

Upper Witham Internal Drainage Board



Annual Report & Statement of Accounts 2020/21

For Year Ended 31st March 2021

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Upper Witham Internal Drainage Board Statement of Accounts and Annual Report 2020/21

Annual Report 2020/21

Upper Witham Internal Drainage Board [IDB] is a Public Body, an independent Flood Risk Management and Drainage Authority created under land drainage statutes. The IDB has a duty to work in partnership with other Flood Risk Management Authorities in Lincolnshire including IDBs, the Environment Agency, District Councils and Lincolnshire County Council [In LCC's role as Lincolnshire's Lead Local Flood Authority since April 2012]. The Board is responsible for flood risk, land drainage and water level management, works and improvement schemes and operational maintenance of watercourses and pumping stations within its defined drainage district of 21,094 hectares, other than on main rivers where the Environment Agency has this role and towards which the Board pays an annual precept [£166,826 in 2020/21]. A map of the Board's drainage district and extended rainfall catchment (the Board undertakes works for LCC, as the lead local Flood Authority, in the extended rainfall catchment) is included at Appendix 1 to this Annual Report and Statement of Accounts.

The Board comprises 35 members including a Chairman, Mr Fred H Myers and two Vice Chairmen, Mr. John Scarborough and Cllr. Pat Vaughan. Of the 35 members, 17 are elected by and represent the occupiers of land in the area and 18 are nominated by one of five District Councils, namely North Kesteven District Council, South Kesteven District Council, West Lindsey District Council, City of Lincoln Council and Newark & Sherwood District Council. All Members have a corporate responsibility to represent the interests of the Board. The Board's role is to determine strategy, direction and policy for the organisation and to ensure the IDB operates within an appropriate Governance framework. The Board is supported by officers, led by a Chief Executive, who advise the Board and implement the Board's agreed strategies, plans and policies and operationally manage and provide the Board's services. The Board's current organisational structure chart is provided at Appendix 2. The Board's support services, as this chart demonstrates, are provided to a group of four IDBs, the other three being Witham First District and Witham Third District IDBs and, from 1st April 2017, North East Lindsey IDB joined the partnership under the terms of a new Joint Services Agreement. The 4 Boards remain separate legal statutory bodies but work collectively as the "Witham and Humber Drainage Boards".

The Board secures income from two main sources. Firstly, through a direct levy on owners and occupiers of land within the drainage district, with rates being payable on 01st April each year. This produced £247,185 (with costs) of income for 2020/21. Secondly, through special levies paid by each of the five District Councils in two instalments paid on 01st May and 01st November each year. This totalled £861,259 for 2020/21. The Special levy for City of Lincoln Council in 2020/21 was £452,745, for North Kesteven District Council it was £215,150, for South Kesteven District Council it was £136,085, for West Lindsey District Council it was £46,419 and for Newark and Sherwood District Council it was £10,860.

The levy for the forthcoming financial year is set at a Board meeting before 15th February annually. The Board is asked to agree the land valuation as at 31st December in the previous year, the proposed budget for the forthcoming year [which outlines any planned developments and the plant, vehicle and machinery programme] and any consequent percentage uplift to the penny rate.

The Board agreed on 20th January 2020 a rate uplift for 2020/21 of 2.40% in order to set a balanced budget for 2020/21, with total planned income and expenditure of £1,432,622.

In 2012/13, we experienced one of the wettest years on record, according to recorded rainfall. The Board's pumps in its 15 Pumping Stations operated longer hours than usual, according to comparative records, to protect property, agricultural land and critical infrastructure. Since 2014/15 we have experienced much drier years although there have been localised heavy rainfall events, e.g., in Long Bennington in August 2015. Where these lead to internal flooding to property these are subject to a multi-agency Section 19 investigation and report led by Lincolnshire County Council as the Lead Local Flood Authority.

In last financial year 2019/20 there were further high rainfall events during Summer and Autumn 2019 which resulted in some flooding across Lincolnshire. There were parts of the Witham & Humber Boards' systems that had to deal with water that had come from EA main rivers, whether due to bank breaches, overtopping and/or excessive seepage. This meant that some of the Board's pumps were pumping far more than would have been required without this additional water, which in turn meant excessive additional electricity costs were incurred.

During January and February 2021 there was further heavy rainfall which increased electricity usage to higher than normal, due to catchments remaining saturated from last year. The Board incurred electricity costs of £63,286 during 2020/21 compared to a budget of £41,000, which is a financial burden on the Board. At Appendix 3 rainfall data, pumped hours and electricity costs incurred by the Board are set out, showing the relationship between them.

The Board is a signatory to the Lincolnshire Biodiversity Action Plan, now part of the Greater Lincolnshire Nature Partnership. The Board has continued to monitor and record locally important species on all Drains and roll out its programme of owl boxes installation and monitoring in partnership with the Wildlife Conservation Partnership.

Since April 2012 the Board, in common with other IDBs in Lincolnshire, has provided a consents and enforcements service for and on behalf of Lincolnshire County Council [LCC], the Lead Local Flood Authority in Lincolnshire, beyond the Board's drainage district in its extended catchment. This has been provided under a Memorandum of Understanding with LCC for 2020/21, which has been extended for the Board to continue the service until 31.03.22.

Examples of the Board's work in 2020/21 include:

- Operation of the Board's 15 Pumping Stations to protect properties, agricultural land and critical infrastructure throughout the drainage district from South Witham to Gainsborough (including Grantham, Lincoln and villages) covering 21,095 hectares.
- Substantial completion of the Board's Summer 2020 maintenance programme and weedcutting programme on 61 watercourses.
- Aubourn Pumping Station pumps numbers 3 and 4 removed for periodic repair and refurbishment at a net cost of £20,155.
- Hykeham Pumping Station pump removed for periodic repair and refurbishment at a net cost of £19,398.
- Purchase of a used Atlas 140W wheeled excavator at a net cost of £32,000.
- Dealing with substantial rainfall events in early 2021, resulting in delays to the winter maintenance programme due to saturated ground conditions, bank slips which will require reinstatement and additional Operative working hours to clear obstructions and culverts.
- Continuing with the Board's conservation initiatives including the erection of owl boxes, the leaving of reed margins for water voles, birds and insects and continued membership of the Greater Lincolnshire Nature Partnership.
- Provided a consents and enforcements service to Lincolnshire County Council (as the Lead Local Flood Authority) in the Board's extended rainfall catchment under a Memorandum of Understanding to 31.03.22.
- Provided a service to Lincoln Water Transfer Service Ltd, to support efficient use of water between the landowners in the group.
- Public Sector Co-operation Agreement (PSCA) works undertaken on behalf of the Environment Agency at Boultham Catchwater Drain, Cardinal Dyke, Foston Beck, Shire Dyke, Skellingthorpe Beck, Skinnand Dyke and River Till, plus other rechargeable works.
- Contributed to a new joint website for all Witham and Humber Drainage Boards. It can be found at www.witham3idb.gov.uk.

All figures exclude VAT.

The Board ended 2020/21 as of 31st March 2021 with a surplus position of £86,526 (compared with the year-end deficit position of £92,241 in 2019/20), which has been allocated as a contribution to the Board's General Reserve.

Statement of Accounts 2020/21

The statement of responsibilities:

This statement identifies the officer who is responsible for the proper administration of the Board's financial affairs ensures that one of its Officers has the responsibility for the administration of those affairs.

The Board is required to manage its affairs to secure economic, efficient and effective use of its resources and to safeguard its assets.

The Board's Accountable Officer is the Chief Executive.

During 2020/21 the Board, to support its Governance arrangements, approved on 23rd September 2019 its Risk Management Policy, Strategy and also its Risk Register, which it reviewed and updated again on 18th January 2021. On 21st May 2018 the Board updated its Financial Regulations and Statement of Internal Control.

The Statement of Accounting Policies:

This statement details the legislation and source of accounting principles on which the financial statements are prepared.

The Income and Expenditure Account:

This statement summarises the resources that have been generated and consumed in providing services and managing the IDB during the last year.

The Balance Sheet:

This statement is fundamental to the understanding of the Board's financial position at the year end. It shows the balances and reserves at the Board's disposal and the fixed and net current assets employed in its operation, together with summarised information on the fixed assets held. The statement also includes assets and liabilities of the Board.

Notes to the accounts:

The notes relating to the statements above are detailed after the core statements, including cost centre budgets and variance analysis where appropriate for the period 2020/21.

Upper Witham Internal Drainage Board – Members 2020/21

The Board comprises 35 Members, 17 elected by the occupiers of land in the drainage district and 18 who are appointed by one of 5 District Councils. Elections of occupiers of land are every 3 years and the latest term of office runs from 01.11.18 to 31.10.21. Council nominated members are for the period of the civic year.

Members 01.04.20 to 31.03.21 were:

Elected Member's Name	Electoral District	Finance & General Purposes Committee Member [12]*
Frederick H Myers (Chairman)	River Till & Burton	Yes
John R Scarborough (Vice Chairman)	North Scarle, Broadholme & Skellingthorpe	Yes
Jacky S P Smith	Borough of Grantham	Yes
Noel Tobin	City of Lincoln	No
Nick Craft	Long Bennington, Barkston & Normanton	Yes
David R Knight	Long Bennington, Barkston & Normanton	No
Joanne Wilkinson	North Scarle, Broadholme & Skellingthorpe	No
Raymond J Phillips	Pike Drain & Lincoln	Yes
John R Hollis	River Brant	No
Graham E Porter	River Brant	No
Stuart H White	River Brant	No
Andrew Buckley	River Till & Burton	No
Giles Rawlings (From June 20)	River Till & Burton	No
Paul Wright (Deceased Jan 21)	River Till & Burton	Yes (until Jan 21)
Vacant (from Jan 21)	River Till & Burton	N/a
Emma Jenkinson	South Witham	No
Albert V [Vic] Kerr (until Nov 20)	Stapleford & Claypole	No
Bryan F White (until Nov 20)	Stapleford & Claypole	No
Tom Arnold (From Jan 21)	Stapleford & Claypole	No
Elliot Jackson (from Feb 21)	Stapleford & Claypole	N/a

Nominated Member's Name	Nominating Authority	Finance & General Purposes Committee Member [12]*
Cllr Patrick Vaughan (Vice Chairman)	City of Lincoln	Yes
Jeff Boyall	City of Lincoln	No
Brent Charlesworth	City of Lincoln	No
Cllr Paul Gowen	City of Lincoln	No
Cllr Gary Hewson	City of Lincoln	No
Rebecca Longbottom	City of Lincoln	No
David Jackson	City of Lincoln	No
Colin Smith	City of Lincoln	No
Tony Speakman	City of Lincoln	Yes
Cllr Linda Dales	Newark & Sherwood District Council	No
Cllr Peter Burley (until May 20)	North Kesteven District Council	No
Cllr Stephen Roe (from Dec 20)	North Kesteven District Council	No
Cllr Mary Green	North Kesteven District Council	No
Cllr Lance Pennell	North Kesteven District Council	Yes
Cllr Robert Oates	North Kesteven District Council	No
Cllr Chris Spray (until Nov 20)	North Kesteven District Council	No
Cllr Chris Benn (until Sept 20)	South Kesteven District Council	No
Cllr John Cottier (from Sept 20)	South Kesteven District Council	No
Cllr Rosemary Kaberry Brown	South Kesteven District Council	No
Cllr Ian Stokes	South Kesteven District Council	No
Cllr Steve England	West Lindsey District Council	No

**Currently 3 vacant seats on Finance & General Purposes Committee*

The Annual Governance Statement


We acknowledge as the Members of Upper Witham Internal Drainage Board our responsibility for ensuring that there is a sound system of internal control, including the preparation of the statement of accounts, and confirm, to the best of our knowledge and belief, with respect to the Board's statement of accounts for the year ended 31 March 2021, that:

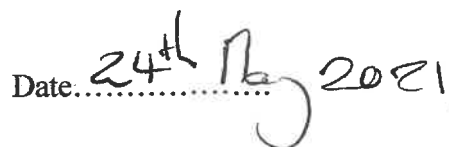
1. We have approved the statement of accounts which has been prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.
2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.
3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice which could have a significant financial effect on the ability of the Board to conduct its business or on its finances.
4. We have provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.
5. We have carried out an assessment of the risks facing the Board and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.
6. We have maintained throughout the year an adequate and effective system of internal audit of the Board's accounting records and control systems and carried out a review of its effectiveness.
7. We have taken appropriate action on all matters raised in previous reports from the internal and external audit.
8. We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Board and where appropriate have included them in the statement of accounts.

This annual governance statement is approved by the Board and recorded as a Board minute, dated 24th May 2021.

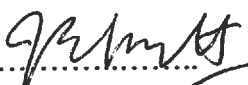
Signed on behalf of Upper Witham Internal Drainage Board

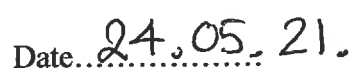
Signed by: Mr Frederick H Myers,

Chairman.....

Date.....

Signed by: Mrs Jane E Froggatt,

Chief Executive

Date.....

The Statement of Responsibilities for the Statement of Accounts

The Board is required:

- To make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this the Board that officer is the Chief Executive.
- To manage its affairs to secure economic efficient and effective use of its resources and safeguard its assets

The Chief Executive's responsibilities:

The Chief Executive is responsible for the preparation of the Board's Statement of Accounts which is required to present a true and fair view of the financial position of the Board at the accounting date and its income and expenditure for the year ended 31 March 2021.

In preparing this statement of accounts, the Chief Executive has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- compiled the accounts in accordance with the Financial Reporting Standard for Smaller Entities 2008 issued by the Accounting Standards Board and had regard to the guidance published by the Association of Drainage Authorities on Accounting for Larger IDBs (a further update to the 2006 Practitioners' Guide having been issued by ADA on 03.04.17);
- applied the accounting concept of a "going concern" by assuming that the IDB will continue to operate for the foreseeable future.

The Chief Executive has:

- kept proper accounting records which were up to date
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

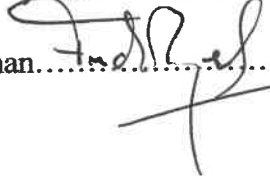
Certificate of the Chief Executive

This statement of accounts is that upon which the auditor should enter their certificate and opinion. It provides a true and fair view of the financial position of the Board as at 31 March 2021 and its income and expenditure for the year then ended.

Certificate of the Chairman of the Board

I confirm that these accounts have been approved by Upper Witham Internal Drainage Board at a meeting held on Monday, 24th May 2021.

Signed by: Mr Frederick H Myers,

Chairman.......... Date. 24 May 2021.

Statement of Accounting Policies

1. General

This statement of accounts has been prepared in accordance with the Financial Reporting Standard for Smaller Entities 2008 (FRSSE) issued by the Accounting Standards Board. In preparing the statements, regard has been had to the Guidance published by the Association of Drainage Authorities (ADA) in 2006 (the ADA Practitioners Guide) (as updated April 2017).

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

- Accruals
- Relevance
- Consistency
- reliability
- Comparability
- Understandability
- Materiality
- Going Concern.

2. Non Current Assets

Non Current Assets are recognised as expenditure on the acquisition, creation or enhancement of fixed assets with a value in excess of £5,000 and with estimated useful lives in excess of one year are capitalised on an accruals basis in the accounts valued on the following basis:

- 2.1 land, operational and non-operational buildings are included in the Balance Sheet at historical cost. Pumping Stations are included in the Balance Sheet at insurance valuation (reinstatement cost).
- 2.2 vehicles, plant and equipment are included at depreciated historic cost. A depreciation charge is made against the appropriate income and expenditure code and balances created in the renewal funds based on the life and estimated residual value.
- 2.3 disposals are written off at cost less depreciation. Any surplus/deficit arising is charged to the Income and Expenditure Account and transferred to/from reserves.

3. Depreciation

Land and buildings are not depreciated on the grounds that an on-going repairs and maintenance policy results in an extension of useful life and negates the necessity for material depreciation.

A depreciation charge is made against the running costs of plant and equipment and vehicles on a straight line basis over their useful economic life, if the value of the plant does not negate the necessity for material depreciation.

The following assumptions are made with regards to life cycle of assets:

Plant

Excavators	6 to 12 years
Tractors	9 to 11 years
Motor Vehicles	5 to 12 years
General equipment	between 5 to 15 years

Pumping Stations

Automated Weed Screen Cleaners	30 Years
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Computer Equipment

All computer equipment	4 Years
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4. Debtors and creditors

The revenue accounts of the Board are maintained on an accruals basis in accordance with SSAP 2. That is, sums due to or from the Board during the year are included whether or not the cash has actually been received or paid in the year. If the invoice spans two financial years and the apportionment is not material, then this will be charged to the financial year with the larger portion.

There is no provision for bad debts

5. Stock

Stocks are valued in the Balance Sheet on the average price basis with no allowance made for obsolescent and slow moving items. This is a departure from the requirements of SSAP 9 which require stocks to be shown at actual cost or net realisable value, if lower. The effect of the different treatment is not material. Full stock takes have been undertaken.

6. Government Grants and Contributions

Government Grants and contributions when received are recognised in the income and expenditure account on an accruals basis. Government Grants used for the acquisition of fixed assets have been netted of the asset purchase cost.

7. Leases

The Board has no finance leases. It has entered Operating Leases during 2020/21 that are charged to the Income and Expenditure Account for the period to which it relates for 7 fleet vans and 2 4x4's.

8. Reserves

A reserves policy was agreed at its Board meeting on 27th January 2014.

8.1 Revenue Reserve. The Board's policy is to maintain this balance at approximately 10% to 15% of the annual revenue expenditure.

8.2 Plant Renewal Funds. The Board's policy is to build up sufficient funds over the useful economic life of major assets to enable replacement. This is through a depreciation charge as set out in the fixed asset register.

8.3 One Off Project reserve is used for any slippage in the financial year for one-off projects that have not yet been completed. The works will then be completed and funded in the following financial year.

9. Provisions

The Board sets aside provisions where there is a definite liability, but the amount and timing of settlement is not known. Details are given as notes to the accounting statements if a provision has been required.

10. Taxation

Drainage Boards are exempt from Corporation and Capital Gains Tax. Income Tax is paid by employees in the normal way. Value Added Tax is paid/recovered in the usual manner and is only included in the accounts to the extent that it is irrecoverable.

11. Post Balance Sheet Events

Any material post balance sheet events, which did not exist at the date of the balance sheet, have been disclosed as a separate note to the accounts if an event has occurred.

12. Pensions

Pension costs are accounted for on a defined benefits basis.

The Annual Report of Lincolnshire County Council's Superannuation Fund is available from Lincolnshire County Council, Superannuation Section, County Offices, Lincoln, LN1 1YE.

The full Disclosure of Net Pensions Asset/Liability and associated information is contained in the notes to the accounts on an FRS102 basis.

13. Exceptional Items

Any material, exceptional or prior year adjustments will be accounted for once they are known and shown in the accounts and associated notes.

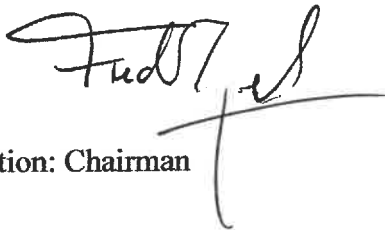
14. Discontinued Operations

The Board had no material operations that it acquired, or which were discontinued in the year.

Income and Expenditure Account for the Year Ended 31st March 2021

	Note	31st March 2021 £	31st March 2020 £
Income			
Drainage Rates & Costs		247,185	241,640
Special Levies	1	861,259	827,220
Highland Water Contributions	2	197,892	207,853
Flood Defence Grant in Aid (FDGIA)	2	71,000	251,100
Consents & Enforcement		21,296	19,614
Insurance Claims		250	8,766
Rechargeable Works		177,177	54,385
Developer Contributions		56,060	0
Sale of Surplus Assets (net)		9,000	(2,813)
Rent, Interest, Wayleaves & Sundry Income		21,024	14,514
Total Income		1,662,143	1,622,279
Expenditure			
Drains		667,581	668,753
Pumping Stations		165,544	205,947
Depot		89,191	68,667
Engineering		99,263	116,174
Conservation		265	995
One Off Schemes		91,155	6,275
Environment Agency Precept		166,826	166,826
Consents & Enforcement		21,296	19,614
Board Administration	6	17,377	23,565
Joint Administration	7	153,850	171,526
Rechargeable Works		98,992	54,759
Wages & Plant Holding Account		8,277	27,594
Contribution to/(from) Reserves		7,000	219,825
FRS17 Pension Adjustment (net)	3	(11,000)	(36,000)
Total Expenditure		1,575,617	1,714,520
(Surplus)/ Deficit		(86,526)	92,241

Signed:



Name: Mr F Myers

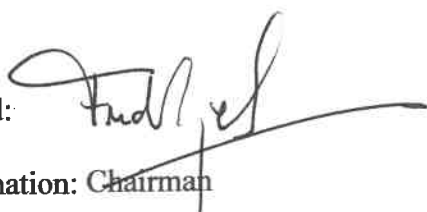
Designation: Chairman

Date: 24th May 2021

Balance Sheet as at 31st March 2021

	Note	31st March 2021		31st March 2020	
		£	£	£	£
Non Current Assets					
Land & Buildings		3,988,887		3,744,361	
Vehicles and Plant		562,030		811,303	
Other		0		0	
Total Non Current Assets	10		4,550,917		4,555,664
Current Assets					
Stock		9,307		16,304	
Debtors & Prepayments	11	192,863		163,633	
Short Term Investments					
Bank & Cash		787,035		668,212	
Total Current Assets			989,205		848,149
Total Assets			5,540,122		5,403,813
Current Liabilities					
Creditors	12	(159,789)		(188,006)	
Short Term Loans		(27,930)		(27,196)	
Total Current Liabilities			(187,719)		(215,202)
Total Assets less Current Liabilities			5,352,403		5,188,611
Long Term Liabilities					
Long Term loans		(1,118,392)		(1,146,322)	
LGPS Net Pension Liability	13	(2,122,000)		(1,749,000)	
			(3,240,392)		(2,895,322)
Total Assets less Liabilities			2,112,011		2,293,289
Represented by:					
Capital Discharged	10		4,550,917		4,555,664
Funds, Balances & Reserves			653,400		382,659
Pensions Reserve	13		(2,122,000)		(1,749,000)
Capital Adjustment Account			(1,146,322)		(1,151,034)
Capital Receipts Unapplied			176,016		255,000
Total			2,112,011		2,293,289

Signed:



Name: Mr F Myers

Designation: Chairman

Date: 24th May 2021

Notes to the Accounts

Note 1: Special Levies

Special levies were paid by the following District Councils:

Special Levies	2020/21	2019/20
	£	£
City of Lincoln Council	452,745	442,132
Newark & Sherwood D.C.	10,860	10,606
North Kesteven District Council	215,150	196,257
South Kesteven District Council	136,085	132,894
West Lindsey District Council	46,419	45,331
	861,259	827,220

Note 2: Government Grants & Contributions

The following grants and contributions were received from the Environment Agency:

Government Grants	2020/21	2019/20
	£	£
Flood Defence Grant in Aid	71,000	251,100
Highland Water	197,892	207,853
	268,892	458,953

Note 3: Pension Contributions

In 2020/21 the Board paid an employer's contribution rate of 19.7% plus a lump sum of £51k (18.4% + £58k in 2019/20) of each employee's gross pay into Lincolnshire County Council's Superannuation Fund. This amounted to £125,080 in 2020/21 (£126,140 in 2019/20). Further pension disclosures are shown in the FRS102 Pension Note below.

Note 4: Officers' Remuneration

Remuneration of Employees	2020/21	2019/20
<i>Remuneration band</i>		
70,000 - 79,999	0	0
60,000 - 69,999	0	0
50,000 - 59,999	1	1

There is one Officer employed by this Board, the Engineering Services Officer, who has remuneration in the banding £50,000 to £59,999. This Officer is also the Engineering Services Officer for this Board, North East Lindsey IDB, Witham First DIBD and for Witham Third DIBD and is recharged in accordance with the Joint Services Agreement of 1st April 2017.

The Chief Executive, who is employed by Witham Third District IDB but who provides a service also as joint Chief Executive to North East Lindsey IDB, Upper Witham IDB and

Witham First DIB, has remuneration in the £80,000 to £89,999 banding and is recharged in accordance with the Joint Services Agreement of 1st April 2017.

There is one Officer employed by Witham Third District IDB, the Director of Finance & Governance, who has remuneration in the banding £70,000 to £79,999. This Officer is also the Director of Finance & Governance for this Board, North East Lindsey IDB, Witham First DIB and for Witham Third DIB and is recharged in accordance with the Joint Services Agreement of 1st April 2017.

There is one Officer employed by the Witham First DIB, the Director of Operations & Engineering, who has a gross annual salary in the £60,000 to £69,999 banding and is charged to Engineering. This Officer is also the Director of Operations & Engineering for this Board, North East Lindsey IDB, Witham First DIB and for Witham Third DIB and is recharged in accordance with the Joint Services Agreement of 1st April 2017.

There is one Officer employed by the Witham Third District IDB, the Operations Manager, who has remuneration in the banding £50,000 to £59,999. This Officer is also the Operations Manager for this Board, North East Lindsey IDB, Witham First DIB and for Witham Third DIB and is recharged in accordance with the Joint Services Agreement of 1st April 2017.

The Joint Services Agreement of 1st April 2017 currently allocates costs of 30% to Upper Witham IDB, 20% to North East Lindsey IDB, 20% to Witham First DIB and 30% to Witham Third DIB

Note 5: Public Works Loans Board

The Board took out a loan of £1.2m from the Public Works Loans Board (PWL) in order to undertake a redevelopment of its depot site to provide a new depot and ancillary offices. The Annuity loan was drawn down on 18th January 2019 at a fixed interest rate of 2.68% and is repayable in 6 monthly instalments over 30 years. The final repayment is on 15th November 2048. The loan is serviced 2/3rds by UWIDB for the depot site and 1/3 by the Joint Services Agreement (JSA) for the offices element which is recharged on the agreed JSA percentage allocations (see Note 7).

Note 6: Audit Fees & Expenses

The fees paid to the Board's external auditors (PKF Littlejohn LLP) for 2020/21 is £2,000 (£2,000 in 2019/20).

Note 7: Joint Services

The Board is party to a Joint Services Agreement of 1st April 2017 between Upper Witham IDB, North East Lindsey IDB, Witham First DIB and Witham Third DIB for the provision of certain functions. Recharges are made for the Chief Executive, Finance and Administration Services, GIS & Environment Officer, Engineering Services and Director of Operations & Engineering on the following proportions; 30% to Upper Witham IDB, 20% to North East Lindsey IDB, 20% to Witham First DIB and 30% to Witham Third DIB.

Joint Services	Total Charge for 2020/21				
	UW	NEL	W1	W3	TOTAL
	30.0%	20.0%	20.0%	30.0%	100.0%
	£	£	£	£	£
Joint Administration					
Witham House (UW)	13,251	8,834	8,834	13,251	44,170
Joint Admin (UW)	15,770	10,514	10,514	15,770	52,568
Joint Admin (W1)	123,748	82,499	82,499	123,748	412,494
Total Joint Admin	152,769	101,847	101,847	152,769	509,232
Engineering & Operational Services					
Engineering & Operational Services (W1)	32,413	21,608	21,608	32,413	108,042
Engineering & Operational Services (W3)	70,842	47,228	47,228	70,842	236,140
Engineering & Operational Services (UW)	24,239	16,160	16,160	24,239	80,798
Total Engineering & Operational	127,494	84,996	84,996	127,494	424,980
Total Inter Recharges between Boards	280,263	186,843	186,843	280,263	934,212

Note 8: Related Party Transactions

Board Members are either elected by and represent the occupiers and ratepayers of land in the Board's area (and are ratepayers) or are nominated by one of the 5 District Councils who pay Special Levies (City of Lincoln Council, North Kesteven District Council, South Kesteven District Council, West Lindsey District Council and Newark & Sherwood District Council). Except for normal transactions with the Board (eg payment of Drainage Rates), no other related party transactions have been identified.

Note 9: Post Balance Sheet Event

There are no post balance sheet events that are material to the accounts and require disclosure.

Note 10: Non Current Assets

Non Current Assets	Land & Buildings	Depot	Plant & Vehicles	Office Equip	Pumping Stations	Total
	£	£	£	£	£	£
Cost						
Closing Balance 31/03/20	159,000	1,452,516	1,450,554	0	2,132,845	5,194,915
Additions		101,468	43,720			145,188
Reclassification			(205,000)		205,000	0
Disposals			(92,600)			(92,600)
Closing Balance 31/03/21	159,000	1,553,984	1,196,674	0	2,337,845	5,247,503
Depreciation						
Opening Balance	0	0	639,251	0	0	639,251
Depreciation Charged	0	0	132,660		7,275	139,935
Reclassification			(54,667)		54,667	0
Disposals Written Out	0	0	(82,600)		0	(82,600)
Closing Balance 31/03/21	0	0	634,644	0	61,942	696,586
Net Book Value 31/03/20	159,000	1,452,516	811,303	0	2,132,845	4,555,664
Net Book Value 31/03/21	159,000	1,553,984	562,030	0	2,275,903	4,550,917

The above Capital has been financed as follows:

Capital Discharged	2020/21	2019/20
	£	£
Capital Receipts Applied	1,914,387	1,835,403
Renewals Fund	1,504,046	1,552,926
Revaluation Reserve	629,070	629,070
Loans Applied	1,200,000	1,177,516
less Depreciation	(696,586)	(639,251)
	4,550,917	4,555,664

Note 11: Debtors and Prepayments

Debtors & Prepayments	2020/21	2019/20
	£	£
Drainage Ratepayers	7,659	2,215
Sundry Debtors & Prepayments	185,204	140,635
HMRC	0	20,783
	192,863	163,633

Note 12: Creditors and Receipts in Advance

Creditors & Receipts in Advance	2020/21	2019/20
	£	£
Sundry Creditors	(147,893)	(180,607)
HMRC	(11,896)	0
Payroll Deductions	0	(7,399)
	(159,789)	(188,006)

Note 13: FRS102 Pensions

The following disclosures are based upon the 'March 2021 FRS102 Report' prepared by Barnett Waddingham LLP, the fund Actuaries for the Lincolnshire County Council Pension Fund (previous Actuaries were Hymans Robertson LLP).

The impact on the Balance Sheet is:

Balance Sheet	31/03/21	31/03/20
	£000's	£000's
Present value of the defined benefit obligation	(5,872)	(4,903)
Fair value of Fund assets (bid value)	3,755	3,160
Net (Under)/Overfunding in Funded Plans	(2,117)	(1,743)
Present Value of Unfunded Liabilities	(5)	(6)
Unrecognised Past Service Cost		
Net Asset/(Liability)	(2,122)	(1,749)
Amount in the Balance Sheet		
Liabilities	(2,122)	(1,749)
Assets		
Net Asset/(Liability)	(2,122)	(1,749)

The Fair Value of the Employer Assets can be analysed as follows:

Fair Value of Employer Assets	31/03/21	31/03/19
	£000's	£000's
Equities	2,760	1,959
Bonds	526	790
Property	387	379
Cash	82	32
Cumulative Actuarial Gains and Losses	3,755	3,160

The impact on the Income and Expenditure Account is:

Recognition in the income and expenditure account	31/03/21	31/03/20
	£000's	£000's
Current Service Cost	132	163
Net interest on the defined liability (asset)	39	42
Administration expenses	3	0
Total	174	205

The Defined Benefit Obligation consists of:

Reconciliation of Defined Benefit Obligation	31/03/21	31/03/20
	£000's	£000's
Opening Defined Benefit Obligation	4,909	5,263
Current Service Cost	132	163
Interest Cost	110	127
Change in financial assumptions	1,048	(292)
Change in demographic assumptions	(55)	(193)
Experience loss/(gain) on defined benefit obligation	0	(14)
Liabilities assumed / (extinguished) on settlements	0	0
Estimated benefits paid net of transfers in	(289)	(169)
Past service costs, including curtailments	0	0
Contributions by Scheme participants and other employers	23	25
Unfunded pension payments	(1)	(1)
Closing Defined Benefit Obligation	5,877	4,909

The Fair Value of Employee Assets consists of:

Reconciliation of Fair Value of Employee Assets	31/03/21	31/03/20
	£000's	£000's
Opening Fair Value of Employer Assets	3,160	3,557
Interest on assets	71	85
Return on assets less interest	670	(464)
Other actuarial gains/(losses)	0	0
Administration expenses	(3)	0
Contributions by employer including unfunded	124	127
Contributions by Scheme participants and other employers	23	25
Estimated benefits paid plus unfunded net of transfers in	(290)	(170)
Settlement prices received / (paid)	0	0
Closing Fair value of Fund assets	3,755	3,160

The following assumptions have been used by the Actuary in making their valuation as at 31st March 2021:

Assumptions	31/03/21	31/03/20
	%	%
Financial Assumptions		
Discount Rate	1.95%	2.30%
Pension Increase Rate	2.90%	2.15%
Salary Increase Rate	3.20%	2.45%
Mortality (future life expectancy at age 65)		
Current Pensioners (Male)	21.1 years	21.4 years
Current Pensioners (Female)	23.6 years	23.7 years
Future Pensioners (Male)	22.0 years	22.4 years
Future Pensioners (Female)	25.0 years	25.1 years

The following table sets out the likely impacts if certain assumptions are changed:

Sensitivity Analysis	Approx increase to Employer Liability	Approx Monetary Amount
	%	£000's
Change in assumptions at 31 March 2021		
0.1% decrease in Real Discount Rate	1.60%	97
0.1% increase in the Salary Increase Rate	0.18%	11
0.1% increase in the Pension Increase Rate	1.40%	85
Adjustment to life Expectancy Assumptions	5.12%	310

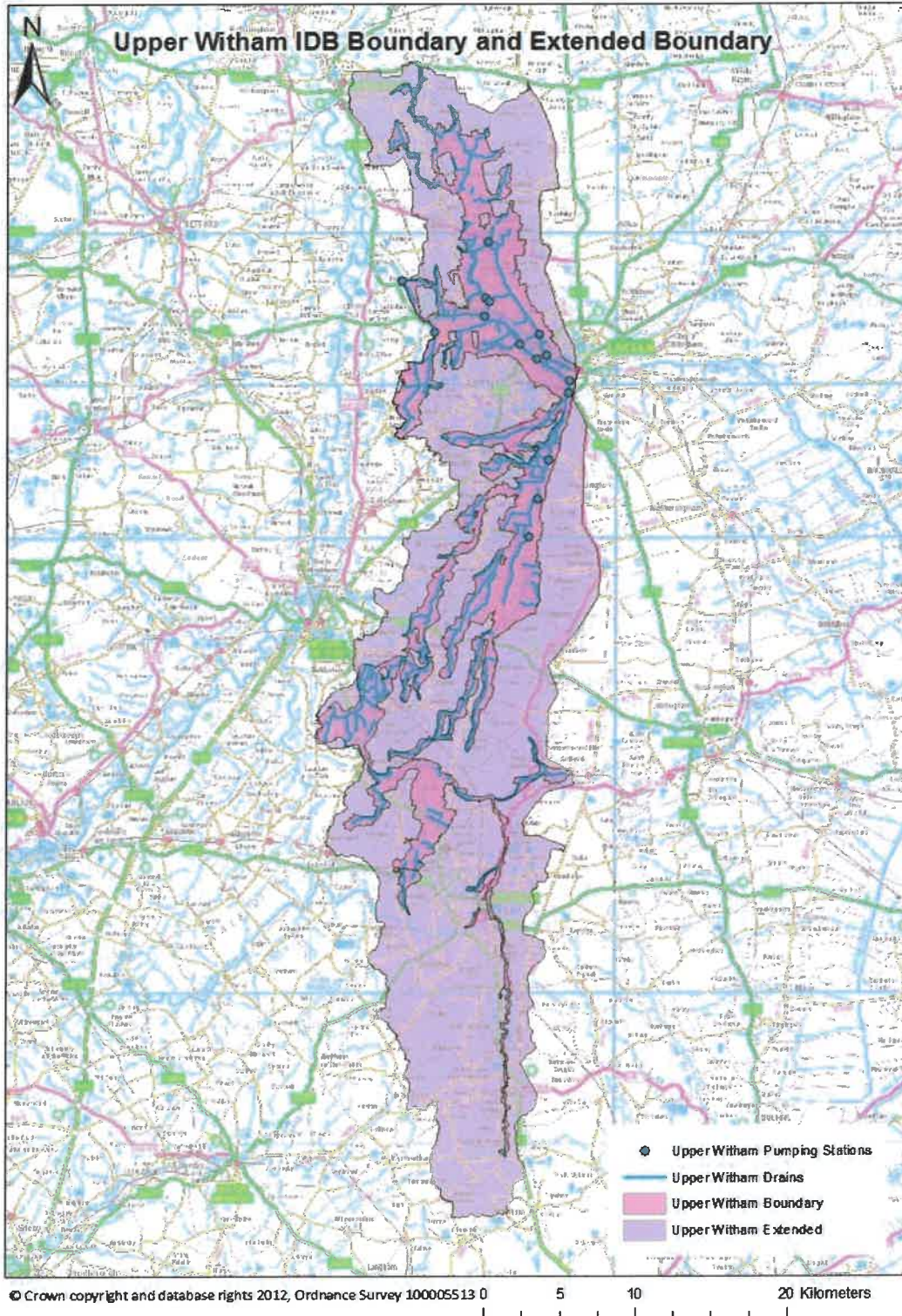
Projected pension costs. The estimated Employer's contribution for the period to 31st March 2021 will be approximately £125,000.

Note 14: Funds & Reserves

UWIDB Schedule of Funds & Reserves as at 31st March 2021										
Movement on Reserves	Capital Discharged	Pensions Reserve	Capital Adjust Account	Revenue Reserve	Plant & Machinery Reserve	Emergency Events	One Off Projects Reserve	Pumping Station Reserve	Capital Receipts	Total
	£	£	£	£	£	£	£			£
Balance as at 31 March 2020	(4,555,664)	1,749,000	1,151,034	(28,619)	(70,155)	0	(283,885)	0	(255,000)	(2,293,289)
Depreciation	139,935				(132,660)			(7,275)		0
Capital Purchases	(145,188)		22,484		43,720				78,984	0
Capital Sales	10,000				(10,000)					0
Pension Interest Cost (Net)		373,000								373,000
Contributions In			(27,196)			(25,000)	(71,000)			(123,196)
Contributions Out							18,000			18,000
Transfers				(50,000)	50,000					0
(Surplus)/Deficit on I&E				(86,526)						(86,526)
Balance as at 31 March 2020	(4,550,917)	2,122,000	1,146,322	(165,145)	(119,095)	(25,000)	(336,885)	(7,275)	(176,016)	(2,112,011)

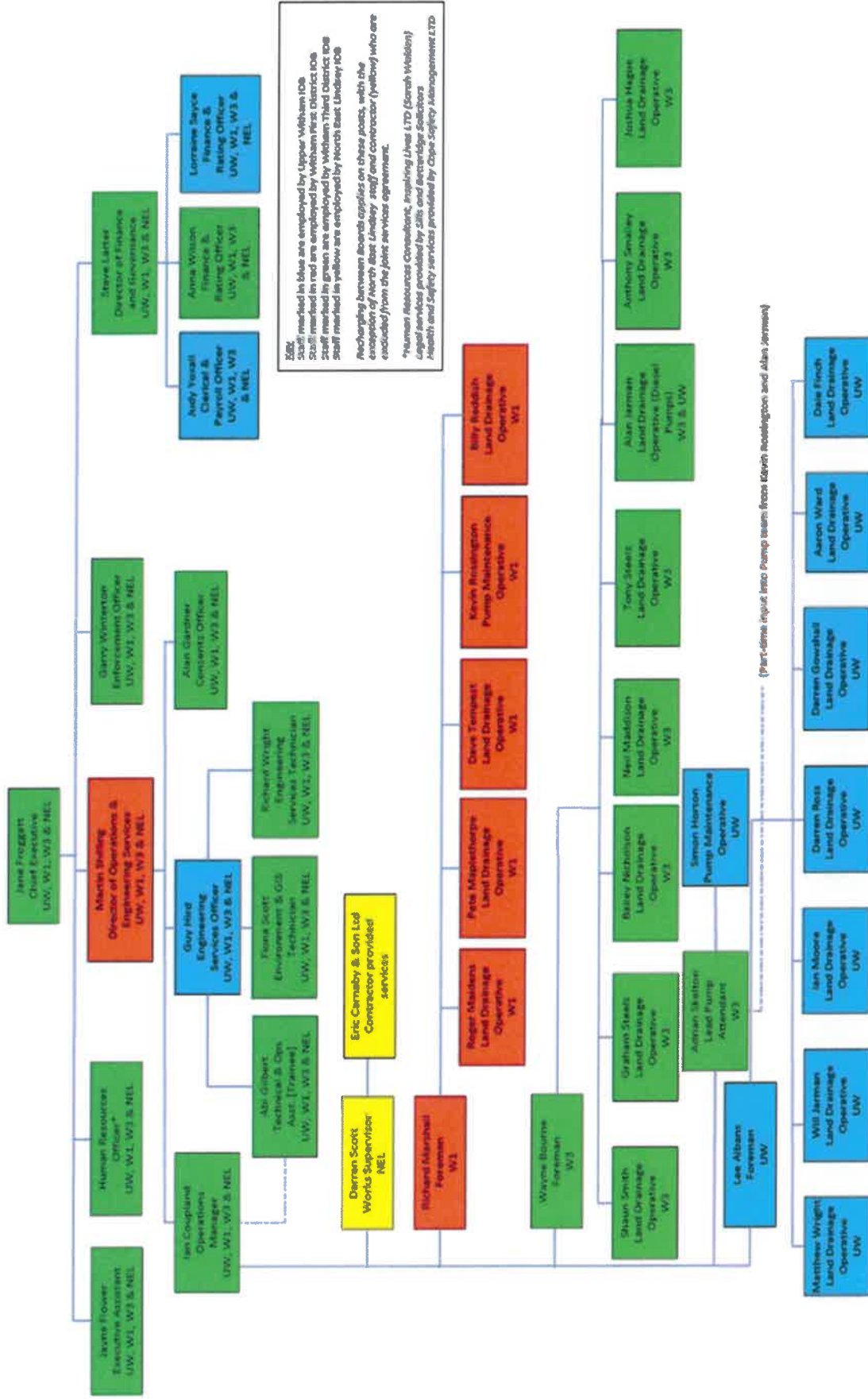
Appendices

Appendix 1



Appendix 2

Witham and Humber Drainage Boards' Organisational Structure Chart 07.02.21



SSR marked in blue are employed by Upper Witham IDB
 Staff marked in red are employed by Witham IDB
 Staff marked in green are employed by Humber Thired District IDB
 Staff marked in yellow are employed by North East Lindsey IDB
 Pooling between boards applies on these posts, with the exception of North East Lindsey staff and contractor (yellow) who are excluded from the joint services agreement.
 *Human Resources Consultant, Inspiring Lives LTD (Sarah Widdow)
 Legal services provided by Sills and Beveridge Solicitors
 Health and Safety services provided by Cipe Safety Management LTD

(Part-time input into Pump teams from Kevin Rossington and Alan Jernham)

Appendix 3 - Upper Witham IDB: Interrelationship between Rainfall, Pumped Hours and Electricity Costs

Pump/In Station	2015-16			2016-17			2017-18			2018-19			2019-20			2020-21			
	Rainfall (mm)	Pumped Hours	Electricity Costs (£)	Rainfall (mm)	Pumped Hours	Electricity Costs (£)	Rainfall (mm)	Pumped Hours	Electricity Costs (£)	Rainfall (mm)	Pumped Hours	Electricity Costs (£)	Rainfall (mm)	Pumped Hours	Electricity Costs (£)	Rainfall (mm)	Pumped Hours	Electricity Costs (£)	
Auburn	367	284	2,552.88	302	342	1,762.16	-	461	461	2,411.36	1,238	1,238	4,457.60	1,241	1,238	4,457.60	1,241	1,238	4,457.60
Boultham	366	320	2,546.43	43	502	460.30	-	360	360	571.86	653	653	1,196.77	557	653	1,196.77	557	653	1,196.77
Brookthorpe	555	74	832.03	1,236	992	10,733.08	466.30	909	909	6,074.86	1,907	1,907	4,766.11	707	1,907	4,766.11	707	1,907	4,766.11
Burdon FS	34	470	790.23	400	465	1,935.24	-	185	185	1,645.38	1,79	1,79	2,233.56	152	1,79	2,233.56	152	1,79	2,233.56
Causton Road	390	519	1,078.11	490	496	997.44	-	428	428	2,036.04	851	851	2,898.18	517	851	2,898.18	517	851	2,898.18
Decoy	508	174	876.66	513.50	189	1,448.34	356.90	455	455	1,633.67	857	857	2,765.83	547	857	2,765.83	547	857	2,765.83
Fen Lane	342	595	3,409.66	174	638	1,351.76	397.00	241	241	2,927.80	678	678	6,136.40	341	678	6,136.40	341	678	6,136.40
Holeham	524	485	2,852.64	480	480	6,278.33	-	348	348	2,624.52	1,456	1,456	6,454.03	759	1,456	6,454.03	759	1,456	6,454.03
Higham	431	312	7,141.10	280	387	8,538.14	-	531	531	6,091.15	1,429	1,429	15,094.06	723	1,429	15,094.06	723	1,429	15,094.06
Orchestrate	434	121	9,002.30	312	187	8,852.51	-	290	290	6,211.94	1,182	1,182	18,298.93	620	1,182	18,298.93	620	1,182	18,298.93
Priesthoe	208	121	670.78	121	179	990.10	-	179	179	1,637.83	482	482	3,212.17	273	482	3,212.17	273	482	3,212.17
Sand's We	98	235	1,618.66	176	318	947.56	-	318	318	1,219.63	589	589	2,786.65	245	589	2,786.65	245	589	2,786.65
Thorpe	112	322	501.94	423.00	567	3,602.16	285.00	318	318	3,923.05	966	966	8,786.06	536	966	8,786.06	536	966	8,786.06
Tortoise	261	5,225	2,502.36	488.67	5,225	43,566.41	377.88	5,225	5,225	37,619.09	765.00	13,959	78,955.79	470.17	13,959	78,955.79	470.17	13,959	78,955.79
Average	438.40	4,530	38,124.08	488.67	5,225	43,566.41	377.88	5,225	5,225	37,619.09	765.00	13,959	78,955.79	470.17	13,959	78,955.79	470.17	13,959	78,955.79

