

Doncaster East Internal Drainage Board

Minutes of an Extraordinary Board Meeting held via Microsoft Teams and Teleconference on Monday, 26th October 2020 at 11.30 a.m. to discuss the provision of management services.

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| * Mr M. Brooke | * Mr C. Crowe |
| * Mr P.A.M. Cornish | * Mr L. Garrett |
| Mr J.K. Durdy | * Mr P. Hagan |
| * Mr R. Durdy | Mr J. Hoare |
| * Mr P. Horne (Vice-Chairman) | * Mr C. McGuinness (Chairman) |
| Mr G.C. Parker | * Mr M. Oldknow |
| * Mr W.G.S. Platt | Mr D. Ridge |
| * Mr N.V. Williams | * Mrs S. Wilkinson |

* *Present*

- * Mr A. McGill (Chief Executive)
- * Mr N. Kemble (Engineer)
- Mr A. Malin (Senior Operations Manager)
- Mr R. Brown (Operations Manager)
- Mrs N. Hind (Finance Manager)
- * Mrs C. Davies (Corporate Services Manager)

* *In attendance*

2020.69 APOLOGIES

Apologies for absence were received from Messrs J. Hoare, J.K. Durdy and G.C. Parker.

2020.70 DECLARATIONS OF INTEREST

Mr P. Cornish as a member of the Isle of Axholme and North Nottinghamshire Water Level Management Board.

2020.71 PROVISION OF MANAGEMENT SERVICES

As requested by the Board, a paper had been prepared by Officers on joining the Water Management Consortium as the existing contract for the provision of management services was due to come to an end in December 2020. The Chairman stated that Officers would present the paper and then leave the meeting whilst members discussed this and considered the options available to the Board. Mr L. Garrett asked for clarification on the legal requirements for procurement and the Chairman referred to a recent article in the Summer 2020 ADA Gazette entitled Consortium Arrangements - A Viable Alternative for IDB's, written by a Senior Solicitor from Wilkin Chapman, which referred to the legality of consortia and the associated benefits.

The Chief Executive emphasised that the Board must explore all the options available to ensure that it received value for money and quality of service. He gave examples of the options available which included extending the existing contract with LMDB, going out to tender for the provision of services, entering into a consortium, or directly employing staff. He also asked members to seriously consider whether they were satisfied with the current level of service provided.

The existing contract was for a fixed-price of £121,288 for three-years with no annual increase; there was an option to extend the contract for a further two years should both

parties agree. Any additional work outside the contract was charged in accordance with an agreed Schedule of Rates.

The Chief Executive gave an overview of the Water Management Consortium as one of the options available to the Board, stating that the recharge rates to Consortium members were slightly lower than those charged to outside bodies. Should DEIDB decide to join the Consortium, members would have to agree the method of calculation. The WMC Boards would welcome the addition of DEIDB to the Consortium.

The Chief Executive detailed some of the benefits of joining the WMC which included complying with DEFRA's recommended whole-catchment management and co-operation between boards that were hydraulically linked (e.g. IOANNWLMB), improved resilience with 24/7 access to staff across the Consortium (essential during a flood event), and access to in-house expertise with industry knowledge, etc. He emphasised that no one Board could make a profit and employees were working continually to keep the costs down and deliver the work. Other benefits included shared knowledge, a larger voice nationally, and better purchasing power; savings had already been made going out to contract together with other boards in the WMC.

Regarding the legality of consortium working, the Chief Executive stated that as public sector bodies, internal drainage boards were covered by the Teckal exemption and the Hamburg Waste Agreement. He further stated that LMDB and the WMA had sought Counsel's opinion to confirm this following a challenge some years ago. DEFRA encouraged consortium working.

A Consortium Agreement was already in place with the Lindsey Marsh, Isle of Axholme and Trent Valley boards but, should Doncaster East wish to join, this would be reviewed, updated and recirculated to ensure all parties were aware of the conditions and the mechanism used for apportioning costs.

The Chief Executive reiterated that the Board should explore all the options available and, if consortium working was to be considered, members must ensure:

- (a) That consortium working was the right way forward for DEIDB.
- (b) That the Board received a value for money service.
- (c) Whether the level of service was adequate to meet the needs of the Board?
- (d) If a Consortium, was the Water Management Consortium the right one?
- (e) The legality of any agreements.
- (f) That members were aware of any potential liabilities.

The Vice-Chairman was referred to paragraph 6 of the Consortium Agreement (which had been circulated to members) which set out the liabilities for the consortium boards. The Chief Executive confirmed that each board remained an entirely separate entity and would not take on liabilities of other boards. Regarding potential TUPE costs, this may be an issue if the consortium folded but each board would only take on liability for its proportion of the costs. The Chief Executive referred members to the Schedule of Reserved Matters within the Agreement.

It was noted that Consortium Committee meetings were held with two representatives attending from each board (usually the Chairman and Vice-Chairman). The Committee discussed matters and issues which affected all the boards allowing them a bigger voice when lobbying Government etc. and was also involved in the recruitment of

senior officers. In response to the Chairman, the Chief Executive confirmed that minutes of these meetings were brought back to the individual boards for approval and the Committee had no powers to override decisions made by the boards. In response to Mr N. Williams, the Chief Executive confirmed that there was no commitment to demaining, again this decision rested solely with the individual board as did any strategic decisions, there was no joint Consortium policy although all the boards did agree that they should not take on any EA watercourse unless it was sustainable and affordable.

Mr M. Oldknow asked whether Officers could see any disadvantages of Consortium working. In response, Offices highlighted that the annual cost could vary whereas currently DEIDB had a fixed-price contract guaranteed for three years. Also, should a major event occur in all boards' areas simultaneously, resources would be stretched although there was now an improved system in place to feedback to councils and emergency services.

The Chief Executive reported that the current Agreement required boards to give six months' notice if they wished to withdraw and any agreement would cease on 31st March. Should a board wish to withdraw from the Consortium, Officers would assist with the procurement process and the handover to any new provider.

Mr M. Brooke enquired whether any increased PSCA work was included in the Consortium costs. In response, the Chief executive explained that PSCA work was recharged directly to the EA by the relevant board and was reimbursed in full (including an administration charge) so this would not affect the consortium recharges. As an example, LMDB had recently taken on a large project and was being reimbursed for all costs including the appointment of any contractors.

It was highlighted that, should DEIDB join the Consortium, the percentage contribution paid would not fall below 12%, as this was the amount calculated as sufficient to manage a board this size.

All LMDB Officers left the meeting whilst the matter was discussed.

Following further discussion, it was unanimously RESOLVED

- (a) That DEIDB join the Water Management Consortium with effect from 1st April 2021.
- (b) That the current agreement for management services with LMDB be extended up to 31st March 2021 at the current cost, to be charged monthly.
- (c) That the method of calculation for Consortium recharges be approved: salary costs, less directly employed staff, less time charged to specific projects, to be split on a percentage basis between the four Consortium Boards.
- (d) That the percentage split be based on income received from drainage rates, special levies and contributions from third parties in respect of pumping stations managed by the boards, averaged over the last two years - currently 12% for DEIDB.
- (e) That the method of calculation of percentage be reviewed in line with the EA PAFS timeframe, every six years with an interim review at three years.

- (f) That it be noted that the percentage paid by DEIDB would not fall below 12% as this was the minimum cost for running a board of this size.

2020.72 ANY OTHER BUSINESS

The Corporate Services Manager reported that a request had been made by the Yorkshire Wildlife Trust (YWT) for the Board to extend the lease for land at Potterick Carr. The Board had entered into a lease with YWT in 1990 and this had apparently been renewed in 2002 although neither party could locate a copy of the Agreement. YWT had recently applied for a grant towards scrub removal at the site but the funder had asked for evidence that the site was being leased for at least the next ten years. The Operations Team confirmed that the Board no requirement for the land.

The Corporate Services Manager asked whether the Board wished to consider the request and if so, what term would be acceptable. If agreeable, she would seek advice on the value of the land and investigate payment terms including payment of a lump sum rather than an annual amount.

RESOLVED

That Officers review the lease and liaise with YWT with a view to renewing this for a ten-year period, options to be presented to the November Board meeting for approval.

CHAIRMAN