

Witham First District Internal Drainage Board



Annual Report & Statement of Accounts 2020/21 for the year ended 31st March 2021

**Witham House
Meadow Lane
North Hykeham
Lincoln
LN6 9TP**

Tel: (01522) 697123

**Website: www.witham3idb.gov.uk
Email: enquiries@witham3idb.gov.uk.
Email: jane.froggatt@witham3idb.gov.uk**

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Witham First District Internal Drainage Board Statement of Accounts & Annual Report 2020/21

Annual Report 2020/21

Witham First District 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 levels management, works and improvement schemes and operational maintenance of water courses and pumping stations within its defined drainage district of 16,384 hectares, other than on main rivers where the Environment Agency has this role and towards which the Board pays an annual IDB precept [£83,031 in 2020/21]. A map of the Board's drainage district and its extended catchment is included at Appendix 1 to this Annual Report and Statement of Accounts.

The Board comprises 28 Members, including Mr Peter Gilbert (Chairman) and Mr David Armstrong (Vice Chairman) of the Board. Members are either elected by and represent the occupiers of land in the drainage district or they are nominated by one of two District Councils, City of Lincoln Council or North Kesteven 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, 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 Upper Witham IDB, 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 in a partnership as the "Witham and Humber Drainage Boards".

The Board secures income from two main sources. Firstly, income is secured through a direct levy on owners and occupiers of land within the drainage district, with rates being payable on 01st April each year and totalling £507,356 in 2020/21. Secondly, income is secured through special levies paid by the two District Councils in two instalments on 01st May and 01st November each year, totalling £385,128 for 2020/21 (i.e., City of Lincoln £135,306 and North Kesteven District Council £249,822).

The levy for the following financial year is set at a Board meeting before 15th February each year, when the Board is asked to agree the land valuation as at the previous 31st December, 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 in the pound.

The Board agreed on 28th January 2020 a rate uplift for 2020/21 of 5.0% in order to set a balanced budget for 2020/21 of £985,865.

After an excessively wet 2012/13, when the Board's Pumps in its 13 Pumping Stations operated for long hours, evidenced by comparative historical records, to protect property, agricultural land and critical infrastructure, since 2014/15 it had been much drier. There have been localised heavy rainfall events of a short duration.

However, there were further high rainfall events during Summer and Autumn 2019/Winter 2020 which resulted in some flooding across Lincolnshire. There were parts of the Witham & Humber Boards' systems that had to deal with water from EA main rivers, whether due to bank breaches, overtopping or excessive bank seepage. This meant that some of the Board's pumps were pumping far more hours than would have been required without this additional water, which in turn meant excessive and additional electricity costs incurred.

During January and February 2021 there was further heavy rainfall which increased electricity usage to higher than normal. Rainfall was on already saturated catchments. The Board incurred electricity costs of £123,423 during 2020/21, compared to an annual budget of £60,000. This posed a significant additional 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 service has been provided under a Memorandum of Understanding with LCC for 2020/21, which has been extended until 31.03.22.

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

- Operation of the Board's 13 Pumping Stations to protect property, agricultural land and critical infrastructure in the drainage district of 16,384 hectares.
- Substantial completion of the Board's Summer 2020 maintenance and weed cutting programme.
- Works undertaken as part of the Public Sector Co-operation Agreement (PSCA) on behalf of the Environment Agency at Ruskington Catchwater, Anwick Catchwater, Farroway Drain, Digby Beck, Sandhill Beck, Leasingham Beck, Ruskington Beck, Nine Foot River, Old River Sleas, River Sleas and Ancaster Beck.
- The purchase of an Atlas 150W wheeled excavator in July 2020, at a net cost of £185,650.
- Lifting and refurbishment of the motor and pump number 1 at Farroway Pumping Station, at a net cost of £15,786. Regular checks are also undertaken on the pump control panels to reduce the risk of malfunction and failure. This

work improves the lifespan of the pumps and is part of the Board's planned annual maintenance programme.

- Commenced refurbishment of Metheringham Fen Pumping Station This will involve lifting and refurbishment of the motor and pump and the installation of a new pump control panel. These works are to be completed in 2021/22 funded by FDGiA grant and with a £5k partnership contribution from the Board.
- Purchase of land at Ruskington Fen to provide for improved access to Farroway Pumping Station, at a net cost of £7,462.50.
- Contributed to a new joint website for all Witham and Humber Drainage Boards. It can be found at www.witham3idb.gov.uk.
- 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 working hours to clear obstructions. This also incurred additional electricity costs as pumping stations operated 24/7 for long durations.
- Provided a consents and enforcement service for Lincolnshire County Council (as Lead Local Flood Authority), under a Memorandum of Understanding to 31.03.22, outside the Board's drainage district in the extended rainfall catchment.
- 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, annual report and training.

All figures exclude VAT.

The end of year outturn position for the Board, as at 31st March 2021, was a surplus of £40,704 (compared with a deficit year-end position of £45,804 in 2019/20), after a budgeted contribution of £15,000 to the Plant & Machinery Reserve. This surplus has been allocated to contribute to the General Reserve.

Statement of Accounts 2020/21

The statement of responsibilities:

The Board is required to make arrangements for the proper administration of its financial affairs and to ensure 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 24th September 2019 its Risk Management Policy, Strategy and also its Risk Register, which it reviewed and updated again on 26th January 2021. On 22nd May 2018 the Board approved a revised set of 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 2020/21.

The Balance Sheet:

This statement is fundamental to the understanding of the Board's financial position as at 31st March 2021. 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.

Witham First District Internal Drainage Board, Members 2020/21

The Board has 28 Members, 21 Members elected by the Occupiers of land within the drainage district and 7 members nominated by the two District Councils who pay Special Levies to the Board, i.e City of Lincoln Council and North Kesteven District Council. 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	Executive Committee Members (9)
Peter Gilbert (Chairman)	Walcott & Dales Fen	Yes
David C Armstrong (Vice Chairman)	Nocton & Branston Fen	Yes
Simon Maplethorpe	Anwick	Yes
William Grantham	Billingham & North Kyme Fen	No
Andrew Means	Billingham & North Kyme Fen	No
David K Busby	Blankney & Martin Fen	No
R. A [Bob] Fletcher	Blankney & Martin Fen	Yes
David Leggate	Blankney & Martin Fen	No
Bridget Maplethorpe	Digby	No
Edward Applewhite	Heighington Fen & Lincoln	Yes
Stephen F Cobb	Heighington Fen & Lincoln	Yes
John Robert Crust	Heighington Fen & Lincoln	No
Richard C Hickling	Metheringham & Dunston Fen	No
Ian Mair	Metheringham & Dunston Fen	No
Paul Carrot	Nocton & Branston Fen	No
Valerie Stanton	Nocton & Branston Fen	No
Andrew G Hodgson	Ruskington & Dorrington	No
Vacant (from May17)	Sleaford District	No
Mark D Harrison	Timberland & Thorpe Fen	Yes
Simon B Leggate	Timberland & Thorpe Fen	No
Mr Ron Oxby	Walcott & Dales Fen	Yes

Nominated Member's Name	Nominating Authority	Executive Committee Membership
Cllr Biff Bean	City of Lincoln Council	No
Cllr Gary Hewson	City of Lincoln Council	No
David Jackson	City of Lincoln Council	Yes
Cllr Patrick Vaughan	City of Lincoln Council	No
Cllr Ian Carrington	North Kesteven District Council	No
Cllr Mervyn Head	North Kesteven District Council	No
Cllr Peter Lundgren	North Kesteven District Council	No

The Annual Governance Statement 2020/21

We acknowledge as the Members of Witham First District 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 2020/21 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 by the Internal Auditor and by 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 Tuesday 25th May 2021.

Signed on behalf of Witham First District Internal Drainage Board.

Signed by: Mr. P. Gilbert, Chairman..... 

Date: 25.05.21..

Signed by: Mrs. J. E. Froggatt, Chief Executive..... 

Date: 25.05.21.

The Statement of Responsibilities for the Statement of Accounts 2020/21

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 31st 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 and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certificate of the Chief Executive

This Statement of Accounts 2020/21 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 31st 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 Witham First District Internal Drainage Board at a meeting held on Tuesday 25th May 2021.

Signed by: Mr. P. Gilbert, Chairman *Peter Cousin*

Date: 25.05.21

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	7 years
Tractors	7 years
Motor Vehicles	6 years
General equipment	between 4 to 10 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.

In December 2012 the Board drew down a Public Works Loan Board of £354,480 over a period of 14.5 years for the specific purpose of transferring liability and future maintenance responsibility on 18 bridges and culvert structures from the Board to Lincolnshire County Council. The first repayment was in June 2013 with 6 monthly payments thereafter.

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 3 4x4 vehicles and 1 x van.

8. Reserves

A reserves policy was agreed at the Board meeting on 11th February 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 Pumping Station Renewal Fund to update and refurbish pumping stations.

8.4 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 £
<u>Income</u>			
Drainage Rates & Costs		507,356	483,579
Special Levies	1	385,128	358,625
FDGIA Grant	2	0	163,000
Highland Water Contributions	2	25,171	29,890
Consents & Enforcement		9,209	12,520
Insurance Claims		0	519
Rechargeable Works		94,263	70,323
Interest		206	2,445
Gains/Losses on the Sale of Surplus Assets		12,000	8,400
Rent, Wayleaves & Sundry Income		3,811	129,787
Total Income		1,037,144	1,259,088
<u>Expenditure</u>			
Drains		381,349	346,871
Pumping Stations		211,824	379,913
Depot		13,679	21,231
Engineering		76,839	79,893
Conservation		705	992
One Off Schemes		0	3,032
Environment Agency Precept		83,031	83,031
Consents & Enforcement		9,209	12,520
Board Administration		13,474	12,349
Joint Administration	7	101,846	105,233
Rechargeable Works		72,604	62,737
Public Works Loan Board Interest	5	28,539	29,152
Contribution to Reserves		15,000	178,000
Wages & Plant Holding Account		31,341	27,938
FRS17 Pension Adjustment (net)		(43,000)	(38,000)
Total Expenditure		996,440	1,304,892
(Surplus)/ Deficit		(40,704)	45,804

Signed: *Peter Gilbert*

Name: Mr P. Gilbert

Designation: Chairman

Date: 25th May 2021

Balance Sheet as at 31st March 2021

	Note	31st March 2021		31st March 2020	
		£	£	£	£
Non Current Assets					
Land & Buildings		2,585,184		2,472,099	
Vehicles and Plant		498,764		528,096	
Other		0		0	
Total Non Current Assets	10		3,083,948		3,000,195
Current Assets					
Stock		7,296		10,223	
Debtors & Prepayments	11	95,281		77,073	
Short Term Investments		0		0	
Bank & Cash		494,639		535,906	
Total Current Assets			597,216		623,202
Long Term Assets					
Commutated Sum		158,904		183,351	
			158,904		183,351
Total Assets			3,840,068		3,806,748
Current Liabilities					
Creditors	12	(98,696)		(108,272)	
Short Term Loans		(24,447)		(24,447)	
Total Current Liabilities			(123,143)		(132,719)
Total Assets less Current Liabilities			3,716,925		3,674,029
Long Term Liabilities					
Long Term loans		(134,457)		(158,904)	
LGPS Net Pension Liability	13	(210,000)		(168,000)	
			(344,457)		(326,904)
Total Assets less Liabilities			3,372,468		3,347,125
Represented by:					
Capital Discharged	10		3,083,948		3,000,195
Funds, Balances & Reserves	14		498,520		514,930
Pensions Reserve	13		(210,000)		(168,000)
Capital Receipts Unapplied			0		0
Total	14		3,372,468		3,347,125

Signed: Peter Cusper

Name: Mr P. Gilbert

Designation: Chairman

Date: 25th 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	135,306	128,863
North Kesteven District Council	249,822	229,762
	385,128	358,625

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	0	163,000
Highland Water	25,171	29,890
	25,171	192,890

Note 3: Pension Contributions

In 2020/21 the Board paid an employer's contribution of 20.5% with no lump sum (26.8% + £5k in 2019/20) of each employee's gross pay into Lincolnshire County Council's Superannuation Fund. This amounted to £54,919 in 2020/21 (£73,858 in 2019/20). The Board had an additional employee during 2020/21. 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	1	1
60,000 - 69,999	0	0
50,000 - 59,999	0	0

There is one Officer employed by the Board, the Director of Operations & Engineering, who has a gross annual salary in the £70,000 to £79,999 banding and is charged to Engineering. This Officer is also the Director of Operations & Engineering for Witham Third District IDB, Upper Witham IDB and North East Lindsey IDB 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 provides a service also as joint Chief Executive for this Board, Upper Witham IDB, North East Lindsey IDB and Witham Third DIDB, 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, Upper Witham IDB, North East Lindsey IDB and Witham Third DIDB 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 £60,000 to £69,999. This Officer is also the Operations Manager for this Board, Upper Witham IDB, North East Lindsey IDB and Witham Third DIDB and is recharged in accordance with the Joint Services Agreement of 1st April 2017.

There is one Officer employed by Upper Witham IDB, 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, Upper Witham IDB, North East Lindsey IDB and Witham Third DIDB 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 DIDB and 30% to Witham Third DIDB

Note 5: Public Works Loans Board.

An application was made to DEFRA for permission to take out a loan in order to transfer, under a legal agreement, future maintenance liability for 18 Bridges and Culvert structures to Lincolnshire County Council [the Highways Authority]. Permission was given in writing by DEFRA on 9th November 2012 and the monies were received on 17th December 2012. This loan is for £354,480 from the Public Works Loan Board (PWLB) and is to be repaid over a period of 14.5 years at an interest rate of 2.41% per annum, the first repayment made in June 2013 and then six monthly thereafter. Agreement was reached with Lincolnshire County Council on the transfer of the future maintenance liability for the bridges and culverts on 19th January 2015 and the sum of £350,981 was transferred on 22nd January 2015 to finalise the matter.

Note 6: Audit Fees & Expenses

The fees paid to the Board's external auditors (PKF Littlejohn LLP) for 2020/21 are £1,600 (£1,600 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 DIDB and Witham Third DIDB 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 DIDB and 30% to Witham Third DIDB.

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 City of Lincoln Council and North Kesteven District Council who pay Special Levies.

Land is rented by the Board to Mr Peter Gilbert, and Mr David Leggate and an irrigation dam to Mr Steve Cobb all of whom were Board Members during the financial year.

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	82,160	25,910	1,129,903	0	2,364,029	3,602,002
Additions			196,486		8,515	205,001
Reclassification			(235,181)		235,181	0
Disposals			(103,000)			(103,000)
Closing Balance 31/03/21	82,160	25,910	988,208	0	2,607,725	3,704,003
Depreciation						
Opening Balance 31/03/20	0	0	601,807	0	0	601,807
Depreciation Charged			93,409		7,839	101,248
Reclassification			(122,772)		122,772	0
Disposals Written Out			(83,000)			(83,000)
Closing Balance 31/03/21	0	0	489,444	0	130,611	620,055
Net Book Value 31/03/20	82,160	25,910	528,096	0	2,364,029	3,000,195
Net Book Value 31/03/21	82,160	25,910	498,764	0	2,477,114	3,083,948

The above Capital has been financed as follows:

Capital Discharged	2020/21	2019/20
	£	£
Capital Receipts Applied	60,765	60,765
Revenue Contributions	2,562,751	2,562,751
Renewals Fund	897,427	795,426
Revaluation Reserve	183,060	183,060
less Depreciation	(620,055)	(601,807)
	3,083,948	3,000,195

Note 11: Debtors and Prepayments

Debtors & Prepayments	2020/21	2019/20
	£	£
Drainage Ratepayers	1,726	280
Sundry Debtors & Prepayments	54,366	68,586
HMRC	39,189	8,207
	95,281	77,073

Note 12: Creditors and Receipts in Advance

Creditors & Receipts in Advance	2020/21	2019/20
	£	£
Drainage Ratepayers	(88)	(408)
Sundry Creditors	(92,458)	(102,245)
HMRC	(6,047)	(5,619)
Payroll Deductions	(103)	0
	(98,696)	(108,272)

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	(2,289)	(1,710)
Fair value of Fund assets (bid value)	2,079	1,542
Net (Under)/Overfunding in Funded Plans	(210)	(168)
Present Value of Unfunded Liabilities	0	0
Unrecognised Past Service Cost		
Net Asset/(Liability)	(210)	(168)
Amount in the Balance Sheet		
Liabilities	(210)	(168)
Assets		
Net Asset/(Liability)	(210)	(168)

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

Fair Value of Employer Assets	31/03/21	31/03/20
	£000's	£000's
Equities	1,529	956
Bonds	291	386
Property	214	185
Cash	45	15
Cumulative Actuarial Gains and Losses	2,079	1,542

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	97	113
Net interest on the defined liability (asset)	3	8
Administration expenses	1	0
Total	101	121

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	1,710	1,973
Current Service Cost	97	113
Interest Cost	40	48
Change in financial assumptions	366	(99)
Change in demographic assumptions	(21)	(69)
Experience loss/(gain) on defined benefit obligation	0	(193)
Liabilities assumed / (extinguished) on settlement	0	0
Estimated benefits paid net of transfers in	77	(82)
Past service costs, including curtailments	0	0
Contributions by Scheme participants and other employers	20	19
Unfunded pension payments	0	0
Closing Defined Benefit Obligation	2,289	1,710

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	1,542	1,664
Interest on assets	37	40
Return on assets less interest	349	(174)
Other actuarial gains/(losses)	0	0
Administration expenses	(1)	0
Contributions by employer including unfunded pension payments	55	75
Contributions by Scheme participants and other employers	20	19
Estimated benefits paid plus unfunded net of transfers in	77	(82)
Settlement prices received / (paid)	0	0
Closing Fair value of Fund assets	2,079	1,542

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	2.85%	2.00%
Salary Increase Rate	3.15%	2.30%
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:

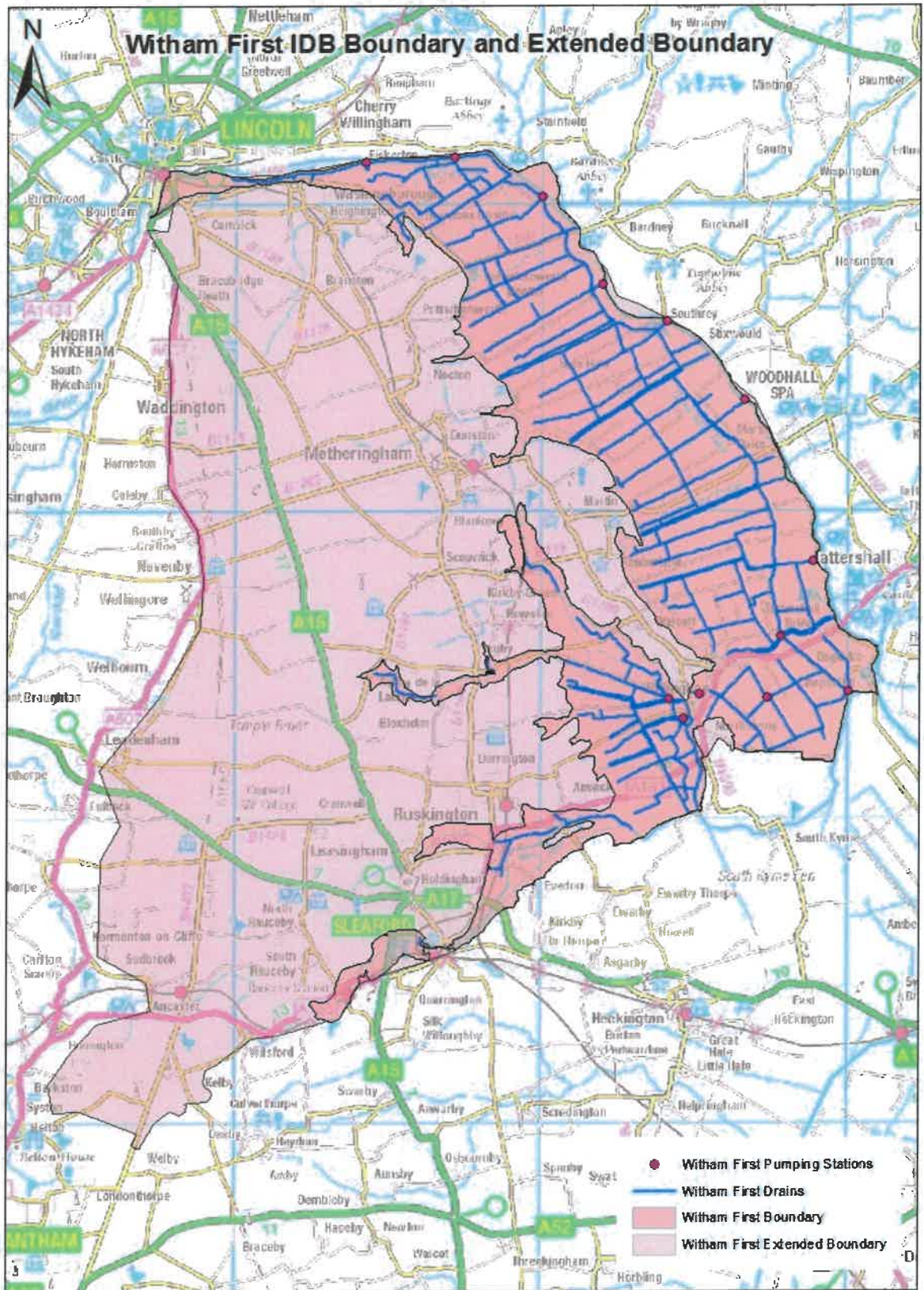
Sensitivity Analysis	Approx increase to Employer Liability	Approx Monetary Amount
	%	£000's
Change in assumptions at 31 March 2021		
0.1% decrease in Real Discount Rate	1.50%	36
0.1% increase in the Salary Increase Rate	0.12%	3
0.1% increase in the Pension Increase Rate	1.33%	32
Adjustment to life Expectancy Assumptions	4.82%	116

Projected pension costs -The estimated Employer's contribution for the period to 31st March 2021 will be approximately £52,000.

Note 14: Funds & Reserves

W1st DIDB Schedule of Funds & Reserves as at 31st March 2021										
Movement on Reserves	Capital Discharged	Pensions Reserve	Revenue Reserve	Plant & Machinery Reserve	Pumping Station Reserve	One Off Projects Reserve	Commutated Sums	Total		
	£	£	£	£	£	£	£	£		
Balance as at 31 March 2020	(3,000,195)	168,000	(87,505)	(208,305)	(50,000)	(156,250)	(12,870)	(3,347,125)		
Depreciation	101,248			(105,048)	(7,839)			(11,639)		
Capital Purchases	(205,001)			196,486	8,515			0		
Capital Disposals	20,000			(20,000)				0		
Pension Interest Cost (Net)		42,000						42,000		
Contributions In				(15,000)				(15,000)		
Contributions Out								0		
Transfers								0		
(Surplus)/Deficit on I&E			(40,704)					(40,704)		
Balance as at 31 March 2021	(3,083,948)	210,000	(128,209)	(151,867)	(49,324)	(156,250)	(12,870)	(3,372,468)		

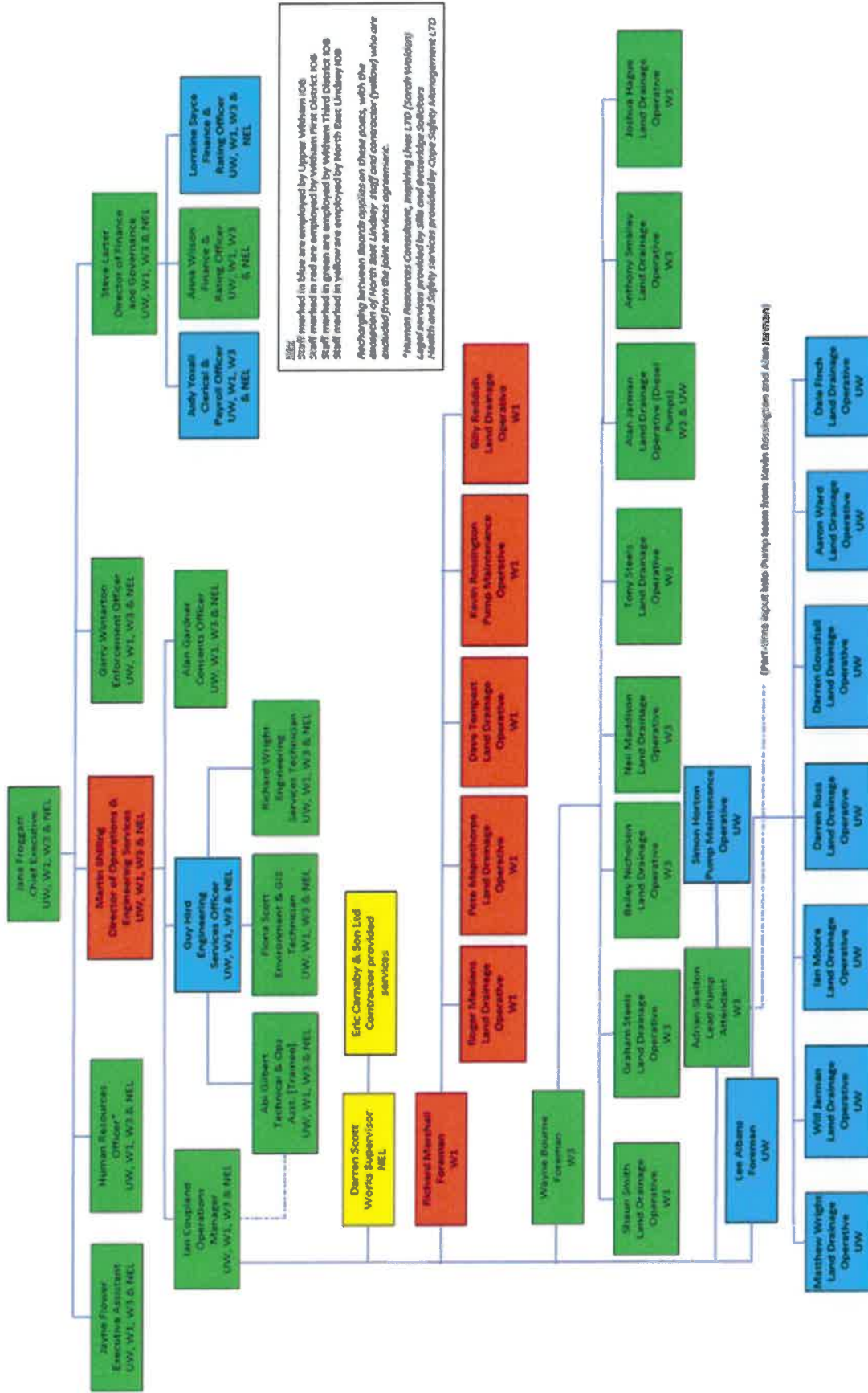
Appendix 1



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Appendix 2

Witham and Humber Drainage Boards' Organisational Structure Chart 07.02.21



Appendix 3 Witham First DIB: Interrelationship between Rainfall, Pumped Hours and Electricity Costs

Pumping Station	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 (£)
Biltinghay		-	£ 269.11		-	£ 286.46		-	£ 348.39		-	£ 312.87		0.05	£ 369.20
Blankney	446.00	331.00	£ 6,004.09	511.00	299.42	£ 5,755.67	420.50	344.57	£ 6,782.38	482.00	2,085.67	£ 32,611.07	482.00	897.03	£ 16,052.76
Branston		621.23	£ 4,212.80		627.20	£ 4,864.47	277.93	670.58	£ 5,522.86		2,296.03	£ 20,151.49		1,168.43	£ 10,602.97
Chapel Hill		215.11	£ 5,644.23		238.01	£ 5,794.88	112.77	285.55	£ 4,587.62		1,299.05	£ 23,418.05		705.60	£ 14,032.72
Digby		193.10	£ 1,330.42		177.80	£ 1,274.31	120.40	251.80	£ 2,283.32		2,109.40	£ 15,093.83		606.50	£ 5,729.34
Farroway	454.50	977.08	£ 5,495.27	499.50	840.07	£ 4,851.51	422.50	1,106.90	£ 6,571.56		4,270.39	£ 27,449.76		2,214.81	£ 14,091.26
Heighington	500.50	485.14	£ 2,573.22	543.00	536.43	£ 3,101.44	478.00	635.86	£ 4,590.50		2,420.03	£ 18,232.95		1,130.34	£ 9,782.91
Metheringham	460.50	388.37	£ 4,450.73	490.00	347.69	£ 4,200.15	479.50	461.20	£ 5,077.54		1,758.82	£ 20,178.64		784.08	£ 9,756.14
Nocton		273.34	£ 6,704.90		297.74	£ 7,057.75	226.47	348.28	£ 8,582.73		1,234.74	£ 24,467.19		579.95	£ 13,812.02
North Kyme		132.09	£ 300.99		194.57	£ 626.32	200.10	267.36	£ 904.95		1,508.72	£ 4,694.89		701.54	£ 2,159.86
Ringmoor		108.10	£ 101.67		103.60	£ 112.17		193.40	£ 1,409.89		974.70	£ 381.59		380.50	£ 230.94
Sandhill Beck		326.13	£ 1,969.87		333.06	£ 2,228.03		349.27	£ 2,748.30		1,018.48	£ 9,116.87		662.25	£ 6,306.86
Timberland	465.00	508.30	£ 9,294.46	509.00	485.34	£ 9,827.59	488.00	524.34	£ 11,759.99		2,284.68	£ 37,749.24		1,309.54	£ 22,788.44
Total	280.20	4,558.99	£ 48,351.76	310.70	4,480.93	£ 49,980.75	288.28	5,439.11	£ 61,170.03	782.00	23,260.71	£ 233,858.44	518.00	11,140.62	£ 125,715.42

