

UPPER WITHAM INTERNAL DRAINAGE BOARD

Minutes of a meeting of Upper Witham Internal Drainage Board, incorporating the Annual Public Meeting, held on Monday, 19th November 2018 at The Pyewipe Inn, Lincoln, LN1 2BG at 2pm.

Present:

Mr. J. Boyall.	
Mr. A. Buckley.	
Mr. B. Charlesworth.	
Cllr. N. Craft.	
Mr. P. Gowen.	
Cllr. G. Hewson.	
Cllr. Mrs. S. K. Howe.	
Mr. D. Jackson.	
Mr. F.H. Myers.	- Chairman
Cllr. L. J. Pennell.	
Mr. R. J. Phillips.	
Mr. J.R. Scarborough.	- Vice Chairman
Mrs. J.S.P. Smith.	
Cllr. I. Stokes.	
Mr. N. Tobin.	
Cllr. P.J. Vaughan.	- Vice Chairman
Mr. B.F. White.	
Mr. P. Wright.	

In Attendance: Mrs. Jane Froggatt, Chief Executive.
Mr. Guy Hird, Engineering Services Officer.
Mr. Steve Larter, Finance Consultant.
Mr. Garry Winterton, Enforcement Officer (for item 65.18).

Apologies: Apologies for absence were received from Cllr. P. Burley, Cllr. Mrs. M. Dobson, Cllr. S. England, Mr. J. R. Hollis, Ms. E. E. Jenkinson, Cllr. Mrs. R. Kaberry-Brown, Mr. V. Kerr, Mr. D. R. Knight, Ms. R. Longbottom, Mr. R. W. Parker, Mr. G. E. Porter, Mr. C. Smith, Mr. T. Speakman, Mr. S. H. White and Cllr. Mrs. P. A. Woodman MBE.

46.18 Declarations of Members' Interests.

Members present nominated by the five Councils declared interests relating to respective Councils.

47.18 Election of Chairman.

The Chief Executive invited nominations for the role of Chairman. Mr. Fred Myers, was proposed, seconded and there being no further nominations he was elected unanimously by all members present for the forthcoming year.

48.18 Chairman's Announcements.

It was with great sadness that the Chairman informed members of the death of very long standing colleague and Board member, Mr Peter Roe. Peter died whilst in hospital for a cardiac procedure on Monday, 17th September 2018. His funeral on Monday 22nd

October was attended by Jane Froggatt, John Scarborough and Ray Phillips along with many family and friends. Peter served as a Board Member for over 50 years and would be remembered with great fondness. Members stood and joined the Chairman in a minute's silence to pay their respects.

The Chairman then thanked members for re-electing him for a further year.

Members were welcomed to the November meeting of the Board, and the first meeting in the new electoral term of office from 01st November 2018 to 31st October 2021. A particular welcome was extended to Noel Tobin, who had joined the Board for his first meeting, as the newly elected representative for the City of Lincoln electoral district. The Chairman thanked all members for their continued service to the Board, those directly elected and those nominated by the five councils.

Following the election process, the Board was left with a vacancy in Peter's former electoral district of North Scarle, Broadholme & Skellingthorpe. There is also a second vacancy in Long Bennington, Barkston & Normanton.

Finally, members were reminded that they had received with the papers for this meeting their Members' Interest form. They were requested to ensure that this was completed before leaving the meeting, to enable the Register for November 2018 to November 2019 to be completed.

49.18 Election of Vice Chairmen.

The Board, having agreed previously to elect two Vice Chairmen, considered nominations to the roles.

Mr. John Scarborough and Cllr. Pat Vaughan were proposed, seconded and there being no further nominations, they were elected to the roles.

50.18 Election of 12 members to the Finance and General Purposes Committee.

11 members were proposed, seconded and, there being no further nominations, were elected to the Finance and General Purposes Committee for the forthcoming year to November 2019. These were the Chairman (Mr. Fred Myers), the two Vice Chairmen (Mr. John Scarborough and Cllr. Pat Vaughan), Cllr. Nick Craft, Mr. Richard Parker, Cllr. Lance Pennell, Mr. Ray Phillips, Mrs. Jacky Smith, Mr. Tony Speakman, Cllr. Mrs. Pat Woodman and Mr. Paul Wright.

There remains one vacant seat on the Committee and, with no nominations forthcoming, the Chairman would exercise his discretion to speak to any interested members and co-opt a further member to the Committee.

51.18 Election of 6 members to the Works Committee.

Four members were proposed and seconded for membership of the Works Committee. There being no further nominations, they were elected for the forthcoming year to November 2019. These were the Chairman, two Vice Chairmen and Mr. Paul Wright.

This leaves two vacant seats on the Committee and interested members were invited to speak to the Chairman.

Local members for the electoral ward concerned would be co-opted as and when the works committee is convened.

52.18 Election of a member to the ADA Lincolnshire Branch Environment Committee.

Mr. Paul Gowen was proposed, seconded and there being no further nominations he was elected as the Board's representative on the ADA Lincolnshire Branch's Environment Committee to November 2019. Members also agreed that Ms. Rebecca Longbottom would substitute for Paul Gowen as required.

53.18 Election of 4 members to the Joint Services Committee (& 4 Deputies).

Cllr. Mrs. Pat Woodman had indicated she would not stand for re-election to the Committee. Four members were proposed, seconded and there being no further proposals, were elected to membership of the Joint Services Committee for the forthcoming year. These were the Chairman, two Vice Chairmen and Cllr. Nick Craft.

Three members were proposed, seconded and there being no further proposals, were elected to deputise on the Committee. These were Mr. R. W. Parker, Mr. T. Speakman and Mrs. J. Smith (leaving the potential for a fourth deputy to be elected or co-opted).

54.18 Proposed Calendar of 2019 meeting dates.

Members APPROVED the following meeting dates for 2019:

Board Meetings, The Natural World Centre, Whisby Nature Park, Moor Lane, Thorpe on the Hill, Lincs, LN6 9BW at 2pm.

- Monday, 21st January.
- Monday, 20th May.
- Monday, 23rd September.
- Monday, 18th November (+APM).

Finance & General Purposes Committee Meetings (Witham House at 10am):

- Wednesday, 09th January.
- Wednesday, 08th May.
- Wednesday, 11th September.
- Wednesday, 06th November.

It was also NOTED that the four IDBs' joint Summer Inspection was planned for Thursday, 19th September 2019.

55.18 Register of Members' Interests.

A copy of the Register of Members' Interests form had been circulated with the agenda. Members were requested to complete this and return it to Officers present at the meeting or to Witham House, so that an up-to-date Register for November 2018 to October 2019 was maintained. Members were advised of the importance of this being

an accurate record. The information in the Register may be subject, for example, to an FOI request and public disclosure and the Register serves as both protection for the Board and for individual members.

56.18 ADA Member Communications Form.

Members were advised that with the implementation of the new General Data Protection Regulation (GDPR) and Data Protection Act 2018, ADA had launched a new Members' Communication form which they requested all individuals associated with IDBs to complete, including staff and Board members. ADA would need to receive a completed form from each individual in order for them to continue to receive communications from ADA in 2019.

Members were invited to hand in completed forms which will be submitted to ADA.

57.18 Minutes of the Board Meeting held on 17.09.18.

The Minutes of the Board's previous meeting held on Monday, 17th September 2018 were proposed by Cllr. Lance Pennell, seconded by Cllr. Pat Vaughan and APPROVED as an accurate record.

MATTERS ARISING:

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

58.18 Minutes of the Finance & General Purposes Committee Meeting, 07.11.18.

The minutes of the Finance & General Purposes Committee meeting held on Wednesday, 07th November 2018 were proposed, seconded and APPROVED as an accurate record and the recommendations to the Board were NOTED.

MATTERS ARISING:

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

59.18 Minutes of the Finance & General Purposes Depot sub-committee meeting held on 19.10.18.

The minutes of the Finance & General Purposes depot sub-committee meeting held on Friday, 19th October 2018 had been circulated with the agenda and were proposed by Jacky Smith, seconded by Fred Myers and APPROVED as an accurate record.

MATTERS ARISING:

There were no matters arising, these having been discussed at the Finance and General Purposes Committee meeting on 07.11.18.

60.18 Chief Executive's Report.

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

60.18.1 Elections 2018.

In keeping with the approved Election Timetable for all four Boards' 2018 Elections, the Chief Executive confirmed that there were not more candidates than available seats in any of the four Boards' Electoral districts and therefore a "Notice of No Poll" for each Board was advertised on Thursday 04th October and members had been confirmed. The new term of office for elected members runs from 01st November 2018 to 31st October 2021.

That concluded the 2018 Elections process. Members were asked to note the vacant seats as follows:

- Vacant seat for North Scarle, Broadholme & Skellingthorpe.
- Vacant seat for Long Bennington, Barkston & Normanton.

60.18.2 Risk Management Workshop, 03.10.18

The four Boards' Internal Auditor hosted a Risk Management Workshop at Riseholme College on Wednesday 03.10.18.

Arising from the workshop, a revised Risk Register will be submitted to the January Board meetings of the group of four IDBs.

60.18.3 ADA Lincolnshire Branch's Pay & Conditions Committee, 29.10.18.

Cllr. Lance Pennell, UW Board member had agreed to represent all four Boards on the ADA Lincolnshire Branch's Pay & Conditions Committee.

The Committee has been re-negotiating 13 areas of the ADA Lincolnshire White Book of Terms and Conditions during 2018/19, with the aim of agreeing and issuing a revised White Book from 01.04.19,

Ten of those areas had now been revised and agreed by both parties, staff side are considering proposed revisions to the other three.

On 29.10.18 the Committee's focus was the pay settlement for 2019/20 from 01.04.19.

Staff side tabled a pay claim of 3.3% or 100% of the increase in average weekly earnings (AWE) as will be published in the Sunday Times in the third week of January 2019 (all sectors), whichever is the greater. Staff side also wished the Committee to address the 'historical pay freeze impact' of several years of a 1% pay cap in the public sector, which it was suggested had eroded pay by 8-14% (depending on whether RPI, CPI etc was used).

Management side accepted the principle that 100% of the increase in AWE be applied, rather than the previous pay formula of 90% of the increase in AWE. However, management proposed that as IDBs are smaller public bodies we should not use the 'whole sector' increase in AWE but use instead the 'public sector' increase in AWE and that we should use the latest published data of 16.10.18 to enable the pay settlement to be agreed and included in January 2019 IDB budget setting for 2019/20. Management also felt it was not within the scope of the Committee to address perceived historical pay erosion and any discretion

on this front would be for individual Boards in local pay agreements. Management side therefore rejected the pay claim of 3.3% or 100% of whole sector increase in AWE as per January 2019 and counter offered 100% of the increase in AWE for the public sector, as published on 16.10.18, which was 2.7%.

After discussion, staff side agreed to put the management side offer of 2.7% cost of living pay uplift for 2019/20 (based on 100% of the increase in AWE in the public sector, as published on 16.10.18) to members in a consultative ballot. It is anticipated the Committee will be advised by mid-December 2018 whether or not the proposed pay settlement is agreed. Should the pay deal as proposed be agreed, this will be the Committee's recommended pay settlement to the ADA Lincolnshire Branch, which individual IDBs then adopt or not at their discretion.

For the purposes of budget setting for 2019/20 (draft budgets are prepared for the four Boards between November and January), a cost of living pay uplift of 2.7% will be assumed.

60.18.4 Local Pay Negotiations

The Lincolnshire Pay & Conditions Committee has agreed that one of the areas to be removed from the ADA White Book of Terms and Conditions is the current broadbanding structure.

Three of the four Boards' Land Drainage Operatives are currently on the broadbanding structure, as 'Craftsman B' Operatives, and this will no longer exist from 01.04.19 when a new ADA White Book is issued.

Local discussion started on 12.11.18 on arrangements for assimilating the three Boards' Operatives on to ADA White Book spine points (all Lincolnshire IDBs have pledged to do this).

60.18.5 Staffing Issues

A new Land Drainage Operative (Wayne Bourne) joined on 22.10.18, on a six months Fixed Term Contract. Although his contract is held by Witham Third, he will be deployed throughout other Boards as required and the work recharged accordingly. He has already spent considerable time at Upper Witham on the tractor / paddock flail combination, as Upper Witham currently has one vacant LDO post (to be filled 19.11.18) and two LDOs on long-term sick leave (out of the workforce of nine LDOs).

Upper Witham has recruited William Jarman as the new Land Drainage Operative. He joined the workforce on Monday, 19th November (today) to fill the existing vacant post.

The Board currently has two members of the workforce on long term sick leave. One will hopefully be in a position to return to work on 26.11.18, with the second Operative hopefully returning to work before Christmas.

Members received and NOTED the report and verbal update.

61.18 Financial Performance Report 2018/19 to 31st October 2018.

The Financial Performance Report to 31st October 2018, month seven of 2018/19, had been circulated with the agenda and was presented by the Finance Consultant.

The summary position was set out as follows:

	2018/19 Budget	Profiled Budget	Actual	Variance (3-2)
	£	£	£	£
Income	(1,258,659)	(1,200,015)	(1,218,930)	(18,915)
Board & General Admin	21,322	7,210	4,438	(2,772)
One Off Schemes	0	0	0	0
Conservation	2,000	1,378	625	(753)
Depot	24,126	14,481	15,961	1,480
Drains	562,355	342,000	318,577	(23,423)
Pumping Stations	200,731	54,937	75,574	20,637
Joint Admin/Witham House	130,711	73,610	82,420	8,810
Consents & Enforcement	16,132	0	0	0
Director of Operations/Engineers	106,119	57,589	55,194	(2,395)
Contrib to Reserves/Pay Contingency			0	0
PWLB			0	0
Rechargeable Works	25,000	20,188	22,177	1,989
EA Precept	170,163	85,082	83,413	(1,669)
FRS17 Pension Adjustment (net)	0	0	0	0
Wages & Plant Holding Account	0	29,681	33,291	3,610
(Surplus)/ Deficit	0	(513,859)	(527,259)	(13,400)

The 31st October position included, for consistency, all Special Levy payments from the five Councils (some of whom had paid on the due date of 01.11.18).

The anticipated budget profile as at 31.10.18 was a surplus of (£513,859) and the actual month seven position was a slightly greater surplus of (£527,259), a positive variance of (£13,400).

Income received was greater than planned, mainly due to rechargeable works income received (largely PSCA works for the Environment Agency). There was movement between expenditure on drains and Pumping Stations, largely due to where staff time was allocated. Electricity expenditure was comparatively low, as the dry months continue, as reflected in the invoices paid and shown in the Schedule of Expenditure.

The summary showed capital movements, as follows:

	Approved £	Actual £	Variance £
Sales			
Sale of surplus plant, vehicles & equipment			
— Terex TW140 (2009)	£15,000		
— Weed Basket	(600)		
- Forklift	(1,000)	<i>Defer 19/20</i>	n/a
- Midi Digger FJ08 NZT	(15,000)		15,000
Sale of Surplus Land	0	0	0
	(16,600)	0	15,000
Purchases			
Direct Revenue Financing of Capital			
- Wheeled Excavator	140,000	129,000	(11,000)
- Weed Basket	6,000	6,500	500
- Telehandler/Forklift	25,000	<i>Defer 19/20</i>	n/a
- Midi Digger & Flail Head	70,000		(70,000)
Contribution from Plant & Machinery Reserve	241,000	135,500	(80,500)
Net	224,400	135,500	(65,500)

It was highlighted that the position reflects the Board's decision to not trade in but to keep the Terex TW140 Excavator when recently purchasing the Volvo wheeled excavator at £129,000. The planned forklift / telehandler purchase this year had been deferred to 2019/20. The current midi-digger (FJ08 NZT) was to be sold to Witham Third District IDB when the new and larger midi-digger and flail is delivered to the Board in early January 2019 (the order has been placed, following receipt and evaluation of tenders).

On drainage rates income, of £241,834.70 raised and brought forward into 2018/19, a total of £233,760.45 had been received, which is a collection rate of 96.7%. That leaves an outstanding balance of drainage rates income owing to the Board of £7,985.54. It was confirmed that a court date for any outstanding account payments had been set for Monday, 03rd December 2018.

As drainage rates collection was good and as the second tranche of the five councils' Special Levies had just been paid, bank balances are currently healthy. It will, however, be May 2019 before considerable further income is received.

On bank balances and investments, as at 31.10.18 these were as follows:

As at 31st October 2018			
Lloyds		£	510,908.20
Nationwide Instant Access		£	295,030.44
Nationwide 90 Day Notice		£	14,186.65
	Total	£	820,125.29

Members noted the financial performance as at 31st October 2018, month 7 of 2018/19.

62.18 Schedule of Expenditure, 01.09.18 to 31.10.18.

The Schedule of Expenditure incurred for the two months of 01st September to 31st October 2018 had been circulated with the agenda.

Expenditure totalled £377,807.35 or, excluding £ 47,865.58 VAT, the net amount of £329,820.47. Of this, £ 3,305.62 was rechargeable expenditure to other bodies.

Items raised by or highlighted to members included:

- Items 8, 9 & 10: £3,106.50 (net) and £4,375 (net) and £4,872 (net) to Carlton Fuels for 3000 litres derv, 7000 litres gas oil and 8000 litres of gas oil respectively. This reflected the increase in fuel prices, this trend having recently started to reduce.
- Items 35,36 & 37: £195 (net), £4,950 (net) and £695 (net) to Inter-lec Ltd. These were for investigation of a fault on Pump no1 at Burton PS, installation of no2 Pulsar monitoring units and no4 ultra sonic heads at Pyewipe PS and replacement of heating cables on Pumps no3 and no4 at Sand Syke PS respectively.
- Item 78: £2,000 (net) to PKF Littlejohn LLP for the external audit fees on the AGAR for 2017/18.
- Item 88: £129,000 (net) to Services Machinery & Trucks Ltd (SMT GB) for the new Volvo EWR 150E wheeled excavator.
- Items 91 to 111: various payments to Southern Electric, for electricity at Pumping Stations. Highlighted that the invoices have been very low, after a wet Easter, with the long, dry summer. Also, it was highlighted that these will be the last payments to Southern Electric, the contract having been moved to Total Gas and Power.

Members received the expenditure schedule and NOTED the expenditure incurred in the two months to 31st October 2018.

63.18 Health and Safety Update.

A report on Health and Safety updates across the group of four IDBs had been circulated with the agenda.

Cope Health and Safety, the current external contractor was due to visit Witham House on Thursday, 22nd November to undertake the Annual Review.

There have been no 'Near Misses' reported since the last Health & Safety Report to September Board meetings. All staff are encouraged to report Near Misses as good practice and to ensure staff identify and act on any trends.

Training continued with employees from all four Boards and NEL Contractor attending refresher training on Avoidance of Overhead Cables (held on 16.10.18). A beginners' course date was being sought for new starters for this.

First Aid Training was due in January for all Operatives.

Life Jackets were being collected for submission to external contractors for checks and certification.

Members received and noted the report on Health and Safety.

64.18 Environmental Report.

A report had been circulated with the agenda and was presented by Guy Hird, Engineering Services Officer.

The recent owl box checks were successful for Upper Witham. 16 of the 19 boxes checked had barn owls, kestrels or both present with the largest clutch of barn owl eggs being nine eggs. The owl box camera at Pyewipe pumping station had been replaced and is working.

In April 2018, an active badger sett was identified at Oxpasture Outfall drain. This sett has been continually monitored since then and all Upper Witham IDB Operatives are aware.

In October 2018, work was carried out on Marston Mill Drain around a large badger sett. A complaint was received by ecologists commissioned by Anglian Water that the work had tracked over an underground tunnel of the sett. The sett was visited and no visible damage to the sett was identified. An environmental training session was scheduled for the 29th November in which Operatives will be reminded of the conditions of the badger class licence issued by Natural England.

Members noted the Environmental report.

65.18 Business Case for the reprovision of the Board's depot and a joint office facility for the four IDBs at Meadow Lane, North Hykeham.

A Business Case had been circulated with the agenda. Mr Garry Winterton presented this item.

This proposal makes the investment business case for the demolition of Upper Witham IDB's (UWIDB's) existing depot on Meadow Lane in North Hykeham and the subsequent new build of a replacement depot facility, which is operationally fit for purpose, on the existing site owned by UWIDB.

The project brief was to include in the construction ancillary office accommodation which will be an asset also owned by UWIDB, but be designed as a joint HQ/office facility for the four IDBs that operate collectively as the "Witham and Humber Drainage Boards".

The four IDBs that will share the new office accommodation are Upper Witham, North East Lindsey, Witham First District and Witham Third District IDBs.

As part of the project, the four Boards' existing joint office facility, based at Witham House has been valued for sale and rental values and would be sold as surplus to requirements in order to make a financial contribution to the new build scheme. The existing Witham House office building is an asset owned wholly by UWIDB, the Board purchased it in 2007.

Upper Witham's depot is an agricultural building constructed in 1965, at the time with a lifespan of 30 years. The workshop, mess and lavatory facilities are in the middle of the site. A 'lean to' shed has been constructed to the rear of the main depot building and there is external storage behind that lean to shed, extending to the rear boundary fence. A second, smaller depot building is also on site, used predominantly for the storage of plant and machines. The parcel of land is 0.2775 ha.

The depot is the main workshop, plant and machinery store, small tools store, materials store and base for the Board's nine Land Drainage Operatives (LDOs). The depot buildings and site are currently in Upper Witham's accounts at an asset value of £275,000.

The depot facility is not operationally fit for purpose, which is the prime driver for change. Current deficiencies were outlined as follows:

- Welfare and mess facilities for the Board's LDOs are inadequate. There is only one lavatory. The internal mess room is not ventilated, is too small for all nine LDOs to sit in / have their meal breaks. There are no tea / coffee making facilities. The lavatory sink is used for the washing of dishes. There is no drying room. There is a basic septic tank which does not meet current regulations for the disposal of waste water.
- The main building is inconveniently located in the centre of the site, which effectively sterilises the use of the site. Large vehicle deliveries are unloaded outside the main site entrance and taken into site, with attendant risks given the adjacent main road.
- The condition of the main building is not fit for purpose and does not warrant further investment in improvements, e.g. the main roof is asbestos sheeting and so too are the side boards sheeting.
- The lean-to shed behind the main shed is also in poor condition and has been the route used for past break-ins to site. It is difficult to maintain this building free of vermin, given the poor fabric of the building.
- Although some improvements have been made, trying to maintain adequate heating to the main workshop building in winter is difficult and the heater is constantly in use, being expensive in heating oil.
- There are no oil / chemical interceptors on the site (e.g. from vehicle washdowns) and all water run-off goes straight to the adjacent watercourse (the EA's main River Witham via the Board maintained Hykeham Pump Drain North).
- Storage facilities on site are inadequate. For example, what limited storage space exists is behind the main shed / lean to and items are stored outside, exposed to the elements. Plant attachments like weed baskets, tree clippers, de-silting buckets and weed rakes are all stored in the open (they are stored inside in other Boards), adjacent to the rear perimeter fence.
- There is no office space at the depot for the Foreman or Operations Manager to use or indeed in which to see staff. Similarly, there is no space for training facilities, so all training is undertaken at Witham Third DIDB's depot in Woodhall Spa.
- There is no 3-phase electrical supply to the depot.
- The electrical services, whilst compliant, have been patched up and added to for the last few years.
- Some temporary overhead cables have been installed in the workshop area of the depot, but sometimes there remains trailing cables which is not ideal.

- The inspection pit in the workshop cannot be used unless and until it is first pumped out. The subsequent working conditions are therefore damp and unpleasant.
- There is no first aid room.
- There is no drying room / facility for wet weather gear.
- Deliveries frequently come to Witham House and are subsequently collected by Upper Witham's Operatives and taken to the depot hence being double-handled, as the depot is not always staffed.
- The concrete portal frame is showing signs of structural failure due to the corrosion of the steel reinforcement.

In addition to the depot facility, UWIDB owns the parcel of 0.485ha of land opposite the main depot site. There is vehicle access to this parcel of land and on one corner of the site is the Board's Hykeham Pumping Station.

The Board's Finance and General Purposes Committee (F&GPC) did consider and discount an option to relocate the depot facilities from the current Meadow Lane site, either to a new build option on an alternative site or to the purchase of an existing depot facility. Both options were ruled out, in part due to the existing depot site having little value for alternative use and development. Therefore, redevelopment of the existing site was the preferred option.

In summary, the deficiencies of the existing depot facility make the case for change and improvement. The Board needs to invest in upgraded depot facilities, whether in this proposed scheme or with some alternative.

The F&GPC broadened the scope of the project to include also the provision of office facilities as part of the scheme, replacing those currently owned by the Board, but providing HQ and administrative office functions to the group of four IDBs. The proposed scheme includes ancillary office accommodation suitable for four Boards above the depot / workshop, in a scheme to be led by UWIDB (the asset would be wholly owned by UWIDB).

UWIDB purchased the current Witham House for a purchase price of £285,000 in 2007, selling St. Catherine's in Lincoln for £500,000. The current book value for Witham House is £350,000, given some non-capital items associated with the 2007 purchase (e.g. furniture and legal fees) were at the time capitalised. This write down of the book value will need to be addressed.

On 01st April 2009 the first joint administration agreement between three of the now four IDBs was established (Upper Witham, Witham First and Witham Third District IDBs).

Consequently, the combined HQ / Office facility for those three Boards was established at Witham House from 2009 and Witham Third District and Witham First District IDBs sold their previous joint HQ at Washingborough for £146,000 (less fees) on 27th August 2010.

In April 2017 North East Lindsey IDB (NELDB) joined the Group of IDBs and the four Boards are now supported by a team of staff based at Witham House. A revised Joint Services Agreement (i.e. for all management, engineering and technical support services) was agreed and came into operation from 01st April 2017.

In December 2017 NELDB vacated separate office accommodation at Ulceby, paying the tenancy agreement rent as a lump sum up to 30.09.18. Whilst not an asset sold by the

Board, the relocation to Witham House means NELDB is no longer paying £8,375 annual rent on premises at Ulceby (plus @£2k Electricity, £0.2k Water, Cleaning £1.3k, waste disposal £0.3k, etc (no NNDR was payable)). In essence, this gave a recurrent annual saving of over £12k per annum to that Board.

Each of the four Boards has a depot / workshop facility, in addition to meeting the running costs of Witham House in the agreed joint services proportions (i.e. UWIDB 33.40%, NELDB 16.50%, Witham First 20.90% and Witham Third 29.20%). For Witham Third this is at Woodhall Spa, for Witham First this is at Timberland and on 17th July 2018 NELDB took on the lease of a unit at Unit 1, Tattershall Castle Court, Morgan Way, New Holland, Barrow on Humber, DN19 7PZ to provide a base for the Work Supervisor, a workshop with work bench facilities and hand tools storage, a welfare unit with a small meeting room, lavatory and kitchen facilities.

Witham House office accommodation is not in the poor condition that UWIDB's depot is in. It does though have some deficiencies:

- Car parking is limited and an increasing problem, there being nine allocated spaces for parking and some shared visitor spaces. Correspondence has recently been received from the managing agent of the site about parking in other people's allocated spaces. There are also no electric vehicle charging points.
- Kitchen facilities are extremely limited, with a microwave in the small filing room.
- There is one meeting room, but it is inadequate in size to host more than circa 12 people and it is not capable of hosting a Board meeting, resulting in additional costs of hiring external venues for meetings and training.
- Space for records / filing is inadequate and an 'archive' has been developed for all four Boards in Witham Third DIDBs second depot shed. This, however, is not a secure, temperature controlled, suitable environment for the maintenance of archived records and is a temporary solution. A quotation has been received for off-site archive storage, this is over £5k per annum and would be an additional cost should the Boards remain at Witham House. Currently, key documents such as deeds are held in inappropriate storage.
- There is no space for staff to take a break away from their desks at, for example, lunchtimes. There is no external space (e.g. table / chairs for use in summer months).
- There are only two lavatories between all the staff.
- Service charges paid to the site managing agent for the upkeep of the outside common areas are currently £1,650p.a. in 2018/19.
- Some of the infrastructure is failing, e.g. no residual circuit breakers, water penetration into the brickwork cavities following heavy rainfall.
- Although there is one fireproof cabinet, the available space for further secure storage is extremely limited. The archive facility at Woodhall Spa is 24 miles from Witham House and is not suitable long-term storage of paper records as is not secure and not temperature controlled.
- The layout of the office is restricted by the two floors and internal divides that currently exist, which would be costly to reconfigure.

The area of Witham House is 2,443 square feet gross, 2,206 net (e.g. excluding stairwell). The proposed upper floor office area is 3,390 square feet gross.

As part of the project, three valuations had been received for Witham House (for both sale and rental). The sale values are in the range of £220k to £253k and rental values are £15k to £20k p.a.

Plans were developed for the demolition of the existing UWIDB Depot, the building of a new depot facility for UWIDB and a new joint office facility for all four Boards (the whole asset to be UWIDB owned, in accordance with legal advice that the site owner should own the whole asset even if the office element is used as a joint facility).

Planning approval was granted by North Kesteven District Council, the local planning authority, on 09th March 2018.

Invitations to tender for the demolition and new build scheme were sent out to 13 potential contractors on Tuesday 10th July 2018, for return by 31st August 2018.

Four tenders were submitted, several of the other contractors confirming that they would not be submitting a quotation, as follows:

Tender	Original Tender £	Evaluated Tender £
Taylor Pearson	£962,861.06	£1,072,335.12
Lindum	£1,045,168.00	£1,173,217.05
Gelders	£1,125,750.00	£1,190,650.00
John Martin-Hoyes	£1,293,630.00	£1,336,753.00

A breakdown of the tenders was undertaken into a format which enabled us to see what exactly the four tenders did or did not include (hence the revised 'evaluated tender' prices). In addition, the tenders included Prime Cost Sums which had to be evaluated separately.

Each company indicated different solutions for particular elements of the building such as heating solution, types of lift, sewage treatment etc. In addition, some were prepared to complete the design work up to Building Regulation stage others were not and expected the Board to do this at cost. In addition, some tenders were broken down where each element of the construction had been identified and priced where others did not, making comparisons impossible.

Following the initial evaluation, further clarification requests were made to all the companies and Garry Winterton outlined these in detail to members.

It was highlighted that a number of items will need additional funding outside of the contract, although fitting of these will form additions to the contract and may well be charged at day rates. The following may be required in connection with the proposed build:

- Rails & battens
- Hat & coat hooks
- Shelving
- Pin boards
- Notice boards
- Furniture
- White goods
- Toilet roll holders

- Paper towel holder
- Electric Hand Dryers
- Soap dispenser
- Blinds
- Mirrors
- Changing benches
- Lockers
- Shower screen
- Main building signage
- Notice board at main entrance
- Chilled water dispensers
- Equipment for the first aid room

There are other items which will be required in connection with the depot fit out. Such items include an air compressor, racking to the storage shed, pull down cable leads, welding screens, etc. A fit out budget of £20k has been allocated for this purpose which will form part of the depot element of the scheme and be fully funded by Upper Witham Internal Drainage Board.

There will be additional items of office furniture that will be required, for example table and chairs for the Board/meeting room, items for kitchen areas, etc. A fit out budget of £5k has been allocated for this purpose, which will form part of the office element of the scheme and which will be fully funded by the Joint Services and met proportionally between the four Boards.

In considering the replacement of both the depot and the relocation of the offices, the main driver for the change is that the current depot is not fit for purpose and has substantial structural defects. The scheme is not for the purpose of making financial savings. There are however many benefits from combining the office and depot, some of which are measurable and some are unmeasurable efficiencies:

- Better site utilisation with the relocation of the buildings.
- Increased visible profile and reputation for the Drainage Boards.
- New drainage system incorporating interceptors preventing contamination of adjacent watercourses.
- Parking increased from the current nine at Witham House to 31, with dedicated disabled parking.
- Improved deliveries which will not require double handling from the Witham House to the depot.
- Increased productivity having management, finance, administration and technical staff in the same office.
- Bunded fuel tanks.
- Electronic monitoring of fuel use through the new fuel pumps.
- Security Improvements through CCTV and a remotely accessible security system.
- Reducing the Board's carbon footprint and energy usage using rainwater harvesting for WCs and washdown, photovoltaic panels, energy efficient lighting.
- Efficient layout of workshop in respect of power, compressed air and lighting.
- Welfare facilities for the staff in respect of showers, messroom and drying area with washing machine.

- Dedicated and properly equipped first aid room and facilities.
- Dishwashers for messroom / kitchen.
- Dedicated archive on site.
- Secure storage for small plant and equipment.
- Bringing together office staff and Operatives, to build teamwork.
- Dining facilities away from the work environment both inside and outside.
- A new facility which is fully DDA compliant.
- Added security for the staff during and after normal working hours.
- Dedicated Board room / training room.
- Emergency lighting and alarm system.
- Lift providing access to the 1st floor for the movement of goods and people.
- Reduction in energy due to PV & RWH together with higher insulation values in the building.

Discussion then followed on the options for progressing and financing the scheme. Planning Permission was agreed by NKDC in March 2018 and the costs of £5,000 were contained in the 2017/18 outturn position for UWIDB.

Temporary and enabling works will be required in order to facilitate the demolition and build of the new depot and office facility. Where possible, these will be met from the current year 2018/19 budgets. The main cost will be the fencing and providing hard standing of the land opposite the depot which is also owned by UWIDB. These works are estimated to cost £20k and will be fully met by UWIDB, as this will remain an additional storage area once the new depot is completed.

Where possible, items will be relocated to Witham Third depot at Woodhall Spa where there is sufficient yard and under cover storage. Items can mainly be transported by existing staff although some limited haulage may need to be incurred (@£200 per load). Other costs may need to be incurred to provide a temporary welfare facility and some container storage. It is likely that whatever is spent on these items will be recouped at the end of the project, when the items can be sold for a similar value to their purchase cost. It is proposed to purchase these rather than hire. As an indication, containers are available for £1k for a small one and up to £3k to £4k for larger ones. Welfare facilities can be purchased for £5k to £10k depending upon size and facilities included. Again, these will be fully met by UWIDB and this should have minimal impact once the items are resold. Labour and machinery time will be met from the Board's existing budgets.

Based on the evaluation of tenders, the financial model has been developed based upon a build cost of £1.3m plus a 10% contingency £0.13m (so total cost of **£1.43m**). This will be offset by the sale of Witham House, for the purpose of the model estimated at **£230k** (net of fees) so there is an assumed net financing requirement of **£1.2m**. It is estimated that the depot facility (which will be solely used by UWIDB Operatives equates to two thirds of the build costs and the office area, which will be utilised by the Joint Services across all four Boards equates to approximately one third. It was emphasised that this cost is based on 'worst case' pessimistic assumptions.

Three valuations have been obtained for the sale (or possible rental) of the current Witham House. The valuations received are set out below:

Valuer	Sale Value	Fee	Rental p.a.
Banks, Long & Co	£ 252,500	0.95% + Disbursements	£ 20,000
Lambert Smith Hampton	£ 220,000	1.5% + Disbursements	£ 15,000
Mundys	£ 250,000	1.25% + Disbursements	£ 20,000

Due to the issues with the current office building it was recommended that the rental option is not pursued and therefore the business case is based upon a sale of Witham House. It is hoped that, should an early sale take place, the Board can rent back the office from the purchaser during the build phase until completion. This will be @£20k p.a. (pro rata for the time required).

Funding can be provided in full or in part from the Public Works Loans Board (PWLB), a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury.

The financial model is based upon all the funding being provided by the PWLB, although there may be an option to undertake some inter borrowing between some of the Boards, or to utilise an element of reserves.

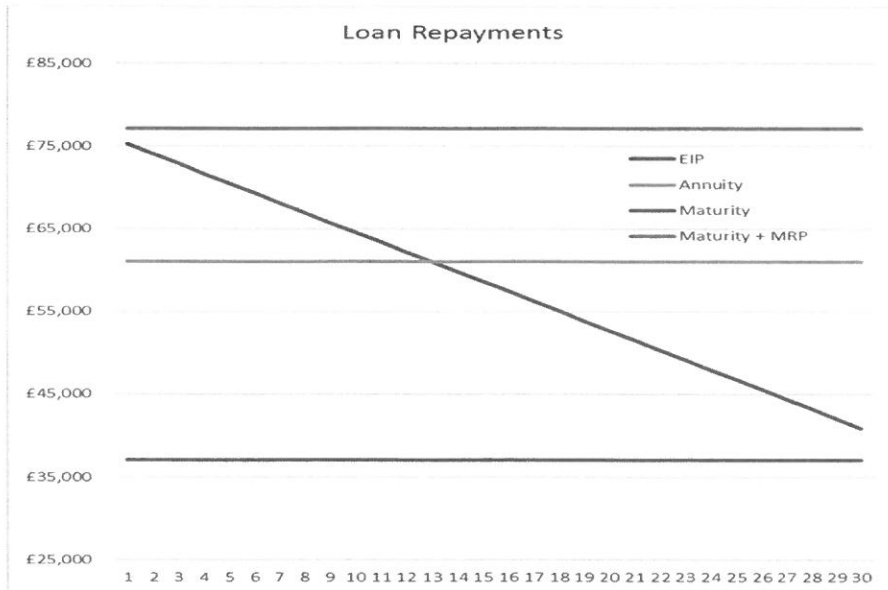
Applicants for PWLB need a loan consent from the Department for Environment, Food and Rural Affairs (Defra). Applications are made on form DB1. The completed form will be sent to the Board one week before the loan is required. Witham First DIDB took out a loan in 2014 for £354k from the PWLB to undertake the transfer of liability for Bridges and Culverts to Lincolnshire County Council, so officers are familiar with the borrowing process.

As the project is being developed in the name of and will be in the ownership of Upper Witham IDB, the full loan repayments will be made by that Board. However, in terms of the element that relates to the office area, proposals were set out in the Business Case to share this cost across the Joint Services arrangement.

There are three main loan types:

- **Maturity** – This is where the principal is repaid in full at the end of the loan so interest only is payable during the term. This is the most expensive cost of borrowing over the term. Also, as the principal isn't repaid until the maturity of the loan, then the Board would have to make a prudent provision each year for its repayment. This is known as Minimum Revenue Provision (MRP). This is not recommended in this Business Case.
- **Annuity** – this is where you pay the same amount each month but the split between interest and principal varies during the duration of the loan. In the earlier years there is a greater proportion of interest paid whereas in the later years a lesser proportion is interest (same as a usual mortgage). This is the recommended option.
- **Equal Instalments of Principal (EIP)** – this is the cheapest borrowing over time but is more expensive than annuity in the earlier years. The amount of principal repaid is the same proportion over the term so each payment gets slightly cheaper. This is not recommended in this Business Case.

These loan types are shown illustratively (based on a £1.2m loan over 30 years), as follows:



The following table, based upon PWLB rates as at 12th October 2018, shows the indicative rates over various timeframes:

Data Date: 12-Oct-2018			
Years	Maturity	EIP	Annuity
20	3.08%	2.70%	2.74%
25	3.11%	2.85%	2.90%
30	3.09%	2.96%	3.01%
35	3.06%	3.04%	3.08%
40	3.02%	3.08%	3.11%

The following table shows the total cost of borrowing £1.2m over 30 years based upon these rates:

Summary			
	Principal	Interest	Total
EIP	£ 1,200,000	£ 541,680	£ 1,741,680
Annuity	£ 1,200,000	£ 630,678	£ 1,830,678
Maturity	£ 1,200,000	£ 1,112,400	£ 2,312,400

The following table shows the annual repayments, based upon different time scales based upon the **Annuity** rates:

Amount v Years (Annuity annual payment)				
	25	30	35	40
£800k	£ 45,211	£ 40,682	£ 37,509	£ 35,092
£900k	£ 50,863	£ 45,767	£ 42,197	£ 39,478
£1,000k	£ 56,514	£ 50,852	£ 46,886	£ 43,865
£1,100k	£ 62,165	£ 55,937	£ 51,574	£ 48,251
£1,200k	£ 67,817	£ 61,302	£ 56,263	£ 52,638

Officers recommended a PWLB loan application based on 30 years (the estimated lifespan of the building being circa 50 years).

The approved estimated running costs for 2018/19 are shown in the following table, along with an indication of the future running costs 2019/20 based on 2018/19 prices (i.e. excluding inflationary increases):

		Current Estimates 2018/19			2018/19 Revised		2019/20	Change
		Depot	Witham House	Total	Depot	Witham House	Revised Costs	
Premises Repair	2005	1,000		1,000	1,000		1,000	-
Insurance	2006	1,050	1,100	2,150	1,050	1,100	2,150	-
Materials	4000	1,250		1,250	1,250		1,250	-
Plant Hire	4001	400		400	400		400	-
Health & Safety	4003	500		500	500		500	-
Small Tools	4005	3,500		3,500	3,500		3,500	-
Security	4009	500	350	850	500	350	850	-
Postage	4013		3,100	3,100		3,100	3,100	-
Electricity	4031	1,560	2,570	4,130	1,560	2,570	4,130	-
Telephone	4032	750	3,230	3,980	750	3,230	3,980	-
NNDR	4033	6,650	11,400	18,050	6,650	11,400	18,050	-
Water Rates	4034	210	440	650	210	440	650	-
Office Management Fees	4036		1,650	1,650			-	- 1,650
Lift Maintenance/Inspection	NEW			-		500	500	500
ICT Fibre Link	NEW			-		6,000	6,000	6,000
		17,370	23,840	41,210	17,370	28,690	46,060	4,850
Recharged to NEL	16.5%		£ 3,934	£ 3,934		£ 4,734	£ 4,734	£ 800
Recharged to W1st	20.9%		£ 4,983	£ 4,983		£ 5,996	£ 5,996	£ 1,013
Recharged to W3rd	29.2%		£ 6,961	£ 6,961		£ 8,377	£ 8,377	£ 1,416
Recharged to UW	33.4%	17,370	£ 7,962	£ 25,332	£ 17,370	£ 9,583	£ 26,953	£ 1,621
		£ 17,370	£ 23,840	£ 41,210	£ 17,370	£ 28,690	£ 46,060	£ 4,850

Due to the very low base for these costs, whilst energy efficiency measures have been incorporated into the build (eg rainwater harvesting, PVs on the roof, electric vehicle charging points), it is likely these will minimise the increase in future costs had they not been incorporated rather than delivering annual savings. Rebates and grants such as Renewable Heat Incentive (RHI) will also be investigated for the 'greening' measures incorporated.

The NNDR is based upon current values as assessed by the Valuation Office, which are based on a 'likely rental' value as follows:

Valuation Office Values (for NNDR)	
Witham House	£ 23,500
Depot	£ 13,750
Total	£ 37,250

There will be some additional running costs, particularly the IT network connection which could be an additional £6k per annum. Other additional costs will be for lift maintenance and inspection and for the automated entrance gate.

The impact of these additional costs across the four Boards is shown in the following table:

Impact on Recharges		
Recharged to NEL	16.5%	800
Recharged to W1st	20.9%	1,014
Recharged to W3rd	29.2%	1,416
Recharged to UW	33.4%	1,620
Total		4,850

The office area is estimated to be approximately one third of the total build costs. As the office is to be utilised by all four Boards via the Joint Services Agreement, then a methodology needs to be developed to share these costs equitably and proportionately across the four Boards.

The legal advice received is that the whole development should be undertaken and owned by UWIDB. The element that relates to the office area should then be charged at a 'rental value' to a separate 'holding account' where, along with the office running costs (NNDR, utilities, insurance, etc), these costs should be allocated proportionally across the four Boards (including UWIDB) in the agreed proportions of the Joint Services Agreement (which operates from 01.04.2017).

The key issue to be addressed is what would be a reasonable 'rental value':

- **Option 1** As a minimum, the rental value must cover the additional interest cost that UWIDB will incur from borrowing the amount for the office element. Based on current rates this will be around 3%. This is therefore the lowest amount to be recharged and will result in the lower charge to Joint Services and therefore a bigger impact for UWIDB.
- **Option 2** This option covers the interest and principal repayments for the office element. Based on current rates this will be just over 5%. Whilst this option recoups for UWIDB the total borrowing costs (principal and interest) of the office element, it should be remembered that the asset will be wholly owned by UWIDB and therefore they will receive any future benefit. **This is the Officer recommended option as discussed with the 4 Boards' Chairmen on 17.10.18.**
- **Option 3** 3.5% - this is based on the 'nominal asset value' used in Local Government for recharging assets to services.
- **Option 4** 6% - this is based on a more commercial market return.

The following table summarises these options based upon **£0.477m (i.e one third of £1.43m) borrowed over 30 years based upon an Annuity loan:**

Recharge options:				
	1	£	14,348	3.01% Interest only
	2	£	24,351	5.11% Principal & Interest
	3	£	16,683	3.50% LG Asset Value
	4	£	28,600	6.00% Commercial Return

The impact of these additional costs across the four Boards is shown in the following table:

Impact on Recharges		1	2	3	4
Recharged to NEL	16.5%	2,367	4,018	2,753	4,719
Recharged to W1st	20.9%	2,999	5,089	3,487	5,977
Recharged to W3rd	29.2%	4,190	7,110	4,871	8,351
Recharged to UW	33.4%	4,792	8,133	5,572	9,552
		14,348	24,351	16,683	28,600

Bringing the funding and running costs elements together, the options are summarised to show the impact for UWIDB as follows:

Option	1	2	3	4
Upper Witham Impact Office p.a.				
Loan & Interest Cost	£24,351	£24,351	£24,351	£24,351
less Recharge Option	(£14,348)	(£24,351)	(£16,683)	(£28,600)
Plus UW element Financing	£4,792	£8,133	£5,572	£9,552
plus UW element other costs	£1,620	£1,620	£1,620	£1,620
Net Cost UW	£16,415	£9,753	£14,860	£6,923
Upper Witham Impact Office & Depot p.a.				
Loan & Interest Cost	£61,302	£61,302	£61,302	£61,302
less Recharge Option	(£14,348)	(£24,351)	(£16,683)	(£28,600)
Plus UW element	£4,792	£8,133	£5,572	£9,552
plus UW element other costs	£1,620	£1,620	£1,620	£1,620
Net Cost UW	£53,366	£46,705	£51,811	£43,874

The impact for each of the four Boards is shown in the following table:

Impact on Recharges		Current	Option	Option	Option	Option
			1	2	3	4
Recharged to NEL	16.5%	£ 3,934	£ 7,101	£ 8,752	£ 7,487	£ 9,453
Recharged to W1st	20.9%	£ 4,983	£ 8,995	£ 11,085	£ 9,483	£ 11,974
Recharged to W3rd	29.2%	£ 6,961	£ 12,567	£ 15,488	£ 13,249	£ 16,729
Recharged to UW	33.4%	£ 7,962	£ 14,375	£ 17,715	£ 15,154	£ 19,134
		23,840	43,038	53,040	45,373	57,290
Cash Increase per Board						
Recharged to NEL			£ 3,167	£ 4,818	£ 3,553	£ 5,519
Recharged to W1st			£ 4,012	£ 6,102	£ 4,500	£ 6,991
Recharged to W3rd			£ 5,606	£ 8,527	£ 6,288	£ 9,768
Recharged to UW			£ 6,413	£ 9,753	£ 7,192	£ 11,172
Total			£ 19,198	£ 29,200	£ 21,533	£ 33,450

Option 2 is the recommended method to fairly apportion the costs of the office element of the scheme. However, once the final scheme costs are known, a rounded figure may be used to make sure there is no direct correlation between servicing the loan debt and the amount charged to Joint Services.

A meeting of the four Chairmen of the Boards (which make up the Group party to the Joint Services Agreement) took place on 17th October 2018 to discuss the scheme and the impact for their respective Boards. This was a positive meeting with no major concerns raised. The Chairmen of the other three Boards had received delegated authority at their September Board meetings to sign up to the impact of the Business Case for their Boards, in order to provide comfort to Upper Witham's Board on 19.11.18 that the joint office element was supported by all four Boards. A further meeting with NELDB's Chairman and Vice Chairman was held on 06.11.18. Each of the other three Boards is therefore willing to support the scheme.

In order to mitigate some of the impact in the early years, the Board may need to spread or 'smooth' the impact over the first two or three years in order that it does not have a significant impact upon Drainage Rates and Special Levies. It is anticipated that the impact will be lower than the business case shows but the Board could use some of its reserves to smooth the impact. The Board currently has reserves as at 1st April 2018 of:

Reserves	
General Reseve	£ 190,775
Plant & Machinery	£ 189,401
Emergency Events	£ 25,000
Total	£ 405,176

The General Reserve of £190,775 is 15.16% of the Board's turnover (the Board's Reserves Policy being to hold a General Reserve in the range 10% -15%).

The Board is very aware of the need to make ongoing efficiencies in order to keep any 'penny rate' increases to a minimum in order not to increase the Special Levies or Drainage Rates beyond a modest increase. A summary for each Board was included in the Business Case which showed how the budgets have moved between the 2014/15 approved budget (2016/17 for North East Lindsey) and the 2018/19 approved budget.

These summaries clearly demonstrate the savings that have been achieved, especially around joint administration costs and additional income generated, all of which has been reinvested into front line service delivery and Engineering support.

Whilst this business case is demonstrating that an investment is required to build a fit for purpose depot and office facility, this is against a background of ongoing efficiencies and additional income generation which has been a major governance agenda in modernising the IDBs as smaller public bodies.

With a scheme of this size being undertaken by a relatively small public body, there are a number of risks which were summarised in the Business Case, together with some mitigation measures.

Following the receipt of the tenders on 31st August 2018, a detailed evaluation had been undertaken to ensure we have comparable figures that include all the elements asked for in the original scheme specification.

Following the award, a JCT contract will be drawn up via the Board's solicitor ideally to be signed by the end of 2018.

The indicative timescales for the scheme are set out below. However, these will be determined and agreed with the appointed contractor:

Dec 18	Draw up legal contract and sign up agreed contractor. Apply to DEFRA for funding approval.
Jan 19	Undertake enabling works to allow depot to be vacated.
Feb 19 - Mar 19	Vacate depot and relocate to W3rd depot and alternative site across the road. Place Witham House 'up for sale'.
April 19	Pass depot keys to contractor to commence demolition works and site clearance. Draw down PWLB funding to meet stage payments.
May 19 -	Commence build works @36 week programme
January 20	Move into new depot and office facilities

The Project Sponsor will be Jane Froggatt, Chief Executive. She will ensure the project is delivered on time and to budget. She will be supported by the Consents & Enforcement (C&E) Officer who will be the client side lead, to oversee the scheme liaising with the contractor's project manager. As part of the tender, the project management of the scheme is the responsibility of the contractor. The part time Witham Third Engineer will deputise and cover for the C&E Officer to provide a second check and balance. The Finance Consultant will provide any financial advice required and phase the stage payments to the Contractor.

It is envisaged that the C&E Officer will meet the contractor on-site fortnightly to receive and update on works completed and any issues arising. A monthly/6 weekly overview meeting will take place between the Project Sponsor and the Contractor.

The Operations Manager supported by UW's Working Foreman will oversee the emptying of the depot ahead of the scheme commencing and recommissioning after completion. A small internal team will be established to manage the relocation of the office to the new facility.

The Business Case sets out the current issues with the current depot facility and the investment that is required by UWIDB to remedy this. It also sets out the opportunity to relocate the joint office into the same development and the additional costs that will be serviced by the partners to the Joint Services Agreement.

This is probably the largest project that the Board has undertaken and therefore there may be some operational issues arising over the next 12 months, should agreement be given for the project to proceed. It will not be possible for example to undertake a large 'winter works' programme during 2018/19 and next winter 2019/20 whilst the depot is being emptied and recommissioned (in comparison with the significant winter works programme 2017/18).

There followed detailed discussion on the Business Case, points raised included:

- Brent Charlesworth raised the issue of security arrangements at the proposed new building.
- Sue Kerr queried whether the EA precept levied on IDBs had remained static (it had).
- In response to a question from Ray Phillips, it was confirmed that the procurement process was OJEU compliant.
- Queries were raised about the fire safety over a depot and the Enforcement Officer (a building inspector by professional background) outlined the depot / (office design in terms of fire precautions, e.g. concrete beam and block floor and 60 minutes fire break on the office accommodation corridor.
- The 'green' measures were raised and discussed (e.g. feed in tariff on PVs, permeable surfaces, rainwater harvesting, thermal values for the building to reduce heating costs).
- David Knight raised foul disposal and it was confirmed the scheme includes installation of a bio-pure tank.
- It was confirmed that the scheme includes 3-phase electrical supply to the building.

After discussion the Board:

- approved the Business Case for the demolition of the existing Depot at Meadow Lane, North Hykeham, Lincoln and the provision of a new Depot facility for Upper Witham and ancillary office accommodation for the group of four IDBs which collaboratively work in partnership as 'Witham & Humber Drainage Boards'.
- agreed to submit the Business Case to DEFRA to request the funding to be approved to allow a subsequent application to the PWLB to release the funding of £1.2m to support the scheme.
- agreed to appoint Taylor Pearson as the approved contractor to deliver the scheme and to enter a JCT contract with the approved contractor in the sum of £1,072,335.12.
- agreed the overall budget for the scheme as follows:

	£
Main Contract	1,072,335.12
Contingency 10%	107,233.51
Fit Out Costs	25,000
Interim Office rent	20,000
TOTAL SCHEME	1,224,568.63

- agreed to progress the sale of Witham House at the earliest opportunity, with a view to renting back the office accommodation from the purchaser until the new facility is completed.
- agreed to undertake the enabling works on the land opposite the depot, within a budget of £20k to be funded from 2018/19 existing budget.
- agreed a recharge to the Boards within the Group party to the Joint Services Agreement, for the joint office element of the scheme, based broadly on one third of the funding cost (principal and interest) relating to the final build costs.

66.18 Director of Operations and Engineering Services' Report.

The Director of Operations and Engineering Services' Report had been tabled during the meeting and was presented to members, along with a verbal update by the Engineering Services Officer.

- **Planned Maintenance Programme**

This summer's maintenance season planned work continued. Despite the dry and thick vegetation, and issues relating to workforce resources, the programme will be substantially complete before Christmas.

- **Asset Maintenance**

A badger sett has been identified on Oxpasture Outfall Drain. It is being monitored for movement and use. Some entrances appear to be redundant with one main entrance demonstrating signs of regular use. A recent inspection confirmed that one of the sett entrances is in regular use. If this continues into the autumn, then remedial measures may need to be put in place.

The Board had received a report from Anglian Water's biodiversity team of a sett being damaged by the passage of a piece of plant operated by the Board in the Marston area. This incident was investigated by Fiona Scott, the Board's Environment and GIS Officer and Martin Shilling, Director of Operations and Engineering. Whilst a tractor and flail combination had been working in the area, there was no evidence that work or activities, in contravention of the badger class licence held by the Board, had been undertaken. There were a number of entrances to the sett and all were clear, with signs of the passing of badgers. The active setts in the area are well known to the Board's Operatives over many years.

- **Plant**

Tenders had been received for the replacement of the Board's Spearhead SPV flail in 2019/20 (June 2019). Prices received were as follows:

Tenderer	Make/Model	Tender Value	Trade-In	Service Package
Chandlers	MF 7720 Dyna VT	£97,265	£20,000	£7,729
Pecks	Case IH Puma 185 CVX	£101,000	£20,000	£7,349
Irelands	Spearhead SPV 100T	£250,458	£70,000	£7,595
Marsh [Claas Eastern]	Claas Axion 810 C Matic	£98,750	£15,000	£75/hr
Doubleday of Boston	John Deere 6195R	£136,334	£42,000	£11,750
Platts Harris	New Holland T78 230	£104,950	n/a	£73/hr
ACE	Berky Trac 3700	£241,040	£46,000	£45/hr

In addition, the following tenders were received for the provision of a front mounted flail that would be purchased at the same time as the main combination.

Tenderer	Make/Model	Tender Value	Total Net Value
Chandlers	Kuhn BPR240	£6,600	£168,865
Pecks	Teagle Dual 250	£6,350	£169,350
Irelands	Spearhead Trident 250HD	Included in main tender	£180,458
Marsh [Claas Eastern]	KRM Unika 2300	£6,960	£172,710
Doubleday of Boston	Bomford Turbo Euro 250	£5,500	£162,500
Platts Harris	Bomford Turbo Euro 250	£6,150	£162,100
ACE	Muthing MU-M250 Vario	Included in main tender	£195,040

The specified side mounted flail, a Herder BK512SH, will be supplied by Mastenbroek Ltd at a cost of £82,000. The 'Total Net Value' listed above includes the cost of the side mounted flail, but not the service package.

The tenders will be evaluated based on a combination of price, operational suitability and potential life-time cost of servicing and repairs. An order will then be placed before Christmas.

- **Pumping Stations**

Burton pump no.1 had been recommissioned following its periodic refurbishment, as part of the Board's planned maintenance schedule.

Problems continued to be experienced at Pyewipe PS with water level control equipment. At present, the pumps were being operated using the 'back up' rod system, rather than the ultrasonic system.

Following the inspection of the pumps at Auborn and Sandsyke Pumping Stations a written report was received from the Environment Agency. This report indicated that whilst the pumps showed little signs of physical deterioration, there was indication of wear and potential failure of the motor driving pump no.4 at Auborn. Low insulation resistance readings were recorded which indicated potential problems within the insulation of the winding of the motor or moisture ingress. This would require the pump to be lifted and removed from site for further testing and repair.

- **Public Sector Co-operation Agreement [PSCA]**

The Board had combined its core maintenance work with this additional work, undertaken in partnership with the Environment Agency. In total, the value of the work undertaken in 2018/19 has been estimated at £37,846.88 and will be substantially completed by the end of the month.

However, the Board continued to work on some smaller elements of the programme until 31st March 2019. The Board continued to undertake individual pieces of rechargeable work on behalf of the EA, neighbouring local authorities and for others as requested.

- **Westborough Flood Alleviation Scheme**

Work on the eastern element of the scheme was completed in March 2018. Attempts continue to gain agreement with the main landowner involved with the western element of the scheme and to agree the resumption of the work in the village, with the main contractor (J. E. Spence). Discussions continued to describe the nature of the proposed works, their benefits and the clarification of future responsibilities. Attempts to contact the land owner continue for agreement to the works. The Works Committee would be visiting the village on 05.12.18.

- **Workforce**

The Board continues to experience a difficult period with regard to the health and wellbeing of its workforce and in the recruitment of a new Operative to the team:

- An Operative is currently on long-term sick, recovering from surgery to treat a non-work related illness. He is not expected to return to full duties before early December.
- An Operative has advised the Board that following shoulder surgery he will require a period of post-operative recuperation that will continue until the Christmas period.

- A new member of the workforce, William Jarman, joins the Board's workforce on Monday, 19th November (today). His main duties during the summer maintenance period will be the operation of the tractor & paddock flail combination.

The Board had utilised Operatives employed by Witham Third DIB to complete some of the programmed work and minimise any delays in the completion of the summer programme.

As previously reported, the period during which overtime is employed will be extended into November where light and ground conditions allow. In addition, resources will be provided by other Boards to support the Board's activities where possible, for example, excavator drivers from Witham Third DIB.

Members received and NOTED the report and the verbal update.

67.18 Consents and Enforcements Report.

Mr Guy Hird, Engineering Services Officer, introduced the Consents and Enforcements Report which had been circulated with the agenda and set out the position, both within the drainage district and in the extended Rainfall Catchment.

Byelaw Consent Applications

Reference	Location	Applicant	Details	Date
UD-4234-2018-CON	Branch Catchwater South Hykeham	Tennyson Homes Ltd	225mm dia attenuated stormwater outfall	19-09-18
UD-4255-2018-CON	Branch Catchwater South Hykeham	Tennyson Homes Ltd	AWS underground rising main	19-09-18
UD-4334-2018-CON	Corner House Drain Swinethorpe	Camper UK Leisure Park	Treated foul discharge	

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
UE-4220-2018-CON	Poplar Farm development, Grantham	Norwich Hub Ltd	Cycle path / land drain outfall in ditch	12-09-18
UE-4314-2018-CON	Stow Lane, Ingham	Penrose Ingham Ltd	Access culvert to development. Attenuated stormwater discharge	
UE-4317-2018-CON	Sheepwalks Farm Lane, Witham St Hughs	Adrian Sail	2no. attenuated stormwater discharges	
UE-4332-2018-CON	Land off Green Lane, Swinderby	Chennell's Farms	Groundwater test pumped discharge	
UE-4333-2018-CON	Torgate Lane, Bassingham	Jackson Homes (Scopwick) Ltd	Access culvert to single dwelling	

Enforcement Issues – District

Reference	Location	Description / Comments	Actions
UD-3565-2017-ENF	<i>Fosdyke Delph, Lincoln</i>	Caravans, sheds, and general rubbish obstructing access	Network Rail are issuing notice to vacate and tort notices. Awaiting tenders for clearance.
UD-3891-2018-ENF	<i>Long Leys Rd, Lincoln</i>	Flooding of road and fields	City of Lincoln have asked the Board to carry out maintenance. Negotiations on going with City Council
UD-4045-2018-ENF	<i>A607 Belton</i>	Problem with road drainage	Passed onto LCC
UD-4112-2018-ENF	<i>Sand Beck, Stragglethorpe</i>	Bank slip	Passed to Ian Coupland for further investigation.

Enforcement Issues – Extended Area

Reference	Location	Description / Comments	Actions
UE 3775-2017-ENF	Main St. North Carlton	Possible blocked culvert	Awaiting response from LCC regarding clearing culvert
UE-3803-2017-ENF	Station Rd, Thorpe on the Hill	Possible blocked culvert	Awaiting response from LCC regarding clearing culvert
UE-3839-2018-ENF	11 Hawthorne Av, Lincoln	Flooding in garden	Investigations complete culvert blocked. Awaiting remedial works
UE-3849-2018-ENF	Cow Lane, Upton	Maintenance required to watercourse	Investigations ongoing
UE-3856-2018-ENF	Chatsworth AV, Grantham	New spring flooding estate highway	Awaiting response from LCC
UE-3910-2018-ENF	Jerusalem RD / Birds Holt, Skellingthorpe	Field flooding	Awaiting access via NKDC
UE-3929-2018-ENF	Black Lane & Jerusalem Road, Skellingthorpe	Blocked road culvert	Awaiting response from LCC
UE-3946-2018-ENF	3 Rose Hill, Saxilby	Flooding in garden	Letter drop requesting riparian owners to maintain watercourse. Case closed 17-10-18
UE-3957-2018-ENF	28 High Street Kexby	Flooding in garden	Spoken to Parish Council awaiting remedial action
UE-3982-2018-ENF	Water Lane Woolsthorpe with Colsterworth	Possible maintenance to culverts required	Complete case closed 20-04-18
UE-3998-2018-ENF	45 Rowan Road, Lincoln	Problem with culvert	Work to be carried out in January 2019
UE-4004-2018-ENF	63 Hykeham Road, Lincoln	Flooding in garden	Awaiting action by Lincoln City
UE-4057-2018-ENF	Brant Broughton, Lincoln	Flooding issues	Possible LCC issue
UE-4154-2018-ENF	127 Harrowby Lane, Grantham	Flooding of properties and land	Leak from AWS system
UE-4171-2018-ENF	Arlington Road Railway Bridge	Road flooding	Awaiting response from LCC
UE-4195-2018-ENF	19 Lotus Court, Lincoln	Garden Flooding	Blocked watercourse, NKDC to clear

UE-4277-2018-ENF	Boundary Lane, Hykeham	Contamination in watercourse	Passed to EA. Case closed 10-10-18
UE-4280-2018-ENF	12A Redwood Drive, Waddington	Flooding in garden	Investigation revealed blocked culvert, A-Jet to clear in January 2019
UE-4281-2018-ENF	17 Hollywell Road, Waddington	Flooding in garden	Surface water run-off. Case closed 04-10-18

Members received and NOTED the report.

68.18 Engineering Services Report.

The Engineering Services Report had been circulated with the agenda and the Engineering Services Officer advised there were no issues to highlight.

Members received and noted the report and update.

69.18 Westborough Flood Alleviation Scheme and works in Long Bennington.



It was noted that a meeting of a meeting of the Works Committee had been convened for Wednesday, 05th December 2018. The Committee would be briefed on the Westborough FAS and receive an update on works in Long Bennington since the August 2015 flooding of residential properties.

70.18 Any Other Business.

There was no further business and the meeting closed at 16:20.

71.18 Date, Time and Place of Next Meeting.

The next meeting of the Board was confirmed for Monday, 21st January 2019 at The Natural World Centre, Whisby at 2pm.

 Chairman  Date
 UWBM 19.11.18

