • A. Cullingford's (Broads) timesheet for w/e 21/06/19 was not authorised (out of a total of 21 timesheets tested); • J. Voutt's (King's Lynn) timesheet for w/e 29/12/19 was not authorised (out of 30 timesheets tested). <p>The two underpayments were discussed with the Finance & Ratings Manager who agreed to update the payroll so that the two employees receive their full entitlement.</p>	<p>Finance Officers should ensure that all timesheets have been appropriately authorised prior to payment. Any that have not been signed should be returned to the appropriate manager for authorisation.</p>	Medium	Agreed.	<p>Finance and Rating Manager</p> <p>With immediate effect.</p>

Findings, Risks, Recommendations and Management Action Plan

Control Objective 8: Assets and Investments - To ensure that investments and assets are properly recorded, that reimbursements and interest are received promptly and in full, and that cash flows are maintained at an adequate level.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
6.	<p><u>Finding</u> Investments and assets are reported to the Board in the Financial Report, which, as mentioned above at 3.1, is not reported to each of the Boards at their Board meeting held in January / February each year. Therefore, Board Members may not be kept fully appraised during the course of the year of the current level of assets and investments held by their respective Board.</p> <p><u>Risk</u> Board Members are not kept fully appraised of the level of assets and investments held by the Board.</p>	Board Members should be kept fully appraised during the course of the year of the level of assets and investments held by their respective Board. The Financial Report, which includes details of assets and investments held, should be reported at each Board meeting.	Medium	Agreed, as per recommendation 1.	<p>Finance and Rating Manager</p> <p>December 2020, January and February 2021.</p>

Follow-up of Previous Report's Recommendations

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	Follow-up of Agreed Action
1.	<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.	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.	Low	Agreed. RMP has been updated and the new front pages of the policy uploaded to the WMA website for all six Boards.	Phil Camamile, CEO WMA. Completed.	Actioned. Front sheet of each Board's RMP state: <ul style="list-style-type: none"> • Date last updated – January 2017 (to be reviewed every 5 years); • Next review date – January 2022; • Reviewed by the Board. South Holland's RMP states that it was last reviewed in November 2016 and is next due for review in November 2021.
2.	<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. 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	Management should consider enhancing the format of each Board's Risk Register so that it includes the following details: <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; 	Low	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.	No required action.	The "simpler" format of the Risk Register is appended to each Board's RMP.

Follow-up of Previous Report's Recommendations

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	Follow-up of Agreed Action
	<p>assign ownership for each risk. 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? • 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"> • 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? • 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. 		<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 raise the possibility of amending the current risk register format with JPAG.</p>		

Follow-up of Previous Report's Recommendations

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	Follow-up of Agreed Action
3.	<p><u>Finding</u></p> <p>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	<p>Actioned.</p> <p>Data Protection Policy was reviewed in July 2019; it is next due for review in July 2024.</p> <p>Point 1.4 of the policy outlines the responsibilities of employees.</p> <p>Appended to the policy is a Data Breach Questionnaire which is required to be completed and sent to the DPO if a data breach occurs.</p> <p>The duties of the DPO are briefly referred to in section 4 – Data Handling, which states that each WMA Member Board shall have an appointed DPO who will be the point of contact for any data protection or personal data, processing and/or queries.</p> <p>Section 4.6 of the Information Security Systems Acceptable Use Policy states that failure to comply with the policy could lead to disciplinary action being taken and serious breaches could also result in personal criminal liability, with individual officers and/or members being prosecuted. At the request of Internal Audit, the CEO has agreed to include a paragraph regarding any breach of the policy in the Data Protection Policy.</p>

Follow-up of Previous Report's Recommendations

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	Follow-up of Agreed Action
4.	<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.	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	Actioned. All staff have now had GDPR training and Cyber Security Training, which has been provided by an external consultant (please see the Certificates of Attendance and Invoice attached).
5.	<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.	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	Actioned. The WMA now has separate Data Breach Procedures which cover this.

Follow-up of Previous Report's Recommendations

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	Follow-up of Agreed Action
6.	<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.	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	Actioned. All Fixed Assets have been assigned to a responsible officer, and their location and assignment will be shown on the month 12 financial report for 2019/20, and on all financial reports in future, moving forward.
7.	<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	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	Partially Actioned (not completed for all Boards due to COVID-19) Full physical verification of fixed assets for SHIDB and KLIDB have been completed. The Senior Finance & Rating Officer alongside the Operations Manager for

Follow-up of Previous Report's Recommendations

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	Follow-up of Agreed Action
	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.					each Board enacted this. This will happen annually at an agreed time. This has only been partially actioned and not completed for the WMA Eastern Boards due to the restrictions of COVID-19 (this was planned for March 2020).
8.	<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.	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.	Low	Agreed.	Phil Camamile, CEO WMA. 30 th September 2019.	Actioned. Inventory Register has been updated during the year.

Follow-up of Previous Report's Recommendations

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	Follow-up of Agreed Action
9.	<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).	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	Actioned. Declarations of Interest (Dol) Logs have been completed. Further evidence of emails that have been sent to Board Members can be provided on request.
10.	<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	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	Partly Actioned. Members' Dols for each Board were reviewed on the website (as at 4 th March 2020). Out of a total of 152 Members across all six Boards, 13 (9%) had not filed a return and 8 (5%) had not completed the return fully. This is broken down as follows:

Follow-up of Previous Report's Recommendations

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	Follow-up of Agreed Action
	<p>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> <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. 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>					<ul style="list-style-type: none"> • Broads – 4 (appointed) Members out of a total of 39 had not yet filed a return; of those DoIs filed, all had been completed fully, and signed and dated. • East Suffolk – 1 not completed fully; 3 (appointed) Members not filed a return (out of a total of 23). • King's Lynn – 3 not completed fully; 1 (appointed) Member not filed a return (21 Members in total). • Norfolk Rivers – 2 not completed fully; 2 not filed a return (out of 31 Members). • South Holland – 1 not completed fully; 2 (appointed) Members not filed a return (21 Members in total). • Pevensey & Cuckmere –

Follow-up of Previous Report's Recommendations

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	Follow-up of Agreed Action
						1 not completed fully; 1 (appointed) Member not filed a return (17 Members in total).
11.	<p>Finding</p> <p>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 o 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>	<p>Actioned.</p> <p>As at 4th March 2020, the eight Dols, identified in the previous report as being filed under the wrong Member, were now filed correctly on the website.</p>
12.	<p>Finding</p> <p>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</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. The CEO has updated the</p>	<p>Phil Camamile, CEO WMA. Completed.</p>	<p>Actioned.</p> <p>Each Board's Members' Code of Conduct states the de-minimus figure of £30.00 (section 9(6a)(viii)).</p> <p>The Employees Code of</p>

Follow-up of Previous Report's Recommendations

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	Follow-up of Agreed Action
	limit at £30.			Members Code of Conduct for each Board to reflect the current figure of £30 and uploaded the new documents to the website.		Conduct states that any gift or hospitality valued at £30 or more must be declared (2.3.1).
13.	<p><u>Finding</u></p> <p>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 IBD 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.	<p>Actioned.</p> <p>All Governance policies have been updated to state date last reviewed, frequency of review and next review date. Most Governance policies are reviewed every 5 years.</p> <p>Whistleblowing Policy has been updated to state date last reviewed, that it is reviewed every 3 years, and next review date.</p> <p>Broads IDB Whistleblowing Policy was last reviewed by the Board on 12th August 2019.</p>

Follow-up of Previous Report's Recommendations

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	Follow-up of Agreed Action
14.	<p><u>Finding</u></p> <p>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>	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.	High	Agreed. The CEO will seek to reduce the membership of Broads, Norfolk Rivers and East Suffolk to no more than 21 Members each.	Phil Camamile, CEO WMA. 30 th December 2019.	<p>Partly Actioned.</p> <p>As at 4th March 2020, as per their website, Norfolk Rivers had 31 Members (16 Appointed and 15 Elected). At the Board meeting on 15th August 2019, it was agreed that the total number of Board members would be reduced from 31 to 21 (minute ref. 52/19/02). Agreed that the Chief Executive would prepare a map that established 10 new Electoral Divisions (one elected member per division) for consideration at the next meeting (on 17th October 2019), where it was decided that any further suggested changes would be discussed at the following meeting in January 2020. At the Board meeting in January 2020, the Board agreed the 10 Electoral Divisions.</p>

Follow-up of Previous Report's Recommendations

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	Follow-up of Agreed Action
						<p>Broads IDB has 39 Members. At the Board meeting on 20th May 2019, the Board decided not to consider reducing the no. of Board members. The Chief Executive “was instructed not to spend any time on preparing reports or on any further consideration of this issue” (minute ref. 32/19/02).</p> <p>East Suffolk has 23 Members. At the Board meeting on 30th October 2019, it was agreed to reduce the total no. of members from 23 to 21 (minute ref. 58/19/02).</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 THE
SYSTEM OF INTERNAL CONTROL
2019 - 2020**

**INTERNAL AUDIT
TERMS OF REFERENCE**

1. INTRODUCTION

- 1.1 This document sets out the strategy and plan for the audit of the Water Management Alliance for the financial year 2019 – 2020.
- 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 the following Internal Drainage Boards:
- Broads
 - East Suffolk
 - King’s Lynn
 - Norfolk Rivers
 - South Holland

and to the Pevensey & Cuckmere Water Level Management Board.

As such, this work will enable the auditor to complete the Annual Governance and Accountability Returns for 2019-20 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 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 2019)’ published by the Joint Panel on Accountability & Governance (JPAG).
- 2.2 In order to be able to complete section 4 of the Electronic Annual Governance and Accountability Return for 2019-20, 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.
- D. Budgetary Control
To ensure that budgets are prepared on a realistic basis and are monitored throughout the year, any variations are investigated, with corrective action being taken if necessary, and that reserves are appropriate.
- 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.
- F. Petty Cash
To ensure that petty cash provisions are reasonable, used in accordance with Financial Regulations and that adequate records are kept of payments made.
- 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. Assets and Investments
To ensure that investments and assets are properly recorded, that reimbursements and interest are received promptly and in full, and that cash flows are maintained at an adequate level.
- I. Cashbook and Bank Reconciliations
To ensure that periodic and year-end bank account reconciliations are properly completed and verified.
- 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 Last year's audit reviewed the following areas:

- Accounting Records
- Financial Regulations and Standing Orders
- Risk Management
- Income
- Payroll
- Year-End Procedures
- Asset Management
- GDPR and Data Protection Act 2018
- Board Members' Declarations of Interest

- Write-offs
- Succession Planning.

2.4 The agreed actions arising from recommendations made in last year's audit will be followed up to establish if they have been implemented by management.

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 2018-19 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 & Accountability Return for 2019-20.

4. WORK PLAN

4.1 The audit will be undertaken by Mike Tweed, Internal Auditor, Borough Council of King's Lynn & 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 2018-19.	0.5
Undertake sample testing to establish that processes are being applied as intended.	3.5
Exit meeting with management to discuss the findings and recommendations arising from the review. Drafting the report.	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 & West Norfolk

FRS102 as at 31 March 2020 - Results Schedule

ATTENTION

The results in this Schedule should be read in conjunction with the accompanying report entitled 'Actuarial Valuation as at 31 March 2020 for Accounting Purposes'. The method, assumptions, reliances and limitations are described in that document. The restrictions set out in the report on the disclosure to any third party apply equally to this Results Schedule.

Fund	Norfolk Pension Fund
Administering Authority	Norfolk County Council
Employer	Norfolk Rivers IDB
Terms of Engagement Signed	20 February 2020

Please Note

Asset returns - The figure on page 2 for the investment return over the year is based on information provided by the Administering Authority. The figure incorporates actual Norfolk Pension Fund returns for the period 1 April 2019 to 29 February 2020 and an estimate Fund return of -10.1% for the month to 31 March 2020.

McCloud – As instructed, an estimate McCloud judgement allowance has been added to the formal valuation results so the impact is continued to be included within the balance sheet at 31 March 2020 (as per the 2019 accounting approach)



Robert Bilton FFA
For and on behalf of Hymans Robertson LLP
9 April 2020

Section 1 - Data

Employer membership statistics

	Number	Total Salaries / Pensions £(000)	Average Age
	31 Mar 2019	31 Mar 2019	31 Mar 2019
Actives	2	39	58
Deferred Pensioners	2	21	51
Pensioners	-	-	-

Deferred pensioners include undecided leavers and frozen refunds. Salaries are actual, not full-time equivalent.

Payroll

Period	Assumed Total Pensionable Payroll based on Information Provided
1 April 2019 to 31 March 2020	£39,000

LGPS early retirements

New Early Retirements 1 April 2019 to 31 March 2020	Number	Total Pension Accrued (£)	Total Pension Actual (£)
Redundancy	-	-	-
Efficiency	-	-	-
Other	-	-	-

Teachers' early retirements

New Early Retirements 1 April 2019 to 31 March 2020	Number	Recharged Accrued Pension (£)	Total Actual Recharged Pension (£)
Redundancy	-	-	-
Efficiency	-	-	-
Other	-	-	-

Investment returns

The return on the Fund in market value terms for the period to 31 March 2020 is estimated based on actual employer returns as reported in HEAT and index returns where necessary. Index returns, where used, are based on employer asset holdings. Details are given below:

Actual Returns from 31 March 2019 to 31 March 2020	(5.4%)
Total Returns from 1 April 2019 to 31 March 2020	(5.4%)

The major categories of plan assets as a percentage of total plan assets

We have used the most recent asset split provided to us and allowed for index returns, where required, on each asset category to determine the estimated split of assets as at 31 March 2020.

Period Ended	31 Mar 2020	31 Mar 2019
Equities	48%	50%
Bonds	36%	35%
Property	14%	12%
Cash	2%	3%

Unfunded benefits

A summary of the membership data in respect of unfunded benefits is shown below.

LGPS Unfunded Pensions	Number at 31 March 2020	Annual Unfunded Pension £(000)
Male	-	-
Female	-	-
Dependants	-	-
Total	-	-

Teacher Unfunded Pensions	Number at 31 March 2020	Annual Unfunded Pension £(000)
Male	-	-
Female	-	-
Dependants	-	-
Total	-	-

The annual unfunded pensions include the 2020 pension increase.

Bulk transfers

I have not been asked to value any bulk transfers of membership this period.

Section 2 - Assumptions

Financial assumptions

The default financial assumptions, as described in the accompanying report, are summarised below:

Period Ended	31 Mar 2020 % p.a.	31 Mar 2019 % p.a.
Pension Increase Rate (CPI)	1.8%	2.4%
Salary Increase Rate	2.5%	2.7%
Discount Rate	2.3%	2.5%

As at the date of the most recent valuation, the duration of the Employer's funded liabilities is 26 years.

Mortality

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2018 model, an allowance for smoothing of recent mortality experience and a long term rate of improvement of 1.25% p.a. for women and men.

	Males	Females
Current Pensioners	21.7 years	23.9 years
Future Pensioners*	22.8 years	25.5 years

* Figures assume members aged 45 as at the last formal valuation date.

Historic mortality

Life expectancies for the prior period end are based on the Fund's VitaCurves. The allowance for future life expectancies are shown below:

Prospective Pensioners	Pensioners
CMI 2013 model assuming the current rate of improvement has peaked and will converge to a long term rate of 1.25% p.a..	CMI 2013 model assuming the current rate of improvement has peaked and will converge to a long term rate of 1.25% p.a..

Please note that the mortality assumptions used to value the Obligations in the Employer's Closing Position are different to those used to value the Obligations in the Employer's Opening Position.

Commutation

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 75% of the maximum tax-free cash for post-April 2008 service.

Section 3 - Balance sheet, P&L, OCI disclosures as at 31 March 2020

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year end 31 March 2020

Period ended 31 March 2020	Assets £(000)	Obligations £(000)	Net (liability) / asset £(000)
Fair value of plan assets	448		448
Present value of funded liabilities		624	(624)
Present value of unfunded liabilities		-	-
Opening Position as at 31 March 2019	448	624	(176)
Service cost			
Current service cost*		15	(15)
Past service cost (including curtailments)		-	-
Effect of settlements	-	-	-
Total Service Cost	-	15	(15)
Net interest			
Interest income on plan assets	11		11
Interest cost on defined benefit obligation		16	(16)
Total net interest	11	16	(5)
Total defined benefit cost recognised in Profit or (Loss)	11	31	(20)
Cashflows			
Participants' contributions	2	2	-
Employer contributions	9		9
Estimated benefits paid	(3)	(3)	-
Estimated unfunded benefits paid	-	-	-
Estimated contributions in respect of unfunded benefits paid	-		-
Effect of business combinations and disposals	-	-	-
Expected closing position	467	654	(187)
Remeasurements			
Changes in financial assumptions		(57)	57
Changes in demographic assumptions		(17)	17
Other experience		(49)	49
Return on assets excluding amounts included in net interest	(32)		(32)
Total remeasurements recognised in Other Comprehensive Income (OCI)	(32)	(123)	91
Fair value of plan assets	435		435
Present value of funded liabilities		531	(531)
Present value of unfunded liabilities**		-	-
Closing position as at 31 March 2020	435	531	(96)

Please note the Employer's fair value of plan assets is less than 1% of the Fund's total.

I estimate that the present value of funded liabilities comprises of approximately £55,000, £476,000 and £0 in respect of employee members, deferred pensioners and pensioners respectively as at 31 March 2020.

* The current service cost includes an allowance for administration expenses of 0.5% of payroll.

** The unfunded liabilities comprise of £0 in respect of LGPS unfunded pensions and £0 in respect of Teachers' unfunded pensions.

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year end 31 March 2019

Period ended 31 March 2019	Assets £(000)	Obligations £(000)	Net (liability) / asset £(000)
Fair value of plan assets	411		411
Present value of liabilities		536	(536)
Opening Position as at 31 March 2018	411	536	(125)
Service cost			
Current service cost*		17	(17)
Past service cost (including curtailments)		-	-
Effect of settlements	-	-	-
Total Service Cost	-	17	(17)
Net interest			
Interest income on plan assets	11		11
Interest cost on defined benefit obligation		15	(15)
Total net interest	11	15	(4)
Total defined benefit cost recognised in Profit or (Loss)	11	32	(21)
Cashflows			
Participants' contributions	3	3	-
Employer contributions	11		11
Estimated benefits paid	-	-	-
Estimated unfunded benefits paid	-	-	-
Estimated contributions in respect of unfunded benefits paid	-		-
Effect of business combinations and disposals	-	-	-
Expected closing position	436	571	(135)
Remeasurements			
Changes in financial assumptions		53	(53)
Changes in demographic assumptions		-	-
Other experience		-	-
Return on assets excluding amounts included in net interest	12		12
Total remeasurements recognised in Other Comprehensive Income (OCI)	12	53	(41)
Fair value of plan assets	448		448
Present value of funded liabilities		624	(624)
Present value of unfunded liabilities		-	-
Closing position as at 31 March 2019	448	624	(176)

* The current service cost includes an allowance for administration expenses of 0.5% of payroll.

Please note that I have only shown a one year history of results and if further information is required please see the previous years' reports.

Section 4 - Projected defined benefit cost for the period to 31 March 2021

Analysis of projected amount to be charged to operating profit for the period to 31 March 2021

Period Ended 31 March 2021	Assets £(000)	Obligations £(000)	Net (liability)/asset £(000)	% of pay
Projected Current service cost *		12	(12)	(29.8%)
Past service cost including curtailments		-	-	-
Effect of settlements	-	-	-	-
Total Service Cost	-	12	(12)	(29.8%)
Interest income on plan assets	10		10	25.6%
Interest cost on defined benefit obligation		12	(12)	(30.8%)
Total Net Interest Cost	10	12	(2)	(5.2%)
Total Included in Profit and Loss	10	24	(14)	(35.0%)

* The current service cost includes an allowance for administration expenses of 0.6% of payroll. The monetary value is based on a projected payroll of £39,000.

The contributions paid by the Employer are set by the Fund following an actuarial valuation. For further details on the approach adopted to set contribution rates for the Employer, please refer to the latest formal valuation report and Funding Strategy Statement.

I estimate the Employer's contributions for the period to 31 March 2021 will be approximately £9,000.

Notes:

The above figures should be treated as estimates and may need to be adjusted to take account of:

- any material events, such as curtailments, settlements or the discontinuance of the Employer's participation in the Fund;
- any changes to accounting practices;
- any changes to the Scheme benefit or member contribution rates; and/or
- any full funding valuation that may have been carried out on the Employer's behalf.

The monetary amount of the projected service cost for the period to 31 March 2021 will be adjusted to take account of the actual pensionable payroll for the period.

Section 5 - Sensitivity Analysis

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 March 2020:	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	14%	73
0.5% increase in the Salary Increase Rate	0%	-
0.5% increase in the Pension Increase Rate (CPI)	14%	73

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, we estimate that a one year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5%. In practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

The provided sensitivity figures can be used to estimate the impact of adopting different financial assumptions (e.g. an Employer considering alternative accounting assumptions or to help an Employer complete an ESFA accounts return). For further details on this, please refer to the accompanying accounting covering report.

In order to quantify the impact of a change in the financial assumptions used, we have calculated and compared the value of the scheme liabilities at the accounting date on varying bases. The approach taken is consistent with that adopted to derive the accounting figures provided in this report, based on the profile (average member ages, retirement ages etc) of the Employer as at the date of the most recent valuation.

FRS102 as at 31 March 2020 - Results Schedule

ATTENTION

The results in this Schedule should be read in conjunction with the accompanying report entitled 'Actuarial Valuation as at 31 March 2020 for Accounting Purposes'. The method, assumptions, reliances and limitations are described in that document. The restrictions set out in the report on the disclosure to any third party apply equally to this Results Schedule.

Fund	Norfolk Pension Fund
Administering Authority	Norfolk County Council
Employer	Kings Lynn (WMA)
Terms of Engagement Signed	20 February 2020

Please Note

Asset returns - The figure on page 2 for the investment return over the year is based on information provided by the Administering Authority. The figure incorporates actual Norfolk Pension Fund returns for the period 1 April 2019 to 29 February 2020 and an estimate Fund return of -10.1% for the month to 31 March 2020.

McCloud – As instructed, an estimate McCloud judgement allowance has been added to the formal valuation results so the impact is continued to be included within the balance sheet at 31 March 2020 (as per the 2019 accounting approach)



Robert Bilton FFA
For and on behalf of Hymans Robertson LLP
9 April 2020

Section 1 - Data

Employer membership statistics

	Number	Total Salaries / Pensions £(000)	Average Age
	31 Mar 2019	31 Mar 2019	31 Mar 2019
Actives	30	1,267	47
Deferred Pensioners	4	28	56
Pensioners	2	22	69

Deferred pensioners include undecided leavers and frozen refunds. Salaries are actual, not full-time equivalent.

Payroll

Period	Assumed Total Pensionable Payroll based on Information Provided
1 April 2019 to 31 March 2020	£1,311,000

LGPS early retirements

New Early Retirements 1 April 2019 to 31 March 2020	Number	Total Pension Accrued (£)	Total Pension Actual (£)
Redundancy	-	-	-
Efficiency	-	-	-
Other	-	-	-

Teachers' early retirements

New Early Retirements 1 April 2019 to 31 March 2020	Number	Recharged Accrued Pension (£)	Total Actual Recharged Pension (£)
Redundancy	-	-	-
Efficiency	-	-	-
Other	-	-	-

Investment returns

The return on the Fund in market value terms for the period to 31 March 2020 is estimated based on actual employer returns as reported in HEAT and index returns where necessary. Index returns, where used, are based on employer asset holdings. Details are given below:

Actual Returns from 31 March 2019 to 31 March 2020	(5.4%)
Total Returns from 1 April 2019 to 31 March 2020	(5.4%)

The major categories of plan assets as a percentage of total plan assets

We have used the most recent asset split provided to us and allowed for index returns, where required, on each asset category to determine the estimated split of assets as at 31 March 2020.

Period Ended	31 Mar 2020	31 Mar 2019
Equities	48%	50%
Bonds	36%	35%
Property	14%	12%
Cash	2%	3%

Unfunded benefits

A summary of the membership data in respect of unfunded benefits is shown below.

LGPS Unfunded Pensions	Number at 31 March 2020	Annual Unfunded Pension £(000)
Male	-	-
Female	-	-
Dependants	-	-
Total	-	-

Teacher Unfunded Pensions	Number at 31 March 2020	Annual Unfunded Pension £(000)
Male	-	-
Female	-	-
Dependants	-	-
Total	-	-

The annual unfunded pensions include the 2020 pension increase.

Bulk transfers

I have not been asked to value any bulk transfers of membership this period.

Section 2 - Assumptions

Financial assumptions

The default financial assumptions, as described in the accompanying report, are summarised below:

Period Ended	31 Mar 2020 % p.a.	31 Mar 2019 % p.a.
Pension Increase Rate (CPI)	1.8%	2.4%
Salary Increase Rate	2.5%	2.7%
Discount Rate	2.3%	2.5%

As at the date of the most recent valuation, the duration of the Employer's funded liabilities is 29 years.

Mortality

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2018 model, an allowance for smoothing of recent mortality experience and a long term rate of improvement of 1.25% p.a. for women and men.

	Males	Females
Current Pensioners	21.7 years	23.9 years
Future Pensioners*	22.8 years	25.5 years

* Figures assume members aged 45 as at the last formal valuation date.

Historic mortality

Life expectancies for the prior period end are based on the Fund's VitaCurves. The allowance for future life expectancies are shown below:

Prospective Pensioners	Pensioners
CMI 2013 model assuming the current rate of improvement has peaked and will converge to a long term rate of 1.25% p.a..	CMI 2013 model assuming the current rate of improvement has peaked and will converge to a long term rate of 1.25% p.a..

Please note that the mortality assumptions used to value the Obligations in the Employer's Closing Position are different to those used to value the Obligations in the Employer's Opening Position.

Commutation

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 75% of the maximum tax-free cash for post-April 2008 service.

Section 3 - Balance sheet, P&L, OCI disclosures as at 31 March 2020

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year end 31 March 2020

Period ended 31 March 2020	Assets £(000)	Obligations £(000)	Net (liability) / asset £(000)
Fair value of plan assets	3,140		3,140
Present value of funded liabilities		5,636	(5,636)
Present value of unfunded liabilities		-	-
Opening Position as at 31 March 2019	3,140	5,636	(2,496)
Service cost			
Current service cost*		532	(532)
Past service cost (including curtailments)		-	-
Effect of settlements	-	-	-
Total Service Cost	-	532	(532)
Net interest			
Interest income on plan assets	83		83
Interest cost on defined benefit obligation		149	(149)
Total net interest	83	149	(66)
Total defined benefit cost recognised in Profit or (Loss)	83	681	(598)
Cashflows			
Participants' contributions	109	109	-
Employer contributions	295		295
Estimated benefits paid	(26)	(26)	-
Estimated unfunded benefits paid	-	-	-
Estimated contributions in respect of unfunded benefits paid	-	-	-
Effect of business combinations and disposals	-	-	-
Expected closing position	3,601	6,400	(2,799)
Remeasurements			
Changes in financial assumptions		(568)	568
Changes in demographic assumptions		(204)	204
Other experience		947	(947)
Return on assets excluding amounts included in net interest	213		213
Total remeasurements recognised in Other Comprehensive Income (OCI)	213	175	38
Fair value of plan assets	3,814		3,814
Present value of funded liabilities		6,575	(6,575)
Present value of unfunded liabilities**		-	-
Closing position as at 31 March 2020	3,814	6,575	(2,761)

Please note the Employer's fair value of plan assets is less than 1% of the Fund's total.

I estimate that the present value of funded liabilities comprises of approximately £5,478,000, £664,000 and £433,000 in respect of employee members, deferred pensioners and pensioners respectively as at 31 March 2020.

* The current service cost includes an allowance for administration expenses of 0.5% of payroll.

** The unfunded liabilities comprise of £0 in respect of LGPS unfunded pensions and £0 in respect of Teachers' unfunded pensions.

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year end 31 March 2019

Period ended 31 March 2019	Assets £(000)	Obligations £(000)	Net (liability) / asset £(000)
Fair value of plan assets	2,643		2,643
Present value of liabilities		4,551	(4,551)
Opening Position as at 31 March 2018	2,643	4,551	(1,908)
Service cost			
Current service cost*		442	(442)
Past service cost (including curtailments)		20	(20)
Effect of settlements	-	-	-
Total Service Cost	-	462	(462)
Net interest			
Interest income on plan assets	76		76
Interest cost on defined benefit obligation		130	(130)
Total net interest	76	130	(54)
Total defined benefit cost recognised in Profit or (Loss)	76	592	(516)
Cashflows			
Participants' contributions	102	102	-
Employer contributions	267		267
Estimated benefits paid	(27)	(27)	-
Estimated unfunded benefits paid	-	-	-
Estimated contributions in respect of unfunded benefits paid	-		-
Effect of business combinations and disposals	-	-	-
Expected closing position	3,061	5,218	(2,157)
Remeasurements			
Changes in financial assumptions		418	(418)
Changes in demographic assumptions		-	-
Other experience		-	-
Return on assets excluding amounts included in net interest	79		79
Total remeasurements recognised in Other Comprehensive Income (OCI)	79	418	(339)
Fair value of plan assets	3,140		3,140
Present value of funded liabilities		5,636	(5,636)
Present value of unfunded liabilities		-	-
Closing position as at 31 March 2019	3,140	5,636	(2,496)

* The current service cost includes an allowance for administration expenses of 0.5% of payroll.

Please note that I have only shown a one year history of results and if further information is required please see the previous years' reports.

Section 4 - Projected defined benefit cost for the period to 31 March 2021

Analysis of projected amount to be charged to operating profit for the period to 31 March 2021

Period Ended 31 March 2021	Assets £(000)	Obligations £(000)	Net (liability)/asset £(000)	% of pay
Projected Current service cost *		413	(413)	(31.5%)
Past service cost including curtailments		-	-	-
Effect of settlements	-	-	-	-
Total Service Cost	-	413	(413)	(31.5%)
Interest income on plan assets	92		92	7.0%
Interest cost on defined benefit obligation		157	(157)	(12.0%)
Total Net Interest Cost	92	157	(65)	(5.0%)
Total Included in Profit and Loss	92	570	(478)	(36.5%)

* The current service cost includes an allowance for administration expenses of 0.6% of payroll. The monetary value is based on a projected payroll of £1,311,000.

The contributions paid by the Employer are set by the Fund following an actuarial valuation. For further details on the approach adopted to set contribution rates for the Employer, please refer to the latest formal valuation report and Funding Strategy Statement.

I estimate the Employer's contributions for the period to 31 March 2021 will be approximately £302,000.

Notes:

The above figures should be treated as estimates and may need to be adjusted to take account of:

- any material events, such as curtailments, settlements or the discontinuance of the Employer's participation in the Fund;
- any changes to accounting practices;
- any changes to the Scheme benefit or member contribution rates; and/or
- any full funding valuation that may have been carried out on the Employer's behalf.

The monetary amount of the projected service cost for the period to 31 March 2021 will be adjusted to take account of the actual pensionable payroll for the period.

Section 5 - Sensitivity Analysis

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 March 2020:	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	15%	963
0.5% increase in the Salary Increase Rate	4%	231
0.5% increase in the Pension Increase Rate (CPI)	11%	715

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, we estimate that a one year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5%. In practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

The provided sensitivity figures can be used to estimate the impact of adopting different financial assumptions (e.g. an Employer considering alternative accounting assumptions or to help an Employer complete an ESFA accounts return). For further details on this, please refer to the accompanying accounting covering report.

In order to quantify the impact of a change in the financial assumptions used, we have calculated and compared the value of the scheme liabilities at the accounting date on varying bases. The approach taken is consistent with that adopted to derive the accounting figures provided in this report, based on the profile (average member ages, retirement ages etc) of the Employer as at the date of the most recent valuation.



Annual Report for the year ended

31 March 2020

The Law – the following annual report is provided in accordance with Paragraph 4 of Schedule 2 to the Land Drainage Act 1991.

No later than 30 September 2020 a copy must be provided to:

- Department for Environment, Food and Rural Affairs, Flood Management Division, Floor 3, Seacole, 2 Marsham Street, London SW1P 4DF via floodreports@defra.gsi.gov.uk
- National Flood and Coastal Risk Manager (Strategic Delivery), The Environment Agency, Horizon House, Deanery Road, Bristol, BS1 5AH via rachael.hill@environment-agency.gov.uk
- The Chief Executives of:
 - all local authorities that pay special levies to the Board;
 - all County Councils or London Boroughs within which the Board is situated.

Please complete the form electronically. If you are unable to complete the form electronically, please complete in BLOCK LETTERS using **black ink**.

Please round all cash figures down to nearest whole £.

NORFOLK RIVERS

Internal Drainage Board

Section A – Financial information

Preliminary information on special levies issued by the Board for 2020- 21

Information requested below is essential in calculating future formula spending share. It is not covered elsewhere on this form or by the external auditor's certificate.

Special levies information for financial year 2020-21 (forecast)	
Name of local authority	2020-21 forecast £
1. BROADLAND DISTRICT COUNCIL	51,625
2. BRECKLAND DISTRICT COUNCIL	77,088
3. KINGS LYNN AND WEST NORFOLK BOROUGH COUNCIL	19,608
4. NORTH NORFOLK DISTRICT COUNCIL	102,871
5. NORWICH CITY COUNCIL	5,756
6. SOUTH NORFOLK DISTRICT COUNCIL	65,480
7.	
8.	
Total	322,428

Section A – Financial information (continued)

Income and Expenditure Account for the year ending 31 March 2020

All Internal Drainage Boards must ensure that the Income and Expenditure information provided below is consistent with the Board's annual accounting statements which have been prepared in accordance with proper practices found in *Governance and Accountability for Smaller Authorities in England – A Practitioners' Guide to proper practices to be applied in the preparation of statutory annual accounts and governance statements March 2017*

	Notes	Year ending 31 March 2020 £
INCOME		
1. Drainage Rates		81,586
2. Special Levies		315,784
3. Higher Land Water Contributions from the Environment Agency		100,602
4. Contributions received from developers/other beneficiaries		1,321
5. Government Grants (includes capital grants from EA and levy contributions)		115,164
6. PSCAs from EA and other RMAs		190,051
7. Loans		0
8. Rechargeable Works		77,910
9. Interest and Investment Income		6,456
10. Rents and Acknowledgements		0
11. Other Income		218,630
Total income		1,107,504
EXPENDITURE		
12. New Works and Improvement Works		30,389
13. Total precept to the Environment Agency		72,693
14. Watercourse maintenance		526,210
15. Pumping Stations, Sluices and Water level control structures		0
16. Administration		143,672
17. PSCAs		190,051
18. Rechargeable Works		44,545
19. Finance Charges		0
20. SSSIs		99,379
21. IDB Biodiversity and conservation (other than item 20 expenditure)		10,244
22. Other Expenditure		3,198
Total expenditure		1,120,381

EXCEPTIONAL ITEMS		
23. Profits/(losses) arising from the disposal of fixed assets		17,000
Net Operating Surplus/(Deficit) for the year		4,123
24. Developers Funds income not applied in year		210,035
25. Grant income not applied in year		35,494

Notes:

11. Include all other Income, such as absorption account surpluses (for example plant and labour absorption accounts).
12. State the gross cost of undertaking minor capital works that have not been capitalised and the annual depreciation charges of all major schemes that have been capitalised. You should also include a fair proportion of the support costs directly associated with delivery of the schemes.
13. State the total precept demanded for the year as properly issued by the Environment Agency, in accordance with section 141 of the Water Resources Act 1991. Providing that the precept has been properly issued as before stated it should always be included here, even when the Board has appealed against the amount of contribution, in accordance with section 140 of the Water Resources Act 1991. Where the Board knows with certainty the outcome of any such appeal, it should also include the appropriate accrual/prepayment.
14. State all costs associated with the maintenance of watercourses, meaning work associated with open channels, pipelines, culverts, bridges, etc. Plant, vehicle and labour charges should include a fair proportion of the overheads such as depot/workshop costs, employment on-costs, insurances and depreciation, etc. You should also include a fair proportion of the support costs directly associated with delivery of the maintenance programme.
15. State all costs associated with maintaining and operating the pumping stations, sluices and water level control structures. Plant, vehicle and labour charges should include a fair proportion of the overheads such as depot/workshop costs, employment on-costs, insurances and depreciation, etc. You should also include a fair proportion of the support costs directly associated with maintaining and operating the pumping stations, sluices and water level control structures.
16. Include the cost of non-technical staff only, office accommodation, annual depreciation of office equipment that has been capitalised, minor office equipment that has not been capitalised, postages, telecoms', stationery, printing, advertising, auditing of accounts, general insurances and all other costs associated with supporting the organisation. Please note that this does not include support costs, which are directly associated with the delivery of front line services.
17. State all costs associated with the PSCA
18. State all costs associated with undertaking work for third parties. Plant, vehicle and labour charges should include a fair proportion of the overheads such as depot/workshop costs, employment on-costs, insurances and depreciation, etc. You should also include a fair proportion of the support costs directly associated with undertaking the rechargeable work.
19. Include the cost of servicing any borrowing, in terms of bank/loan/hire purchase Interest payable.
20. State all costs associated with undertaking works – capital or maintenance – specifically for helping to achieve favourable condition on Sites of Special Scientific Interest (SSSIs). In most cases, these costs will be incurred in implementing actions set out in SSSI Water Level Management Plans or SSSI River Restoration Plans.
21. State all costs associated with undertaking works – capital or maintenance – that are likely intended to help conserve biodiversity (other than works on SSSIs). These costs are likely to be incurred in implementing actions set out in an IDB's Biodiversity Action Plan or other conservation actions on non-designated sites.
22. Include all other expenditure, such as a provision for bad/doubtful debts, write-offs, and absorption account deficits (for example plant and labour absorption accounts).
23. For the disposal of assets, state the difference between any proceeds from the sale/disposal of the asset and the cost of the asset less accumulated depreciation.
24. Total balance of developer fund year end.
25. Unspent grant at year end.

Section B –IDB Reporting

Policy Delivery Statement

Boards are required to produce a publicly available policy statement setting out their plans for delivering the Government's policy aims and objectives. It is recommended that these statements be published on Boards' websites where they have them and reviewed every three years.

Is an up to date statement in place and copy (or weblink)

provided to Defra, and EA? https://www.wlma.org.uk/uploads/NRIDB_Policy_Statement.pdf Yes ☒ No ☐

Biodiversity

Please indicate whether your Board has a Biodiversity Action Plan Yes ☒ No ☐

If "yes" is the Biodiversity Action Plan available on your website?

https://www.wlma.org.uk/uploads/NRIDB_BAP_April_2018.pdf Yes ☒ No ☐

What year was your Biodiversity Action Plan last updated?).....

2018

Have you reported progress on BAP implementation on your web site?..... Yes ☐ No ☒

When was biodiversity last discussed at a Board meeting (date)?.....

13/08/2020

Do you have a biosecurity process?..... Yes ☒ No ☐

SSSI water level management plans

Please indicate whether your Board is responsible for any SSSI water level management plans?..... Yes ☒ No ☐

If so, which ones:

River Nar 212.4 ha	Whitewell Common 19.49 ha	Bryants Heath 17.6 ha
Castle Acre Common 17.8 ha	Sea Mere 36.5 ha	Buxton Heath 67.8 ha
Potter and Scarning Fens 6.11 ha	Alderford Common 17.5 ha	South Repps Common 5.5 ha
Booton Common 8.2 ha	Aslacton Parish Land 4.4 ha	Flordon Common 9.9 ha
Swannington Upgate Common 20.5 ha	Wayford Bridge and East Ruston 85.6 ha	

Area of SSSI with IDB water level management plans.....

529.3ha

Area of SSSI where IDB water level management activities are contributing to recovering or favourable condition?

501.9ha

Area of SSSI where IDB water level management actions are required to achieve recovering or favourable condition?

27.4 ha

Access to environmental expertise

Does your IDB have access to environmental expertise? If so please tick all those options below through which environmental expertise is regularly provided to your IDB:

Appropriately skilled Board Members (e.g. Board member from an Environmental Body/Authority)

☐

Co-opted members

☐

Directly employed staff

☒

Contracted persons or consultants

☒

Environmental Partners/NGOs

☒

Other (please describe)

☐

Asset Management

What system/database does your Board use to manage the assets it is responsible for?

ADIS

☐

Paper Records

☐

Other Electronic System

☒

Has your Board continued to undertake visual inspections and update asset databases on an annual basis?

Yes ☒

No ☐

What is the cumulative total of identified watercourse (in km) that the Board periodically maintains?

405km

How many pumping stations does the Board operate?

0

What is the cumulative design capacity of the Board's pumping station(s) (enter zero if no stations are operated)?

0

Health and Safety

Does the Board have a current Health and Safety policy in place?

Yes ☒

No ☐

Does the Board have a responsible officer for Health and Safety?

Yes ☒

No ☐

Have there been any reportable incidents in the past year?

Yes ☐

No ☒

If so, please summarise in the box below:

Guidance and Best Practice

Has your IDB adopted a formal Scheme of Delegation?

Yes ☒

No ☐

Has your IDB provided training for board members in the last year in the any of the following areas?

Governance

☒

Finance

☒

Environment

☒

Health, safety and welfare

☒

Communications and engagement

☒

Other (please describe)

☐

Is your Board’s website information current for this financial year? (Board membership, audited accounts, programmes of works, WLMPS, etc)

Yes ☒

No ☐

Has your IDB adopted computerised accounting and rating systems?

Yes ☒

No ☐

Has your board published all minutes of meetings on the website?.....

Yes ☒

No ☐

Does the Board publish information on its website on its approach to maintenance works and provide contact details to allow for and encourage public engagement?

Yes ☒

No ☐

When planning maintenance and capital works are environmental impacts taken into account and wherever possible best practice applied?

Yes ☒

No ☐

Has your Board adopted the following governance documents?

Standing Orders

Yes ☒

No ☐

Have the Standing Orders been approved by Ministers

Yes ☒

No ☐

Byelaws

Yes ☒

No ☐

If you have Byelaws, have you adopted the latest model byelaws published in 2012.....

Yes ☒

No ☐

Have the Byelaws been approved by Ministers.....

Yes ☒

No ☐

Code of Conduct for Board Members

Yes ☒

No ☐

Financial Regulations.....Yes ☒ No ☐

Register of Member's Interests.....Yes ☒ No ☐

Anti-fraud and corruption policy.....Yes ☒ No ☐

Board membership and attendance

How many Board members (in total – elected and appointed) do you have on your IDB?	31
Seats available to appointed members under the Land Drainage Act 1991.	16
Number of elected members on the board at year end.	12
Number of appointed members on the board at year end.	14
Mean average number of elected members in attendance at each board meeting over the last financial year.	6
Mean average number of appointed members in attendance at each board meeting over the last financial year.	8

Have you held elections within the last three years?.....Yes ☒ No ☐ N/A ☐

Did elections comply with the requirements specified by the Secretary of State under Regulation 28 of the Land Drainage (Election of Drainage Boards) Regulations 1938?..... Yes ☒ No ☐ N/A ☐

Complaints procedure

Is the procedure for a member of the public to make a complaint about the IDB accessible from the front page of its website?.....Yes ☒ No ☐

Number of complaints received in the financial year?	0
Number of complaints outstanding in the financial year?	0
Number of complaints referred to the Local Government Ombudsman?	0
Number of complaints upheld by the Local Government Ombudsman?	0

Public Engagement

Set out what your Board has done in this financial year to engage with the public (tick relevant box(es) below):

Press releases	<input checked="" type="checkbox"/>
Newsletters	<input type="checkbox"/>
Web site	<input checked="" type="checkbox"/>
Meetings	<input type="checkbox"/>
Shows/events (including open days/inspections)	<input checked="" type="checkbox"/>
Consultations	<input type="checkbox"/>
Notices	<input checked="" type="checkbox"/>

Percentage (in value) of drainage rates outstanding at year end?

0%

Section B: NOTES

Guidance and Best Practice

Has your Board published **all** minutes of meetings on the web site? In answering this question, this should apply to all the main Board meetings held in the year and any appropriate meetings the Board has held with external stakeholders.

Board membership and attendance

When referring to **elected members** of the Board, this relates to the number of landowners/drainage rate payers that are elected to the Board.

When referring to **appointed members** of the Board, this relates to the number of members appointed by the local authorities to represent the local council taxpayers.

When referring to mean average number of elected and appointed members in attendance at meetings at each board meeting – **this should be expressed as a number of attendees** and not as a percentage attendance.

With regard to elections, under Schedule 1 of the Land Drainage Act 1991, elected members should hold office for three years, at which point a further election is held. When elections are held, they should comply with the requirements under Regulation 28 of the Land Drainage (Election of Drainage Boards) Regulations 1938 – to advertise and notify local stakeholders accordingly.

Section C – Declaration

NORFOLK RIVERS

Internal Drainage Board

I confirm that the information provided in sections A-C or with this form is correct.

Signature

P. Camamile

Date

30/09/2020

Name in BLOCK LETTERS

PHIL CAMAMILE

Designation

CHIEF EXECUTIVE

Email address

PHIL@WLMA.ORG.UK

BOARD MEMBERSHIP AS AT 31 MARCH 2020

NAME	MEETINGS	ATTENDED	ATTENDANCE %	CONTACT DETAILS
ELECTED MEMBERS				
Birkbeck H C	4	3	75	henry@westacre-estate.co.uk
Borthwick J M	4	1	25	Jason@deepdalefarm.co.uk
Carrick J F *	4	4	100	john@castlefarm-swanton.co.uk
Cator H G	4	4	100	hcator@catorandco.com
Foster N W D	4	1	25	neilfoster@lexhamestate.co.uk
Labouchere J P	4	3	75	john@labouchere.co.uk
Little M R	4	0	0	mlittle@savills.com
Mack D (wef Aug 19)	3	1	33	n/a
Mutimer G T	4	4	100	tandjmutimer@gmail.com
Sayer M J	4	3	75	msayer@sparhamhouse.co.uk
Shaw S	4	0	0	simonshaw@scottowfarms.co.uk
Wilburn R	4	1	25	richard@fhfarms.co.uk
APPOINTED MEMBERS				
Breckland DC				
Bambridge S G **	4	4	100	gordon.bambridge@breckland.gov.uk
Borrett W P	4	3	75	bill.borrett@breckland.gov.uk
Monument L Mrs	4	4	100	linda.monument@breckland.gov.uk
Broadland DC				
Kelly K (wef June 19)	4	3	75	cllr.ken.kelly@broadland.gov.uk
Shaw N (wef June 19)	4	1	25	cllr.nigel.shaw@broadland.gov.uk
Thomas J Mrs (wef Aug 19)	4	3	75	cllr.justine.thomas@broadland.gov.uk
KL & WNBC				
Devereux I (wef Aug 19)	3	2	67	cllr.ian.devereux@west-norfolk.gov.uk
North Norfolk DC				
Blathwayt H (wef Oct 19)	2	0	0	harry.blathwayt@north-norfolk.gov.uk
Bütikofer P (wef Oct 19)	2	1	50	pierre.butikofer@north-norfolk.gov.uk
Housden N (wef June 19)	4	3	75	nigel.housden@north-norfolk.gov.uk
Toye J (wef Oct 19)	2	1	50	john.toye@north-norfolk.gov.uk

BOARD MEMBERSHIP AS AT 31 MARCH 2020 (cont/-)

NAME	MEETINGS	ATTENDED	ATTENDANCE %	CONTACT DETAILS
South Norfolk DC				
Holden T (wef Aug 19)	3	2	67	tony.holden@s-norfolk.gov.uk
Legg N Dr	4	4	100	nlegg@s-norfolk.gov.uk
Savage R (wef Aug 19)	3	3	100	rsavage@s-norfolk.gov.uk

* Chairman ** Vice-Chairman

Elected Average Attendance 53%

Appointed Average Attendance 72%



Gifts and Hospitality Register for 2019/20

[illegible]