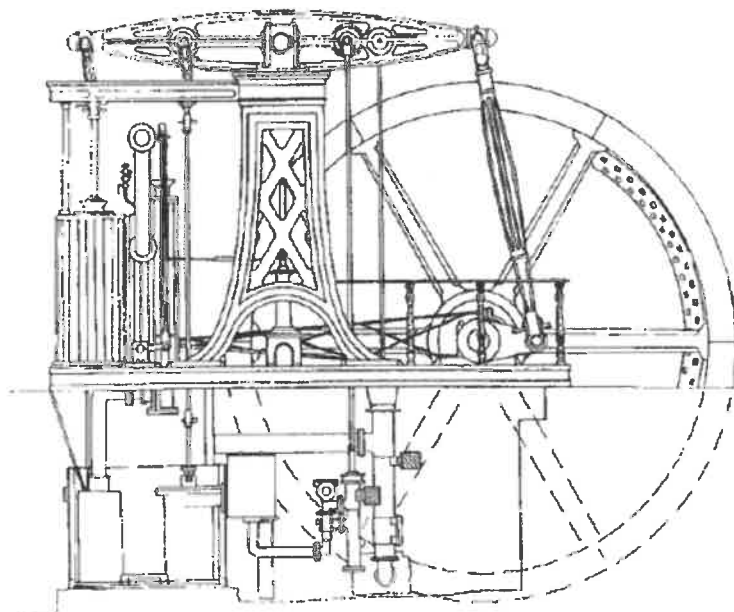


Witham Third District Internal Drainage Board



Annual Report & Statement of Accounts 2020/21

For Year Ended 31st March 2021

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Witham Third District Internal Drainage Board Statement of Accounts 2020/21

Annual Report 2020/21

Witham Third 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 15,196 hectares, other than on main rivers where the Environment Agency has this role and towards which the Board pays an annual precept [£105,154 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 31 Members, including a Chairman, Mr. Ian Parker from January 2021, and a Vice Chairman, Mr. Max Thomas. Sadly, on 01st December 2020, the Board's then Chairman, Mr Paul Hoyes [RIP], died after serving on the Board for 23 years and being Chairman since 2013. Members are either elected by and represent the occupiers of land in the drainage district or are nominated by one of three District Councils who pay Special Levy, namely East Lindsey District Council, West Lindsey District Council and City of Lincoln 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 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 agricultural land within the drainage district, with rates being payable on 01st April each year. This was £191,068 income for 2020/21 including costs. Secondly, through Special Levies paid by each of the three District Councils in two instalments on 01st May and 01st November each year, totalling £811,132 for 2020/21. The Special Levy for East Lindsey District Council in 2020/21 was £342,285, for City of Lincoln Council it was £261,951 and for West Lindsey District Council it was £206,896.

The levy for the forthcoming year is set at a Board meeting before the 15th February each year, when 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 rate.

The Board agreed on 28th January 2020 a rate uplift for 2020/21 of 2.00% in order to set a balanced budget for 2020/21, with total planned income and expenditure of £1,257,517.

After an excessively wet 2012/13, when the Board's Pumps in its 18 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, although there have been localised heavy rainfall events of a short duration. However, 2019 proved different.

There were several high rainfall events in the last 2019/20 financial year, when June 2019 and Autumn 2019/ Winter 2020 rainfall events resulted in saturated catchments and 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 third-party water, which in turn meant excessive additional electricity costs were incurred, with pumps running 24/7 for considerable periods. This Board also suffered inundation and flooding at its Stainfield Pumping Station, when in November 2019 there was a main river bank breach at Barlings Eau. This resulted in a major refurbishment of the pumping station and an insurance claim of £110,433.

During January and February 2021 there was further heavy rainfall on catchments which remained saturated from last year. This again increased electricity usage to higher than normal. This Board incurred electricity costs of £74,611 during 2020/21, compared to a budget of £60,000.

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. Three new owl boxes are installed each year, landowner consent permitting.

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 as agent for LCC until 31.03.21.

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

- Operation of the Board's 18 Pumping Stations to protect property, agricultural land and critical infrastructure in the drainage district of 15,196 hectares.

- Substantial completion of the Board's Summer 2020 weed cutting and maintenance programme.
- Purchase of a Volvo EC220ELR excavator in July 2020 at a net cost of £154,150.
- Purchase of a John Deere tractor in June 2020 £62,750 along with a Bomford flail £5,350, second hand 6" pump £12,500 and Paddock Flail £8,750.
- Design and build of a spillway on Reepham Brook at a cost of circa £24,400.
- Design and construction of the Kirkstead flood wall repair at Kirkstead Pumping Station at a cost of circa £70,000.
- Pump maintenance programme continued this year with pump lift, refurbishment and repair at Dogdyke Pumping Station at a net cost of £9,718. This work improves the lifespan of the pumps and is part of the Board's planned annual maintenance programme. Regular checks are also undertaken on the pump control panels to reduce the risk of malfunction and failure.
- Reinstatement and refurbishment of Stainfield Pumping Station following flood inundation in November 2019 at a cost of circa £111,833. Most of this cost was recovered by an insurance claim (£110,433).
- Southrey Pumping Station motor rewind and reinstatement at a net cost of £19,650 following a motor fire. Again, most of this was covered by an insurance claim (£19,550)
- Dealing with substantial rainfall events in early 2021, resulting in delays to the winter maintenance programme due to very wet ground conditions, bank slips which will require reinstatement and additional working hours to clear obstructions.
- On-going renovation of the diesel pumps at Stixwould and Fiskerton Pumping Stations, as part of a programme to improve back up support to electric pumps and catchment capacities.
- Contributed to a new joint website for all Witham and Humber Drainage Boards. It can be found at www.witham3idb.gov.uk.
- Works undertaken under the Public Sector Co-operation Agreement (PSCA) on behalf of the Environment Agency on Welton Beck, Duckpool Catchwater, Tilehouse Beck, Thunker Drain, Snakeholme Drain, Barlings Eau, Marsh Drain, Stainfield Beck, River Waring, River Bain, Old River Bain, Horncastle Canal and Haltham Beck.
- 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.
- Provided a consents and enforcement service for Lincolnshire County Council (as Lead local Flood Authority), under a Memorandum of Understanding to 31.03.21, outside the Board's drainage district in the extended rainfall catchment.

All figures exclude VAT.

The Board achieved as at 31st March 2021 a year-end surplus position of £79,341 (deficit of £11,586 in 2019/20). This surplus balance has been allocated as a contribution 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 and Clerk to the Board.

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 the last year.

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 for the period 2020/21.

Witham Third District Internal Drainage Board – Members 2020/21

The Board comprises 31 Members, a mix of 15 directly elected members [occupiers of land or members nominated by occupiers of land] and 16 members nominated by the three District Councils who pay Special Levies to the Board. 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	Standing Committee Membership [8 Members]
Paul Hoyes (Chairman-Deceased Dec 20)	Bardney	Yes (until Dec 20)
Ian Parker (Chairman from Jan 21)	Tattershall	Yes
Maxwell I Thomas (Vice Chairman).	City of Lincoln & Greetwell	Yes
Robert [Bob] Armstrong	Bardney	Yes
W Stuart Crane	Bardney	No
Denis C Hoyes, MBE	Bardney	Yes
Vacant (from Dec 20)	Bardney	N/a
Vacant (from Oct 18)	City of Lincoln & Greetwell	N/a
Ian M Clark	Horncastle & River Bain	Yes
Richard J Garner	Horncastle and River Bain	No
Raymond J Weightman	Horncastle and River Bain	No
Vacant (from Oct 18)	Kirkstead	N/a
Roy P Hairsine	Langworth	No
Jill Holland	Langworth	No
Vacant (from Oct 18)	Langworth	N/a
Vacant (from Oct 18)	Langworth	N/a

District Council Nominated Members	Nominating Authority	Standing Committee Membership
Mr. Brent Charlesworth	City of Lincoln Council	No
Mr. David Jackson	City of Lincoln Council	No
Cllr. Gary Hewson	City of Lincoln Council	No
Cllr. Patrick Vaughan	City of Lincoln Council	No
Mr. Jeff Boyall	City of Lincoln Council	No
Cllr Tom Ashton	East Lindsey District Council	No
Cllr. Stan M. Avison	East Lindsey District Council	No
Cllr. William H Gray	East Lindsey District Council	No
Cllr William Grover	East Lindsey District Council	No
Cllr Tom Kemp	East Lindsey District Council	No
Cllr. Mrs Fiona M Martin, MBE	East Lindsey District Council	No
Mr Sean Matthews	East Lindsey District Council	No
Cllr Steve England	West Lindsey District Council	No
Cllr. Ian G Fleetwood	West Lindsey District Council	Yes
Cllr Caralyne Grimble	West Lindsey District Council	No
Mr. Terry Williams	West Lindsey District Council	Yes


The Annual Governance Statement

We acknowledge as the Members of Witham Third 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 2020/21 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 Auditor and the External Auditors.
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 2020/21.

This annual governance statement is approved by the Board and recorded as a Board minute reference, dated Tuesday, 25th May 2021.

Signed on behalf of Witham Third District Internal Drainage Board:

Signed by: Mr Ian Parker, Chairman.....

Date...25-5-21.....

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

Date...25.05.21.....

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 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 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 Witham Third District Internal Drainage Board at a meeting held on Tuesday, 25th May 2021.

Signed by: Mr Ian Parker, Chairman.....

Date.....25-5-21.....

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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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 5 4x4 vehicles as well as some new office photocopiers.

8. Reserves

A reserves policy was agreed at its Board meeting on 28th 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 Pumping Station Renewal Fund to update and refurbish pumping stations.
- 8.4 Automatic Weed Screen Cleaners (AWC) Reserve. This for the future replacement of automatic weed screen cleaners.
- 8.5 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		190,988	188,047
Special Levies	1	811,133	782,546
Highland Water Contributions	2	213,625	206,992
Flood Defence Grant in Aid (FDGIA)	2	0	0
Consents & Enforcement		10,360	12,103
Insurance Claims		109,758	45,248
Rechargeable Works		382,233	110,144
Sale of Surplus Assets		(3,519)	1,972
Rent, Interest, Wayleaves & Sundry Income		25,113	90,442
Total Income		1,739,691	1,437,494
<u>Expenditure</u>			
Drains		493,985	559,603
Pumping Stations		351,482	328,173
Depot		42,249	43,223
Engineering		109,175	110,991
Conservation		947	1,059
One Off Schemes		61,332	10,107
Environment Agency Precept		105,154	105,154
Consents & Enforcement		14,355	15,912
Board Administration	6	13,688	20,797
Joint Administration	7	179,676	164,253
Rechargeable Works		260,700	133,324
Wages & Plant Holding Account		48,607	49,534
Contribution to/(from) Reserves		70,000	(9,050)
FRS17 Pension Adjustment (net)	3	(91,000)	(84,000)
Total Expenditure		1,660,350	1,449,080
(Surplus)/ Deficit		(79,341)	11,586

Signed: 

Name: Mr Ian Parker

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		2,895,550		2,735,954	
Vehicles and Plant		762,884		791,953	
Other		0		2,780	
Total Non Current Assets	10		3,658,434		3,530,687
Current Assets					
Stock		44,904		45,246	
Debtors & Prepayments	11	275,315		335,402	
Short Term Investments		0		0	
Bank & Cash		807,745		656,582	
Total Current Assets			1,127,964		1,037,230
Current Liabilities					
Creditors	12	(200,317)		(131,176)	
Short Term Loans					
Total Current Liabilities			(200,317)		(131,176)
Total Assets less Current Liabilities			4,586,081		4,436,741
Long Term Liabilities					
Long Term loans					
LGPS Net Pension Liability	13	(2,094,000)		(1,423,000)	
			(2,094,000)		(1,423,000)
Total Assets less Liabilities			2,492,081		3,013,741
Represented by:					
Capital Discharged	10		3,658,434		3,530,687
Funds, Balances & Reserves	14		927,647		906,054
Pensions Reserve	13		(2,094,000)		(1,423,000)
Total			2,492,081		3,013,741

Signed:



Name: Mr Ian Parker

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	261,951	256,816
East Lindsey District Council	342,285	325,950
West Lindsey District Council	206,897	199,780
	811,133	782,546

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	0
Highland Water	213,625	206,992
	213,625	206,992

Note 3: Pension Contributions

In 2020/21 the Board paid an employer's contribution of 18.9% plus a lump sum of £26k (24.0% + £39k in 2019/20) of each employee's gross pay into Lincolnshire County Council's Superannuation Fund. This amounted to £164,359 in 2020/21 (£190,960 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>		
80,000 - 89,999	1	1
70,000 - 79,999	1	1
60,000 - 69,999	1	1
50,000 - 59,999	0	0

There is one Officer employed by the Board, the Chief Executive, who provides a service also as joint Chief Executive for 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 the Board, 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, Witham First

DIDB and for 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 First DIDB, 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 this Board, Upper Witham IDB, Witham First DIDB and for Witham Third DIDB and is recharged in accordance with the Joint Services Agreement of 1st April 2017.

There is one Officer employed by this Board, the Operations Manager, who has remuneration in the banding £60,000 to £69,999. This Officer is also the Operations Manager for this Board, North East Lindsey IDB, Upper Witham IDB and for Witham First 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, North East Lindsey IDB, Upper Witham IDB and for Witham First 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.

The Board has no short or long term loans outstanding. The Board is debt free.

Note 6: Audit Fees & Expenses

The fees paid to the Board's external auditors (PKF Littlejohn LLP) for 2020/21 is £2,600 (£2,600 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 one of 3 District Councils. These are City of Lincoln Council, and East Lindsey District Council and West Lindsey District Council who pay Special Levies. 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						
Opening Balance 01/04/20	3,401	119,592	1,523,378	11,119	2,612,961	4,270,451
Additions			270,570			270,570
Reclassification			(365,950)		365,950	0
Disposals			(8,400)	0		(8,400)
Closing Balance 31/03/21	3,401	119,592	1,419,598	11,119	2,978,911	4,532,621
Depreciation						
Opening Balance 01/04/20	0	0	731,424	8,340	0	739,764
Depreciation Charged	0	0	120,476	2,779	15,049	138,304
Reclassification			(191,306)		191,306	0
Disposals Written Out	0	0	(3,881)	0	0	(3,881)
Closing Balance 31/03/21	0	0	656,713	11,119	206,355	874,187
Net Book Value 31/03/20	3,401	119,592	791,954	2,779	2,612,961	3,530,687
Net Book Value 31/03/21	3,401	119,592	762,885	0	2,772,556	3,658,434

The above Capital has been financed as follows:

Capital Discharged	2020/21	2019/20
	£	£
Capital Receipts Applied	60,000	60,000
Revenue Contributions	2,610,983	2,610,983
Renewals Fund	1,861,638	1,599,468
Revaluation Reserve	0	0
Deferred Charge	0	0
less Depreciation	(874,187)	(739,764)
	3,658,434	3,530,687

Note 11: Debtors and Prepayments

Debtors & Prepayments	2020/21	2019/20
	£	£
Drainage Ratepayers	3,299	5,927
Sundry Debtors & Prepayments	272,016	329,475
HMRC	0	0
	275,315	335,402

Note 12: Creditors and Receipts in Advance

Creditors & Receipts in Advance	2020/21	2019/20
	£	£
Drainage Ratepayers	(882)	(1,114)
Sundry Creditors	(159,852)	(93,367)
HMRC	(39,329)	(36,630)
Payroll Deductions	(254)	(65)
	(200,317)	(131,176)

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	(6,157)	(4,572)
Fair value of Fund assets (bid value)	4,063	3,149
Net (Under)/Overfunding in Funded Plans	(2,094)	(1,423)
Present Value of Unfunded Liabilities	0	0
Unrecognised Past Service Cost		
Net Asset/(Liability)	(2,094)	(1,423)
Amount in the Balance Sheet		
Liabilities	(2,094)	(1,423)
Assets		
Net Asset/(Liability)	(2,094)	(1,423)

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	2,987	1,953
Bonds	569	787
Property	418	378
Cash	89	31
Cumulative Actuarial Gains and Losses	4,063	3,149

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	252	276
Net interest on the defined liability (asset)	31	33
Administration expenses	3	0
Total	286	309

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	4,572	4,660
Current Service Cost	252	276
Interest Cost	105	114
Change in financial assumptions	1,300	(422)
Change in demographic assumptions	(54)	(187)
Experience loss/(gain) on defined benefit obligation	0	234
Liabilities assumed / (extinguished) on settlements	0	0
Estimated benefits paid net of transfers in	(73)	(149)
Past service costs, including curtailments	0	0
Contributions by Scheme participants and other employers	55	46
Unfunded pension payments	0	0
Closing Defined Benefit Obligation	6,157	4,572

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	3,149	3,336
Interest on assets	74	81
Return on assets less interest	697	(357)
Other actuarial gains/(losses)	0	0
Administration expenses	(3)	0
Contributions by employer including unfunded pension payments	164	192
Contributions by Scheme participants and other employers	55	46
Estimated benefits paid plus unfunded net of transfers in	(73)	(149)
Settlement prices received / (paid)	0	0
Closing Fair value of Fund assets	4,063	3,149

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	2.00%	2.30%
Pension Increase Rate	2.80%	1.90%
Salary Increase Rate	3.10%	2.20%
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:

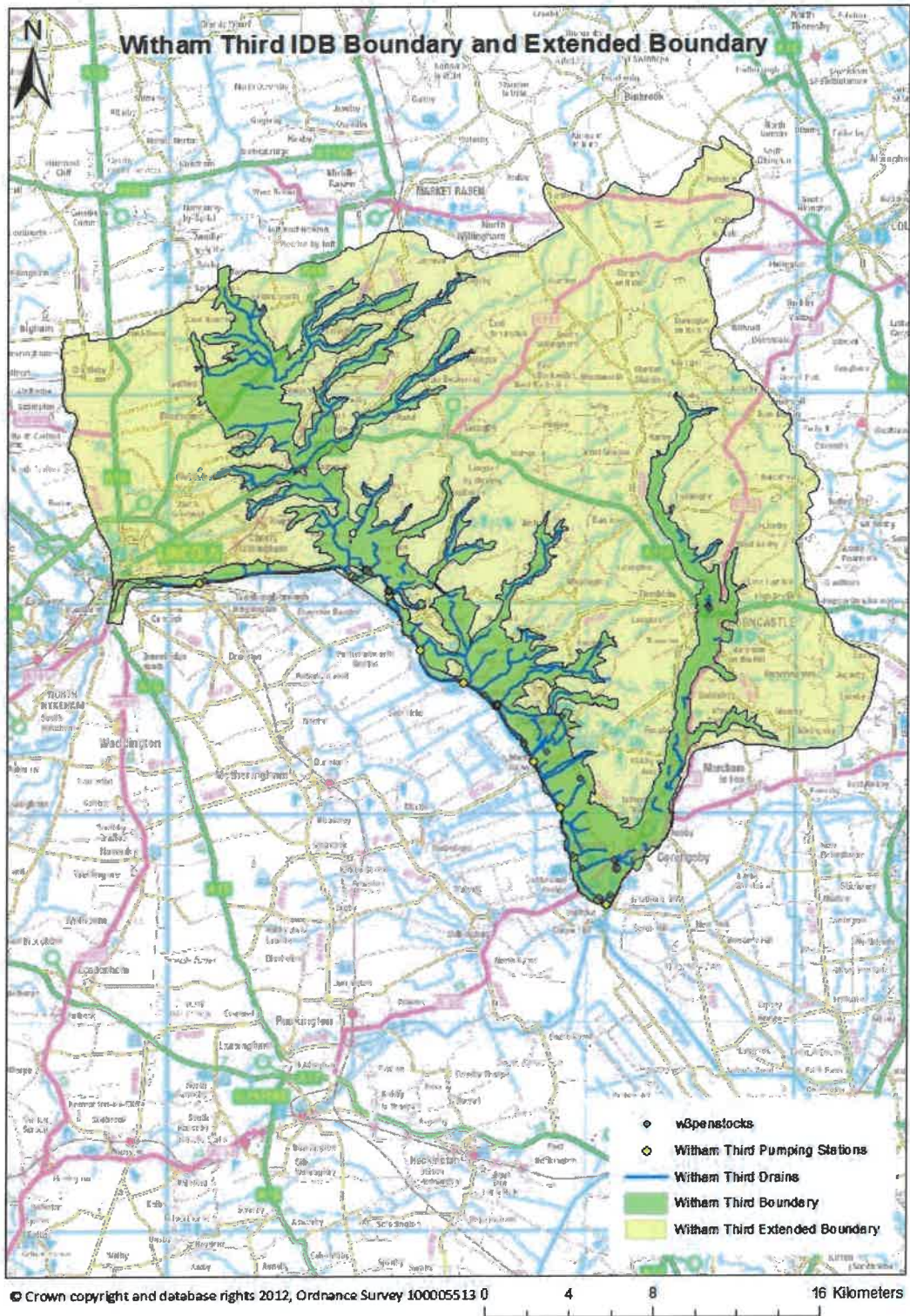
Sensitivity Analysis	Approx increase to Employer Liability	Approx Monetary Amount
	%	£000's
Change in assumptions at 31 March 2021		
0.1% decrease in Real Discount Rate	2.03%	132
0.1% increase in the Salary Increase Rate	0.20%	13
0.1% increase in the Pension Increase Rate	1.81%	118
Adjustment to life Expectancy Assumptions	4.36%	284

Projected pension costs. The estimated Employer's contribution for the period to 31st March 2021 will be approximately £163,000.

Note 14: Funds & Reserves

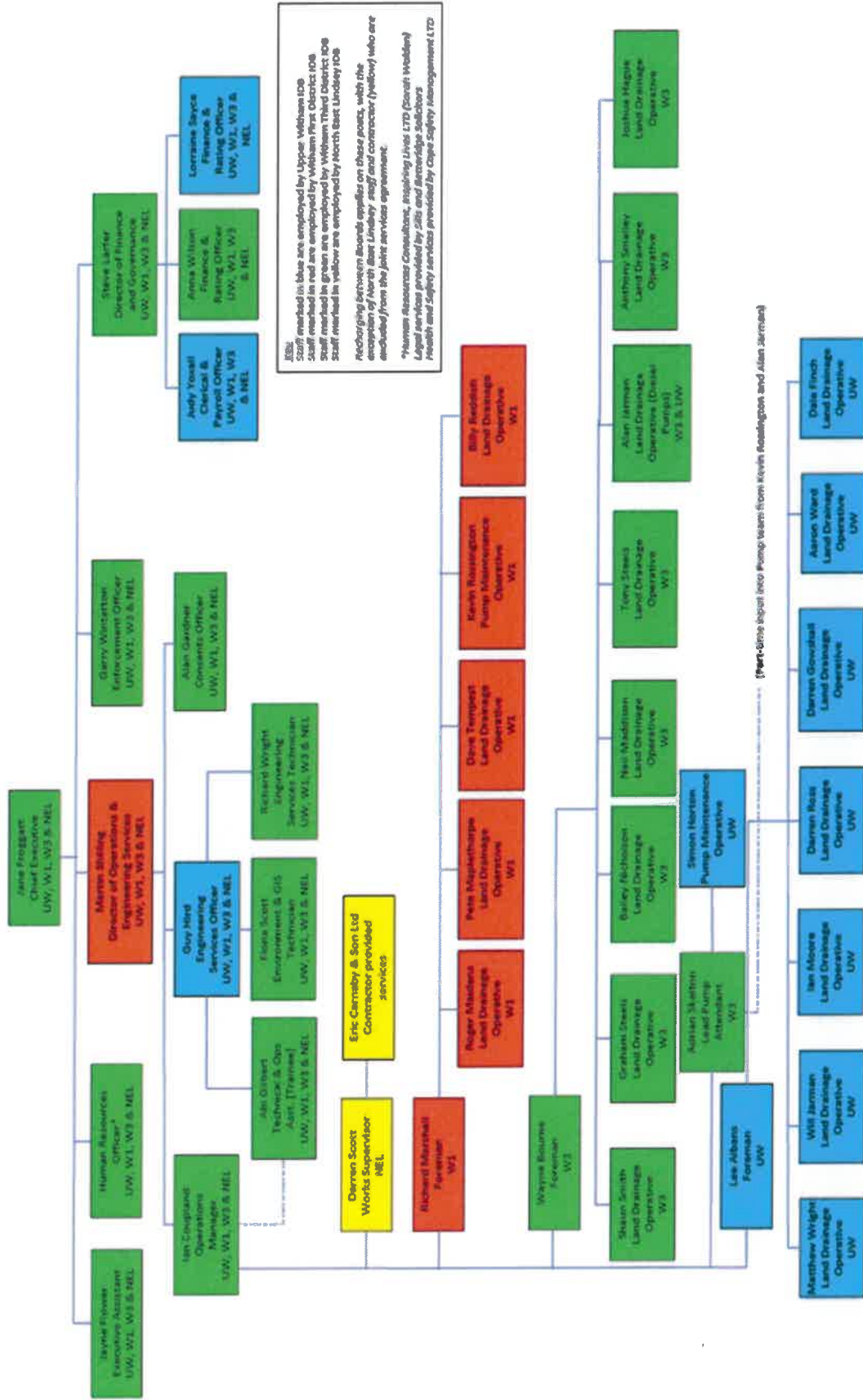
W3rd DIB Schedule of Funds & Reserves as at 31st March 2021											
Movement on Reserves	Capital Discharged	Pensions Reserve	Revenue Reserve	Plant & Machinery Reserve	Pumping Station Reserve	AWC Renewal Fund	One Off Projects Reserve	Emergency Events	Insurance	Office Equipm't Reserve	Total
	£	£	£	£	£	£	£	£	£	£	£
Balance as at 31 March 2020	(3,530,687)	1,423,000	(162,950)	(298,952)	(210,871)	(150,000)	(74,941)	0	0	(8,340)	(3,013,741)
Depreciation	138,304			(120,476)	(15,049)					(2,779)	0
Capital Purchases	(270,570)			270,570							0
Capital Sales	4,519			(4,519)							0
Pension Interest Cost (Net)		671,000									671,000
Contributions in											0
Contributions out								(35,000)	(35,000)		(70,000)
Transfers											0
Deferred Charge W/off											0
(Surplus)/Deficit on I&E			(79,341)								(79,341)
Balance as at 31 March 2021	(3,658,434)	2,094,000	(242,291)	(153,377)	(225,920)	(150,000)	(74,941)	(35,000)	(35,000)	(11,119)	(2,492,082)

Appendix 1



Appendix 2

Witham and Humber Drainage Boards' Organisational Structure Chart 07.02.21



Appendix 3 - Witham Third 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 (£)
Bardine y/Abbey	80	£ 1,593.87	97	£ 1,025.17	134	£ 812.73	449	£ 2,524.77	223	£ 1,315.08					
Bardine y/Fen (Bardine y/Abbe y/New)	536	£ 225.87	260	£ 229.51	762	£ 487.80	2,297	£ 1,406.98	1,207	£ 1,068.83					
Bardine y/Manor Farm	161	£ 839.22	182	£ 700.12	282	£ 1,048.86	1,080	£ 4,026.48	693	£ 2,445.74					
Contin y/Bylings	115	£ 694.79	115	£ 977.32	293	£ 749.66	2,160	£ 1,561.61	260	£ 956.13					
Dogd y/ke (Diesel)			165	£ 144.38	450	£ 126.22		£ 179.25		£ 156.20					
Dogd y/ke (Electric)	405	£ 1,503.74	219	£ 1,278.72	437	£ 1,859.19	1,718	£ 5,627.84	824	£ 2,851.90					
Duckpool	103	£ 1,873.18	174	£ 1,832.65	167	£ 1,247.33	821	£ 6,165.71	320	£ 2,288.81					
Greetwell	224	£ 5,219.18	322	£ 6,660.28	502	£ 8,087.21	892	£ 13,116.68	306	£ 5,611.06					
Horncastle Ings	71	£ 539.25	419	£ 68.61	414	£ 622.73	1,534	£ -	707	£ 384.37					
Kirkstead	631	£ 2,503.78	649	£ 2,515.69	667	£ 770.38	2,684	£ 6,405.41	1,296	£ 4,087.04					
Marsh Lane	672	£ 2,213.47	628	£ 2,270.02	763	£ 2,981.69	2,621	£ 8,737.38	1,379	£ 5,832.54					
Short Ferry (Fiskerton) Electric	899	£ 14,568.19	444	£ 14,915.70	833	£ 15,048.59	2,053	£ 30,096.52	1,412	£ 20,578.57					
Short Ferry Diesel			439												
Southey	233	£ 8,643.88	381	£ 9,568.01	341	£ 9,852.98	1,126	£ 13,223.23	581	£ 13,004.37					
Stainfield	3,233	£ 2,836.07	2362	£ 2,862.14	4,442	£ 3,653.50	3,824	£ 4,136.67	2,062	£ 2,144.22					
Stainfield (New)			2215												
Stamp End					443	£ 73.73		£ 128.31		£ 203.56					
Stixwold Diesel	521.50	£ 48.84													
Woodhall	521.50	£ 5,679.58	470	£ 5,681.62	265.50	£ 5,974.83	857.00	£ 14,809.20	686	£ 8,893.95					
Total	7,813	£ 49,032.91	9,541	£ 50,592.72	10,930	£ 53,397.43	857.00	£ 112,140.04	27,888	£ 13,596	£ 71,712.37				

