

WITHAM THIRD DISTRICT INTERNAL DRAINAGE BOARD

Minutes of the one hundred and fourteenth meeting of Witham Third District Internal Drainage Board, held on Tuesday, 26th January 2021 via video conference at 09.30am.

Present:

Cllr. T. Ashton
Cllr. S. Avison
Mr. J. Boyall
Mr I. M. Clark
Mr S. Crane
Cllr. I. G. Fleetwood
Cllr W. Grover
Mr. R. P. Hairsine
Cllr. G. Hewson
Mr J. Huthwaite
Mr. D. Jackson
Cllr. T. Kemp
Mr S. Matthews
Mr I. R. Parker (Chairman, from minute 2859)
Mr. M. I. Thomas (Vice Chairman)
Cllr. P.J. Vaughan
Mr. R. J. Weightman
Mr. T. Williams

In attendance:

Mr. Ian Coupland Acting Director of Operations.
Miss Jayne Flower Executive Assistant.
Mrs. Jane Froggatt Chief Executive.
Mr. Guy Hird Acting Head of Engineering & Technical Services.
Mr. Steve Larter Director of Finance and Governance.

2857 Apologies for absence.

Apologies for absence were received from Mr. R. Armstrong, Mr. B. Charlesworth, Cllr. S. England, Mr. R. J. Garner, Cllr. W.H. Gray, Cllr. C. Grimble, Ms. J.F. Holland, Mr. D. C. Hoyes MBE and Cllr Mrs. F. M. Martin MBE.

2858 Mr. Paul R. Hoyes (R.I.P.)

In the light of the sudden death of the Board's Chairman, Mr Paul Hoyes, on 01st December 2020 aged 61, members held a minute's silence to reflect on a life well lived. His contribution to the Board as Chairman since 2013, to the water management sector and to ADA would be missed. It was noted that, with the support of Paul's family, the diesel engines at Stixwould were running on 17th December for Paul's funeral.

2859 Election of Chairman.

It was noted that Max Thomas, Vice Chairman, was willing to provide continuity in that role, and remain as Vice Chairman to support an incoming Chairman. Members were therefore invited to elect a new Chairman. Mr Ian Parker was proposed, seconded and there being no other nominations he was duly elected as Chairman.

2860 Chairman's Announcements.

Ian Parker thanked members for electing him to be Chairman, he appreciated the trust and confidence which members had placed in him to lead the Board and he hoped to serve members and the interests of the Board well.

He explained it would have not been his choosing to take on the role, and certainly not under these circumstances, and paid tribute to Paul's contribution to Witham Third since becoming a member in October 1997 and for providing leadership of the Board since 2013 as Chairman. Paul had the respect of his colleagues in the water management industry, amongst Board members and staff. He very much supported the 4 Witham and Humber Boards working together in a voluntary partnership, as a Group of 4 IDBs, believing there was strength in numbers and that the Boards should have a strong voice nationally in the land drainage and water levels management industry.

The Chairman offered his personal thanks to Max Thomas who as Vice Chairman will provide the continuity and guidance to him and to the Board.

The Chairman continued by summarising the agenda for the meeting. He highlighted the need to approve a Timetable for this year's Election, for those members who are directly elected for a 3-year term of office. Those members who are nominated by the 3 Councils are unaffected by this. He asked that members move through the agenda with some pace, because of the most recent rainfall event last week with Storm Christoph, and suggested members be briefed on that and some of the pressures it caused to the Board's system, for example at Marsh Lane due to the Environment Agency's Pointing Doors at Park Beck in Tattershall apparently leaking at high flow.

In the continued ill-health absence of Martin Shilling, Director of Operations & Engineering Services, until probably mid-March, he welcomed both Guy Hird and Ian Coupland to the meeting.

2861 Declarations of Interest.

Declarations of interest were received from members nominated by City of Lincoln, East Lindsey District and West Lindsey District Councils in matters relating to their respective Councils. Mr. T. Williams declared an interest as Trustee of Dogdyke Pumping Station Preservation Trust and as a Trustee of the Rivers Trust. Cllr. I.G. Fleetwood declared that he had recently been appointed as a Board member for the IDB for Gainsborough and Scunthorpe, the IDB covering the east side of the River Trent.

2862 Minutes of the Board Meeting, incorporating the Annual Public Meeting, held on 17.11.20.

The Minutes of the Board's previous meeting, which incorporated the Annual Public Meeting [APM], held on Tuesday, 17th November 2020 had been circulated with the agenda and were proposed, seconded and APPROVED as an accurate record.

MATTERS ARISING:

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

2863 Minutes of the Board's Standing Committee meeting, 12.01.21.

The Minutes of the Board's Standing Committee meeting held on Tuesday, 12th January 2021 had been circulated with the agenda and were proposed, seconded and APPROVED as an accurate record.

MATTERS ARISING:

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

2864 Minutes of the Board's Joint Services Committee meeting, 14.12.20.

The Minutes of the 4 Witham & Humber Boards' meeting held on Monday, 14th December 2020 had been circulated with the agenda and were noted. The next meeting was scheduled for 10.05.21.

MATTERS ARISING:

2864.1 Joint Service Budget for 2021/22 and Estimates for 2021/22 (item 9 refers).

A new Joint Services Agreement between the 4 Boards became operational from 1st April 2017. This included agreed cost sharing arrangements of Upper Witham (UW) contributing 33.4%, Witham First (W1) 20.9%, Witham Third (W3) 29.2% and North East Lindsey (NEL) 16.5%. In line with the agreement, these allocations were reviewed after 3 years and updated to contributions of UW 30%, W1 20%, W3 30% and NEL 20% respectively for the 2020/21 Budgets onwards.

The proposed 2021/22 Joint Services budget of £960,940, as set out in the following table, reflects an increase of £49,890 (5.48%) on the approved 2020/21 budget of £911,050. This increase is due to:

- pay awards (agreed by each Board at 4.1% in line with the ADA Lincolnshire Branch recommended pay uplift), increments/staffing changes and corresponding NI & Pension contributions which total £31k.
- general inflation on support contracts, NNDR, insurance, ICT, utilities, etc which total £9k.
- increase in external support budget of £15k, from £25k to £40k, to reflect more closely actual support costs.
- rebase Witham House budgets for NNDR, maintenance and PWLB loan, reduction of (£5k)

The proposed budget for 2021/22 compared with the existing approved budget for 2020/21, and showing variances, was set out as follows:

Budget 2021/22

Joint Services

Charges from Upper Witham
Charges from Witham First
Charges from Witham Third
Total Joint Services Charges

UW	NEL	W1	W3	Total
30.00%	20.00%	20.00%	30.00%	100%
£	£	£	£	£
53,799	35,866	35,866	53,799	179,330
34,551	23,034	23,034	34,551	115,170
199,932	133,288	133,288	199,932	666,440
288,282	192,188	192,188	288,282	960,940

Budget 2020/21

Joint Services

Charges from Upper Witham
Charges from Witham First
Charges from Witham Third
Total Joint Services Charges

UW	NEL	W1	W3	Total
30.00%	20.00%	20.00%	30.00%	100%
£	£	£	£	£
53,727	35,818	35,818	53,727	179,090
33,033	22,022	22,022	33,033	110,110
186,555	124,370	124,370	186,555	621,850
273,315	182,210	182,210	273,315	911,050

Variance 2021/22 to 2020/21

Joint Services

Charges from Upper Witham
Charges from Witham First
Charges from Witham Third
Total Joint Services Charges

UW	NEL	W1	W3	Total
30.00%	20.00%	20.00%	30.00%	100%
£	£	£	£	£
72	48	48	72	240
1,518	1,012	1,012	1,518	5,060
13,377	8,918	8,918	13,377	44,590
14,967	9,978	9,978	14,967	49,890

% increase y-o-y ----- **5.48%** **5.48%** **5.48%** **5.48%** **5.48%**

It was noted that the JSC, following discussion, had on 14.12.20 supported the budget as set out and was content to recommend it to each of the 4 Boards. Members noted that the pro-rata contribution to joint services had therefore been included in each Board's proposed Budget Estimates for 2021/22.

2865 Elections 2021 timetable.

The current 3-year term of office for those directly elected members of all 4 Boards in the group expires on 31.10.21. The new terms of office will run from 01.11.21 to 31.10.24. Those members nominated by the 3 relevant Councils are unaffected by these elections. A timetable for the 3-year elections for all 4 Boards had been circulated with the agenda and was introduced by the Chief Executive.

From the timetable, key points to note in the process were:

- Electoral Register for each Board will be prepared and be available for inspection, by appointment, at Witham House from Friday, 30.04.21 to Thursday, 20.05.21 inclusive.
- The Electoral Register will come to each Board in May for approval.
- Approved of Electoral Registers will be advertised on the website www.witham3idb.gov.uk from Thursday 27.05.21.
- On Tuesday, 31.08.21 the Notice of Election on 28.10.21 will be advertised on the website.
- The Nomination Papers will be issued to members by post on 31.08.21, for completion by those members standing for election.
- 01.10.21 Closing date for receipt of completed Nomination Papers at Witham House.
- 01.10.21 last day for Notice of Entitlement to Vote.

- On Monday, 04.10.21 issue any Notices to candidates of any Invalid Nominations.
- On 07.10.21 if there are not more candidates than vacancies in each Board, declare a 'No Poll' and declare those candidates elected on the website and at Witham House Notice Board, and inform Candidates of their election as a Board member from 01.11.21.
- Alternatively, if there are more Candidates than vacancies:
- 06.10.21 notify Candidates of 'List of Nominations', giving each an option to withdraw.
- 07.10.21 Advertise 'List of Nominations' on the website.
- Tuesday 12.10.21. Last day for a Candidate to withdraw before 17.00.
- Thursday, 14.10.21. Advertise either Notice of Poll or Notice of No Poll.
- 14.10.21. Issue Voting Papers if there is to be a Poll.
- Thursday, 28.10.21. Election Count of Votes and declaration of Election Result
- Friday, 29.10.21 Advertise Election Results on website.
- 01.11.21 start of new 3-year term of office, to 31.10.24.

Following discussion members were content to APPROVE the 2021 Elections timetable and confirmed the Chief Executive as the Returning Officer.

2866 Chief Executive's Report.

The Chief Executive's report had been circulated with the agenda. Issues highlighted included:

2866.1 Covid-19

The Prime Minister's announcement on 04.01.21 placed England in a third period of Covid-19 lockdown and associated restrictions, in response to the rising transmission rate of the virus. Initially, this is for a period of 7 weeks.

The 4 Boards' Management Team continues to review weekly the latest guidance in order to determine any necessary changes to our systems and ways of working. The priorities remain to keep our staff well by maintaining safe systems of work and compliance with national guidance, to maintain business continuity both in terms of office-based functions and operationally, and to maintain sufficient resilience in our teams to be able to respond to an emergency flood event should that happen.

Those staff based at Witham House have been advised they should work from home whenever possible and should only come into the office to do something that cannot be done from home. The Boards' Operatives continue with maintenance duties and winter works. At present, these continue with appropriate risk assessments. Some of the winter works and PSCA works for the EA are felt to be no higher risk than summer maintenance duties, e.g., tree and bushing works with one Operative using the excavator with tree clipper and one supporting from the ground. However, not all duties lend themselves to 'hands, face, space' and socially distanced working, e.g., major bank reinstatement works, and we assess specific duties and schemes and whether it is safe to proceed with these, whilst monitoring current national guidance and the virus transmission rate.

The Boards continue to make PPE available for the use of all staff, from gloves, wipes, face coverings and hand sanitiser through to vehicle fogging canisters for

use between drivers and in depot vehicles. Safe practices like single cab vehicle use continue.

2866.2 Staff

In the continued ill-health absence of Mr Martin Shilling, Director of Operations & Engineering services, since 17.09.20, Mr Ian Coupland is Acting Director of Operations and Mr Guy Hird is Acting Head of Technical & Engineering Services. Mr Adrian Skelton is Pumping Stations Foreman for 3 of the 4 Boards and provides relief cover for NELDB's pumping stations to cover Darren Scott's leave. In order to provide a clearer link between the Technical Team and Operations and to strengthen projects management, Mr Richard Wright's job role will focus more as Operations Engineer. Within the Technical Team, enforcement work continues to be covered with the absence of Garry Winterton due to ill-health (Garry had returned to work on 28.10.20, only to be readmitted to hospital the following month). With completion of the NELDB summer maintenance programme, Darren Scott had agreed to spend 50% of his time undertaking the Asset Condition survey work for the 4 Boards, but this has been postponed in order to avoid breaching lockdown guidance on non-essential travel.

2866.3 Pay Settlement 2021/22

All 4 Boards approved at their November meetings the implementation of the recommended ADA Lincolnshire Branch pay settlement of 4.1% for 2021/22 (from 01.04.21). Members will recall this resulted from the agreed pay formula for year 2 of a 3 year pay deal. In the light of the Chancellor's public sector pay restraints announced in the November Spending Review, the ADA Lincolnshire Pay & Conditions Committee held a further meeting on 02.12.20 which the 4 Boards' representative Cllr Lance Pennell and I attended. In summary, the Committee reviewed the available guidance, which appeared not to include IDBs and agreed that the pay formula should be honoured, and the recommendations stand, unless and until IDBs and ADA are advised otherwise. The costs of the approved pay award of 4.1% is factored into Budget Estimates for 2021/22.

The Chief Executive's update was received and noted.

2867 Schedule of Expenditure, 01.11.20 to 31.12.20.

The Schedule of Expenditure for the two months' period 01st November to 31st December 2020 had been circulated with the agenda and was presented by the Director of Finance and Governance. The schedule relates to those invoices paid in the period, not the period itself.

Gross expenditure totalled £429,162.23 or, net of £29,409.96 VAT, £399,752.27. Of this, £27,193.00 was recharged to other bodies.

Items highlighted to or raised by members included:

- Items 30 to 39: £various (net) to Certas Energy UK Ltd for fuel. It was confirmed that there had been an invoicing issue leading to several payments being processed at once when the issue had been resolved, it was not that there had been a sudden increase in the use of fuel.

- Item 61: £52,577.00 (net) to EA for the Flood & Coastal Erosion Risk Management Precept, being the second of two payments, total for the year 2020/21 is £105,154.00.
- Item 62: £9,718.00, (net) to Fenflow for Dogdyke Pumping Station pump number 2 lift, removal, overhaul and refit.
- Item 98: £3,300 (net) to Lincoln College. Roy Hairsine queried this, and it was clarified that it was for the Engineering Services Trainee's day-release college studies, HND Diploma in Construction & the Built Environment – tuition fees for 2020/21.

Members received and NOTED the expenditure incurred in the two months from 01.11.20 to 31.12.20.

2868 Financial Performance Report to 31st December 2020, month 9 of 2020/21, and projected year-end position 31.03.21.

The Director of Finance & Governance presented the Financial Performance Report to 31.12.20, month 9 of 2020/21 which had been circulated with the agenda. The summary was:

	1	2	3	4	5	6
	2020/21 Estimate	Profiled Budget	Actual	Variance	Projected Outturn	Variance (5-1)
	£	£	£	£	£	£
Income	(1,257,517)	(1,183,259)	(1,500,390)	(317,131)	(1,670,397)	(412,880)
Board & General Admin	19,260	11,664	7,394	(4,270)	14,867	(4,393)
One Off Schemes	85,000	0	58,298	58,298	66,180	(18,820)
Conservation	2,000	1,461	507	(954)	1,676	(324)
Depot	31,280	28,659	22,053	(6,606)	29,434	(1,846)
Drains	557,309	444,320	433,686	(10,634)	492,902	(64,407)
Pumping Stations	216,730	142,789	260,281	117,492	358,164	141,434
Joint Admin/Witham House	144,615	163,655	174,698	11,043	148,658	4,043
Consents & Enforcement	14,388	29,812	27,461	(2,351)	16,374	1,986
Director of Operations/Engineers	99,678	85,706	86,469	763	97,205	(2,473)
Contribution to/(from) Reserves	(75,000)	0	0	0	70,000	145,000
PWLB				0		0
Rechargeable Works	55,000	50,645	236,542	185,897	261,542	206,542
EA Precept	107,257	107,258	105,154	(2,104)	105,154	(2,103)
FRS17 Pension Adjustment (net)				0		0
Wages & Plant Holding Account	0	7,490	(67,484)	(74,974)	0	0
(Surplus)/Deficit	0	(109,800)	(155,330)	(45,530)	(8,241)	(8,241)
Insurance Claim		0	(110,433)	(110,433)		
Overall (Surplus)/Deficit		(109,800)	(265,763)	(155,963)		

The Board was anticipating a 31st December budget profile surplus of (£109,800) whereas the actual budget surplus at month 9 2020/21 was (£155,330), a positive variance of (£45,530). The Board had previously had two insurance claims outstanding, one for Southrey Pumping Station motor fire and one for refurbishment costs following inundation of at Stainfield Pumping Station in November 2019. The Southrey claim had been settled and (£19,550) income received for insurers. The Stainfield claim remained outstanding, but the loss adjuster had recommended, and Officers had agreed, a settlement figure of £110,433 [of approximate £119k total refurbishment cost incurred by the Board].

On income, Special Levies for the full year 2020/21 had been received from all 3 Councils.

Also, on income, Highland Water claims had been submitted to the EA for 2019/20 actual costs incurred with a further balance of (£50,192) due and for the 2020/21 estimated claim

(£201,000). Of this, 80% of the estimated claim for 2020/21 (£160,800) was paid in August 2020 along with the balance for 2019/20 actual costs of (£50,192), so a total Highland Water income had been received of [£210,992]. The balance adjusted for actual 2020/21 costs would be payable by the EA in September 2021.

Finally, on income, Drainage Rates income collected was £191,865.25 or a collection rate of 97.6% as at 31.12.20 (compared with a 97.4% collection rate as at 31.12.19). After adjustments, this left £5,089.64 income outstanding to the Board.

On the Pumping Stations repair and maintenance budget heading, it was showing £117k costs incurred all of which relate to repair costs at Stainfield and Southrey Pumping Stations.

Finally, the report set out bank balances and investments as at 31.12.20:

Natwest	£	443,700.81
Nationwide Instant Access	£	82,208.97
Nationwide 95 Day Notice	£	423,316.88
Total	£	949,226.66

It was highlighted that whilst these balances looked comparatively high, this is because the bulk of most sources of income had now been received for 2020/21 and very little additional income was forecast for the remainder of the year. Expenditure would continue however, so those balances would reduce to the year-end.

On the forecast year-end position 31.03.21, this was currently for a broadly balanced position or small surplus of (£8k). However, this was a cautious forecast, reflecting several assumptions around Highland Water payments from the EA, rechargeable works income, insurance claim income of [£110] being received for Stainfield, and forecast electricity usage for the remainder of the year which is linked to weather. Members did support the discussion at the Standing Committee on 12.01.21 at which members had agreed that rather than draw down £66k costs of Kirkstead Flood Wall scheme from reserves as approved, this should be contained within the revenue position if practicable. Members had also agreed the establishment of 2 new 'Reserves Funds' of initially £35k each, one as an Emergency Events Reserve fund to cover additional staffing, electricity and materials costs arising from heavy rainfall events and one as an Insurance Reserve, recognising the recent claims history of the Board and within the IDB industry generally due to flooding events. The Board supported this action by the Standing Committee.

Members received and noted the financial performance report as at 31.12.20, month 9 of 2020/21 and the forecast year-end 31.03.21 position of breakeven.

2869 Risk Register January 2021

A report prepared by the Director of Finance & Governance had been circulated with the agenda.

The four IDBs share a common Risk Management Policy, Risk Strategy and Risk Register, which was last approved at the September 2020 round of Board meetings.

The Risk Register captures the high-level risks the four Boards face. These are generic to all four Boards with any specific risks to a particular Board highlighted. The final column then shows the current 'direction of travel'.

Following the series of heavy rainfall events during Autumn 2019 and the impact this had on the 31st of March 2020 year end positions and also with the significant impact of COVID- 19 upon the 4 Boards' operations, several risks were revised when the Risk Register was last approved in September 2020. Due to the ongoing pandemic, and with entering a national Lockdown again on 5th January 2021, there have been no further revisions on this occasion. It is hoped that some risks can be reduced once the pandemic impact eases.

The key measures put in place to address the COVID-19 pandemic included:

- Initially on Lockdown 1, Operatives worked alternate days undertaking pump runs, checking for blockages, bridges and culverts, etc.
- Operatives have undertaken summer maintenance works whilst maintaining '1 person 1 vehicle/item of plant'. No more than 1 operative per vehicle including vans & 4x4's.
- Hand work outsourced to private contractor.
- Office staff working from home where possible. Office phones accessible via Unity app. Staff set up with home working facilities (laptops, screens, etc). All ICT systems available from home.
- Access to the office on a booking basis, with a maximum of 4 people at any one time and with procedures when entering/leaving the office.
- Virtual meetings held via Zoom. Key staff (e.g., Management Team) not meeting 'face to face'.
- Hand sanitiser, masks, wipes, fogging aerosols etc., provided to all staff (Operatives and office staff).

The Risk Register is considered by the Boards at least twice annually, usually in January ahead of agreeing the Budget for the following financial year and in May when the Annual Governance Statement is completed.

Members were content to approve the Risk Register, noting measures in place to reduce the impact of risk in the ongoing Covid-19 pandemic.

2870 Estimates 2021/22.

The proposed 2021/22 Budget Estimates Report, included in which was the the approved plant programme, the recommended Joint Services Budget and any one-off schemes, had been circulated with the agenda. The report was presented by the Director of Finance and Governance.

Detailed work had been undertaken to review the actual income and expenditure in the existing financial year 2020/21, as at 31st December 2020 (Q3). This was projected to provide an indicative outturn position as at 31st March 2021 (Q4). This position was then used to inform budgets setting for 2021/22, together with any known cost pressures, necessary developments and known savings.

Members were reminded of the Joint Services arrangements which were recommended by the 4 Boards' JSC meeting on 14th December 2020. These costs had been allocated on the agreed proportions of 30% to Upper Witham IDB and Witham Third DIDB and 20% to Witham First DIDB and North East Lindsey IDB.

In terms of inflation and other factors, pay and associated costs had been increased by 4.1% as previously agreed by the Board, NNDR by 2.5%, with all other costs having a 0% inflationary uplift unless any adjustment has been required to rebase the budget to known or required spend such as insurance. Budgets for the impact of the new depot and joint office facility were included but had been rebased to reflect likely ongoing costs.

It was confirmed that a balanced budget position could be achieved for 2021/22 based on these assumptions and a recommended **2.50%** penny rate increase.

The report then outlined the impact of the Pension Triennial Revaluation exercise, the following table showed the Pension Contributions as certified by the Actuary for the Lincolnshire County Council Pension Fund Hymans Robertson:

Employer Pension Contribution Rates				
	NEL	UW	W1	W3
2020/21				
Primary %	20.7%	19.7%	19.3%	18.9%
Secondary £	£ 1,000	£ 51,000	£ -	£ 26,000
Overall % of Pay	23.3%	33.9%	19.3%	23.7%
2021/22				
Primary %	20.7%	19.7%	19.3%	18.9%
Secondary £	£ 1,000	£ 53,000	£ -	£ 26,000
Overall % of Pay	23.3%	33.9%	19.3%	23.7%
2022/23				
Primary %	20.7%	19.7%	19.3%	18.9%
Secondary £	£ 1,000	£ 54,000	£ -	£ 27,000
Overall % of Pay	23.3%	33.9%	19.3%	23.7%

The 2021/22 employer pension contribution rates were used in the compilation of the Board's and JSC Estimates for 2021/22.

It is likely that Boards will have a significant increase in insurance premiums when they are renewed in 2021/22, mainly due to the impact of the heavy rainfall events and associated flooding in Autumn 2019. Witham Third currently has an insurance budget of £30,340 with current premiums of £51,081 and renewal due on 01.07.21. Also, based upon increased premiums for W3rd and W1st last year, it is likely that the insurance premiums for this Board will increase again on renewal. Therefore, the insurance budget has been rebased to £55k for 2021/22 (an increased provision of £24,660).

The insurance impact across the 4 Boards was set out as:

	Actual 20.21	Budget 20.21	Budget 21.22	Increase	
	£	£	£	£	
NEL	£ 10,281	£ 15,450	£ 15,450	£ -	
UW	£ 30,976	£ 26,650	£ 45,000	£ 18,350	
W1	£ 30,301	£ 22,730	£ 35,000	£ 12,270	<i>Had increase in 20.21</i>
W3	£ 51,081	£ 30,340	£ 55,000	£ 24,660	<i>Had increase in 20.21</i>

An increase in income assumption of (£3k) had been included for Drainage Rates, due to the net impact of land movements and additional specialist values for intensive units. Similarly, an increase in income from Special Levies of (£30k) from the 3 relevant Councils had been included, assuming a 2.50% increase in the penny rate in order to set a balanced budget 2021/22 and to protect the baseline in line with inflation.

The Rechargeable Works income budget had been increased by £55k to cover the costs of the additional Operative and vehicle, to be met from PSCA income paid by the EA.

The Highland Water budget had been upwardly adjusted to reflect the 2020/21 estimate of costs already submitted to the EA (£26k), and due to be paid to the Board in September 2021.

In the One-Off (Capital) budget of (£75k), the previous scheme for Kirkstead Flood Wall (£75k) was removed from the budget along with the corresponding fund transfers. A base budget of £10k was retained which was likely to be used for bank slips reinstatement works.

Main increases in costs for the Drains of £29k and Pumping Stations of £16k and were noted as giving a net £45k budget increase. The inflationary increase for 4.1% pay award and associated increase in oncosts was included at £49k, including an additional Operative. A further £13k for replacement lease vehicles was included. Bank slips reinstatement budget retained at £10k, Electricity budget retained at £60k and Pump Lifts budget retained at £30k (the latter is essential to ensure pumps are inspected on a regular basis and is a condition of our insurance policy). Depreciation costs increased by £5k to reflect the approved Plant & Machinery Replacement Programme. Insurances increased by £17k.

The cost of the part-time Consents & Enforcement Officers is met by income from recharges to Lincolnshire County Council as the Lead Local Flood Authority (costs allocated across the 3 Boards and income received by 3 Boards). The Memorandum of Understanding has been extended until March 2022.

The Rechargeable works budget was increased by £55k to cover the costs of the additional Operative and vehicle, which is to be met from PSCA income paid by the EA. Correspondingly, the budget for rechargeable works income had also been increased by £55k.

On this basis a balanced budget can be achieved for 2021/22, with a 2.50% increase in the penny rate.

Members had agreed a policy of holding a General Revenue Reserve for emergencies of 10% to 15% of turnover and the balance held in 'earmarked reserves' for particular requirements. It was proposed the fund balances be allocated on the following basis:

Reserve	2020/21 b/f £	2020/21 c/f £	2021/22 c/f £
Revenue Reserve	(162,950)	(162,950)	(162,950)
Plant & Machinery	(298,953)	(156,052)	(277,610)
Emergency events	(0)	(35,000)	(35,000)
Insurance	(0)	(35,000)	(35,000)
Pumping Stations	(210,871)	(210,871)	(210,871)
AWC Renewal	(150,000)	(165,049)	(180,098)
One off projects	(74,941)	(74,941)	(74,941)
Office IT Renewal	(8,339)	(11,119)	(13,899)
Balance	(906,054)	(850,982)	(990,369)

**Assumes year end 2020/21 is balanced position.*

Revenue Reserve:

This is the general contingency reserve and to be utilised for any unexpected or emergency purposes which cannot be contained in the revenue budget. This assumes a balanced position on the Revenue Account at 31.03.21. The 2021/22 balance is 11.87% of turnover, so within the Board's approved Policy on Reserves. This will be reviewed when the actual position for 2020/21 is known.

Plant and Machinery:

This reserve funds future purchases of Plant and Equipment. Depreciation charges replenish this fund on an annual basis to fund future purchases.

Emergency Events:

This is a new reserve established to meet the one-off costs of dealing with Emergency Events such as the recent rainfall events. It will initially be established during 2020/21 outturn with a £35k contribution.

Insurance:

This is a new reserve established to offset some of the additional costs of insurance, whether through some additional self-insurance or offsetting some of the additional premium costs. It will initially be established during 2020/21 outturn with a £35k contribution.

Pumping Stations:

This reserve can be used for maintaining the fabric, pumps, and other one off spends required at pumping stations. This is necessary given the age now of the fabric of the pumping station buildings and the pumps themselves.

AWC Renewal & Installation:

This reserve will be utilised for the one-off maintenance/replacement of Automatic Weed Cleaning systems. Not all the Board's pumping stations currently have AWCs. This reserve receives depreciation charges from the AWCs currently in place.

One Off Projects:

This reserve helps to smooth expenditure between years for larger one off schemes. The balance on the reserve is earmarked for upgrading telemetry and completing the Kirkstead Flood Wall scheme.

	Contributions In	Transfer	Contributions Out	Balance
	£	£	£	£
Bardney Alleviation Scheme	(10,500)		10,500	0
Telemetry	(7,500)		5,800	(1,700)
Stixwoud Pipe	(16,011)	£ 6,594	9,417	0
Ings Drain flap	(10,000)	-£ 5,103	15,103	0
Kirkstead Flood Wall	(75,000)	£ 71,750	3,250	0
Future Schemes	0	-£ 73,241		(73,241)
	(119,011)	0	44,070	(74,941)

The Kirkstead Flood Wall element is not required in 2020/21 to fund the project so this balance (£71,750) can be reallocated to other projects, as can the net balances on the Stixwoud pipe and Ings Drain flap projects. There is also currently a balance of £1.7k earmarked for Telemetry.

Office ICT Renewal:

This reserve receives depreciation charges to help fund future replacement of the main office ICT server.

Following discussion, the Board APPROVED the Estimates for 2021/22, based upon a 2.50% increase in the penny rate.

2871 Annual Value, Penny Rate, Drainage Rates & Special Levies 2021/22.

The Annual Value, Penny Rates, Drainage Rates and Special Levies Report had been circulated with the agenda. The report was presented by the Director of Finance and Governance.

The Annual Values setting exercise for 2021/22 starts with those Annual Values brought forward from last year's rate setting, with the movements required for land that has been developed between 01.01.20 and 31.12.20 [and therefore comes out of Drainage Rates and is allocated to Special Levies] being then set out for the appropriate Council. Land is transferred at the development rate of £4,287.44 per hectare.

This results in the following Annual Values as of 31st December 2020:

	Annual Values 31.12.19 £	Land Transfers 01.01.20 -31.12.20 £	Annual Values 31.12.20 £
Drainage Rates	2,022,733	(17,567)	2,005,166
City of Lincoln	2,776,055	0	2,776,055
East Lindsey DC	3,627,396	84,780	3,712,176
West Lindsey DC	2,192,609	19,002	2,211,611
Total	10,618,793	86,215	10,705,008

Penny Rates:

The following penny rates in the pound will be applicable, if the proposed 2.50% is agreed:

	Penny Rate (pence in the £)
Current	9.4361
Proposed	9.6720

Drainage Rates:

This increase to the penny rate will net increase the amount of income to the Board generated from Drainage Rates from £190,867 in 2020/21 to £193,939 in 2021/22 (+£3,072).

Special Levies:

The 2.50% increase to the penny rate will impact upon on Special Levies for the 3 relevant Councils, including also the impact of rebasing of the Annual Values for the land transfers for each Council as follows:

	Current £	Proposed £	Difference £	Increase %
City of Lincoln	261,951.33	268,500.04	6,548.71	2.50
ELDC	342,284.72	359,041.66	16,756.94	4.90
WLDC	206,896.83	213,907.02	7,010.19	3.39
TOTAL	811,132.88	841,448.72	30,315.84	3.74

It was noted that there is an overall net increase in income to the Board 2021/22 of £33,388, this being an increase of £30,316 in Special Levy income and a net increase in Drainage Rates income of £3,072.

Members AGREED:

1. The transfer of land from Drainage Rates to Special Levy, as set out, be approved.
2. The land valuations as at 31st December 2020 upon which Drainage Rates and Special Levies are calculated is set at £10,705,008.
3. The penny rate [in the £] is increased from 9.4361 pence to 9.6720 pence (+2.50%) for 2021/22.
4. The Special Levies 2021/22 be agreed for each of the 3 Councils as:

a. City of Lincoln	£268,500.04.
b. East Lindsey District Council	£359,041.66.
c. West Lindsey District Council	£213,907.02.
5. The Chairman and Chief Executive be authorised to signs the Rate Book, apply the seal of this Board and publicise the revised Penny Rates, estimated Drainage Rates and Special Levies before 15.02.21.

2872 Health and Safety Report.

A Health and Safety update had been circulated with the agenda and was presented by the Acting Director of Operations.

Members were informed that the Health and Safety Executive (HSE) had made an unannounced visit to Witham Third DIDB depot to check on Covid-19 compliance. Pleasingly, the Board had been able to evidence compliance to good practice e.g., in the provision of all necessary guidance, track and trace downloaded for use, provision of PPE [gloves, face masks, hand sanitiser, fogging canisters, wipes] and Operatives were adhering to guidance and arrangements in place to reduce transmission risk, like single use of vehicle cabs.

A complaint had been received and was being investigated under the disciplinary process regarding the alleged dangerous driving on the public highway of a staff member.

Cllr Stan Avison asked what lone worker safety practices were in operation. It was confirmed that the current lone worker system is a 'Buddy system', whereby Operatives use the phone system to contact their "Buddy" three times per day (morning, lunchtime and home time). Officers are currently investigating investing in a remote lone worker system, using dongles that monitor Operatives and indeed all staff, alerting the call centre to any falls for example.

As we come to the end of the summer maintenance programme and start bank slip repairs and winter maintenance our Operatives are having to work in closer proximity than when they were on their machines, working alone. We are risk assessing each job individually to ensure the protection of our staff. They always have available the PPE needed to stay safe including Face Masks, Gloves, Wipes, Hand Sanitiser and Fogging disinfectant. All drivers have been instructed to Fog their machines and vans at night before finishing and when anyone else has had access to their machine.

Office Staff are working from home wherever possible in line with national guidance and measures remain in place to make Witham House accessible to limited Staff at any one time,

currently a maximum of four. This is being managed by a booking system, with Jayne Flower managing the requests.

The office is currently closed to Members of the Public and Unauthorised Visits, unless by prior arrangement. These arrangements and the Risk assessments are reviewed weekly at the Senior Management Team Meetings

Cope, our external Health and Safety Provider, have supplied a quote to provide Health and Safety support to North East Lindsey Drainage Board @ £575.00 per day (2 days estimated requirement in the first year). This will give consistency across the 4 Boards and go some way to providing that independent check and support for Health and Safety, which is good practice.

There had been no accidents or near misses to report since the November Board meetings.

We were planning to have a Zoom Health and Safety Meeting, but this proved very difficult due to Operatives not having easy access to the internet. Because of this, the Acting Director had spoken to each representative separately and has compiled a list of the Operatives' concerns, to be reviewed. Examples of these are, Site Welfare Facilities, Orange PPE, etc.

Training needs are being reviewed and some courses will be booked early in the new year. Not all training has operated during periods of lockdown, and we have gathered people together for training on an essential needs basis only [e.g., for working under overhead power cables training].

The company retrofitting the Cab Hand Rails had booked us in at the end of January, to come and measure up for retrofitting of the Cab Guards. It was highlighted that we are fitting these to the older plant in 3 of the 4 Boards' fleets, following an Operative's fall from height from a machine in Upper Witham. New excavators now come with these fitted as standard.

Members received, discussed and noted the Health and Safety update.

2873 Environment Update

A report prepared by the Environment and GIS Technician, Fiona Scott, had been circulated with the agenda and was presented by the Acting Head of Engineering and Technical Services.

As a public body, under the Natural Environment and Rural Communities Act (2006), Internal Drainage Boards must have regard to the purposes of conserving biodiversity in a manner that is consistent with the exercise of normal functions such as policy and decision-making. 'Conserving biodiversity' may include enhancing, restoring or protecting a population or habitat. The report set out the agreements and achievements of the Board's environmental activities from January to December 2020.

Since 2011, the Boards have been working collaboratively with the Wildlife Conservation Partnership. Lincolnshire IDBs have continued the partnership and supported Lincolnshire barn owl populations with an investment in owl boxes. Situated throughout the Board's district, there are 25 owl boxes that are owned and maintained by the Board. Due to the success of the Lincolnshire-wide scheme, the Board has been advised by the Wildlife Conservation Partnership to focus on replacing boxes that have deteriorated over the lifespan of the scheme. In line with current advice, two pump boxes require replacement and will be delivered in February 2021.

The wildlife site at Southrey, created in 2017, remains successful and is well used by the public. The persistence of broad-leaved dock (*Remex obtusifolius*) and horseradish (*Armoracia rusticana*) remains, however there were signs of cornflower (*Centaurea cyanus*) and yarrow (*Achillea millefolium*), amongst others. The remaining dock and horseradish will continue to be spot treated over winter and further 100% UK wildflower seed planted in early spring 2021.

It is planned to demolish and remove the shed at Southrey in early 2021, as it has been subject to longstanding vandalism and anti-social behaviour misuse by the general public using the adjacent Sustrans 'Water Railway'. Litter, dismantling of the adjacent bug hotel and dog waste bags are some of the noted issues. It has been decided that removal is the best option to eliminate misuse, and the resulting bare ground is well suited to extend the current wildflower meadow in spring 2021.

Twenty-five years ago, the English otter population was on the brink of extinction after half a century of agricultural chemicals leaching into the rivers and polluting the food chain. Following the ban of these chemicals in the early 1990s, water quality increased and the species recovery began. Fish populations returned to the rivers and lakes, and it is more likely to see an otter today than at any time in the past sixty years. Otters seek clean rivers, filled with food and overgrown banks where they can raise their cubs. Their favourite habitats include wetlands, rivers and coastlines. Though still considered rare, the species is widespread in the UK and can be seen in almost every county. There are regular sightings of the otters (*Lutra lutra*) in the Board's Stixwoud Engine Drain and Turners Soke Dyke. The most common sign of otter presence is swan mussel shells (*Anodonta cygnea*) on banksides, and otter spraints which will contain fish scales.

The Greater Lincolnshire Nature Partnership (GLNP), with which the 4 Boards enjoy an excellent partnership, have employed a new Partnership Manager, Charlotte Palmer. The Environment and GIS Technician had contacted Charlotte and sent over some materials explaining more about IDBs and offered to show her some environmentally important sites within the districts.

The Boards will be hosting a Year 2 Geography student placement from February to June 2021, after being approached by the University of Lincoln as significant public bodies in the Lincoln area. The placement will introduce the student to Internal Drainage Boards and what they do, as well as showing the student the environment side of IDBs and actions they take to conserve and enhance the environment. Current COVID-19 restrictions will reduce the amount of face-to-face time spent with the student, but online meeting programmes such as Zoom are deemed suitable.

Public bodies have a duty to show their commitment to the natural environment by producing action plans pertaining to the environment. ADA have released their updated Biodiversity Action Plan template to be in line with various legislation and policy including, but not limited to, the Environment Bill (Act) 2020, the Natural Environment and Rural Communities Act 2006, the 25 Year Environment Plan and Water Framework Directive. The Environment and GIS Technician will use the new template and guidance to update each Board's Biodiversity Action Plan appropriately.

The Environment and GIS Technician has undertaken Wetland Bird Survey (WeBS) training with the British Trust for Ornithology online. These skills will be applied working in wetland areas within Board areas. WeBS surveyors monitor the UK's internationally important non-breeding waterbirds. Following a tradition begun in 1947, wetland sites are counted once per month, providing data for population and trends in abundance and distribution.

The Environment and GIS Technician has gained Associate membership of the Chartered Institute of Ecology and Environmental Management (CIEEM). CIEEM is the professional body which represents and supports ecologists and environmental managers. Membership of CIEEM is achieved by providing sufficient evidence of professional competence.

In summary, it was noted that the Board continues with successful monitoring, box maintenance and box replacement (where necessary) of the owl box scheme. The wildlife site at Southrey remains successful with the new wildflower meadow planned in spring 2021 once the shed is removed. Otter sightings in the district are widespread, signifying improvements in species population numbers. The WeBS training undertaken by the Environment and GIS Technician will be useful when undertaking surveys on Board maintained drains and monitoring bird species. The Board will host a second year Geography student from the University of Lincoln from February to June 2021. The Boards' Environment & GIS Technician will lead and organise the placement. The Boards' Environment & GIS Technician will use the new ADA guidance to update the Boards' Biodiversity Action Plan.

Members received and noted the report.

2874 Director of Operations & Engineering Services' Report.

The Operations and Engineering Services' Report had been circulated with the agenda and was presented jointly by the Acting Operations Director and Acting Head of Technical and Engineering Services. Highlights included:

Members were updated on the current situation following Storm Christoff. The winds had moved faster than expected, so fortunately the drainage district was not hit as hard as expected. The Rainfall event last week was not too severe and predictions for the forthcoming week were causing less of a concern. However, members were reminded that this rainfall series started before Christmas, the ground is therefore already saturated and has not dried out over the last four weeks. The rainfall of last week and any further rainfall immediately runs off. The lower Witham filled up, but the Lincoln Washlands were not used. Following that rain the EA were concerned about the fragility of the Lower Witham flood banks and convened a Multi-Agency response. A flood cell met virtually, along with TCG. However, the expected rainfall did not happen, but the forecast is being closely monitored with a further multi-agency meeting taking place today.

It was explained that this time all four Boards within the group were equally affected, unlike in previous events in 2019 when Witham First and Third districts took the brunt of the heavy rainfall. In that case, Operatives from Upper and Contractors from NEL were able to assist, but this time it was different. All Operatives were fully utilised within their own districts and Boards, meaning that backup coverage was not so readily available.

Witham Third Operatives have virtually completed their summer maintenance programme, with just watercourses adjacent to the odd sugar beet field to complete.

Following in-house design by the Technical Team, several of the Operatives have been busy repairing the major bank slip on the Flood Bank between Reephram Brook and Fiskerton North Engine Drain. This major reinstatement works was completed on 17.12.20, having implemented the design using Gabion Mattresses and Stone. This has reinforced a natural overspill area and will hopefully prevent further washout when the overspill is used in the future. The overspill was used later in December in the heavy rainfall event, so it was a relief that the works had just been completed. The grass tracks down to site will need some repair in the spring, it would do more harm than good to try and repair now. This is just one of many slips on which repair works are needed this winter, weather and ground conditions permitting.

We have received quotes to replace the rear mounted offset flail and a decision will be taken shortly, this is to replace the existing one that is beyond economical repair and which is in frequent use.

Red Diesel use in Tractors.

The use of red diesel (Gas Oil) in tractors for flailing is currently being investigated by ourselves and by our membership body ADA. Because we are not classed as 'agriculture' the customs and excise Laws read that we should be using white diesel to perform our duties, specifically stating Flood Protection is an area where red diesel cannot be used. These changes were included in the document "Fuels for use in Vehicles "(Excise Notice 75) in 2019. Both Upper Witham and Witham Third currently run their haulage tractors on white diesel. This is because we are not hauling our own produce and we are classed therefore as "For Hire & Reward". But to put Flailing tractors on white diesel would have a large financial cost pressure implication for IDBs, locally and nationally. There is a possibility that Self Propelled flails [SPV vehicles like the one in UW] can operate on red diesel, due to being a single use vehicle. This is work in progress to influence national policy.

Multi agency Rain Gauge Project

Officers are exploring on behalf of all four Boards whether to be involved with this multi-agency scheme. Potential partners across Greater Lincolnshire are the 3 Lead Local Flood Authorities [LLFAs] namely Lincolnshire County Council, North Lincolnshire Council and North East Lincolnshire Council. Other partners include Anglian Water and other Internal Drainage Boards (but not the EA). The scheme is proposed to be part funded by the Anglian (Northern) RFCC Local Levy and a draft bid was submitted by Lincolnshire County Council in November 2020. The proposal is to have 'live' web-based rainfall data available to partners during heavy rainfall events and historic data for post event investigations including the LLFA led Section 19 investigations. Approximately 50 sites would be located across the area hosted by partners in appropriate secure sites which potentially could be the Boards' Pumping Stations. However, we need to understand more about locations, potential ongoing maintenance costs for which the Boards may be liable etc. before agreeing to participate in what is currently an expression of interest stage project.

Dogdyke Pumping Station

Dogdyke pump and motor have been returned, recommissioned and are working well.

Stainfield Pumping Station

The Board has now received agreement from insurers to a claim payment of (£110k,) costs reimbursement for the pumping station repairs, following the inundation from the breach of the EA maintained Barlings Eau in November 2019.

Short Ferry Pumping Station

After the failure of the Weed screen cleaner during the installation of the new panels at the station, the repair work was awarded to Rundles at New Bolingbroke and was due for completion and reinstatement by the end of this month. This has been delayed due to difficulty in sourcing a certain motor. This work is being fully funded by Paktronic, who were doing the installation work when the fault occurred.

Gautby & Minting Beck, Minting (TD-4297-2018-DRA)

The Board is reevaluating this scheme and considering works to be undertaken by Operatives in the spring. In the meantime, interim repair works were completed to make good the timber revetments in July 2020.

Reepham Brook (TD-5334-2020-PRO)

This location is where Reepham Brook over topped into Fiskerton North Engine Drain. An in-house design has been produced to reconstruct the bank and install a 'Reno Mattress' gabion overflow flume. The operations team has undertaken the construction which was substantially completed on 17.12.20.

Members received and noted the Operations and Engineering report.

2875 Engineering Services Report.

The Engineering Services Report had been circulated with the agenda and was presented by the Acting Head of Technical & Engineering Services.

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

2876 Consents and Enforcements Report.

The Consents and Enforcements Report had been circulated with the agenda and was presented by the Acting Head of Technical & Engineering Services:

Byelaw Consent Applications
None received.

Section 23 Land Drainage Act Consent Applications – District
None received.

Section 23 Land Drainage Act Consent Applications – Extended Area
The Board acts as Agent for Lincolnshire County Council, the Lead Local Flood Authority.

Reference	Location	Applicant	Details	Date
TE-5325-2020-CON	Off Mareham Road, Horncastle	Trustees of A J Clarke	Restricted discharge from 52no. dwellings	21-12-20
TE-5392-2020-CON	Stainfield Beck, off Horncastle Road, Wragby	Gleeson Homes	Restricted discharge from 147no. dwellings	27-11-20

Enforcement Issues – District

Reference	Location	Description / Comments	Actions
TD-5193-2020-ENF	Woodenderby Lane, Haltham	Potential flooding	Monitoring
TD-5401-2020-ENF	Musgraves Orchard, Welton	Concern about future flooding	Case investigated and resolved. Case closed 30-11-20
TD-5412-2020-ENF	Scothern Beck, Scothern.	Fence on access strip	Planning enforcement matter WLDC informed. Case closed 10-12-20

Reference	Location	Description / Comments	Actions
TE-5204-2020-ENF	Abbey Road opposite Carron Close, Bardney	Unconsented culverting of a watercourse with 100mm pipe	Part of the watercourse has been reinstated and a Consent has been received for a short section. Waiting for completion.
TE-5225-2020-ENF	West Torrington, near Wragby	Watercourse maintenance	Letters due to be sent in January

The Chairman raised an issue regarding Tattershall Lakes who appeared to be developing their site within the boundary of the Board access strip and he requested a site visit from Officers. It was agreed that an investigation and appropriate action would be undertaken.

Members received and noted the report on Consents and Enforcement cases.

2877 Any Other Business.

There being no further items of business, the meeting closed at 10.50.

2878 Date, Time and Place of the Board’s Next Meeting.

The Board’s next meeting was confirmed for **Tuesday, 25th May 2021 at 09.30am**, with format and location TBC although it was noted that it was likely to once again be a meeting via videoconferencing, providing New Rules 28 & 29 in IDB Standing Orders were extended beyond 07.05.21 by DEFRA to facilitate remote meetings.

..... Chairman Date
 W3rd B.M. 26.01.21.