

WITHAM THIRD DISTRICT INTERNAL DRAINAGE BOARD

Minutes of the ninety eighth meeting of Witham Third District Internal Drainage Board held on Tuesday, 31st January 2017 in Minting Village Hall at 10.30am.

Present:

Mr. M. I. Thomas (Vice Chairman)
Mr. R. Armstrong
Cllr. S. M. Avison
Mr. J. Boyall
Mr. B. Charlesworth
Mr. I. M. Clark
Mr. W. S. Crane
Cllr. S. England
Cllr. I. G. Fleetwood
Cllr. W.H. Gray
Cllr. G. Hewson
Ms. J.F. Holland
Mr. D. C. Hoyes MBE
Mr. D. Jackson
Cllr. Mrs. F. M. Martin MBE
Mr. I. Parker
Mr. J. C. Smithson
Cllr. P. Vaughan
Mr. R. J. Weightman
Mr. T. Williams

In attendance:

Mrs. Jane Froggatt	Chief Executive
Mr. Guy Hird	Engineering Services Officer
Mr. Steve Larter	Finance Manager
Mr. Martin Shilling	Director of Operations and Engineering Services
Mrs. Anna Wilson	Finance and Rating Officer

2517 Apologies for absence

Apologies for absence were received from Mr. P.R. Hoyes (Chairman), Cllr. R.M. Avison, Mr. J.R. Garner, Cllr. Mrs. S. Gorst, Cllr. W. Grover, Mr. R.P. Hairsine, Mr. P.A. Spilman, Mr. D.J. Straw and Mr. H. Ward.

2518 Declarations of Members' Interests.

Members nominated by the 3 Councils declared interests relating to respective Councils (East Lindsey District Council, West Lindsey District Council, and North Kesteven District Council).

2519 Chairman's Announcements.

The Chairman reminded the nine Members who had not yet completed their entry for this year's Register of Members' Interests to do so. Following each November AGM, the new Register is compiled and held at Witham House, as both protection for the

Board and indeed for individual Members. It is one of our governance requirements, reviewed by the Internal Auditor.

Katherine Davies, Team Secretary at Witham House, had decided to retire on Sunday, 09th April. Kath will have worked for Upper Witham IDB, and in the last 5 years for the group of 3 Boards, for over 41 years and members wished to thank her for her service and wish her well for the future.

2520 Minutes of the Board Meeting and AGM, 15.11.16.

The Minutes of the Board's previous meeting held on Tuesday, 15th November 2016 were proposed, seconded and APPROVED as an accurate record.

MATTERS ARISING:

There were no matters arising, all being covered by the agenda.

2521 Minutes of the Standing Committee Meeting, 17.01.17.

The minutes of the Standing Committee meeting held on Tuesday, 17th January 2017 were proposed, seconded and APPROVED as an accurate record and the recommendations to the Board were NOTED.

MATTERS ARISING:

There were no matters arising, all being covered by the agenda.

2522 Minutes of the Joint Services Committee Meeting, 05.12.16.

The minutes of the Joint Services Committee meeting held on Monday, 05th December 2016 and recommendations to the 4 Boards were noted.

MATTERS ARISING:

2522.1 Joint Services Monitoring Report 2016/17, to 30.09.16 (minute 6 refers).

Members noted the discussion about the current year's joint services budget and that, as at 30th September 2016, the overall actual position against budget profile of a slight adverse variation of £5k on £398k budgeted spend. Budget performance was therefore on target at the mid-point in 2016/17.

2522.2 Joint Services Agreement between the 4 IDBs from 01.04.17 (minute 7 refers).

Members noted the discussion on 05.12.16 about Version 3 of the proposed Joint Services Agreement between the 4 Boards from 01.04.17. The Joint Services Committee had agreed to recommend contribution rates for each Board and these had been used in the proposed Estimates 2017/18. These were as follows, to be reviewed after 3 years:

• NEL DB	16.50%	-
• UW IDB	33.40%	(was 40%)
• W1st DIDB	20.90%	(was 25%)
• W3rd DIDB	29.20%	(was 35%)
Total	<u>100.00%</u>	

2522.3 Proposed Joint Services Budget 2017/18 (minute 8 refers).

It was noted that the Joint Services Committee had been able to agree and recommend a 2017/18 budget for joint services to each of the Boards and that, accordingly, this was the budget included within the proposed Estimates 2017/18 report on today's agenda.

Members noted that the next meeting of the 4 Boards' Joint Services Committee was scheduled for Monday, 15.05.17.

2523 Chief Executive's Report.

The Chief Executive's Report had been circulated with the agenda. The content was noted and after discussion the following issues were agreed:

- authority was delegated to the Chairman to sign the final version of the Joint Services Agreement between the 4 IDBs, to be operative from 01.04.17.
- that the Board should apply a discretionary policy to continue to digress from the ADA Lincolnshire White Book in relation to sick pay, such that the Board will continue to pay basic pay rather than the recommended (Section 8 of the White Book) average earnings over a minimum period of the previous 12 weeks. Members did wish this aspect of the White Book to be subject to review by the ADA Lincolnshire Branch's Pay and Conditions Committee.
- that following the LGPS Pension Triennial revaluation exercise by the Fund's Actuary (Hymens Robertson) as at 31.03.16, the new Employer Contribution Rate for Witham Third from 01.04.17 for the following 3 years could reduce as follows:

Year	W3rd
Current Rate 2016/17	22.3%
Current lump sum 2016/17	£45,000
Current combined rate 2016/17	33.5%
Proposed Rates:	
• 2017/18 Pension rate	17.3%
• 2017/18 lump sum (cash)	£37,000
• 2017/18 combined rate	24.6%
• 2018/19 Pension rate	17.3%
• 2018/19 lump sum (cash)	£38,000
• 2017/18 combined rate	24.7%
• 2019/20 Pension rate	17.3%
• 2019/20 lump sum (cash)	£39,000
• 2017/18 combined rate	24.8%

However, it was agreed that the Board would not take the full savings opportunity as proposed by the LGPS Administrators, but as per included in proposed budgets as follows:

Year	W3rd
• 2017/18 Pension rate	24.0%
• 2017/18 Cash lump sum	£37,000
• 2017/18 Combined rate	£31.3%
• 2018/19 Pension rate	24.0%
• 2018/19 Cash lump sum	£38,000
• 2018/19 Combined rate	31.4%
• 2019/20 Pension rate	24.0%
• 2019/20 Cash lump sum	£39,000
• 2019/20 Combined rate	31.5%

Members received and NOTED the Chief Executive's report.

2524 Statement of Expenditure, 01.11.16 to 31.12.16.

The Statement of Expenditure incurred for the 2 months to 31st December 2016 had been circulated with the Agenda.

Expenditure totalled £244,024.74 or, excluding £11,184.96 VAT, the net amount of £233,155.91. Of this, £26,486.73 was rechargeable expenditure to other bodies.

Items raised by or highlighted to members included:

- Items 15,16,17 & 18 – payments to Certas Energy UK Ltd for both Derv and Gas Oil. It was confirmed that, before placing an order for fuel, 3 price quotations are sought on each occasion.
- Item 29 - £52,577 to the Environment Agency for the second (and final) IDB precept payment 2017/18.
- Items 96,97 and 98 - £2,507, £630 and £570 respectively to SM Allen and Sons for work contracted by the Board on the EA's Thunker Drain in Horncastle. It was clarified, in response to a question from Fiona Martin, that this was PSCA works where the Board had used SM Allen & Sons and the costs of such would be recharged to the EA.
- Items 101 to 104 at £200 or £250 to SG Haulage Ltd for plant low loader moves throughout the drainage district.

Members received the report and NOTED the expenditure incurred in the 2 months to 31.12.16.

2525 Financial Performance Report to 31.12.16, month 9 of 2016/17 and forecast year end outturn as at 31.03.17.

The Financial Performance Report for the first 9 months of 2016/17, to 31st December 2016, had been circulated with the agenda and was presented by the Finance Manager.

In summary, the Board's profiled budget position as at 31.12.16 was a surplus of (£103,478). Against this profile, the actual position was a budget surplus of (£110,014), ie on target with a balanced position showing a small positive variance of (£6,536). This

summary position is without the approved fund transfer for the costs in 2016/17 of the 3 catchment studies started in 2015/16 (currently £52k for 2016/17). A view would be taken later in the financial year as to whether the catchment studies could continue to be contained in the approved estimates, to avoid utilising reserves.

On income, the Board's actual position as at 31.12.16 was (£8k) better than profile. The income from rechargeable works, largely PSCA works for the Environment Agency, was (£28k) ahead of profile. Sundry income, largely from Upper Witham and Witham First District IDBs, was (£11k) ahead of profile.

Highland Water income had been received from the Environment Agency for the 80% of estimated claim for 2016/17 (£132,000) together with the balance on the actual claim for 2015/16 (£69k). The balance on the adjusted actual claim for 2016/17 will be payable by the EA by 30.09.17.

On expenditure, the report identified total expenditure of £64.8k for the replacement automated weed screen cleaner (AWC) at Greetwell Pumping Station. The previous AWC had not been fully depreciated over its lifetime before replacement, hence there was a balance of £10k to be written off on disposal. There was also a book loss of £3k on the sale of the paddock flail. Fuel expenditure was (£14k) below budget, but it was noted that fuel prices were now rising again. Overtime expenditure was (£9k) below profiled spend, with most overtime costs for 2016/17 having been incurred by 31.12.16. There were savings on Drains CCTV surveys (£8k) and bank slips repairs of (£11k) as at 31.12.16, but this expenditure usually accelerates in the last 3 months of the financial year. Expenditure on electricity at Pumping Stations was (£4k) better than profile, repairs were (£10k) better and the pump lift/refurbishment budget of (£20k) had not been utilised as at 31.12.16 but would be used when the two pumps at Woodhall Pumping Station were lifted in the next few weeks.

The Joint Administration and Witham House budget was reported as a £15k variance on the first six months of recharges between the 3 Boards to 30.09.16. The next recharges between Boards would be applied shortly for the 31.12.16 position. There was a (£19k) variance on Operations/Engineering as at 31.12.16, due mainly to no appointment on 06.10.16 to the role of Technical Assistant (a further recruitment exercise would be undertaken in March 2017).

On drainage rates collection for 2016/17, as at 31.12.16 the collection rate was 99.5% (98.5% as at 31.12.15), with £844.87 income to the Board outstanding. First reminders were posted to account holders on 01.08.16, final reminders on 12.09.16 and the Court granted liability orders on 30.11.16.

On the plant and equipment programme for 2016/17, there had been the sale of the Muthing Flail mower at (£1,500) against an anticipated sale at (£2,000), so this was an adverse variance of £500. Correspondingly, the replacement Magnum paddock mower was £8,400 against a budget of £10,000, so this was a positive variance of (£1,600). The 2016/17 approved plant programme included a replacement forklift/telehandler, but this was purchased at the end of 2015/16.

On bank balances and investments, as at 31st December 2016 these were as follows:

Natwest	£ 21,214.82
Co-op	£ 248.79
Nationwide Instant Access	£ 579,230.72
Nationwide 95 Day Notice	<u>£ 507,299.28</u>
Total	<u>£1,107,993.61</u>

Although balances were healthy, it was noted that the 3 Councils would not be paying any further Special Levy until May 2017 and no significant drainage rates income was anticipated until then. Balances would reduce therefore over the next 4 to 5 months.

The finance report also provided a forecast of the 31.03.17 year end position, based on the month 9 position and predicted expenditure for the final 3 months of the year. This shows a broadly balanced, break even position (a small deficit of £1,976).

After discussion, members NOTED the financial performance for the period 01st April to 31st December 2016 and the forecast breakeven position for 2016/17 as at 31st March 2017.

2526 Revised Risk Register.

A revised Risk Register had been circulated with the papers.

The Board was asked to review a revised Risk Register (Version 11), which had been circulated with the agenda. This is a live document which is submitted twice each year to the Board, on this occasion immediately prior to the consideration of Estimates for 2017/18. It was last submitted to the Board in June 2016. Revisions to the Risk Register were shown in italics.

Some of the new issues were highlighted, particularly where they cross referenced to proposed budgets for next year. An example was £500 per annum for further Eel research (a project sponsored via ADA) and in designating the 3 Boards' depots as Hi-Viz working areas and including provision for Hi-Viz clothing within budgets.

Following discussion, members APPROVED the revised Risk Register.

2527 Internal Auditor's Interim Report on 2016/17.

The Internal Auditor's independent Interim Report on 2016/17 had been circulated with the agenda. He had further visits planned in March 2017 and his final Report on 2016/17 and Audit Opinion would be presented to the Board on 30.05.17.

At this stage in the year, the Auditor's overall assessment was "Adequate Assurance" and his main findings were:

- good progress on the implementation of agreed recommendations. Outstanding recommendations are repeated in the management action plan.
- salaries and wages including pay award arrears were correctly paid.
- there is now a good system in operation for monthly financial reconciliations.
- continued improvement in the review of agricultural rate queries and collection of debt.
- consistent approach of recording rechargeable works/invoicing.
- although confidential waste is shredded and disposed of, the method does not comply with the Data Protection Act. It is acknowledged there is minimal waste of this nature.

The Management Action Plan was included in the report. It was noted that item 04.05.01 was now in effect completed, given the Board had earlier agreed a discretions policy in respect of sick pay (minute 2523 refers).

The Auditor's independent Interim Report on 2016/17 was noted and the Adequate Assurance' rating was accepted.

2528 Plant Programme 2017/18.

The plant programme had been circulated with the agenda. This started with 2016/17 and then set the proposed purchases and disposals in 2017/18, which the Board was asked to approve, and it set out also the indicative programme for the following 5 years 2018/19 through to 2022/23. The proposed programme for 2017/18 was as follows:

	Purchases		Disposals	Net Cost
Tractor/flail combination	£180,000	Tractor/flail combination (FX09/Herder 502)	£25,000	
Weed Basket	£6,000			
TOTAL	£186,000		£25,000	£161,000

Following discussion about the proposed purchase of a replacement tractor/flail combination, members APPROVED the plant programme for 2017/18 and NOTED the indicative programme for the following 5 years.

2529 Estimates for 2017/18.

The proposed Estimates for 2017/18 had been circulated with the agenda. The report set out a summary of the proposed budget for 2017/18 comparing this to the approved 2016/17 budget and showing the variances as follows:

	1	2	3	4	5	6
	Approved	Profiled	Actual	Variance	Provisional	Variance
	2016/17	Budget			Outturn	
	Estimate					
	£	£	£	£	£	£
Income	(1,084,388)	(1,027,467)	(1,035,286)	(7,819)	(1,100,374)	(15,986)
Board & General Admin	21,648	11,226	10,347	(879)	19,340	(2,308)
One Off Schemes	-	-	52,736	52,736	52,736	52,736
Conservation	1,500	935	751	(184)	1,002	(498)
Depot	29,149	23,654	22,232	(1,422)	25,640	(3,509)
Drains	468,453	430,058	373,834	(56,224)	454,322	(14,131)
Pumping Stations	206,852	147,611	96,085	(51,526)	163,644	(43,208)
Joint Admin/Witham House	142,027	149,494	164,423	14,929	156,283	14,256
Consents & Enforcement	13,951	29,896	31,246	1,350	15,993	2,042
Director of Operations/Engineers	78,551	55,402	36,135	(19,267)	63,721	(14,830)
Contrib to Reserves/Pay Contingency	-	-	(2,730)	(2,730)	(2,730)	(2,730)
PWLB				-		-
Rechargeable Works	15,000	10,423	42,444	32,021	42,444	27,444
EA Precept	107,257	107,257	105,154	(2,103)	105,154	(2,103)
FRS17 Pension Adjustment (net)	-	-				
Wages & Plant Holding Account	-	(41,967)	(7,386)	34,581	(0)	(0)
(Surplus)/Deficit	-	(103,478)	(110,014)	(6,536)	(2,825)	(2,825)

It was highlighted that the Estimates were based upon a range of assumptions. These included that the Penny Rate be increased by 0.75% for 2017/18 as supported by the Standing Committee, a 1% pay uplift as Wages and salary scales from 01.04.17 (this was yet to be agreed), the EA's precept is held with 0% increase for 2017/18, the pump lifts budget is increased by £5k to £25k, a reduced LGPS pension Employer's Contribution Rate of 31.3% (currently 33.5%), inclusion of revised depreciation charges on plant and machinery purchases plus the impact of installing proposed new titling gates and penstocks and an increase in the budget for health and safety.

The Estimates also include the Joint Services proposed budget for 2017/18, which the Joint Services Committee meeting on 05.12.16 agreed to recommend to all 4 Boards and which reflects the impact of North East Lindsey Drainage Board joining the group from 01.04.17. The contributions were in the percentages the JSC recommended and as agreed earlier by the Board (i.e. 29.20% for Witham Third which, in cash terms, was a contribution of £242,751 for 2017/18 and which constitutes a saving of £31,737).

The full breakdown of all budget headings was provided in pages 5 to 10 of the report. This showed the 2016/17 approved budget, all adjustments and then the proposed 2017/18 budget.

The overall impact of the proposed budget was set out as generating more income, e.g. PSCA works and land movements from agricultural to Special Levy between 01.01.16 and 31.12.16, making savings (e.g. in joint services) and putting more investment into front line services (e.g. drains and pumping stations, one off schemes like new tilting gates/penstocks and £50k from reserves to rebuild the flood wall at Kirkstead).

The Kirkstead flood wall repair at £50k would be financed from the general reserves, which in turn would be reimbursed from the Pumping Station reserve (in order to keep the general revenue reserve compliant with the Board's policy of 10% to 15% of budgeted income).

On funds and reserves, the Board has an agreed policy of holding a general 'Revenue Reserve' for emergencies of 10% to 15% of turnover and the balance being held in 'earmarked reserves' for particular purposes. The opening balance on reserves in 2016/17, the carried forward 2016/17 balance and the 2017/18 anticipated carried forward balance was set out as follows:

Reserve	2016/17 b/f £	2016/17 c/f £	2017/18 c/f £
Revenue Reserve	(150,000)	(150,000)	(150,000)
Plant & Machinery	(384,422)	(431,180)	(366,960)
Pumping Stations	(294,004)	(244,000)	(244,000)
AWC Renewal	(150,000)	(150,000)	(150,000)
One off projects	(8,990)	(8,990)	(8,990)
Balance	(987,416)	(984,170)	(919,950)

After discussion, and noting approval was subject to setting of the Annual Value, Drainage Rate and Special Levies, members APPROVED the Estimates for 2017/18.

2530 Annual Values as at 31.12.16, setting of the Penny Rate for 2017/18 and consequent setting of Drainage Rates and Special Levies for 2017/18.

A report had been circulated with the agenda which set out the land valuations as at the baseline position of 31.12.15. The Drainage Rates and Special Levies are calculated by multiplying the area (hectares) by the land value, as provided by the Valuation Office. This gives the Annual Value as at 31st December each year and then this 'Annual Value' is multiplied by the 'penny rate' to calculate the Drainage Rates and Special Levies payable for the following financial year. The 31.12.15 baseline position, as approved by the Board on 26.01.16, was as follows:

<u>2016/17</u>	'Penny Rate'	Drainage Rates	City of Lincoln	East Lindsey DC	West Lindsey DC	Total
	£	£	£	£	£	£
Special Levy Transfer Value			£ 4,287.44	£ 4,287.44	£ 4,287.44	
As at 31st December 2014		£ 1,793,928	£ 2,776,055	£ 3,152,773	£ 2,048,521	£ 9,771,277
Movement during the Year		-£ 106.10	£ -	£ 4,720.47	£ -	£ 4,614
As at 31st December 2015		£ 1,793,822	£ 2,776,055	£ 3,157,494	£ 2,048,521	£ 9,775,891
Rate in Pound	0.089574	£ 160,679.78	£ 248,662.35	£ 282,829.34	£ 183,494.20	£ 875,665.67

The report then set out the land movements between 01.01.16 and 31.12.16, all of which were parcels of land moving from 'agricultural land and property' to 'other developed land', which required transfer to Special Levy (at the transfer rate of £4,287.44 per hectare). The 24 land movements were set out as follows (20 being in East Lindsey District Council and 3 in West Lindsey District Council areas):

<u>2017/18</u>		Area in Hectares					Annual Value £'s						
		Drainage Rates	City of Lincoln	East Lindsey DC	West Lindsey DC	Total	Drainage Rates	City of Lincoln	East Lindsey DC	West Lindsey DC	Total		
		ha	ha	ha	ha	ha	£	£	£	£	£		
Special Levy Transfer Value													
As at 31st December 2015		13,521.377	-	7.277	1.384	13,530.038	1,793,822	2,776,055	3,157,494	2,048,521	9,775,891		
Movement during the Year													
Parish of Bardney	TF1169	-0.434			0.434	-	£ 41.82	£ -	£ -	£ 1,860.75	£ 1,902.57		
Parish of Coningsby	TF2258	-0.607		0.607		-	-£ 55.00	£ -	£ 2,602.48	£ -	£ 2,547.48		
Parish of Coningsby	TF2257	-0.895		0.895		-	-£ 81.19	£ -	£ 3,837.26	£ -	£ 3,756.07		
Parish of Coningsby	TF2257	-2.006		2.006		-	-£ 183.34	£ -	£ 8,600.60	£ -	£ 8,783.94		
Parish of Hemingby	TF2374	-0.583		0.583		-	-£ 51.32	£ -	£ 2,499.58	£ -	£ 2,448.26		
Parish of Hemingby	TF2670	-0.868		0.868		-	-£ 78.25	£ -	£ 3,721.50	£ -	£ 3,643.25		
Parish of Horncastle	TF2569	-0.368		0.368		-	-£ 33.11	£ -	£ 1,577.78	£ -	£ 1,544.67		
Parish of Horncastle	TF2668	-4.900		4.900		-	-£ 447.25	£ -	£ 21,008.46	£ -	£ 20,561.21		
Parish of Horncastle	TF2570	-0.182		0.182		-	-£ 16.37	£ -	£ 780.31	£ -	£ 763.94		
Parish of Horncastle	TF2570	-1.396		1.396		-	-£ 125.52	£ -	£ 5,985.27	£ -	£ 5,859.75		
Parish of Horncastle	TF2668	-1.789		1.789		-	-£ 194.54	£ -	£ 7,670.23	£ -	£ 7,475.69		
Parish of Horncastle	TF2569	-0.751		0.751		-	-£ 25.00	£ -	£ 3,219.87	£ -	£ 3,194.87		
Parish of Horncastle	TF2670	-1.068		1.068		-	-£ 95.00	£ -	£ 4,578.99	£ -	£ 4,483.99		
Parish of Horncastle	TF2670	-0.890		0.890		-	-£ 80.00	£ -	£ 3,815.82	£ -	£ 3,735.82		
Parish of Horncastle	TF2668	-0.992		0.992		-	-£ 107.87	£ -	£ 4,253.14	£ -	£ 4,145.27		
Parish of Horncastle	TF2670	-0.250		0.250		-	-£ 22.08	£ -	£ 1,071.86	£ -	£ 1,049.78		
Parish of Kirkby on Bain	TF2362	-0.230		0.230		-	-£ 21.04	£ -	£ 986.11	£ -	£ 965.07		
Parish of Kirkby on Bain	TF2462	-2.343		2.343		-	-£ 214.99	£ -	£ 10,045.47	£ -	£ 9,830.48		
Parish of Kirkstead	TF1962	-2.840		2.840		-	-£ 272.33	£ -	£ 12,176.33	£ -	£ 11,904.00		
Parish of Newball	TF0875	-1.594			1.594	-	-£ 150.74	£ -	£ -	£ 6,834.18	£ 6,683.44		
Parish of Stixwould	TF1763	-0.218		0.218		-	-£ 22.88	£ -	£ 934.66	£ -	£ 911.78		
Parish of Stixwould	TF1763	-1.196		1.196		-	-£ 125.50	£ -	£ 5,127.78	£ -	£ 5,002.28		
Parish of Welton	TF0180	-1.920			1.920	-	-£ 185.13	£ -	£ -	£ 8,231.88	£ 8,046.75		
Balance to DRS system		-28.264				-	-£ 14,468.00	£ -	£ -	£ -	-£ 14,468.00		
In year Changes		-£ 56.584	£ -	£ 24.372	£ 3.948	-£ 28.264	-£ 16,647.95	£ -	£ 104,493.49	£ 16,926.81	£ 104,772.35		
As at 31st December 2016		13,464.793	-	31.649	5.332	13,501.774	1,777,174	2,776,055	3,261,987	2,065,448	9,880,664		

Based on the land movements, the following changes were set out for the Board:

2017/18	'Penny Rate'	Drainage Rates	City of Lincoln	East Lindsey DC	West Lindsey DC	Total
	£	£	£	£	£	£
Special Levy Transfer Value			£ 4,287.44	£ 4,287.44	£ 4,287.44	
As at 31st December 2015		£ 1,793,822	£ 2,776,055	£ 3,157,494	£ 2,048,521	£ 9,775,891
Movement during the Year		-£ 16,648	£ -	£ 104,493	£ 16,927	£ 104,772
As at 31st December 2016		£ 1,777,174	£ 2,776,055	£ 3,261,987	£ 2,065,448	£ 9,880,664
Rate in Pound (+0.75%)	0.090246	£ 160,382.82	£ 250,527.86	£ 294,381.30	£ 186,398.39	£ 891,690.36
YoY Change		-£ 296.96	£ 1,865.51	£ 11,551.96	£ 2,904.19	£ 16,024.69
		-0.18%	0.75%	4.08%	1.58%	1.83%

An adjustment of £14,468 was required to agricultural rates annual values, to reconcile to the DRS (rates) computerised system.

These land movements and calculations then drive the following Annual Values as at 31.12.16:

	Annual Values 31.12.15 £	Land Transfers 2016 £	Annual Values 31.12.16 £
Drainage Rates	1,793,822	-16,648	1,777,174
City of Lincoln	2,776,055	0.00	2,776,055
East Lindsey DC	3,157,493	104,493	3,261,987
West Lindsey DC	2,048,521	16,927	2,065,448
Total	9,775,891	104,772	9,880,664

Applying then a 0.75% proposed increase to the Penny Rate means the current 8.9574 pence in the pound increase to 9.0246 pence in the pound.

At this rate in the pound, the land movements meant the Board's income generated from Drainage Rates reduces from £160,680 to £160,383 (-£297).

These changes then drive the impact on Special Levies for the 3 Councils, as follows:

	Current £	Proposed £	Difference £	Increase %
City of Lincoln	248,662.35	250,527.86	1,865.51	0.75
ELDC	282,829.34	294,381.30	11,551.96	4.08
WLDC	183,494.20	186,398.39	2,904.19	1.58
TOTAL	714,985.89	731,307.55	16,321.66	2.28

The overall impact on income to the Board is therefore a net increase of £16,025 for 2017/18, being an increase of £16,322 in Special Levy (due to both land movements and the 0.75% increase in the Penny Rate) and a net reduction in Drainage Rates income of £297 (due to the land transfer to other developed land).

Fiona Martin enquired about the point at which land transfers from 'agricultural' to 'other developed land and buildings' in respect of housing. It was confirmed that the transfer is made at the point of practical application, when the houses are capable of being occupied and Council Tax is payable to the relevant Council.

After discussion, the Board APPROVED the following recommendations:

1. The transfer of land from Drainage Rates to Special Levy as set out above.
2. The land valuations as at 31st December 2016 upon which Drainage Rates and Special Levies are calculated is set at £9,880,664.
3. The 'penny rate' is increased from 8.9574 pence to 9.0246 pence (+0.75%) for 2017/18.
4. The Special Levies 2017/18 be agreed for each of the 3 Councils as:
 - a. City of Lincoln £250,527.86.
 - b. East Lindsey District Council £294,381.30.
 - c. West Lindsey District Council £186,398.39.
5. The Chairman and Chief Executive were authorised to signs the 'Rate Book', apply the seal of this Board and publicise the revised penny rates, estimated Drainage Rates and Special Levies before 15.02.17.

2531 Drainage Rates write-offs Report.

The Finance & Ratings Officer's report was presented which set out the basis of 4 requests for write-off of drainage rates, such write-offs being a matter reserved to the Board.

The first case involves a plot of land in account (1017) being developed as a caravan / holiday park for 2016/17, leaving outstanding drainage rates of £19.26.

The second case involves a plot of land in account (1424) being a duplicate parcel. The error has now been corrected, but leaves outstanding drainage rates of £33.23.

The third case involves a plot of land in account (1253) being a write off of a refund due of £0.16, as there is no known forwarding address.

The final case requests that two years' worth of rates for account 1523 be written off as each year is under £2.50, therefore being deemed uneconomical to collect.

Members noted and AGREED to the write offs on the 4 cases outlined at £56.35 in total.

2532 Health & Safety.

An update on Health and Safety issues had been circulated with the agenda.

The Board's external advisers COPE will do an annual visit to each Depot. This will start with Upper Witham in February, Witham Third in April and Witham First in July.

Current issues were summarised as:

- Near miss reporting has been embraced by all staff and is working well.
- Training Course booked for early February 2017 on Safely securing Loads on Trailers for all Workforces (and Works Supervisor from NEL DB also attending).
- Looking into Streetworks Signage Course as since October 2016 a Certificate in Streetworks to Operate a 'Stop & Go Board' and put signage out on the Highway is required.
- Annual Overhead Powerline Training will be in May 2017 for all 3 Boards' Operatives.
- Looking to implement Hi Viz from April 2017 and financial provision for this is included in the 2017/18 Estimates.
- New marked Pedestrian Walkways have been Installed at Upper Witham Depot (and were implemented at Witham Third's Depot in Summer 2016).
- New Hand Railings have been installed at Witham Third Depot (entrance).
- Domestic Electrical Checks have been started for all Boards at Depots and Pumping Stations, as per the legislation. Financial provision for doing this is in the 2017/18 Estimates for each Board.
- First meeting on Lone Working to took place 18.01.17 at Witham Third DIDB's depot. NEL DB also to be involved in developing this policy.
- Risk Assessments. A handbook of risk assessments has been developed, between the Works Manager and COPE advisor and we aim to have this in place (& signed off by the Director of Operations & Chief Executive) and Operatives trained by 30.06.17.

Members received and NOTED the update on Health and Safety.

2533 Director of Operations and Engineering Services' Report.

The Director of Operations and Engineering Services' Report had been circulated with the agenda and was presented, together with a verbal update:

- Planned Maintenance Programme.

The planned summer maintenance programme had progressed well and was now virtually complete. Work had now commenced on the planned winter 2016/17 programme. For example, the Volvo excavator will be taken from the North Delph to Snakeholme Wood to begin work on the planned de-silting and bushing work.

Throughout the period, regular checks had been made on culvert and bridge ends to ensure, as far as possible, unobstructed flows generated by the occasional rainfall that has been experienced during this period, e.g. West Ashby Beck road bridge. The Board's Operatives had also removed fallen trees from a number of watercourses, including Sudbrooke Beck and Lissington & Legsby Beck.

- Plant.

A tender is being written for the procurement of plant that will be considered as a planned replacement of a tractor/flail combination.

A repair to the paddock mower was necessary after it struck a piece of steel girder laying within long vegetation.

- Pumping Stations.

The final payment relating to the July 2016 installation of the replacement automatic weedscreen cleaner (AWC) at Greetwell Pumping Station is outstanding. It had been withheld as a number of items remain incomplete. Namely, the provision of the operation manuals and a formal site inspection and sign-off meeting between the contractor and the Board.

The 2 pumps at Woodhall Pumping Station are due to be lifted, inspected and any necessary refurbishment work undertaken before 31.03.17 (in line with the £20k budget). These will be undertaken one at a time and, should it be necessary, there is connectivity to neighbouring catchments to provide support.

The construction of a new pumping station at Stamp End continues, with the installation of the electrical control panel to be completed this month. This is the new pumping station which the Board has agreed to adopt for the commuted sum payment of £75k, on completion.

- Public Sector Co-operation Agreement.

The Board had received verbal instruction from the Environment Agency to undertake in 2017/18 a programme of work similar to that in 2016/17. In previous years, the value of the work allocated to this Board has been estimated at £30,812.

A meeting was held with local officers of the Environment Agency on 5th December 2016 when the specification of the work allocated to the Board under this agreement was discussed and the programme requested by them for the forthcoming year was confirmed verbally (albeit not yet confirmed in writing).

The potential use of the Board's workforce to complete additional work during the winter months was also discussed. This type of work would include bushing of reaches of raised embankments adjacent to main river in addition to their de-silting. This will be accommodated as practicable, but the Board's programme remains the priority.

- Catchment Studies.

The work to survey all the drains within the catchments of Marsh Lane & Park Beck, Kirkstead, and Bardney Manor Farm, Duckpool, Southrey, Stixwould and Woodhall had been completed and the testing of the completed hydraulic model will be completed in early February. The Board will then receive the final report and test various operational scenarios. These scenarios will include the alteration of the existing dam board structures with 'drop leaf' type gates. This change would improve control over water levels within a catchment and the managing of water passing from one catchment to a neighbouring one.

The final catchment study will be delivered to the Board by the end of February 2017. The complexity of the numerous connected systems has proved somewhat problematical to replicate with the model.

Members received and NOTED the report and presentation.

2534 Consideration of the adoption of Tumby Drain, Coningsby.

A paper had been circulated with the agenda which set out the basis of a request (from Mr. Alan Harvey of Lodge Farm, Tattershall Thorpe) that the Board adopts and schedules for future maintenance a 1225 metres length of Tumby Drain in Coningsby.

The report confirmed the watercourse catchment and course lie entirely within the Board's drainage district, as do the main sources of surface water.

The catchment of Tumby Drain extends from its point of discharge (into the Coningsby Lock backwater) northwards between the course of the Horncastle Canal and the A153 Tumby Road. It services a number of small sub-catchments, including the adjacent arable land, land upstream to be developed by Aggregate Industries, various public highways and two areas of existing residential development. The riparian watercourse discharges into the Environment Agency's main river known as 'Old River Bain' (Tumby), which is a backwater to the Coningsby Lock.

Previous requests had been made by the family of the existing land occupier and these requests were refused, due to the condition of the watercourse. It was confirmed that more recently the riparian owner has made notable improvements to the condition of the channel, such that it is now in a sufficiently good condition for the Board to consider adoption and scheduling.

The riparian owner feels that the system has been used to convey and discharge surface water from a number of sources, not all of which are naturally occurring, e.g. the public highway, residential and industrial developments.

It was confirmed that the Board would not adopt any existing structures on the watercourse and these would remain with the riparian owner/occupier or third party.

The Board has a 'Policy for the Scheduling of Watercourses (2014)', which it is renewing today.

The 1225m length subject to the request is within the drainage district and unconnected to the Board's existing maintained system. However, it does discharge into the Environment Agency's main river and the Board maintains other watercourses in the vicinity, eg. Pringle Drain and Tattershall Thorpe/Kirkby Drain, which both serve similar catchments. The watercourse does comply with the adoption policy.

There followed discussion about the condition of Tumby Drain, the condition of the Environment Agency's receiving watercourse and whether the Board would have free and unfettered access to the right hand bank of Tumby Drain for maintenance purposes.

After discussion, members AGREED to adopt and schedule the 1225 metres length of Tumby Drain in Coningsby and to schedule it for future maintenance. The Board did not adopt any structures on the watercourse.

2535 Policy for the Scheduling of Watercourses.

The 'Policy for the Scheduling of Watercourses' had been circulated with the agenda. This was an existing policy, now 3 years old and subject to review.

Members APPROVED the policy, without amendment, for further review in 3 years.

2536 Policy for Culverting.

The 'Policy for Culverting' had been circulated with the agenda. This was an existing policy, now 3 years old and subject to review.

Members APPROVED the policy, without amendment, for further review in 3 years.

2537 Land Drainage Act Enforcement and Consents Concordat to 31.03.18.

The Consents and Enforcement Officer is employed by Witham Third DIDB but is fully recharged and funded by Lincolnshire County Council (LCC) in their role as Lead Local Flood Authority (LLFA). The post holder provides the Consents and Enforcement service in accordance with a Memorandum of Understanding (MoU) between LCC and the 3 Boards which has been extended until 31.03.18.

The Land Drainage Boards' Enforcement & Consent Concordat is due for review. The document is to be reviewed as and when deemed necessary but at least every 2 years. The last review was in February 2014.

The current document had been reviewed by Officers and is considered to be still fit for purpose, only requiring the updating of email addresses, contact details, etc.

It was therefore AGREED to extend the current Concordat (with the updates for contact details, etc) to coincide with the Memorandum of Understanding expiry date of 31.03.18.

2538 Consents & Enforcements.

A report outlining the current position on consents and enforcement cases, both within the drainage district and in the extended rainfall catchment where the Board acts for and on behalf of Lincolnshire County Council as the Lead Local Flood Authority, had been circulated. Detail was as follows:

- **Byelaw Consent Applications.**

Reference	Location	Applicant	Details	Date
TD-3001-2016-CON	North Delph	Cherry Willingham PC	Timber footbridge	12-10-16
TD-3066-2016-CON	Sudbrooke	Truelove Property & Construction Ltd	Treated sewage outfall	03-11-16
TD-3081-2016-CON	Chestnut Drain, Bardney	Chestnut Homes Ltd	Removal of hedge Temporary works	

TD-3151-2017-CON	Barlings closed landfill site, Reepham Beck	LCC	Removable stock netting electric Fence	17-01-17
TD-3164-2017-CON	Chandlers, Horncastle	Western Power	33kV cable crossing of road culvert	

- **Section 23 Land Drainage Act Consent Applications in the District.**

Reference	Location	Applicant	Details	Date
TD-3067-2016-CON	Off Dogdyke Road, Coningsby	Broadgate Homes Ltd	99m perforated pipe culvert	02-11-16
TD-3145-2016-CON	Near Wickenby	Dyer & Butler	Relining of railway culvert	05-01-17
TD-3162-2017-CON	Hemingby Lane, Horncastle	Western Power	Access culvert Surface water outfall	

- **Section 23 Land Drainage Act Consent Applications in the Extended Area.**

The Board acts as Agent for Lincolnshire County Council, the Lead Local Flood Authority

Reference	Location	Applicant	Details	Date
TE-3077-2016-CON	Off Heath Road, Scothern	Mr S Cook	Surface water outfall Treated foul outfall Access culvert	15-11-16
TE-3079-2016-CON	Monument Road, Woodhall Spa	Taylor Pearson Ltd	Access culvert to development	
TE-3165-2017-CON	River Bain, Ludford	Lincolnshire Wolds Countryside Service	Removal of 3 culverts*	17-01-17

*Details appraised. No formal consent issued or fee charged for enclosed parts of the watercourse being opened up.

- **Enforcement Issues in the District.**

Reference	Location	Description / Comments	Actions
TD-2688-2016-ENF	<i>Willow farm, Bardney Rd, Tupholme</i>	Road flooding	Road gullies and culvert may be blocked contacted LCC. No response
TD-2799-2016-ENF	<i>Sleaford Rd, Tattershall</i>	Road flooding	Under investigation
TD-2874-2016-ENF	<i>Gravel Pit Culverts, Tattershall Thorpe</i>	Obstruction in road culvert	Awaiting response from land owner

TD-2935-2016-ENF	<i>Bennett's Mill, Albany Road, Woodhall</i>	Culvert not installs as part of Planning Requirements	Work which has been undertaken is acceptable and access. Case Closed 1-12-2016
TD-3043-2016-ENF	<i>Bifrangi UK Ltd, Tower Works, Spa Road. Lincoln</i>	Unconsented fence on Board maintained watercourse	Fence removed, Case closed 30-12-16
TD-3121-2016-ENF	<i>Fishing Lakes Coningsby Ings System Coningsby</i>	Unconsented 300mm discharge and fence restricting access	Assess is still possible via an alternative route and pipe is acceptable but unconsented. Case closed 13-1-17

- **Enforcement Issues in the Extended Area.**

Reference	Location	Description / Comments	Actions
TE-2852-2016-ENF	Panton Lane, Hatton	Possible issue with watercourse	No issue case closed 18-1-17
TE-2872-2016-ENF	<i>Roaring Meg Lincoln</i>	Possible issue with watercourse	Watercourse in reasonable condition case closed 30-12-16
TE-2992-2016-ENF	<i>Fen Road, Ruskington</i>	Possible blocked culvert	No culvert, mains water leak appears to be causing problem case closed 29-12-16
TE-3012-2016-ENF	<i>Land Adj. 73 Fen Road, Ruskington</i>	Maintenance to watercourse	Under investigation
TE-3044-2016-ENF	<i>Nettleham Beck</i>	Buildup of weed	Under investigation

Members received and NOTED the report on Consents and Enforcement cases within the Board's drainage district and in the extended rainfall catchment where the Board acts for LCC as the LLFA.

2539 Engineering Services Report (No.TD-3160-2017-REP).

The Engineering Services Report had been circulated with the agenda.

Members received and NOTED the report and the comments submitted to Local Planning Authorities.

2540 Any Other Business.

There were no further items of business.

2541 Date, Time and Place of Next Meeting.

The next meeting of the Board was confirmed for Tuesday, 30th May 2017 in Minting Village Hall commencing at 10am (not the usual 10.30am).

.....Chairman.....Date
W3rd BM 31.01.17.