

Finance Committee Meeting

Wednesday 20th May 2026

**Lower Severn IDB Offices/Hybrid
10.30am**

Executive Committee in Attendance

Finance Committee Terms of Reference

**Approved on 6th November 2024
Minute 3613**

Detailed Tor for Finance Committee for LSIDB Covering; finance, pensions, treasury, general purposes, and investments,
Here is a detailed TOR (Terms of Reference) for a Finance Committee for LSIDB covering finance, pensions, treasury, general purposes, and investments:

1. Purpose	The purpose of the Finance Committee is to provide strategic direction and oversight for the financial affairs of the LSIDB, with a focus on finance, pensions, treasury, general purposes, and investments.
2. Membership	The committee shall consist of no fewer than three members of the Board, including the Chair. The committee shall appoint a Chair from among its members.
3. Responsibilities	<p>The committee shall have the following responsibilities:</p> <ul style="list-style-type: none"> a. Financial Oversight: The committee shall oversee the LSIDB's financial affairs, including the development of the annual budget, financial reporting, and management of the LSIDB's financial resources. b. Pensions Oversight: The committee shall oversee the LSIDB's pension affairs, including the development of pension policies and procedures, and the management of the LSIDB's pension funds. c. Treasury Oversight: The committee shall oversee the LSIDB's treasury affairs, including the development of treasury policies and procedures, and the management of the LSIDB's cash flow and investments. d. General Purposes: The committee shall oversee the LSIDB's general financial affairs, including the management of the LSIDB's assets and liabilities, and the development of financial policies and procedures. e. Investment Oversight: The committee shall oversee the LSIDB's investment activities, including the development of investment policies and procedures, and the evaluation of investment opportunities. Investment and fixed assets: The committee may approve capital expenditure between 10k and 25k and report to the Board at the next publication of report and at the following Board Meeting.

4. Meetings	The committee shall meet at least biannually, or more frequently as required this is dependent on Organisation priorities and any risk management plans. Meetings shall be chaired by the committee Chair, and actions shall be taken and shared following the meeting alongside committee reports.
5. Reporting	The committee shall report to the Board on its activities and recommendations at each Board meeting.

Lower Severn IDB

MISSION STATEMENT

We provide land drainage, flood risk management and surface water management to achieve safe, prosperous communities that enjoy the amenity and biodiversity benefits of the water environment.

Finance Committee

(Executive Committee in Attendance)

Mr J Hore (Chair)

Ald N Barton, Mr J Cornock, Cllr S Milestone, Mr J Nichols (v. Chair)
Cllr M Riddle, Ald M Sykes, R Godwin

NB The quorum for this meeting is 3 Members

Wednesday 20th May 2025 @ 10:30am, Lower Severn IDB Offices/Hybrid

AGENDA

Committees Terms of Reference are included for Members' information

Item		Page No	Lead
1.	Apologies/Welcome		Chair
2.	Chair's Announcements		Chair
3.	Declaration of Members' Interests		Chair
4.	Minutes of the last committee meeting for approval	1	Chair
5.	Comments on Actions brought forward	9	GT
6.	Internal Audit Report for Noting	10	GT
7.	Financials to March 2026, full year 2025/26	28	GT
8.	AGAR report 2025/26 for recommendation for Board approval	34	GT
9.	Payments to be Noted	40	GT
10.	Any Questions on Management Reports, circulated in May 2026	Circulated	GT
11.	Policy Review Schedule for noting	43	GT
12.	Risk Register update for Review	44	GT
13.	Confirmation of Actions		GT
14.	Any Other Item Which the Chair or CEO Decides is Urgent		Chair
15.	Date of Next Meeting: 2 December 2026		Chair
	Close		Chair

- Any other consideration and comments/questions of an urgent nature shall be notified to the office at least 3 working days before the meeting to enable staff to compile the correct information.
- Any Committee Member unable to attend should arrange a deputy and inform the office prior to the relevant Meeting. If the Committee Member chooses, he/she may instead ask the Officers to contact all the other Members, not on the Committee, in order to recruit a deputy for the meeting.

Lower Severn IDB

MISSION STATEMENT

We provide land drainage, flood risk management and surface water management to achieve safe, prosperous communities that enjoy the amenity and biodiversity benefits of the water environment.

Minutes of the Finance Committee

Mr J Hore (Chair)

Ald N Barton, Mr J Cornock, Cllr S Milestone, Mr J Nichols (v. Chair) Cllr M Riddle, Ald M Sykes

Wednesday 3rd December 2025 @ 10:30am, Lower Severn IDB Offices/Hybrid

Item		
1.	Appointment of Chair MB nominated JH All voting members in favour Resolved JH as Chair of Finance Committee	Chair
2.	Appointment of Vice-Chair JH nominated JN All voting members in favour Resolved JN as Vice Chair of Finance Committee	Chair
3.	Apologies/Welcome In attendance: Mr J Hore (Chair Finance Committee) Mr J Nichols (v. Chair) Mr M Barnes Mr R Godwin Mr G Simms Mr J Cornock Mr G Taute (CEO) Apologies: Ald N Barton, Cllr S Milestone, Cllr M Riddle, Ald M Sykes	Chair
4.	Chair's Announcements JH thanked GT for his work with financial matters.	Chair
5.	Declaration of Members' Interests JN has an interest due to storage of the generators, and RG has an interest due to land leased at Lapperditch. No other interests declared.	Chair
6.	Any Comments on Actions GT listed actions. <ul style="list-style-type: none">Review of Previous Actions GT confirmed that all actions listed on page 5 from the previous year and from the May meeting have been completed and are shown in green.Avonmouth Invoicing<ul style="list-style-type: none">JH asked about the status of this. Although a presentation on historic and future Avonmouth invoicing was made in June by JT, GT clarified that the matter requires a forecast on future invoicing, and a check on re past invoicing, and maintenance responsibilities. To report back at the next committee meeting.GT confirmed that this will be raised as a new ongoing action, as the issue remains a concern.Hinkley Point C<ul style="list-style-type: none">A previous report (SLT) contained a statement requiring adjustment at MR's request was questioned by JC.The National Grid connection line for Hinkley Point C passes through Avonmouth, and related infrastructure may require installation.While no operational impact is anticipated, any proposed works may require the organisation's consent.Further clarification is required to confirm responsibilities and implications.	GT
7.	Financials to October 2025, Forecast 2026, and the draft Budget 2026/27	GT

<p>JH said all Board members have ability to access financial information and is pleased how transparent this is.</p> <p>GT led the committee through the Finance Report:</p> <ul style="list-style-type: none"> • Income statement reflects additional grant money of £1.28m received to date. • Avon Rivers Trust invoicing and a development invoice at Avonmouth shows a positive variance to budget year to date • Interest received from deposits amounted to £107k for the year to date. <p>JH asked JN if he had any comments; JN stated that reserves at the bank have increased to £120,000 from £85,000.</p> <p>GT continued:</p> <ul style="list-style-type: none"> • Income line showing £1.4m in excess of the budget (mostly due to grant money received.) • payroll favourable by £17k due to Field Operator vacancy, and noted a resignation. Program payroll allocations will change in the next two years to ensure there isn't a huge step change in salaries on completion of the pump programme project. There will therefore be larger payroll cost increased as less will be allocated to the programme. • Administration costs higher due to insurance costs (cyber security) and an increase in IT licensing. • Big adjustment in depreciation due to commissioning of new pump stations moving to after the financial yearend; this is coincidentally beneficial to LSIDB in terms of smoothing rate changes going forward. • Loan interest and bank charges are tracking as expected. • Well controlled cost to budget is shown with mostly favourable variances indicated to date. • Debtors collections are in line with expectation. • Creditors invoices not paid on pumps are included, however these are paid in November 2025, so will come down to a reasonable level. <p>GS updated all that JT had made a speculative enquiry about new grant funding from Defra. Defra said there was a possibility if LSIDB met the requirements. One application has been submitted for over £400,000, and JT will submit another funding application this week to Defra. GS suggested that a permanent culvert at Wicks Green to allow for over pumping was needed; wants Jacksons to price it by Friday so we can apply for the Defra money to spend on this. Will bid for £600,000 - £700,000. LSIDB need the budget and assurance that it will be done by end of March 2026. JH, MB and GT thanked GS for his work on this. GS noted that JT has a good relationship with the Defra officer.</p>	<p>GT</p> <p>GT led the committee through the pump programme financial report page:</p> <ul style="list-style-type: none"> • GT noted project life to date costs of £2.8m to end of October. Approved program budget is £9.91m. • 28% spent; most designs and professional services are complete. • Pump stations are a fixed price contract • We await quotes for Wicks Green and Oldbury pump station replacement • JC asked if prices on design could be reduced due to repetition of pump design; GS said all sites vary. Although the condensed programme will bring efficiencies and improve costs. • GS asked JN if he was storing the Oldbury Pumps; JN hasn't been asked but he confirmed he can do this but it needs further discussion. <p>Comments on the forecast for March 2026:</p> <ul style="list-style-type: none"> • GT noted that the Income will remain positive, mostly due to grants received and interest on deposits • payroll costs will increase due to less being allocated to the programme due to changes in the programme timelines • Depreciation different due to the timing of current construction costs. And life changed to 40 years, this was supported by the committee. • Year will end in a favourable situation as is the trend to date. <p>GT will continually update this and present the forecast again at February's Full Board.</p> <p>Budget 2026/27: Rate impact is 4.5% to 5% so not the 8% to 9% previously expected so good news for rate payers. Payroll will be higher, due to reduced payroll allocation to the Programme. GS explained this in further detail; staff will still potentially be utilised for demaining and other projects. JN thought there should be a reduction in staff costs. GT said office staff numbers are coming down to be in line with pre-programme levels, probably to 5 office staff from the 8 odd that we had in 2024.</p> <p>GT advises applying for an additional £2m loan in 2026 for the programme, although this would come down if additional grant money was received. GT asked the Finance Committee to support applying for £2m loan, which will only be drawn down as required. GS advised waiting until January as we will have numbers for Wicks Green and Oldbury by then. GT agreed, and suggested an extraordinary meeting to agree for the application for the loan and of course the new programme budget in that meeting.</p> <p>JC concerned over knowing whether Jackson's are offering the best price; GS said the procurement framework offers assurance in this regard which include price checks. Suppliers are seeing rising costs, also there are limited suppliers. Programme Board meet with Jacksons regularly to ensure it is being delivered to the numbers. The longer it takes the more expensive the Programme will become.</p> <p>JH noted that it is very difficult to get quotes due to limited suppliers and time to get these withing set timelines.</p> <p>JN asked whether new estates could increase potential drainage rates; GS boundaries need to be reviewed to potentially encompass this. GS said it is potentially fall with the Environment Agency. JN concerned over sluice gates at Oldbury on Severn; GS said the problem needs to be identified; potentially need a new sluice gate at Oldbury on Severn. JH noted the SUDS on new developments should mitigate flooding.</p> <p>GT noted the balance sheets shows a growth in assets due to the investment in the programme.</p>
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	<p>GT asked for the Finance committee's support for the 2026/2027 budget to be taken forward to the Full Board in February 2026 for approval, and new rates proposal, noting there may be changes before the Board meeting before February.</p> <p>Budget proposed GS, seconded MB. All voting members in favour.</p> <p>Resolved to approve budget to be brought to Full Board in February 2026.</p> <p>8. Payments to be Noted</p> <p>MB said he was satisfied with payments. All satisfied with page 10.</p>	
<p>9.</p>	<p>Risk Register Review and Update</p> <p>GT said Risk Register should be reviewed in committee meetings and handed copies to members. GT discussed each section in detail with members, including:</p> <p>GT reported that current high deposit balances continue to benefit from favourable interest rates. It was noted that interest rates are expected to reduce in future, which will lessen financial returns. Exposure will naturally decline as deposit levels decrease.</p> <p>GT confirmed that all deposits are placed with highly rated institutions. BlackRock is rated AAA and NatWest AA, and both are considered secure deposit takers.</p> <p>GT noted that risks relating to fraud, manipulation and cash loss remain present but are effectively managed. Strong internal controls, checks and balances are in place, and auditors have confirmed satisfactory performance. Relevant insurance cover is also held.</p> <p>The Board noted the safeguarding measures in place, including insurance coverage, CCTV, motion sensors and a monitored alarm system. A central monitoring company notifies the police and designated staff of suspicious activity. Vigilance remains necessary due to the amount of equipment stored on site.</p> <p>GT informed the Board that ADA will run a media training course in March. Under the Business Recovery Plan, Matthew is the designated media spokesperson, and both MR(to be confirmed) and GT will attend the course to ensure appropriate media handling and reduce communication risk.</p> <p>GT confirmed that specialist legal advisers are engaged as required to manage legal matters effectively. (Item 8.2)</p> <p>GT advised that locations at Wicks Green and Marshfield are being considered for the new mobile pump. Discussions are ongoing with Jackson's regarding suitable insurance. The Board noted limitations of cover for mobile equipment when used off-site. Interim security solutions are being explored. Once yard improvements are completed, an enclosed barn section with a roller door will provide secure storage.</p> <p>GT reported that CapEx for the forthcoming year is expected to be minimal, covering yard concreting work and the enclosure of the rear barn section. No major plant purchases are anticipated, which will support cashflow.</p> <p>GT advised that progress continues regarding the acquisition of land from the Council. Land Registry surveys have been completed, and further documentation is being prepared by the organisation's lawyers. Acquisition of the additional land will allow for future development opportunities.</p>	<p>GT</p>
<p>10.</p>	<p>Confirmation of Actions</p> <ul style="list-style-type: none"> • Further clarification is required on historic and projected Avonmouth invoicing. JT/GT • The Defra grant application is due for submission by Friday and is considered a priority action. JT • A formal CapEx plan for 2026/27 (approx. £30,000) will be produced. GT • GT will update and improve the narrative within the Risk Register for clarity. • The vacancy on the committee should be filled due to low attendance. RG has been appointed for this. GT • The Public Works Loan application will be held pending a clearer financial outlook in January, and potentially an extraordinary meeting will be held before February's Full Board meeting. GT • Final <p>Any Other Item Which the Chair or CEO Decides is Urgent</p> <p>Discussion was had on the following:</p> <ul style="list-style-type: none"> • Concerns regarding low attendance at the meeting, noting that although an online participation option had been offered, it had not been used by any members. GS observed that all current committee members had previously indicated interest in serving, yet attendance did not reflect this. It was suggested that some members may assume that matters covered within other Board/Committee meetings reduce the need for attendance at this committee. • JN raised that, following the reorganisation of committees, there is no longer a clear forum for oversight of staff salaries—an expenditure that equates to a large portion of organisational costs. It was noted that this topic is not routinely addressed within the Finance Committee or Executive meetings. Members discussed and confirmed that this responsibility is already being incorporated into the Business Services Committee. • GS proposed RG to join the finance committee, and fill the existing vacancy, in order to strengthen membership and improve attendance, seconded by JN, and supported unanimously by members present. It was noted that the continuous scheduling of the Executive and Finance Committee meetings on the same day may help support attendance at both. <p>It was resolved that Roger Godwin would join the Finance Committee as a committee member.</p>	<p>GT</p>

	<p>The committee discussed that while staff salaries are an important organisational matter, this committee does not set salaries. It was agreed that the appropriate place for salary discussions is confirmed to be accommodated within Business Services Committee work.</p> <p>Members acknowledged that significant work goes into preparing reports and budget information for Board and committee meetings. Some noted that the volume of information circulated to Board members may discourage full engagement, although efforts continue to present information as clearly as possible.</p> <p>GT confirmed that a virtual Board meeting will be held in the second week of January to approve updated financial numbers, including the revised budget for the upcoming year and a five-year projection. Updated figures will be shared with the Finance team in advance.</p>	
		Chair
12.	Date of Next Meeting: 20 May 2026	Chair
	Close	Chair

DRAFT

Actions brought forward from prior meeting of 3 December 2025

Number	Created	Action	Assigned	Due	Status
<u>Finance Committee</u>					
36	03/12/25	Update paper on the Avonmouth Invoicing history and future estimates to be prepared	JT	May-26	In Progress
37	03/12/25	Review narrative in the Risk Register to improve descriptions	GT	Mar-26	Completed
38	03/12/25	Roger Goodwin to take up the vacancy on the Finance Committee, for approval by board in June 2026	GT	Jan-26	Completed
39	03/12/25	Circulate the proposed budget 2026/27 to the Finance committee prior to the board.	GT	Jan-26	Completed

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Executive Summary

Introduction

As stated in our engagement letter, you have instructed us to undertake an Internal Audit for the Board. We understand this role is to provide you, the Members of the Board, with additional assurance as part of an on-going independent oversight of the Board's financial affairs, in addition to the internal procedures already carried out by the Board's Finance Department. The Financial Regulations have been reviewed and discussed with the Finance Department at the start of the audit to ensure thorough understanding of the internal controls being tested.

Approach

We completed testing at both sites through a series of on-site tests and meetings in the following areas:

- Purchases
- Risk and Budgets
- Income and Debtors
- Bank
- Payroll
- Fixed Assets
- Accounting Systems
- Exercise of Public Rights

Key



This recommendation must be addressed as a matter of priority, as the required internal controls are not currently in place.



This recommendation should be addressed as weaknesses have been identified with the current internal controls.



This recommendation will improve the current internal controls and be in line with best practice.






No recommendation required

Summary of Findings

We would like to highlight the strength of the controls in place at Lower Severn Internal Drainage Board. From our testing, these all appear to be fully understood and implemented by the team resulting in an effective control environment. All documents required for this audit were provided promptly, both prior to and during the audit period, with queries and further supporting documentation provided when required.



We would like to extend our gratitude to the team at Lower Severn Internal Drainage Board who have helped in the completion of this audit visit. The audit was conducted via the exchange of information required for the audit, supplemented with further video meetings with key members of staff, and a final face-to-face on-site visit.

A summary of the number of recommendations raised in each area tested is as follows:





Area			
Purchases	-	-	-
Risk and Budgets	-	-	-
Income and Debtors	-	-	-
Bank	-	-	-
Payroll	-	-	-
Fixed Assets	-	-	-
Accounting Systems	-	-	-
Exercise of Public Rights	-	-	-
Total	-	-	-

Detailed Findings



Purchases

Test	Results	Conclusion	Outcome
<p>Gain an understanding of the purchasing system in place at the Board and ensure procedures are being carried out in line with the financial regulations.</p>	<p>We conducted a review of the most recent financial regulations – last updated November 2024. These regulations have had very little change from the prior year and as such, the processes tested are the same as was in place in the prior year.</p> <p>The responsible personnel have shown a complete and comprehensive understanding of the processes and controls in place, implementing all of these appropriately.</p>	<p>System notes and financial procedures have been fully reviewed for the current period, with the finance team showing a thorough understanding of the purchasing system throughout our audit.</p>	
<p>Review a sample of 20 purchases made to confirm compliance with purchasing procedures, including:</p> <ul style="list-style-type: none"> • Appropriate supplier selection • Correct authorisation in line with the systems described above • Creation and retention of purchase order was created where appropriate • Appropriate invoice matching to purchase order • Accurate recording in accounting system • Correct VAT treatment • Expenditure is deemed to be reasonable 	<p>We selected a random sample of 20 transactions from the accounting system and traced these back to purchase orders, invoices and payment at bank. We encountered no issues in terms of authorisation in our testing and found VAT to be treated correctly within our testing.</p> <p>All expenditure seen is deemed to be reasonable and necessary and value for money had been considered.</p>	<p>We vouched a random sample of 20 purchases to the relevant supporting documentation, seeing accuracy and correct implementation of controls throughout.</p>	

Risk and Budgets

Test	Results	Conclusion	Outcome
<p>Ensure there is an appropriate and up-to-date risk register in place, with consideration of the adequacy of risk management plans. Ensure that controls are up to date, and that fraud is considered within the Risk Register.</p>	<p>The Risk Register was most recently updated in November 2025, with full review of this at board level in November 2025.</p> <p>This new Register contains a full risk assessment, detailing each risk, its priority level, ways to mitigate the risk, responsible employee, actions which have been performed to reduce the risk, and an area for updated commentary. Within this Risk Register we can see fraud explicitly listed as a risk.</p>	<p>The Risk Register in place provides a detailed risk assessment, which allows for regular review of the risks. The Risk Register has gone through appropriate review at Board level.</p>	
<p>Confirm that the budget covers multiple years, including adjustments for key changes expected to be seen in expenditure and income.</p>	<p>As part of our audit, we have reviewed a budget for the next two years. Within these we can see appropriate updates due to internal factors (such as a rate increase from 13.40p to 14.40p), and updates due to external factors such as inflation.</p> <p>There is another budget held regarding the ongoing capital pump replacement programme to track the expenditure throughout this project.</p>	<p>Appropriate budgets are held and maintained by the board, including the key changes / adaptations that we would expect to see.</p>	
<p>Ensure all budget variations are approved by the Finance & General Purposes Committee, and the full board.</p>	<p>We have vouched that variances between the budget and forecast were explained and approved by Board in the February meeting. As part of this meeting, future budgets, rates changes etc were also discussed. Therefore, we can gain comfort that appropriate levels of review and analysis of the budgets is completed.</p>	<p>The Board exercises appropriate scrutiny and oversight in the approval of budget variations.</p>	
<p>Ensure that the reserves budgeted for the forthcoming years are appropriate in line with the future plans in place, and gain comfort over the process in place used to arrive at the rate used each year.</p>	<p>The Board has put in place a capital reserve in line with the ongoing pump replacement programme. There is also a Public Works Loan obtained in the year to help the funding of this programme. We can also see moving forward that the rates will increase, which in turn will further help fund the capital programme.</p>	<p>The budget moving forward aligns with future plans including the capital investment programme and considers available additional finance required to support this.</p>	

Income and Debtors

Test	Results	Conclusion	Outcome
<p>Review the processes in place for the rates income posting to the accounting system.</p> <p>We will agree a sample of rates charges taken from the DRS charge sheets, tracing these to demand notes, posting to the accounting system, and finally through to income at bank.</p> <p>We will perform a DRS to sage reconciliation for a random month, ensuring to investigate any discrepancies which we find.</p>	<p>The sample of DRS charges we reviewed agreed correctly to the accounting system, with recalculations agreeing to the DRS charge sheet. One of the sample varied to expectations, however evidence was provided to support this variance that was due to changes in landownership in the year.</p> <p>The corresponding demand notes, accounting system postings, and receipt at bank all agreed as expected.</p> <p>The processes in place at LSIDB for communications with landowners, the issue of refunds where appropriate, and the write off the smaller balances (less than £16.75) we have found to be appropriate.</p>	<p>The processes in place regarding the reconciliation and the monitoring of the DRS income works effectively.</p> <p>There are no recommendations to be made.</p>	
<p>Verify that recharge income is correctly recorded, invoiced, and posted to the accounting system, including VAT treatment.</p>	<p>A sample of recharge income was reviewed. For all the sample we have successfully been able to trace to invoices, and subsequently to receipt at bank.</p> <p>The recharge income we have seen has been appropriately posted to the accounting system, and VAT posted correctly.</p>	<p>We have found the systems in place surrounding recharge income works effectively, and the posting to the accounting records to be accurate for all of our sample.</p> <p>There are no recommendations to be made.</p>	






Test	Results	Conclusion	Outcome
Perform a review of the outstanding debtors balances identified per the Aged Debtors report, and ensure these have been appropriately followed up and received.	<p>We performed 2 separate debtor reviews, one for the DRS debtors and one for non-DRS debtors.</p> <p>On review of the DRS debtors we have found there are a few small amounts outstanding. This is in line with what we would expect to see for DRS income, where some landowners are hard to contact, some have passed away, and some who dispute the need to pay the levy. These are all being followed up on, and still considered to be recoverable.</p> <p>The non-DRS debtors report identified one outstanding balance, which was seen recovered at bank soon after the date of the report.</p>	<p>The minimal number of debtors highlights the strong controls put in place to manage debtors by the Board.</p> <p>There are no recommendations to be made.</p>	○
Review a sample of grant income in the year and trace these through supporting documentation.	We have been provided with a breakdown of all grants received in the year, informing us of the details of the grant, regarding what it is for and the grant total. The grants relate to the ongoing pump replacement programme, which is in line with our expectations, and we have been able to trace these grants through to supporting documentation.	<p>The controls and systems with regards to grant income, ensuring its correct posting and recording on the accounting system, we have found to be effective.</p> <p>There are no recommendations to be made.</p>	○

Bank

Test	Results	Conclusion	Outcome
Select a random sample of 5 months and review their bank reconciliations, to ensure these have been prepared correctly, and authorised in line with the controls in place. We will also ensure the reconciling items appear reasonable.	<p>Upon review of bank reconciliations for April, June, September, November and December we have seen appropriate preparation and subsequent authorisation of the bank reconciliations.</p> <p>The reconciling items were made up of outstanding receipts, and unrepresented payments, in line with expectations.</p>	From our testing we have seen that bank reconciliations are prepared and authorised appropriately in line with our understanding, all agreeing to the accounting system.	○




Test	Results	Conclusion	Outcome
<p>We will check that the balances per the reconciliations agree to the accounting system.</p> <p>If we identify any unreconciled balances, we will investigate this, enquiring to see what is being done to ensure this balance is reconciled.</p>	<p>All reconciliations agreed to what has been posted to the accounting system with no unreconciled balances being identified.</p>		

Payroll

Test	Results	Conclusion	Outcome
<p>Ensure that employee salaries per payroll agree with personnel records, confirming the contracts held are signed.</p>	<p>A sample of 3 random employees were selected from payroll reports and their monthly salaries vouched to expected salary per contract, or updated salary letters where applicable.</p> <p>The small variances seen are expected due to the contractual overtime meaning pay fluctuates monthly based on how many Fridays there are in the month. Due to this explanation, we are able to gain comfort over the salaries paid to employees.</p> <p>We have confirmed that signed contracts were held for all of the sample reviewed.</p>	<p>Employee personnel files hold accurate information, in line with what we have seen in the payroll reports.</p>	
<p>Check any amendments made to payroll for overtime, ensuring this agrees to the appropriate forms.</p>	<p>We have reviewed an overtime claim form and confirmed that it was appropriately authorised. We have also traced this through to payroll and seen that this has been processed correctly, with a recalculation performed agreeing the overtime amount paid.</p>	<p>Payroll amendments for overtime have been found to be correctly reviewed, authorised, and processed onto payroll.</p>	
<p>Check any amendments made to payroll for mileage claims, ensuring this agrees to the appropriate forms.</p>	<p>We have selected 2 random mileage claims. For each we confirmed that there was appropriate authorisation and have been processed onto payroll correctly.</p>	<p>Mileage claims completed by staff have been seen to be appropriately authorised and processed.</p>	
<p>Review the payroll print for one month, ensuring this has been authorised and posted correctly to the account system.</p>	<p>On review of the October 2025 payroll report we can see the appropriate preparation and review has taken place evidencing clear segregation of duties.</p> <p>We have then traced this to postings to the accounting system and confirmed all agreed.</p>	<p>Payroll is prepared, authorised and posted to the accounting system accurately and with appropriate segregation of duties.</p>	
<p>Ensure payments for payroll are made to bona fide employees, ensuring no duplicate employees are paid. Where any are found these will be investigated.</p>	<p>On review of employee names and national insurance numbers in the July 2025 payroll report no duplicate employees were identified.</p>	<p>No duplicate employees were identified in payroll.</p>	



Test	Results	Conclusion	Outcome
Test payroll deductions to ensure the appropriate rates are being applied.	We have chosen an employee and a month at random to recalculate the payroll deductions. On performance of recalculations, we have been able to vouch that the correct rates are used for PAYE, NI and pension.	The correct rates have been used to calculate payroll deductions.	○
We will test one starter and one leaver in the year, ensuring they were added to/ removed from payroll in the appropriate months, in line with what we can see in supporting documentation.	<p>We have selected one random starter, obtained their contract and traced this to payroll, seeing that they were added in the correct month.</p> <p>We tested one random leaver, obtaining their resignation letter and were able to trace this to see them leaving payroll in the month we would expect.</p>	Starters and leavers are added/ removed from payroll appropriately.	○
Ensure that the payroll control account reconciliations are prepared and authorised appropriately.	<p>The payroll provider sends the monthly journals to the accounts manager to process. These are checked against collated spreadsheets containing the payroll information, and assuming there are no discrepancies, are posted by the accounts manager.</p> <p>This journal is subsequently checked and authorised by the CFO.</p> <p>On review of the postings for October 2025 no issues were identified.</p>	Payroll control accounts are appropriately reviewed and authorised, highlighting the strength of the segregation of duties in place within the team.	○

Fixed Assets


Test	Results	Conclusion	Outcome
<p>Agree the brought forward figures per the accounts to the fixed asset register.</p>	<p>We have reconciled the brought forward fixed asset registers net book values to the prior year signed accounts.</p>	<p>The brought forward figures per the fixed asset register agree to the prior year accounts.</p>	
<p>Select a random sample of 15 assets and physically verify them to confirm ownership, ensuring to check for any clear signs of impairment.</p>	<p>We have selected a sample of 15 random assets from the fixed asset register and physically verified these. For a number of the sample selected, the assets were held elsewhere and time stamped photographs provided.</p> <p>No signs of impairment were evident.</p>	<p>A sample of fixed assets were physically verified, with no issues identified.</p>	
<p>Review the fixed asset register to see if there are any assets older than their useful economic life. We will also review the assets with a nil NBV, to see if this is reasonable in line with their depreciation policies.</p> <p>We will also perform a review of all assets with NBV below a threshold and determine whether this appears reasonable in terms of age and type of asset.</p> <p>We will review the depreciation policies used and determine whether these seem reasonable.</p>	<p>On review of the fixed asset register we can see that all assets with nil NBV are</p> <ul style="list-style-type: none"> - either depreciated on a straight-line basis - have previously been sold, and are now held within the fixed asset register at NIL cost, accumulated depreciation and NBV - or are aged items where holding them as a nil NBV we consider to be materially correct. <p>On review of assets with a NBV below a judgemental threshold of £500 we have found that these items are either aged, or are low value items, meaning their NBV we find to be appropriate.</p> <p>The depreciation policies in use seem reasonable for each class of asset.</p>	<p>We have performed a thorough review of the fixed asset register, concluding that the assets within it have been treated and posted to the fixed asset register correctly.</p>	

Test	Results	Conclusion	Outcome
Review the fixed asset register for any additions/ disposals in the year and test these through to supporting sales/ purchases invoices to gain comfort over their valuation and treatment, ensuring the fixed asset register has been regularly updated.	<p>The volume of additions and disposals seen in the fixed asset register in the year is consistent with our understanding of the organisation.</p> <p>We have tested a judgemental sample of 3 assets (including one Asset under Construction), and were able to agree all to supporting documentation, allowing us to gain comfort over their accuracy and classification.</p> <p>We have tested the disposal in the year, tracing this to a sales invoice, ensuring its accuracy and classification.</p>	We have gained comfort that both additions and disposals have been correctly recognised, and the fixed asset register updated accordingly.	○
Review the fixed asset register for any intangible assets and ensure these have been treated correctly.	There are two intangible assets on the fixed asset register. On review, the amortisation of 25% reducing balance has been correctly applied. As such we have gained comfort that these assets are treated correctly.	We have confirmed that the intangible assets in the fixed asset register have been treated correctly.	○
Discuss any material investments with the Accounting Officer in order to gain an understanding of how this portfolio is maintained, and obtain a register of the investments held.	<p>The investments of the Evelyn Partners are overseen by the Finance Committee. Monthly valuations are received from Evelyn Partners, and every six months there is a Finance Committee meeting where a summary of the investment performance is presented.</p> <p>The portfolio is managed by Evelyn Partners who make the recommendations, although the final decisions with regards to sales/ additions are ultimately made by the Finance Committee.</p> <p>We have been provided with the valuation as of January 2026. The funds are currently held in a high interest money market cash deposit in order to increase the liquidity of the investment to assist with the ongoing pump replacement programme.</p>	The material investments held are deemed to be reasonable and are appropriately managed by the Board.	○

Accounting Systems

Test	Results	Conclusion	Outcome
<p>Ensure that the opening balance figures per the accounting system agree to the 2025 accounts.</p>	<p>We have agreed the carried forward figures of the prior year AGAR to the brought forward figures of the current year AGAR. This was also reconciled and agreed to the balances held in the accounting system.</p>	<p>It has been ensured that the opening balances on the accounting system agree to the 2025 accounts.</p>	
<p>Perform a review of the most recent management reporting documents. Ensure that these are prepared on the accruals basis and perform a recalculation of a judgemental sample to ensure that this has been correctly applied.</p>	<p>The management accounts from December 2025 have been reviewed, where we confirmed that these have been produced on the accrual basis, containing a detailed balance sheet and profit and loss account.</p> <p>We have obtained monthly schedules for prepayments and accruals and have selected a random judgemental sample of 4 of each to test. We have been able to vouch these to supporting documentation, and on performing recalculations we have gained comfort that these have been treated correctly.</p>	<p>Upon review, management accounts have been correctly prepared using the accruals basis and judgemental balances agreed to supporting documentation.</p>	

Exercise of Public Rights

Test	Results	Conclusion	Outcome
<p>Ensure that the authority has demonstrated that before 1st July 2025 it has correctly provided for the exercise of public rights, in line with what is required by the Accounts and Audit Regulations.</p>	<p>We have confirmed that the authority had provided notice to its external auditors of the dates for the period for the exercise of public rights. There was a notice posted to the website with these dates, as well as this information posted on the notice board at the front gate – in line with what the authority considers to be practice.</p> <p>This notice was dated 6th June 2025, confirming that it has correctly provided for the exercise of public rights before 1st July 2025.</p>	<p>The authority has shown that it correctly provided for the exercise of public rights, as is required by the Accounts and Audit Regulation.</p>	

Additional Information

Audit Team

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Internal Audit Manager:

Email:

Sophie Porter

sporter@bishopfleming.co.uk

Access and Authorisations

The internal audit team is authorised to:

- Have unrestricted access to all functions, records, property and personnel which it considers necessary to fulfil its function.
- Have full and free access to the Finance Committee.
- Allocate resources, set timeframes, define review areas, develop scopes of work and apply techniques to accomplish the overall internal audit objectives.
- Obtain the required assistance from personnel within the organisation where audits will be performed.
- However, the internal audit team are not authorised to:
 - Perform any operational duties on behalf of the organisation.
 - Initiate or approve any transactions or related accounting on behalf of the organisation.
 - Instruct or direct the activities of any member of staff of the organisation.

Fraud

Management is responsible for the implementation and operation of controls to reasonably prevent and detect fraud. Internal audit is not responsible for identifying fraud; however internal audit will consider the risk of fraud when planning the scope for and subsequently undertaking any assignments.

Disclaimer

In accordance with instructions given to us, we have prepared our report solely for the confidential use of Lower Severn Internal Drainage Board (LSIDB). It may not be relied upon by LSIDB for any other purpose. Our report must not be recited or referred to in whole or part in any other document and must not be made available, copied or recited to any other party without our express written permission. Bishop Fleming neither owes nor accepts any duty to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by their reliance on our report.

It is management's responsibility to develop and maintain sound systems of internal control. Our internal assurance work is not a substitute for management's responsibilities to ensure that adequate controls are in place and operating effectively across the Board, and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of irregularity should there be any.

The matters raised in this report are only those which came to our attention during our review and are not necessarily a comprehensive statement of all the processes that exist or all improvements that might be made. Suggested actions raised within the report should be assessed by you for their full impact before they are implemented.

Limitations to the Scope of this Internal Audit

- We have not sought to provide an opinion on the appropriateness of any management decision – the review instead has focused on how Lower Severn Internal Drainage Board has applied the policy and process, and how success is measured.
- We have only undertaken sample testing of activity in the current year and have based our conclusions on the results of this testing.
- Consideration has only been given to controls operating in respect of the areas listed above. No other functions or processes are included within the scope of this review.
- Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

Lower Severn IDB

MISSION STATEMENT

We provide land drainage, flood risk management and surface water management to achieve safe, prosperous communities that enjoy the amenity and biodiversity benefits of the water environment.

Glenn Taute, CEO/RFO
Report, finance and general - May 2026

This report focuses on the year-end position as at 31 March 2026, summarised as follows:

Income

Income for the year includes £4,075k in grants awarded for the pump station replacement programme. This also contributed to deposit interest exceeding expectations for the year. Additional income was received from operational services and from work relating to the ongoing Avonmouth development.

Overall, revenue for the period exceeded the budget by £4,260k. A late additional grant allocation resulted in a favourable variance to the forecast of £654k.

Expenditure

Total expenditure for 2025/26 is favourable against both the budget and the forecast.

Payroll costs were adverse to budget due to changes in the programme timeline, which required an adjustment to a reduced allocation of staff costs to the investment programme, with this allocation now phasing out by in 2027. The payroll outturn was in line with the forecast presented at the February 2026 Board meeting.

Maintenance costs were below both budget and forecast, with the Board experiencing a favourable year with limited machinery breakdowns. It should be noted that the 2026/27 budget has been set at normal levels consistent with previous years.

Administration fees increased due to higher insurance costs, primarily driven by the addition of cyber insurance and cover for the new mobile pump.

Professional fees were unfavourable due to agency fees associated with new appointments.

Depreciation variances arose from changes to programme investment completion dates and updated pump station life expectations.

Balance Sheet

The ongoing investment in the pump station replacement programme shows a life-to-date value of £6.9m, of which £4.2m relates to the life to the end of the 2025/26 financial year. A detailed breakdown is included in the programme cost report.

Debtors include prepaid levies.

The VAT debtor is higher than usual due to significant programme-related invoices received.

Cash at bank at 31 March 2026 totals £4.8m, which is in line with expectations.

Creditors and accruals show a year-on-year reduction due to fluctuations in programme supplier invoicing.

The Public Works Loan Board balance reflects a repayment of £100k during the year.

The LGPF Fund Asset, following the annual actuarial valuation, increased by £182k to £2,798k.

The Capital Reserve remains in place at the end of 2025/26 for application against the programme investment upon capitalisation.

Financial summary for March 2026

Income Statement:

The income statement for the year to date: -

Lower Severn IDB					
Income Statement	Full Year	Full Year			
Mar-26	Actual	Budget	Variance	Variance	Comment
Income	Mar-26	Mar-26	£	%	
Rates and Levies	2,050,606	2,050,659	-53		
Grant and Fund Income	4,257,012	184,755	4,072,257		Grant received; & Foreign Water in - EA water out cost below
Fees & Recharges	47,233	3,600	43,633		Works recharges, and Avonmouth development consultation
Other Income	214,803	70,909	143,895		Interest on larger deposits, and higher rates, and insurance claims
Total Income	6,569,654	2,309,923	4,259,731		
Expenditure					
Payroll	964,496	897,759	-66,737	-7.4%	Net of Programme allocations. Reduced programme allocation
Maintenance	315,430	354,732	39,302	11.1%	Low level of breakdowns for the year
EA Levies	231,523	236,164	4,641	2.0%	Foreign Water out - EA, revenue in Grants above
Travel	30,552	30,900	348	1.1%	Meetings/events/conferences
Administration	65,244	58,710	-6,534	-11.1%	Additional Insurance and IT licences higher
Professional Fees	39,975	30,900	-9,075	-29.4%	Includes COS re Avonmouth consultation recharges above
Depreciation	264,591	456,003	191,412	42.0%	Project timeline change impacts, pump station asset life adjustment.
Loan Interest	102,662	102,662	0	0.0%	PWD Loan Interest
Bank Charges	13,496	13,200	-296	-2.2%	Bank and Deposits
Total Costs	2,027,969	2,181,030	153,061	7.0%	
Net Surplus/(Deficit)	4,541,685	128,893	4,412,792		

Lower Severn IDB					
Income Statement	Full Year	2025/26			
Mar-26	Actual	Forecast	Variance	Variance	Comment
Income	Mar-26	Mar-26	£	%	
Rates and Levies	2,050,606	2,050,606	0	0.0%	
Grant and Fund Income	4,257,012	3,619,132	637,880	17.6%	Additional Grant received in 2026
Fees & Recharges	47,233	46,833	400	0.9%	
Other Income	214,803	199,360	15,444	7.7%	Interest on increased deposits
Total Income	6,569,654	5,915,930	653,724	11.1%	
Expenditure					
Payroll	964,496	969,421	4,925	0.5%	Inline with forecast
Maintenance	315,430	335,560	20,130	6.0%	Low level of breakdowns
EA Levies	231,523	231,523	0	0.0%	
Travel	30,552	31,791	1,239	3.9%	Reduced event activity
Administration	65,244	64,450	-793	-1.2%	
Professional Fees	39,975	30,571	-9,404	-30.8%	Recruitment Fees higher , External Audit fees on higher turnover
Depreciation	264,591	270,762	6,172	2.3%	
Loan Interest	102,662	102,662	0	0.0%	
Bank Charges	13,496	13,830	334	2.4%	
Total Costs	2,027,969	2,050,571	22,602	1.1%	
Net Surplus/(Deficit)	4,541,685	3,865,360	676,326	17.5%	

Balance Sheet:

The balance sheet as at the 31 March 2026: -

Lower Severn IDB				
Balance Sheet	At End	At End	YTD	YTD
Mar-26	March 2025	March 2026	Change	Comment
Fixed Assets	1,567,854	1,409,445	-158,410	Depreciation and timing of capitalisation of pumps, asset write off.
Assets under Construction	2,666,592	6,905,255	4,238,663	Pump programme WIP, see programme cost report
Total Fixed Assets	4,234,446	8,314,699	4,080,253	Net of Additions less Depreciation
Stock +WIP	28,363	48,323	19,960	Stock build to prior year levels, re fuel, pipes and fencing
Debtors	-1,016,154	-1,061,820	-45,666	03/2025 bal. includes prepaid rates for 2025/26, current balance Agri. Rates
Prepaid Expenses	53,214	58,807	5,593	Includes EA foreign water prepayment
VAT	262,664	547,994	285,329	VAT on Programme expenditure included which fluctuates
Cash at Bank	2,589,773	1,487,813	-1,101,960	Bank current account balance, plus deposit reserve. Spend on programme.
Short Term Deposits	2,676,888	3,275,677	598,789	Deposit for pump programme ex grant funding, interest earned
Current Assets	4,594,749	4,356,793	-237,955	
Creditors	919,726	103,438	-816,289	Expenses on account with vendors. Pump capital programme.
Accrued Expenses	75,463	292,364	216,901	Includes EA foreign water accrual
Prepaid Revenue Rates	0	0	0	Revenue recognition phasing adjustment, will be zero at year end
Current Liabilities	995,189	395,802	-599,387	
Net Current Assets	3,599,560	3,960,992	361,432	
Long Term Liabilities	2,000,000	1,900,000	-100,000	Public Works Loan, repayment made in June & December(6 monthly)
Long Term Assets - Pension	2,616,000	2,798,000	182,000	LGPF actuarial valuation at 31 March 2026, counter entry below.
	8,450,006	13,173,691	4,723,685	
Capital Account	666,569	666,569	0	As of IDB amalgamation of 2005
Accumulated Reserve	602,913	602,913	0	Brought Forward from prior years(2022 as base pre current programme)
Capital Reserve	4,372,441	8,914,126	4,541,685	Reserve for the current pump station replacement programme
Pension Reserve	2,616,000	2,798,000	182,000	See counter above.
Revaluation Reserve	192,083	192,083	0	As per property valuation March 2024.
	8,450,006	13,173,691	4,723,685	

AGAR Return and Variance Report

The following is the 2025/26 AGAR report accounting statements page for the board approval on the 3 June 2026, with the variance between the 2025/26 period and the prior period of 2024/25.

Section 2 – Accounting Statements 2025/26 for

Lower Severn (2005) Internal Drainage Board

	Year ending		Notes and guidance
	31 March 2025 £	31 March 2026 £	
1. Balances brought forward	1,597,401	3,599,560	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	1,912,928	2,050,606	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	4,361,925	4,574,117	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	855,856	964,496	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	0	202,662	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	3,416,837	5,096,134	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	3,599,560	3,960,992	Total balances and reserves at the end of the year. must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	5,260,362	4,763,490	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	4,234,446	8,314,699	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	2,000,000	1,900,000	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

AGAR Reporting Variances

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD				
Explanation of Variances				
AGAR Accounting Statements	2024/25	2025/26	Variance	
	£	£	£	
2 Precept or Rates and Levies				
Agricultural Rates	161,146	172,930	11,784	Increase in Rate from 12.50p to 13.40p
Special Levies	1,751,781	1,877,676	125,895	Increase in Rate from 12.50p to 13.40p
Total	1,912,928	2,050,606	137,678	Increase in Rate from 12.50p to 13.40p
	0	0		
3 Total Other Receipts				
Foreign Water Grant	181,133	181,132	0	EA income relating to foreign water entering the IDB area
Rechargeable Works	4,171	36,679	32,507	Higher rechargeable works in the 2025/26 year, grass cutting and drainage consulting for commercial developments
Application Fees	1,800	1,050	-750	Lower activity regarding drainage consents
Grant	2,071,260	4,075,880	2,004,620	Grant received for the pump station renewal and upgrade
Public Works Loan Received	2,000,000	0	-2,000,000	Loan from the PWD for pump station replacements taken in 24/25
Bank Interest	89,457	174,562	85,105	Interest received on cash deposits from Grant receipts, pending spend on pump station investments
Miscellaneous	8,251	35,561	27,309	Insurance claims pay-out regarding a machine breakdown
Income from Sale of Fixed Assets	5,852	59,750	53,898	Sale of replaced machine
Totals	4,361,925	4,574,117	212,193	Increased Grant receipts , counted by PWD Loan 2024/25 receipt only, deposit interest
	0	0		
4 Staff Costs				
	855,856	964,496	108,639	Reduction in allocation of staff costs to pump replacement project
6 All Other Payments				
Office Maintenance	22,566	28,359	5,794	Office decoration/upgrade
Maintenance	329,869	287,071	-42,798	Breakdowns and repairs lower than normal in the year
EA Levy	231,524	231,523	0	Annual Increase, re EA charge relating to foreign water exiting the IDB area
Motor, Travelling and Subsistence	28,999	30,552	1,554	
Communications	8,556	7,678	-878	
Administration	76,475	71,062	-5,413	
Legal and Professional Fees	35,139	33,675	-1,465	
Audit and Accountancy	8,940	6,300	-2,640	
Pump replacement & Asset Add.	2,674,769	4,399,913	1,725,144	Pump replacement expenditure programme increased investment, and operations equipment replacement
Totals	3,416,837	5,096,134	1,679,296	Pump station renewal and equipment replacement.
	0	0		
9 Total Fixed Assets plus Other Long Term Investments and Assets				
Fixed Assets	4,234,446	8,314,699	4,080,253	Net of operational assets including pump station renewal less depreciation and disposals
Totals	4,234,446	8,314,699	4,080,253	Net of operational assets including pump station renewal less depreciation and disposals
	0	0		
10 Total Borrowings				
	2,000,000	1,900,000	-100,000	Public Works Department Loan for the pump station replacement programme, year 1 repayment
	0	0		

Pump Station Investment Programme Cost Report

The pump replacement programme report to the end of March 2026 shows the actual cost breakdown for the programme to date, from its start in 2023, and compares this with the total programme budget, including the percentage spent so far.

Lower Severn IDB						Mar-26
Pump Programme Financial Report						Life
£						To Date
Pump Station Investment Allocation	Lapperditch	Marshfield	Wicks Green	Oldbury	Elmore Back	Total
Actual Cost Life to Date(since January 2023)						
Feasibility Study Report	21,742	21,742	21,742	21,742		86,970
Business Case Report	36,233	36,233	36,233	36,233		144,930
Pre construction Preparation	52,246	52,246				104,493
Project Construction	1,651,664	1,551,456	384,926	1,054,368	273,255	4,915,669
Contract Supervision	34,308	34,308	8,577	8,577		85,771
Payroll costs allocated	183,547	183,547	59,883	59,883		486,860
Pumps	95,275	247,295	301,020	428,940		1,072,530
Laydown Site	4,016	4,016				8,032
Actual Cost Life to Date	2,079,032	2,130,844	812,381	1,609,743	273,255	6,905,255
Approved Programme Budget(excl. Land)						10,361,350
% Spend to date vs Budget						67%
Programme Construction for the life to Date						
Mar-26	Lapperditch	Marshfield	Wicks Green	Oldbury	Elmore Back	Total
Design and Professional Services	295,270	282,383	98,921	388,543	0	1,065,118
Preliminaries and Site Set Up	448,158	452,847	154,984	275,974	8,422	1,340,385
Civils Work	397,244	343,570	0	0	0	740,815
New Weed Screen and Other Steelwork	160,023	140,967	39,831	219,159	0	559,980
Eel Pass	32,991	46,704	17,996	17,056	0	114,746
Pump Installation	55,384	77,265	18,617	15,808	0	167,075
MIECA Works	249,646	194,771	54,578	137,828	264,833	901,656
Other Construction Costs	12,947	12,947	0	0	0	25,895
Total Construction Investment to Date	1,651,664	1,551,456	384,926	1,054,368	273,255	4,915,669
Construction Price Total						8,205,645
% Spend to date vs Budget						60%

Recommendation: That the report be noted.

Annual Governance and Accountability Return 2025/26 Form 3

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

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £15 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2025/26

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report must** be completed by the authority's internal auditor.
 - **Sections 1 and 2 must** be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2026**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2026** Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2026
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2025/26

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

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

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities **must** publish the following information on the authority website/webpage:

Before 1 July 2026 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2025/26** approved and signed, page 4
- **Section 2 - Accounting Statements 2025/26** approved and signed, page 5

Not later than 30 September 2026 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review. It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

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

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

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2025/26

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty) and is properly signed and dated. Any amendments **must** be approved by the authority and properly initialled.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2026
- The Annual Governance Statement (Section 1) **must** be approved before the Accounting Statements (Section 2) and evidenced by the agenda or minute references, even where approved on the same day.
- The Responsible Financial Officer (RFO) **must** certify the accounts (Section 2) before they are presented to the authority for approval. The authority **must** in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period which **must** be a single period of 30 working days for inspection (this excludes weekends and public holidays) which **must** include the first 10 working days of July.
- **You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chair, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor **must** be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- Additional costs may be incurred if additional audit work is required.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2025) equals the balance brought forward in the current year (Box 1 of 2026).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights which **must** be a single period of 30 working days for inspection (this excludes weekends and public holidays) which **must** include the first 10 working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2026**

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?		
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?		
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', has an explanation been published?		
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?		
	Has the authority's approval of the accounting statements been confirmed by the signature of the Chair of the approval meeting?		
	Has an explanation of significant variations been published where required?		
	Has the bank reconciliation as at 31 March 2026 been reconciled to Box 8?		
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.		

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

Annual Internal Audit Report 2025/26

ENTER NAME OF AUTHORITY

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2026, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2025/26 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.			
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.			
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.			
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.			
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.			
F. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.			
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.			
H. Asset and investments registers were complete and accurate and properly maintained.			
I. Periodic bank account reconciliations were properly carried out during the year.			
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.			
K. If the authority certified itself as exempt from a limited assurance review in 2024/25, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2024/25 AGAR tick "not covered")</i>			
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.			
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(during the 2025/26 AGAR period, were public rights in relation to the 2024-25 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set)</i> .			
N. The authority has complied with the publication requirements for 2024/25 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .			
O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.			
P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable

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

Date(s) internal audit undertaken

Name of person who carried out the internal audit

DD/MM/YYYY

DD/MM/YYYY

DD/MM/YYYY

ENTER NAME OF INTERNAL AUDITOR

Signature of person who carried out the internal audit

SIGN  RED

Date

DD/MM/YYYY

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report **must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2025/26

We acknowledge as the members of:

ENTER NAME OF AUTHORITY

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2026, that:

	Agreed		'Yes' means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.			<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.			<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We have assured ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.			<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.			<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.			<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.			<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.			<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.			<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A <i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>
10. We have put in place arrangements for the effective IT and data management in accordance with proper practices during the year under review.			<i>has made suitable arrangements for its IT and data management and has complied with proper practices in doing so.</i>

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

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

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

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

Chair

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2025/26 for

ENTER NAME OF AUTHORITY

	Year ending		Notes and guidance
	31 March 2025 £	31 March 2026 £	
			<i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i>
1. Balances brought forward			<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies			<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts			<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs			<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
5. (-) Loan interest/capital repayments			<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments			<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward			<i>Total balances and reserves at the end of the year. must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments			<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.</i>
9. Total fixed assets plus long term investments and assets			<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings			<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

For Local Councils Only	Yes	No	
11 Do the figures in the accounting statements above exclude any trust transactions?			<i>For guidance refer to the Practitioners' Guide sections 2.31 to 2.33.</i>

I certify that for the year ended 31 March 2026 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

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

S  D

Date DD/MM/YYYY

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

DD/MM/03/06/2025YYYY

as recorded in minute reference:

MINUTE REFERENCE

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

SIGNATURE REQUIRED

Section 3 – External Auditor’s Report and Certificate 2025/26

In respect of

ENTER NAME OF AUTHORITY

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/> .

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

- summarises the accounting records for the year ended 31 March 2026 and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2025/26

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

3 External auditor certificate 2025/26

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2026

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YYYY

Lower Severn Drainage Board Notable Payments over £500

Payment Date From : 01/01/2026

Based on payment date

Payment Date To : 31/ Payments >£500 1 Jan to 31 Mar 2026

Date	Account Ref	Details	£	
02/03/2026	PITNBOWE	METER REFILL	501	Franking machine
11/03/2026	CFCORPOR	Lease rental for mobile phones 11/03/26 - 30/04/26	506	
14/11/2025	GABLESHO	Room Hire & vrefreshments for Board Meeting 12/11/2	508	November Board venue
04/02/2026	HOLIDAYI	Room hire & refreshments	521	February Board venue
23/01/2026	REED	Agency Costs - Project Accountant 12/01/26-16/01/26	531	Temp workers
02/02/2026	REED	Agency Costs - Project Accountant - 26/01/26-30/01/26	531	
05/02/2026	REED	Agency Costs - Project Accountant - 02/02/26 - 06/02/2	531	
26/02/2026	REED	Agency Fees Programme Officer	531	
26/02/2026	REED	Agency Fees Programme Officer	531	
23/12/2025	FEWSMJ	Repairs to Front Brakes to WU73 CDe	612	
15/12/2025	SYSGROUP	Laptop for DA	630	New starter
15/12/2025	SYSGROUP	Laptop for RM	630	New starter
04/03/2026	CORONAEN	Electricity 01/02/2026-28/02/2026	646	
27/02/2026	REED	Agency Fees Programme Officer	664	
08/01/2026	CORONAEN	Office Electricity 01/12/25 - 31/12/25	700	
23/02/2026	VAUGHAN	Engine Fault	709	
13/02/2026	FORDFUEL	Various Oils	756	
29/01/2026	MERRDC	Labour on modifications to VX24 CYS	770	Excavator: Spearhead
09/01/2026	REED	Agency Costs - Financa Assisstant 05/01/26-09/01/26	806	
18/01/2026	REED	Agency Costs - Financa Ass 12/01/26-16/01/26	810	
04/02/2026	CORONAEN	Office Electricity 01/01/26 - 31/01/26	840	
08/01/2026	CORONAEN	Lapperditch P/S Electricity 01/12/25 - 31/12/25	861	
26/02/2026	WILKINCH	Contract Review	900	Standard employ contract
04/01/2026	SOUTGLOS	Business Rates	1,060	
04/02/2026	CORONAEN	Marshfield P/S Electricity 01/01/26 - 31/01/26	1,181	
03/03/2026	VAUGHAN	OU21 BXW	1,273	Claas 650 Tractor
25/01/2026	REED	Agency Costs - Finance Assistant 19/01/26 - 23/01/26	1,354	
02/02/2026	REED	Agency Costs - Finance Ass - 26/01/26-30/01/26	1,373	
16/02/2026	REED	SAgency fees - finance assistant 09/02/26-13/02/26	1,411	

06/02/2026	REED	Agency Costs - Finance Assistant 02/02/26 - 06/02/26	1,414	
02/03/2026	REED	FINANCE ASSISTANT	1,446	
20/02/2026	REED	Agency fees - finance assistant	1,452	
12/12/2025	TYRERIGH	New tyre for VX65 HTA	1,490	Spearhead (Energreen)
06/02/2026	SKYGUARD	Lone Working Subscription 05/02/26 - 04/02/27	1,518	
05/12/2025	ZURICHMU	Mobile Pump Insurance	1,545	
21/01/2026	MC&P	Mesh & Pipe Stillage for Pump	1,655	For mobile pump
01/12/2025	CORELEAR	Kallidus Annual Licence & User Fee	1,670	Training portal
01/02/2026	BUILTINT	FastDraft Software 01/02/26 - 31/07/26	1,740	Programme software
03/02/2026	TANKSFOR	Atlantis 1,050l Bunded Steel Waste Oil Storage Tank	1,834	
04/02/2026	CORONAEN	Lapperditch P/S Electricity 01/01/26 - 31/01/26	1,886	
31/12/2025	ASHFORDS	General Commercial Advice	1,919	
04/03/2026	CORONAEN	Electricity 01/02/2026-28/02/2026	1,931	
28/11/2025	NATIONAL	Airrex Infrared Heater	1,950	
04/02/2026	CORONAEN	Elmore Back P/S Electricity 01/01/26 - 31/01/26	1,969	
18/12/2025	VAUGHAN	repairs to OU21 BXW - Rear Axle - Parts	1,993	Claas 650 Tractor
20/01/2026	AVERNACLE	Numatic Industrial Floor Cleaner	2,225	
11/12/2025	COOPER	Assort Pipes & Couplers	2,459	For mobile pump
12/03/2026	KININSUR	Cyber Insurance 20/03/26 - 19/03/27	2,541	
04/02/2026	CORONAEN	Wicks Green P/S Electricity 01/01/26 - 31/01/26	2,596	
06/01/2026	CORONAEN	Elmore Back P/S Electricity 01/12/25*-31/12/25	2,676	
04/03/2026	CORONAEN	Electricity 01/02/2026-28/02/2026	2,682	
26/03/2026	FENTON	Engineering & Construction Insurance 01/04/26-31/03/	2,757	
08/01/2026	CORONAEN	Marshfield P/S Electricity 01/12/25 - 31/12/25	2,778	
04/03/2026	CORONAEN	01/02/2026-28/02/2026	2,806	
23/12/2025	MOTIONTR	Contract Supervision - Lapperditch	2,855	
23/12/2025	MOTIONTR	Contract Supervision - Marshfield	2,855	5,709
03/03/2026	HITACHI	CAB GUARD	3,099	New excavator
12/02/2026	FENTON	Professional Indemnity Insurance 19/02/26 - 18/02/27	3,160	
26/03/2026	FENTON	Engineering & Construction Insurance 01/04/26-31/03/	3,269	
26/02/2026	MOTIONTR	Contract Supervision - Jan - Lapperditch	3,348	
26/02/2026	MOTIONTR	Contract Supervision - Jan - Marshfield	3,348	6,696
31/01/2026	MOTIONTR	Contract Supervision Dec - Lapperditch	3,400	

31/01/2026	MOTIONTR	Contract Supervision Dec - Marshfield	3,400	6,800
18/12/2025	VAUGHAN	repairs to OU21 BXW - Rear Axle - Labour	3,404	
04/03/2026	CORONAEN	Electricity 01/02/2026-28/02/2026	3,451	
04/03/2026	CORONAEN	Electricity 01/02/2026-28/02/2026	3,591	
04/02/2026	CORONAEN	Oldbury P/S Electricity 01/01/26 - 31/01/26	3,942	
08/01/2026	CORONAEN	Oldbury P/S Electricity 01/11/25 - 30/11/25	4,175	
16/02/2026	ZURICHMU	Public Liability 01/04/26 - 31/03/27	4,571	
16/02/2026	ZURICHMU	Buildings Insurance 01/04/26 - 31/03/27	4,571	
08/01/2026	CORONAEN	Wicks Green P/S Electricity 01/12/25 - 31/12/25	5,147	
17/03/2026	UNUM	Membership for Non Pension Scheme Members 20/03/	5,216	
02/03/2026	REED	TRASFER CHARGE PROJECT OFFICER	5,273	Agency Cost
01/01/2026	ADA	Ada Annual Membership 2026	5,338	
16/02/2026	HALLRICH	Compensation for land use - Marshfield 01/10/25 - 31/10/25	5,500	Programme laydown
31/03/2026	WILDCAPI	Wicks Green Land Purchase Biodiversity Survey	6,154	
08/01/2026	CORONAEN	Oldbury P/S Electricity 01/12/25 - 31/12/25	6,329	
02/03/2026	REED	TRANSFER CHARGE FINANCE	7,273	Agency Cost
04/03/2026	TINCKNEL	GAS OIL	7,631	
18/03/2026	FENTON	Motor Fleet Insurance Renewal 01/04/26-31/03/27	22,176	
25/02/2026	JACKSON	Payment 8 Lapperditch Pump Station Works	191,469	
25/02/2026	JACKSON	Payment 8 Marshfield Pump Station Works	191,469	382,938
13/03/2026	JACKSON	PAYMENT 9 LAPPERDITCH PS	203,017	
13/03/2026	JACKSON	PAYMENT 9 MARSHFELD PS	203,017	406,034
27/03/2026	JACKSON	Payment 10 Lapperditch Pump Station Works	1,114,180	
27/03/2026	JACKSON	Payment 10 Marshfield Pump Station Works	1,114,180	2,228,360
Total of Payments to be Noted Jan - Mar 26			3,243,270	

Policy Review Schedule (after governance audit review of all policy updates in 2024/5)

Status at April 2026 for current year update and review:

Currently being updated: **Completed for Review** **In Progress** **To do in 2026** **Outstanding** Future Yrs

Policies	Review due	Year for next review
Anti Bribery and Anti-Fraud Policy	Every 3 years	2028
Biosecurity Policy and Procedures	Every 3 years	2028
Business Continuity Plan	Every 2 years	2027
Culverts and Structures Statement	Every 3 years	2028
Complaints Against Board Members Procedure	Every 4 years	2029
Complaints Procedure	Every 4 years	2029
Data Protection Policies:	Every 2 years	2027
- Data Protection Policy		
- Handling Data Subject Requests Policy		
- Candidate Privacy Notice		
- Employee, workers and contractors Privacy Notice		
- Website Privacy Notice		
- Data Breach Incident Plan Policy		
- Data Retention Policy		
Delegation of powers to officers	Every 2 years	2027
Employee Handbook	Annually	2026
Environmental Policy Statement	Annually	2026
Financial Regulations	Annually	2026
Flood Protection and Water Level Management Policy Statement	Every 4 years	2029
Freedom of Information Publication Scheme	Every 2 years	2027
Gifts and Hospitality Policy	Every 5 years	2030
Grievance Hearings	Every 3 years	2028
Guidance for Elected members in respect of extended absence	Every 5 years	2030
Health and Safety Policy	Annually	2026
Home Working Policy	Every 3 years	2028
Media and Publicity Protocol	Every 5 years	2030
Member Code of Conduct	Every 2 years	2027
Members/ Officer Protocol	Every 2 years	2027
Members Register of Interest	Every 5 years	2030
Mission Statement	Every 3 years	2028
Risk Register	Annually	2026
Redundancy Policy	Every 3 years	2028
Standing Orders	Annually	2026
Substitute Member Protocol	Every 5 years	2030
Sexual Harassment Policy (new 2026)	Annually	2027
Voting on Appointments Procedure	Every 5 years	2030
Whistle Blowing Policy	Every 3 years	2028
Terms of References:	Every 2 years	2027
- Executive Committee		
- Finance Committee		
- Operations Committee		
- Business Service Committee		
- Programme Board		
- Matters Reserved for the Board		
Treasury Management Policy	Annually	2026

Lower Severn IDB - Risk Register

Category Key - 1 Governance, 2 Finance, 3 Operations/Maintenance, 4 Human Resources, 5 IT Systems, 6 Strategic, 7 Reputation, 8 Legal

Traffic light key - 1-5 Green, 6-12 Yellow, 15-20 Orange, 25 Red

REF	RISK DESCRIPTION	IMPACT DESCRIPTION	IMPACT LEVEL	PROBABILITY LEVEL	Latest Level - May 2026	MITIGATION NOTES	OWNER	Previous Level Nov 25	Change Indicator	Change Comment	ACTIONS TO REDUCE RISK	ACTIONS TARGETED OUTCOME	LATEST REVIEW COMMENTS
Ref Number	Give a brief summary of the risk.	What will happen if the risk is not mitigated or eliminated?	Rate 1 (LOW) to 5 (HIGH)	Rate 1 (LOW) to 5 (HIGH)	IMPACT X PROBABILITY	What can be done to lower or eliminate the impact or probability?	Who's responsible?	Nov-25	Green-Improvement, White- neutral, Red- higher risk	Influencer	Actions and outlooks.	Actions affect	Changes since last risk measure leading to target
1.1	Failure to comply with key legislation and regulations	Legislative sanction by government, potential fines	4	1	4	Keep up to date with current legislation, audits, staff training	Executive Committee/Full Board/CEO	8		Knowledge network growth. Staff, ADA, Other IDBs. Policy reviews ongoing.	Complete Governance Audit. Policy update rota. Refer to Government sites for updates. ADA input/guide.	4	Knowledge growth within staff from completed governance audit, review of new ADA guide, staff service time, and expert network growth.
2.1	Effect of inflation changes.	Budget overspend in year. Adverse rates impact. Cost increase re pump replacement programme forecast. War and supply chain effects.	3	4	12	Refer to Govt. and other financial institution forecasts. Consider contingency.	Finance Committee and RFO	8		War and supply chain affects, fuel cost.	Review of forecasts. Variances to budgets review.	4	Latest inflation forecast shows an upward trend from the current 3.3%. Supply shortages and costs.
2.1	Changes in interest rates.	Deposit interest income will change. New loans will be impacted.	2	4	8	Refer to Govt. and other financial institution forecasts. Consider contingency.	Finance Committee and RFO	8		Inflationary forces. BoE expect lower rates but this contrary to inflationary influences.	Review of forecasts. Variances to budgets review.	6	Interest rates reductions have slowed so as to contain inflation and support softer spend curves. May rise in the current situation.
2.3	Security of deposit takers.	Loss of cash deposits.	5	1	5	Only use A rated institutions. Spread deposits between institution. Monitor ratings and news.	Finance Committee and RFO	5		Still holding high level of deposits. An unsettled world heightens risk.	Currently deposit are with AA & AAA institutions, so on the safer end of risk.	4	Currently deposit amounts are relatively high but this will reduce over time as the pump programme spend comes to pass, hence reducing the risk impact.
2.4	Fraud	Loss of cash.	4	1	4	Internal controls. Audits. Regular management accounts & reports. Training of staff. Policies.	Finance Committee and RFO	4		Audit confirmation. Staff integrity.	Strong controls in place with trusted staff. Checks and Balances are regularly undertaken. Reporting is in place.	4	Fraud risk is at a low level.
3.1	Inadequate provision for safeguarding the Boards assets.	Loss of machinery through theft or damage	3	2	6	Insurance guidelines, secure compounds, procedures, CCTV and motion sensors, locked security barrier in yard, alarm system	Operation Service Committee/Hoos	6		Review of Waterside Buildings CCTV. New yard store.	The has and will been an increase in mobile assets which come with higher risks of losses. Lock down actions are being developed.	6	The increased risks with increased mobile assets is being counted by locking down assets on remote sites.
3.2	Damage to Third Party property of individuals	Cost impact, downtime, injuries, morale	4	1	4	Services searches, procedures, insurance	Operation Service Committee/Hoos	4		Experienced staff.	Training of new staff, transfer of work area risks.	4	New staff will bring increased risks due to learning curves and knowledge of risk points.
3.3	Asset Failure	Downtime, cost impact, flooding.	4	1	4	Inspections, maintenance programme, spares/replacements, capital programme	Operation Service Committee/Hoos	8		New pump stations in construction. Mobile pump. Replacement schedule.	New pump stations, maintenance, and replacement schedule.	6	The new pump station should bring a reduction in failures
3.4	Health and Safety	Injury, death, fines, fire risk	5	2	10	Training, risk assessments, inspections, updated procedures and controls, PPE	Executive Committee/Full Board/CEO/Hoos	10		Nature of industry with ground work and workshop	Training and knowledge sharing.	10	New staff will bring increased risks due to learning curves and knowledge of risk points.
3.5	Improper regulation of development, and control	Increased flood risk	4	1	4	Proper procedures for dealing with applications, Enforcement	Civil Engineer and Hoos	4		Avonmouth development/ Servenside	Set Procedures. Regular review and visits to development areas regularly	4	Contained process. Review and regular site visits
4.1	Inability to retain or recruit new staff	Flooding risk from delayed annual maintenance programme, Reputational risk	4	2	8	Keep up to date with market pay conditions, long notice re resignation and retirements as advance warning	Business Service/ SLT/Full Board	12		Improved quality and availability of staff. Use of agencies, word of mouth.	Networking improvements, and OTE is good.	8	We now have a stable workforce and recent networking has yielded some good candidates.
5.1	Disaster to office premises/IT	Downtime, cost impact	4	1	4	Business Continuity Plan and Insurance	Business Services committee and executive committee	4		Reviewed and enhanced BCP.	Update to business continuity plan.	4	Consistent low probability.
5.2	Data Security Issues	Fines, Fraud, Reputation	4	2	8	Training, keeping up to date with legislation and cloud based data storage with cyber security	Business Service Committee and Executive Committee	8		Cyber crime still high. Training in place.	Training on cyber security and fraud emails. Insurance to cover this.	6	New insurance taken out for cyber security attacks. Staff training to being formalised/rolled out.
6.1	Impact of climate change	Increased workload, Increased cost, Asset Loss	4	3	12	Increased pump capacities, maintain channel capacities	Board	12		Pending new pump station completion.	Weather watch.	8	Forecast to be more challenging.
6.2	Flood Risk	Increased workload, Increased cost, Asset Loss	4	2	8	Increased pump capacities, maintain channel capacities	Board	8		New pump stations and continuous maintenance.	Weather watch.	8	New risk.
6.3	Very Long Term Climate Change Impacts	Future of the IDB	4	3	12	EA Liaison	Board	12		Local impact low to date. But heightened awareness.	Participation with the EA	8	To consider in Strategic plan update
7.1	Negative public perception of the LSIDB	Increased pressure to staff, reduced motivation	3	1	3	Comms Training, Comms Plan	Board	3		Doing our job, modest profile outlook. Balanced communications.	Pump programme communications to be rational and balanced.	3	The IDB is a low profile body.
8.1	Legal disputes with landowners and local authorities	Cost, Reputation, Staff Impact	3	1	3	Proper processes and procedure, training, working within legislation, communication	Board	3		Doing our job, modest profile outlook. Balanced communications.		3	The programme impact on local residents is a factor being monitored.