

## **UPPER WITHAM INTERNAL DRAINAGE BOARD**

**Minutes of a Meeting of Upper Witham Internal Drainage Board held on Monday, 18<sup>th</sup> January 2021 via video conference at 2pm.**

**Present:** Mr. T. Arnold.  
Mr. J. Boyall  
Mr. A. Buckley  
Cllr. M. Green  
Cllr. G. Hewson.  
Mr. R. Hollis.  
Mr. D. R. Knight  
Cllr. Ms. R. Longbottom  
Mr. F. H. Myers - **Chairman**  
Cllr. L. J. Pennell  
Mr. G. Rawlings.  
Cllr. S. Roe.  
Mr. J.R. Scarborough - **Vice Chairman**  
Mrs. J.S.P. Smith.  
Mr. N. Tobin  
Cllr. P.J. Vaughan. - **Vice Chairman**  
Mrs. J. Wilkinson.

**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 Technical & Engineering Services.  
Mr. Steve Larter, Director of Finance & Governance.

### **73.20 Apologies:**

Apologies for absence were received from, Mr. B. Charlesworth, Mr. N. Craft, Cllr J. Cottier, Cllr. Ms. L. Dales, Cllr. S. England, Mr. P. Gowen, Mr. D. Jackson, Ms E. E. Jenkinson, Cllr. Mrs. Kaberry-Brown, Cllr. R. Oates, Mr. R. Phillips, Mr. G. E Porter, Mr. C. Smith, Mr. T. Speakman, Cllr. I. Stokes and Mr. S. H. White.

### **74.20 Declarations of Members' Interests.**

Members present appointed by the five Councils declared interests relating to their respective Councils (City of Lincoln, North Kesteven District, West Lindsey District, South Kesteven District and Newark & Sherwood District Councils).

### **75.20 Chairman's Announcements.**

The Chairman welcomed members to the January meeting of the Board, the fourth meeting held by video conference due to the ongoing Covid-19 pandemic.

The Chairman reminded members with regret of the death of Mr Paul Wright on 12<sup>th</sup> December 2020 and his funeral on Tuesday, 05<sup>th</sup> January. Paul was a long-serving member of the Board, of over 56 years, and he was also a former Chairman. Unfortunately, due to the restrictions of Covid-19 the Board was unable to send

representation to the funeral, but the Chief Executive did talk to his partner Anne. An obituary will be written for the next edition of the ADA Gazette. Members joined the Chairman for a few moments of reflection on a life well-lived, before starting the business of the meeting.

The Chairman then took the opportunity to say how saddened he was to hear of the sudden death on 01<sup>st</sup> December of Mr Paul Hoyes, Chairman of Witham Third District IDB since 2013. Paul was well known to many members, as he had been instrumental in the joint services partnership between the 4 Witham & Humber Boards and another good supporter of land drainage, flood risk and water levels management. Paul farmed at Stixwold near Woodhall Spa. His funeral at Stixwold was on Thursday, 17th December.

Mr Stephen Roe was welcomed to his first meeting of the Board, members hoped he would enjoy his time on the Board. Members recalled that Cllr Chris Spray had resigned from NKDC on 13th November and the Council advised that it would nominate a replacement Board member. With effect from 17th December, Stephen Roe joined the Board, with no change to the other NKDC nominated members. Stephen's father, Mr Peter Roe was a long-serving member of the Board.

Mr Tom Arnold was also welcomed to his first meeting of the Board, representing the electoral district of Stapleford and Claypole.

Members were advised that the January meeting usually has focus on the duty to set a balanced budget for the forthcoming financial year from 01st April and on therefore setting the Penny Rate in the pound, which in turn drives the setting of the drainage rates and the Special Levies for the 5 Councils.

The Chairman was aware that the rainfall of the last few days had caused some operational pressures and some concern over the last weekend as to whether the EA was going to operate the Lincoln Washlands, particularly the Till Washland scheme. With the support of members, it was proposed therefore that the running order of the agenda was changed to take Section A (Board / Constitution items), then Section C (Operational issues), before returning to Section B (Financial reports & Governance).

In Martin Shilling's continued absence due to ill-health, the Chairman welcomed both Guy Hird and Ian Coupland to the meeting. Martin continued to make good progress and would hopefully begin a phased return to work in mid-March.

### **76.20 Minutes of the Board & Annual Public Meeting, 16.11.20.**

The Minutes of the Board's previous meeting, incorporating the Annual Public Meeting, held on Monday, 16<sup>th</sup> November 2020 were proposed, seconded and APPROVED as an accurate record.

#### *MATTERS ARISING:*

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

## **77.20 Minutes of the Finance & General Purposes Committee meeting, 06.01.21.**

The minutes of the Finance and General Purposes Committee held on Wednesday, 06<sup>th</sup> January 2021 had been circulated with the agenda and were proposed, seconded and APPROVED as an accurate record.

### *MATTERS ARISING:*

#### 77.20.1 Proposed Budget Estimates for 2021/22.

The Chief Executive highlighted the discussion that had taken place at the Board's sub-committee regarding the proposed Budget Estimates for 2021/2022.

The report presented to F&GPC members assumed a break-even 31.03.21 position and then set out the assumptions for next year based on a 2.5% increase in the Penny Rate, built in the agreed 4.1% pay award costs for 2021/22, an uplift in NNDR costs of 2.5%, and setting out all budget headings which it was proposed to rebase, e.g., insurance budget rebased by £18,350 to £45k. The budget for electricity remains at £41k. The costs of the replacement 4x4 vehicles and vans, due imminently for replacement, had been factored in at an additional £8k cost.

Correspondingly, a small increase in rechargeable works income of [£8k] had been built in, excluding the PSCA works income at this point. Highland Water income assumptions had been uplifted by [£32.5k].

There had followed discussion about the Reserves position of the Board, officers sharing their concerns that whilst the 31.03.20 deficit position had depleted reserves and would take a couple of years to recover, the potential break-even 31.03.21 position did mean there would be no opportunity to increase the General Reserve by more than the £23.5k contribution already factored in. That meant the Reserves balance is only 2.0% of turnover, the Board's policy on general reserves being to hold in the range of 10-15% of turnover. After discussion, it was agreed that the remaining balance on the capital receipt sum of £255k, from the sale of the former Witham House in February 2020, should be used to fund the planned capital purchase of the plant programme tractor/ flail in 2021/22, to enable the revenue reserves in effect to be eased, reduce the risk and to optimise revenue flexibility [and improved to approximately 13% of turnover]. The Director of Finance & Governance would recast this element of the proposed Estimates report for the Board meeting on 18.01.21 accordingly [this had been done].

Subject to this revision on reserves, the Committee was content to commend the proposed Estimates 2021/22 to the Board for approval on 18.01.21 and this was noted.

The recommendations from the sub-committee were received and noted.

## **78.20 Minutes of the Joint Services Committee meeting, 14.12.20.**

The minutes of the Joint Services Committee held on Monday, 14<sup>th</sup> December 2020 had been circulated with the agenda and were noted.

### **MATTERS ARISING:**

#### **78.20.1 Joint Services Budget for 2021/22 and Estimates 2021/22.**

At the JSC meeting the detailed draft 2021/22 JSC estimates were summarised along with the previous year's budgets 2020/21 and the year-on-year variances.

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

The proposed 2021/22 Joint Services budget of £960,940 showed an increase of £49,890 (5.48%) on the approved 2020/21 budget of £911,050. This increase was due to:

- pay award (agreed by each Board at 4.1%), increments/staffing changes and corresponding NI & Pension contributions which total £31k.
- general inflation on support contracts, NNDR, insurance, ICT, utilities, etc, total £9k.
- increase in external support budget of £15k, from £25k to £40k.
- rebase Witham House budgets for NNDR, maintenance and PWLB loan, reduction of (£5k).

The proposed joint services 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**

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

## **Budget 2020/21**

### **Joint Services**

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

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

## **Variance 2021/22 to 2020/21**

### **Joint Services**

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

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

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

Overall, there is a budget cost increase of £50k for 2021/22 on a £911k budget for 2020/21 (+5.48%). These changes were incorporated in each Board's Estimates for 2021/22. It was confirmed at the JSC meeting that the first draft budgets for each Board were just completed and these could accommodate the joint services budget in each of the 4 Boards' Estimates with a 2.5% increase in each Board's Penny Rate. David Armstrong had enquired about cash efficiencies and it was agreed that a paper evidencing recent savings by Board would be brought to the May 2021 JSC meeting.

The JSC, following discussion, had supported the budget as set out and was content to recommend each of the 4 Boards approve the proposed JSC budgets, to be included in each of the 4 Boards' Estimates.

Cllr Gary Hewson enquired about the current status of the proposed pay award for staff. He asked if the pay cap would be applicable. It was confirmed that it would not. Pay Committee members and ADA Lincolnshire Branch had resolved that the current approved recommendations to the Board should stand, unless and until an instruction from Defra was received to cap it.

Members noted the discussion at the JSC meeting and the recommendation on the joint services budget within Estimates for 2021/22.

## **79.20 Elections 2021 Timetable and Returning Officer.**

A timetable for the October 2021 Elections for each of the 4 IDBs had been circulated with the agenda. Following discussion, members APPROVED the timetable and nominated the Chief Executive as Returning Officer.

## **80.20 Chief Executive's Report.**

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

### 80.20.1 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 a skeleton service 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 should now work from home whenever possible and should only come into the office to do something that cannot be done from home, in line with national guidance. 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, single cab working, e.g., tree and bushing works with one Operative using the excavator with tree clipper and one supporting from the ground. Not all duties may lend themselves to 'hands, face, space' and socially distanced working, e.g., major bank reinstatement works, and we will need to 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.

### 80.20.2 Staff.

Following a recruitment process via Zoom, with a subsequent depot meeting with the Foreman, Lee Albans, Mr Ian Moore was appointed to the role of Land Drainage Operative with Upper Witham IDB. Ian started on Monday 11.01.21. Following the retirement of Mr Chris Hoyle on 27.09.20 after 23 years with the Board, that takes the team to a full establishment of nine Operatives [including the Foreman] once again.

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 project 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 ill-health absence of Garry Winterton (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.

The Chief Executive's report was received and noted.

### **81.20 Schedule of Expenditure, 01.11.20 to 31.12.20.**

The Schedule of Expenditure incurred for the two months of 01<sup>st</sup> November to 31<sup>st</sup> December 2020 had been circulated with the agenda. It was highlighted that this refers to invoices paid in the two months period.

Expenditure totalled £301,014.85 gross or, excluding £18,942.07 VAT, the net amount of £282,072.78. Of this, £17,676.72 was rechargeable expenditure to other bodies.

Items raised by or highlighted to members included:

- Items 4 & 5: £2,575.00, & £8,959.95 (net) to Andrew E Barnes for works completed on the depot project.
- Items 13 & 14: £20.20 and £ £13.42 (net) to Biffa Waste Services. Cllr Lance Pennell queried two payments that cover the same period, and it was explained that the depot and office are split payments, and the office payment is recharged under the Joint Services Agreement.
- Item 40: £22,296.17 (net) to Daniel Charles Construction Ltd for entrance bell mouth completion works to the new depot.
- Item 41: £1,275.01 (net) to Dobbs Blind Makers for additional vertical blinds at the new office and depot.
- Item 42: £83,413.00 (net) to EA, for Flood & Coastal Erosion Risk Management Precept (2<sup>nd</sup> of 2 payments – total payment due £166,826.00).
- Item 60: £125.00 (net) to Ken Bowen Plastering & Building Services for the repairs to plaster in the new office toilets.
- Item 69: £2,314.19 (net) to M Gladwin Electrical Contractors Ltd for additional works on air con units for the new depot & office.
- Items 72 & 73: £3,910.40 & £1,648.29 to North Kesteven District Council payments for NDR.
- Item 148: £1,881.00 (net) to TSG UK Solutions Ltd for a fuel pump system & maintenance contract covering the period 01.11.20 to 31.10.21. Cllr Lance Pennell queried the period, as it appears to be a strange starting time for a contract on a new build. It was clarified that this was down to the issues with non-payment to the contractor by the original build contractor, Taylor Pearson Construction Ltd.

Members received the expenditure schedule and NOTED the expenditure incurred in the two months 01<sup>st</sup> November to 31<sup>st</sup> December 2020.

**82.20 Summary Financial Performance Report 2020/21 to 31<sup>st</sup> December 2020 and forecast year end position as at 31<sup>st</sup> March 2021.**

The 2020/21 Financial Performance Report, detailing the 9 months to 31<sup>st</sup> December 2020, had been circulated with the agenda. The report was presented by the Director of Finance and Governance. The summary position was as set out in the following table:

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
	<b>2020/21 Budget</b>	<b>Profiled Budget</b>	<b>Actual</b>	<b>Variance (3-2)</b>	<b>Projected Outturn</b>	<b>Variance (5-1)</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income	(1,432,622)	(1,258,324)	(1,373,446)	(115,122)	(1,511,751)	(79,129)
Board & General Admin	18,830	9,618	8,554	(1,064)	17,817	(1,013)
One Off Schemes	105,000	0	20,155	20,155	20,155	(84,845)
Conservation	2,000	749	265	(484)	854	(1,146)
Depot	64,420	50,260	65,312	15,052	76,738	12,318
Drains	614,202	533,213	598,458	65,245	657,594	43,392
Pumping Stations	184,970	131,632	83,789	(47,843)	179,318	(5,652)
Joint Admin/Witham House	144,615	99,550	99,593	43	148,658	4,043
Consents & Enforcement	16,444	0	0	0	12,281	(4,163)
Director of Operations/Engineers	106,178	68,873	68,071	(802)	97,205	(8,973)
Contribution to/(from) Reserves	(19,200)	0	(18,000)	(18,000)	57,300	76,500
PWLB	0	0	0	0	0	0
Rechargeable Works	25,000	11,604	78,109	66,505	78,109	53,109
EA Precept	170,163	170,164	166,826	(3,338)	166,826	(3,337)
FRS17 Pension Adjustment (net)	0	0	0	0	0	0
Wages & Plant Holding Account	0	(3,485)	(74,752)	(71,267)	0	0
<b>(Surplus)/Deficit</b>	<b>0</b>	<b>(186,146)</b>	<b>(277,065)</b>	<b>(90,919)</b>	<b>1,103</b>	<b>1,103</b>

The Board's budget profile as of 31<sup>st</sup> December was a surplus of [£186,146] and the actual position was a budget surplus of [£277,065], a positive variance of [£90,919]. Members were reminded that some high-risk areas such as electricity costs were still to be incurred, witness the recent heavy rainfall event. However, there were no issues of concern at this point, other than to try and improve the Board's reserves position if practicable at the year-end 31.03.21, given the adverse impact on reserves of a deficit 31.03.20 year-end position for 2019/20.

On income, Special Levies had been received by 01.11.20 from the 5 relevant councils, the second and final 2020/21 tranche of Special Levy payments for 2020/21. This income was included in the position and members were reminded that bank balances would reduce over the next few months, there being no further significant income due to the Board from Special Levies until May 2021.

Drainage rates income as at 31.12.20 was [£248,939.41], of £249,459.35 invoiced for 2020/21, a collection rate of 96.9%, compared with 98.3% for the comparable month 9 in 2019/20. As at 31.12.20 after adjustments, there was a balance of [£8,010.92] drainage rates income outstanding to the Board.

The Highland Water claims had been submitted to the Environment Agency for the balance on the 2019/20 actual claim, with a further balance of (£57,053) due to the Board, and for the 2020/21 estimated claim of (£200,000). Of the estimated claim for 2020/21, 80% (£160,000) was due to be paid by 30.09.20 and was indeed paid by the EA in August 2020, along with the balance on the 2019/20 actual (£57,053), i.e., a total of (£217,053) had been received. This is a positive variance of (£26k) to the anticipated Highland Water income to the Board.

An FDGiA business case and grant application had been submitted and grant income of £251,100 had now been received for the Pyewipe Pumping Station refurbishment works. This scheme will be progressed in 2020/21, with the agreed £15,000 partnership contribution from the Board.

On budget headings, variations included (£10k) underspend to date on the Joint Administration / Witham House budget regarding National Non-Domestic Rates (NNDR). A challenge had been submitted to the Valuation Office Agency (VOA) to review the assessment for the new depot and office, as the charge levied included the workshop area twice (ground floor and upper floor). The Board had received notification that this challenge was successful. The revised NNDR payable on the new depot and new office is now broadly the same as the previous NNDR for the former separate depot and office buildings. The NNDR payable for the office portion is £5,888 and for the Depot £12,325.

On bank balances and investments, as at 31.12.20 these were as follows:

Lloyds Current	£	22,600.91
Lloyds Deposit	£	255,000.00
Nationwide Instant Access	£	603,024.63
Nationwide 90 Day Notice	£	14,431.59
<b>Total</b>	<b>£</b>	<b><u>895,057.13</u></b>

It was noted that the Nationwide Instant Access account included the balance remaining on the PWLB loan, which is being used to fund completion of the new depot and office scheme. This balance would therefore reduce as further payments are made on the scheme towards completion.

## **PWLB Loan - Balance Outstanding**

**2.68%**

**£ 1,146,322.24**

*Original loan £1,200,000. Loan period 30 years from 18/01/2019. Maturity date 15th November 2048. Repayments made 15th May and 15th November each year.*

Based on the 31.12.20 position and taking into account all known expenditure to 31.03.21, the forecast year-end position for 2020/21 was a broadly balanced position, with a possible modest surplus.

Members received and NOTED the financial position as of 31<sup>st</sup> December 2020 and the forecast 31<sup>st</sup> March 2021 year-end position.

### **83.20 Risk Register.**

A Risk Register co-ordinated 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 outturn positions, and with the significant impact of COVID- 19 upon the 4 Boards' operations, several risks were revised when the Risk Register in September 2020. Due to the ongoing pandemic, and with entering National Lockdown again on 05th January 2021, there had been no further changes this time. It is hoped that some risks can be reduced again, once the pandemic risk eases.

The key measures that have been put in place to address the COVID-19 Pandemic were:

- Initially 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 & 4x4s.
- 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 office on a booking basis – max 4 people at any 1 time 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, 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 APPROVED the Risk Register.

#### **84.20 Proposed 2021/22 Estimates.**

The Proposed 2021/22 Estimates Report, detailing 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 by the Management Team to review the actual income and expenditure in 2020/21 as of 31<sup>st</sup> December 2020 (Q3). This was projected forward to provide an indicative outturn position as of 31<sup>st</sup> March 2021 (Q4). This position was used to inform the budgets 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 14<sup>th</sup> 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 office facility are already included but had been rebased to reflect likely ongoing costs.

A balanced budget position can be achieved for 2021/22 based on these assumptions and a recommended **2.50%** penny rate increase.

### Pension Triennial Revaluation

The following table shows the Pension Contributions, as certified by the Actuary for the Lincolnshire County Council Pension Fund Hymans Robertson:

<b>Employer Pension Contribution Rates</b>				
	<b>NEL</b>	<b>UW</b>	<b>W1</b>	<b>W3</b>
<b><u>2020/21</u></b>				
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%
<b><u>2021/22</u></b>				
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%
<b><u>2022/23</u></b>				
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 rates had been used in the compilation of the Board's as well as JSC Estimates for 2021/22.

It is likely that Boards will see 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 increasing claims nationally. This Board currently has an insurance budget of £26,650 with current premiums costing £30,976. Also, based upon increased premiums for W3rd and W1st at renewal 01.07.20, it is likely that the insurance premiums for Upper Witham will increase at renewal in May 2021. Therefore, the 2021/22 insurance budget had been rebased at £45k (increased by £18,350).

The insurance impact across the 4 Witham & Humber Drainage Boards is:

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

Increases in income had been included for Drainage Rates (£6k) and Special Levies (£23k) based on an assumed increase in the Penny Rate of 2.50%, in order to set a balanced budget for 2021/22 and to protect the baseline in line with inflation.

The rechargeable works income budget had been increased by (£8k) to reflect the likely level of rechargeable works outside of PSCA. No written confirmation has been received yet from the EA as to the level of PSCA works to be commissioned in 2021/22. Correspondingly, the budget for rechargeable works expenditure had not been increased.

The Highland Water budget has been adjusted to reflect the 2020/21 estimate submitted to the EA of an increase income of (£32.5k).

The FDGIA budget has been removed, being £105k. This was the One Off/Capital schemes budget (£105k) income received in 2019/20 for Pyewipe Pumping Station refurbishment and held in the One-Off Projects Reserve.

The main increases for the following budget headings were:

- Drains £30k
- Pumping Stations £20k
- Wages & Plant Holding Account £0k, Net £50k.

These were for the inflationary increase of 4.1% pay award and associated increase in oncosts for the Operatives at £8k. The budget for electricity has not been changed and remains at £41k for 2021/22. This is still considered a prudent level for a normal year, but clearly is not sufficient for significant events as experienced in 2019. Depreciation had been adjusted at £19k to reflect the current approved plant replacement and the lease rental budget had been increased by £8k to reflect the 5-year replacement of the Operatives' vans and 4x4s as approved by the Board. Insurance additional costs of 13k were also included.

The budget for Pump Lifts had been retained at £30k for 2021/22. This work is essential to ensure pumps are inspected on a regular basis and is also a condition of our insurance policy.

The JSC on 14th December 2020 recommended the JSC Budgets to the 4 Boards for inclusion in each Board's detailed Estimates. The main variance is providing for the 4.1% pay award, increments and associated oncosts, plus adjustments for inflation.

The cost of the Consents & Enforcement Officer is fully met by income from recharges to Lincolnshire County Council as the Lead Local Flood Authority [LLFA]. The Memorandum of Understanding runs until 31.03.21 and is envisaged to be extended.

The Board's Emergency Events reserve of £25k was depleted in 2019/20, so ideally will be replenished. A contribution of £4,300 to the replenishment is included in the 2021/22 budget.

As previously agreed by the Board, in order to smooth the impact of the new depot facility a contribution from reserves will be made over the next few years on a reducing/tapering basis. An initial contribution of £25k was included to set a balanced budget in 2019/20 and this has been reduced to £23.5k in 2020/21 and again in 2021/22.

Inflationary increase of IDB Precept payment to the EA of 2% is already included in the base budget for 2020/21, but no increase was applied. Therefore, this uplift remains in base budget for any increase in 2021/22.

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

It was proposed the fund balances be allocated on the following basis:

<b>Reserve</b>	<b>2020/21 b/f £</b>	<b>Estimated 2020/21 c/f £</b>	<b>Estimated 2021/22 c/f £</b>
Revenue Reserve*	(28,618)	(168,618)	(145,118)
Plant & Machinery	(70,156)	(31,342)	(52,247)
Emergency Event	(0)	(4,300)	(8,600)
Pumping Stations	(0)	(7,275)	(14,550)
One Off Projects	(265,885)	(115,885)	(21,060)
Depot Replacement	(26,482)	(53,678)	(81,608)
<b>Balance</b>	<b>(391,141)</b>	<b>(381,098)</b>	<b>(323,183)</b>
<b>Capital Receipts (Witham House)</b>	<b>(255,000)</b>	<b>(161,861)</b>	<b>(0)</b>

\*Assumes year end balanced position for 2020/21.

The Revenue Reserve is the general 'contingency' reserve and will 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 the end of this financial year 2020/21.

It includes a proposed £140,000 transfer in 2020/21 (current financial year) from the Plant & Machinery Reserve to the General Reserve in order to replenish this Reserve to a viable balance. It also includes the £23.5k contribution from the General Reserve in 2021/22. The 2021/22 balance is 10.40% of turnover, so within the Board's approved Policy on Reserves of 10% to 15%. This will be reviewed when the actual position for 2020/21 is known as part of the Outturn report to the Board in May 2021.

The Plant and Machinery reserve funds the future purchases of Plant and Equipment, depreciation charges and sales replenish this fund on an annual basis to fund future purchases. A £140,000 transfer is proposed in 2020/21 (current financial year) from the Plant & Machinery Reserve to the General Reserve in order to replenish this Reserve and get it back within the Board's Policy. However, to counteract this, the purchase of Plant & Machinery in 2021/22 will be funded from a combination of the balance on the Capital Receipt (£161,861) with the balance funded from this Reserve. Whilst the reserve reduces in 2020/21 & 2021/22 there are no planned purchases in 2022/23, so the reserve will be replenished providing no additional plant and machinery purchases are required.

The Emergency Event reserve is used for funding emergency expenditure incurred if a flooding event takes place e.g., if additional electricity usage is incurred at the pumping stations, materials or for preventative/remedial action to help deal with emergency events. During 2019/20, due to the significant rainfall events, the reserve had been fully depleted. Therefore, a contribution of £4,300 is included in 2020/21 and 2021/22 budgets to replenish it.

The Pumping Stations reserve has started to receive the depreciation charges from the Weed screens, rather than it going to the Plant & Machinery Reserve. This fund will need to fund future refurbishments and replacements of AWCs.

The One-Off Projects reserve holds the FDGIA monies already received for the Pyewipe Scheme, a total of (£244K), along with the balance of funding for the Westborough scheme (£21K).

The Depot Replacement reserve receives the depreciation charges for the depot and office and will be utilised to fund major repair, refurbishment and ultimate replacement in years to come.

Capital Receipts (Witham House) is the receipt from the sale of the previous Witham House in February 2020. This can only be used for capital purchases in the future, it cannot be used to fund revenue costs. Allocations have been agreed by the Board of £15k partnership contribution to the Pyewipe Pumping Station refurbishment scheme (FDGIA funded) and £60k towards completing the depot project (although £78,139 is the cost incurred). As this is less flexible than other revenue reserves, it is proposed the balance is utilised to fund Plant & Machinery purchases in 2021/22 as discussed and recommended by the F&GPC.

Following discussion, the Board APPROVED:

- the Estimates for 2021/22 based upon a 2.5% increase in the penny rate.
- The transfer of £140,000 from the Plant & Machinery Reserve to the General Reserve at outturn 2020/21.
- Utilising the balance on the Capital Receipt to fund Plant & Machinery purchases in 2021/22.

### **85.20 Annual Value, Drainage Rates and Special Levies 2021/22.**

A report had been circulated with the agenda and was presented by the Director of Finance and Governance.

The report detailed the Annual Values that need to be agreed as part of the formal setting of the Drainage Rates and Special Levies, before 15.02.21, for the financial year 2021/22.

The Annual Values start with those brought forward from last year's rate setting as at 31<sup>st</sup> December 2019, with then the movements during the calendar year required for land that has been developed or is no longer used for agricultural purposes. This land transfers out of Drainage Rates and is allocated to the Special Levy for the appropriate Council.

The Annual Values as at 31<sup>st</sup> December 2019 were:

	<b>Pumped £</b>	<b>Gravity £</b>	<b>Total £</b>
Drainage Rates	797,975	1,532,000	2,329,975
City of Lincoln	11,251	6,530,829	6,542,080
North Kesteven DC	217,847	2,557,833	2,775,680
South Kesteven DC	0	1,971,699	1,971,699
West Lindsey DC	201,606	154,835	356,441

Newark & Sherwood DC	41,596	50,534	92,130
<b>Total</b>	<b>1,270,275</b>	<b>12,797,731</b>	<b>14,068,005</b>

The land movements between 01.01.20 and 31.12.20 that require transfer from Drainage Rates to Special Levy were summarised as:

Account	Area ha	Parish	Council	Developed for	Pump/Gravity
0149	-0.065	North Scarle	NKDC	House & garden	P
0638	-0.665	North Scarle	NKDC	Industrial Units	P
0191	-1.230	Fulbeck	SKDC	Caravan Site	G
0050	-0.162	Scampton	WLDC	Commercial Premises	G
0050	-0.275	Scampton	WLDC	House & Garden	G
0050	-3.687	Scampton	WLDC	Commercial Premises	G

This results in the following Annual Values as at 31<sup>st</sup> December 2020:

	Pumped £	Gravity £	Total £
Drainage Rates	797,910	1,531,435	2,329,345
City of Lincoln	11,251	6,530,829	6,542,080
North Kesteven DC	220,655	2,557,833	2,778,488
South Kesteven DC	0	1,979,087	1,979,087
West Lindsey DC	201,606	160,798	362,404
Newark & Sherwood DC	41,596	50,534	92,130
<b>Total</b>	<b>1,273,018</b>	<b>12,810,517</b>	<b>14,083,535</b>

The following 'penny rates' will be applicable if the **2.50%** increase as proposed is agreed:

	Pumped (pence in the £)	Gravity (pence in the £)
Current	17.7239	6.9019
Proposed	18.1670	7.0744

This will increase, net of land movements, the amount of income generated from Drainage Rates from £247,169 to £253,296 (+£6,127) in 2021/22.

These increases will have the following impact on Special Levies, including the rebasing of the Annual Values for the land transfers, for each Council as follows:

	Current £	Proposed £	Difference £	Increase %
City of Lincoln	452,745.41	464,060.94	11,315.53	2.50
NKDC	215,150.07	221,037.80	5,887.73	2.74
SKDC	136,084.71	140,008.51	3,923.80	2.88
WLDC	46,418.99	48,001.26	1,582.27	3.41
N&SDC	10,860.24	11,131.73	271.49	2.50
<b>Total</b>	<b>861,259.42</b>	<b>884,240.24</b>	<b>22,980.82</b>	<b>2.67</b>

In summary, income to the Board increases by a total of £29,108 (being an increase of £22,981 in Special Levy income from the 5 Councils and a net increase in Drainage Rates income of £6,127 due to transfer of agricultural land to other developed land).

Following discussion, members APPROVED:

- I. The transfer of land from Drainage Rates to Special Levy as set out.
- II. The land valuations as at 31<sup>st</sup> December 2020 upon which Drainage Rates and Special Levies are calculated is set at £14,083,534.
- III. The 'penny rate' is increased by 2.5% to 18.1670 pence in the pound for Pumped and 7.0744 pence for Gravity.
- IV. The Special Levies 2021/22 be agreed for each of the 5 Councils as:

City of Lincoln	£464,060.94
North Kesteven District Council	£221,037.80
South Kesteven District Council	£140,008.51
West Lindsey District Council	£48,001.26
Newark & Sherwood District Council	£11,131.73
- V. The Chairman and Chief Executive be authorised to sign the 'Rate Book' and apply the seal of this Board and publicise the revised penny rates, estimated Drainage Rates and Special Levies before 15.02.21.

#### **86.20 Health and Safety Update.**

A report prepared by the Acting Director of Operations had been circulated with the agenda and was presented.

As the Board approached the end of the summer maintenance programme and commenced bank slip repairs and winter maintenance, the Operatives were working in closer proximity than when they were on their machines, working alone. We are risk assessing jobs individually to ensure the protection of our staff. They always have available the PPE needed to reduce risk including Face Masks, Gloves, Hand Sanitiser and Fogging disinfectant that has been tested and does kill Coronavirus. 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. Measures are still in place to make the office accessible to limited staff numbers at any one time. 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 Management Team Meetings.

Cope, external Health and Safety provider have supplied a quote to provide Health and Safety support to North East Lindsey Drainage Board in 2021/22 and this will provide

consistency across the 4 Boards and go some way to providing that independent check and support for Health and Safety, which is good practice.

We have had no accidents or near misses since the last report to the 4 Boards in November.

The usual periodical Health & Safety meetings with local representatives have proved difficult to undertake, due to Operatives not having easy access to video conference facilities. Therefore, the Acting Director of Operations has spoken with each representative individually and compiled a list of 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.

The company retrofitting the Cab Hand Rails on machines has booked appointments at the end of January to come and measure up for retrofitting of the Cab Guards. Members were reminded 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.

### **87.20 Environmental Update.**

A report by Fiona Scott, Environment & GIS Technician, had been circulated with the agenda and was presented by Guy Hird, Acting Head of Technical and Engineering 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 2020 to December 2020.

Since 2011, the Board has 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. New orders for replacements were submitted before Christmas and are due to be delivered in February 2021. The camera in Pyewipe PS box continues to work well and is monitored by the Board's officers. A female barn owl bred successfully, and 6 chicks were present during checks this year.

Badgers are common throughout the drainage district. They are protected, as are their setts, under the Protection of Badgers Act 1992. The badger sett at Oxpasture Outfall drain continues to be monitored regularly. It is not a main sett, as camera traps have

been used overnight and, as only one male has been sighted leaving and entering the sett, it is thought to be an annexe sett, which are often used if clan members are being driven away from the main sett. Badgers will become more active February to April and digging will continue. It is especially important that any badger digging into embankments is closely monitored by the Board's officers and Operatives.

The Greater Lincolnshire Nature Partnership (GLNP), with whom the 4 Witham & Humber Boards work in partnership, has appointed a new Partnership Manager, Charlotte Palmer. A Board's officer has been in contact with Charlotte and has sent over some materials explaining more about IDBs and has offered to show her some environmentally important sites within the 4 Boards' drainage districts.

The 4 Boards will be hosting a Year 2 Geography student placement from February to June 2021, after being approached by the University of Lincoln as a significant public body 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.

Members received and noted the report and update.

### **88.20 Director of Operations and Engineering Services' Report.**

In the absence of the Director of Operations and Engineering Services, a report had been compiled by Ian Coupland and Guy Hird and was presented jointly.

Guy Hird gave a brief update on current rainfall levels and predictions for the series of heavy rainfall events expected for at least the coming week. Friday 15<sup>th</sup> January had been busy with 27mm of rain, a further 12mm over the weekend and a possible further 10mm expected today. The Lower Witham (affecting mainly Witham First DIDB and Witham Third DIDB) was very high, but now receding. At 11am today the FAS

ran a forecast from tonight to Thursday 21<sup>st</sup> January of up to 80mm rainfall with 20 flood warnings (flooding expected) in place. The real concern was the Lower Witham and a breach scenario, given the perceived fragility of main river banks. MAA meetings were being convened.

Ian Coupland confirmed that there were trouble spots at Westborough. Seepage from the main river was being seen, coming through a culvert. This area had been sandbagged and built up enough in preparation for the next rainfall event. Furthermore, a penstock had been discovered to be closed at Tillbridge Lane. This penstock should always be open. It is an EA asset responsibility, not the responsibility of the Board. However, the Board's Operatives had been to check, upon receiving the report.

Members were reminded that following the series of flood events in the 1970's and 1980's a response was the creation of the Lincoln Washlands scheme. As the flow of water through Lincoln is limited and to prevent flooding to the city of Lincoln, water is stored on two sites northwest and south of Lincoln. These two sites are farmland. These two sites are flooded, and the water can then be moved before the next rainfall event. The sole purpose is to protect Lincoln. They are operated by a series of trigger points upstream which are monitored by the EA at the approach of an event.

Upper Witham were on target to have the summer 2020 maintenance programme completed imminently. A short investigation has been undertaken by the EA into the Board's maintenance of Foston Beck, this is a watercourse we maintain for the EA under the PSCA works. The concern was raised that the Operative was too keen and did not leave enough vegetation in the watercourse, and allegedly scalped the toe leaving it bare. The EA have completed their investigation and are classing the incident as a 'Near Miss' and requested that Operatives undertake and document training. The Fisheries Department of the EA have also raised concerns with one of our UW excavator Operatives about maintenance of Honington Beck, alleging that routine summer weed control (not desilting works or weed raking) causes silt to flow into the River Witham and may damage the spawning grounds of Red Trout. After discussion, the EA suggested filtering the water flowing out of Honington Beck or they may consider prosecution as they suggest silt is pollution and as such would be treated as any other pollution incident. As this request from the EA was not provided in writing as requested, the work was not undertaken. However, Operatives have moved the machine to the other end of the watercourse and are working backwards so all the weed in the drain is acting as a natural filter. This is not ideal for the Operative who is working to the machine's blindside, but it was the only realistic compromise. This is routine maintenance on an Upper Witham maintained drain, undertaken every year at about this time. This has been escalated to national ADA.

We have already started on some winter maintenance work at UW's Oxpasture outfall and started the EA PSCA bushing works on the River Till in January.

We have a new Operative joining us on 11<sup>th</sup> January, Ian Moore, replacing Chris Hoyle who retired 27.09.20 after 23 years with the Board.

The UW Tractor/flail tenders have been returned by potential suppliers by the due date 07.12.20 and are being evaluated, with a decision to be taken shortly, in accordance with the approved plant programme, for delivery in June 2021.

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. IDBs are not classed as 'agriculture' by the customs and excise Laws and therefore it is understood that we should be using white diesel to perform our duties, the wording 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. Organisations that are not hauling their own produce, are classed as "For Hire & Reward". However, 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, and officers await more information.

Members were advised of the need to be aware of the issue and the significance for IDBs. A further report on the subject will be updated when more information is available.

#### 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 4 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.

#### Hykeham Pumping Station:

North Hykeham pump and motor had been returned, following refurbishment, and are working. There is an issue of pumps tripping out which is being investigated by Western Power Distribution to see if there is a loading problem on the incoming line. This station also has an issue with a leaking outfall chamber, possibly caused by the building subsiding, and this is going to be investigated and options reported subsequently. A full structural survey of the building may be commissioned, prior to spending yet more money on repairs.

#### Thorpe Catchwater:

An amended design is in progress by the Technical team to reduce the cost of the work to reinstate a significant bank slip on Tillbridge Lane and make it suitable for the Board's workforce to undertake themselves in the spring of 2021 (upon completion of the planned winter programme).

#### Pyewipe Pumping Station (UD-220-2013-PRO):

Planning permission has been granted by City of Lincoln Council for the construction of a new pump control house. This building will house the new Motor Control Centre (MCC) that will control the 3 electrically driven pumps on the site. The process to receive Grant in Aid monies from EA was completed in January 2020, upon the receipt by the Board of £282,950 plus a further £71,000 contribution underwritten by the

RFCC. This second sum being the Western Growth Corridor S106 contribution to be used for the provision of an additional Weedscreen cleaner. The Board agreed in June to contribute £15,000 towards the total scheme costs of £368,950.

The scheme includes the provision of:

- i. a new pump control building and MCC,
- ii. the refurbishment of the penstocks controlling flows within the syphon under the Fosdyke Canal and,
- iii. the provision of an automatic Weedscreen cleaner to the 'Old' electric pump that will deal with the flows emanating from the proposed Western Growth Corridor development.

The metal probes that monitor water levels on site had corroded, causing the system providing the continuous monitoring of water levels on site to fail. These probes have been replaced and the system reinstated.

A site meeting was held on 25<sup>th</sup> November with Western Power Distribution to agree the impact on their equipment and relocation of the metering.

Lower River Witham Strategy Review & Billingham System Review (FD-5336-2020-PRO):

Officers and Board members have attended several meetings relating to these EA led reviews, at the invitation of the EA. These reviews relate to two aspects of the lower River Witham system. The strategic review is tasked with looking at how the whole of the lower River Witham system is to be maintained and operated in the future, whilst the Billingham system review is a much more local approach focusing on maintenance and the effects a system failure has on the adjacent Witham 1<sup>st</sup> District IDB system.

The EA are to issue a scoping document requesting prices for various elements of work from their framework consultant, Arup. Over the next 2 years the system is to be re-surveyed, and the existing computer based hydraulic model is to be updated to reflect the current condition of the system. Arup have been appointed to undertake the strategy review and their work will include the management of the topographical survey work, model update, updating hydraulic information used within the modelling exercise, stakeholder engagement and development of the business case document by 2022.

The strategy, which was originally produced in the late 1990's and resulted in the rebuilding of many kilometres of raised earth embankments in the early 2000's, is reviewed every 5 years. This review will consider the existing preferred option of 'providing additional storage' and how the existing system affects the adjacent IDB pumped and gravity systems.

The review of the Billingham system will take information generated by the topographic survey of the watercourses and consider the need for de-silting of the various channels. The current method and specification of annual maintenance will also be discussed along with thorough maintenance of bushes and trees within the main river system. EA officers will hold site meetings with the local landowners who have experienced problems over the years within the Digby and Dorrington Fen areas, with officers from the Board and NFU assisting wherever possible.

Any future projects for capital work within the system will depend on a combination of both Defra Grant in Aid and partnership funding.

The importance of the defences in protecting the adjacent land has already been raised along with the need for a decision as to the long-term value, in the wider sense, of the adjacent land.

A joint questionnaire from the Board, the EA and the NFU was sent out in November [02<sup>nd</sup> to 27<sup>th</sup>] to the circa 200 local landowners and tenants within the catchment. Approximately 40 responses have been received which are being collected and analysed by the EA.

The approach to the Billingham review is akin to a new EA-led review, for the Upper Witham system. The Board's officers have asked to be involved in this review as soon as practicable, but it is understood that this is at present an internal EA review.

Members received and NOTED the report and verbal update.

### **89.20 Engineering Services Report.**

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

The Planning matters continue to be exceptionally busy for this Board, with a high volume of applications coming through. However, on this occasion there were no issues to highlight to members.

Members were advised that the Western Growth Corridor scheme is live again and a meeting is scheduled shortly. Following a brief discussion Guy Hird confirmed that the Board would always object in principle to the scheme, it being in a flood plain and that being the Board's formal position. However, it is to the Board's advantage to work with the Council on this matter because of the impact the scheme will have on the local pumping station and indeed the Board's existing system plus any new system.

Members received and noted the report.

### **90.20 Consents and Enforcements Report.**

The 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 where the Board acts for and on behalf of LCC, as the LLFA. For this Board, the consents have been relatively quiet, however the enforcement workload continues to increase:

Byelaw Consent Applications: - None received.

#### Section 23 Land Drainage Act Consent Applications – District

Reference	Location	Applicant	Details	Date
UD-5217-2020-CON	Thorpe Farm, Thorpe in the Fallows	Thorpe Farm Partners	Discharge to ditch from new building	Withdrawn 24-12-20
UD-5129-2020-CON	380m West of Rookery Lane, Sudbrook	Network Rail	Culvert repair with pipe, liner	17-12-20

#### 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
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UE-5123-2020-CON	Ingham Road, Stow	Eastman Bespoke Homes Ltd	Three overflow outfalls to ditch from soakaways	18-12-20
UE-5388-2020-CON	Rear of 5 Fleets Rd, Sturton by Stow	LCS Mechanical Ltd	Attenuated discharge to ditch from two dwellings	13-11-20
UE-5434-2020-CON	Back Lane, Brattleby	H R Blowers UK Ltd	Discharge to ditch from permeable pavement	

#### Enforcement Issues – District

Reference	Location	Description / Comments	Actions
UD-3857-2018-ENF	Rear of Mill Field Close, Harby	Possible work required to watercourse	Discussions between the PC, N&SDC and residents ongoing. Enforcement action may be required.
UD-4501-2019-ENF	A46 Lincoln By- pass A57 roundabout	Obstructed culvert and watercourse	Highways England have cleared a section of watercourse where roots are holding up water and culvert is running. Case Closed 16-12- 2020
UD-4851-2019-ENF	The Fosdyke Delph	Material restricting access	A works compound and debris is now blocking access. A letter needs to be sent.
UD-5245-2020-ENF	Unit 15 -17 Allens Business Park, Skellingthorpe Road, Saxilby, Lincoln LN1 2GH	Debris and equipment on West of Saxilby Outfall Drain downstream of the railway	<b>To date the obstruction has not been moved. A formal Notice will be sent.</b>
UD-5344-2020-ENF	Newark Road, North Hykeham	Fallen tree across Pike Drain	Investigating.
UD-5390-2020-ENF	Grange Lane, Hough-on-the- Hill	Maintenance require on watercourse, complicated by potential pollution.	Case ongoing.
UD-5420-2020-ENF	Apex Lake/Millennium Lakes/ Pike Drain	Fence obstructing assess within the Byelaw distance	Contact has been made with the agent and a gate will be put in the fence.

#### Enforcement Issues – Extended Area

The Board acts as Agent for Lincolnshire County Council, the Lead Local Flood Authority

Reference	Location	Description / Comments	Actions
UE-4730-2019-ENF	Dyke off Long Leys Rd, Lincoln	Maintenance to watercourse	Case closed 17-12-2020
UE-4915-2019-ENF	The Green Welbourn	Possible maintenance to watercourse	Waiting for information.
UE-4916-2019-ENF	Hough on the Hill	Possible maintenance to watercourse	Case closed 17-12-2020
UE-4990-2019-ENF	Clay Lane, Wheatley Lane Junction, Carlton Le Moorland	Waterlogging - Possible blocked culvert	No further issues  Case closed 17-12-2020

UE-5035-2020-ENF	Land off Wheatley Rd, Carlton Le Moorland	Flooding public right of way	No further issues Case closed 17-12-2020
UE-5037-2020-ENF	Manor Farm Drive, Sturton By Stow	Possible maintenance of watercourse	Case closed 17-12-2020
UE-5117-2020-ENF	A607 Lincoln Road, Carlton Scroop	Property flooding-blocked road culvert	No further action Case closed 17-12-2020
UE-5354-2020-ENF	Doddington Village	Potential obstruction to watercourse.	Investigating and waiting for LCC CCTV survey results.
UE-5422-2020-ENF	Bulby Lane Fulbeck	Potentially obstructed watercourse	Investigating

Members received and NOTED the report on consents and enforcement cases.

### **91.20 Request for the Board to Schedule Watercourse: Long Bennington Northern Watercourse.**

A briefing note had been circulated with the agenda and was introduced by the Acting Head of Technical & Engineering Services.

The Board had received a request from Mr Geoffrey Fearn of G.E & B. Fearn Farms Ltd. for the Board to schedule a 134m length of riparian watercourse that discharges into the River Witham, Long Bennington and agree to maintain it in the future.

The watercourse is the original discharge point for the main open watercourse that ran through the village. Over the years various sections were culverted and at some point, an alternative outfall was established into the River Witham to the South. The pipe that can be seen at the upstream end of the watercourse is shown on Anglian Water's asset plans as 'decommissioned' so should not discharge large volumes if any. Fortunately, most of the original watercourse which has been culverted is now an Anglian Water asset and their responsibility to maintain.

The catchment of the riparian watercourse is very small and only serves the immediate land around it. Most of it is farmland but there is a development partly within it which has just started (Planning references S18/2096 / S16/1451). A flapped outfall discharges into the River Witham which at this location is an EA main river. There is an earth bank to the North of the watercourse that could be the spoil from when it was dug. Officers do not consider it to be a flood bank. 95m of the watercourse is within the Board's district, with 39m extending beyond the district.

Mr Fearn is aware of his responsibility to maintain riparian watercourses that may serve his land, but states that the watercourse does not serve the land but only the housing development in the village and it places an undue burden on him. The watercourse is currently in a poor condition, overgrown with trees/bushes for the most part on the South side and the upstream end is completely covered with bush. The bed is silted up.

The Board has a written Policy for the Scheduling of Watercourses (2014). The Policy is written for land and watercourses within the district. For the Board to consider adopting anything outside district it would have to be just outside and in an area with a known issue or be of benefit to the Board.

The length that is subject to the request is partially outside the district [39m out of a total length of 134m] with its downstream reach lying within the district, with a flapped outfall discharging into the River Witham.

It was highlighted that the watercourse does not comply with the adoption Policy and so there are two options that the Board may consider applicable:

- Not schedule the watercourse; in this case the responsibility for maintenance would remain with the adjacent riparian landowners.
- Schedule the watercourse and the Board undertake maintenance of the reach requested by Mr Fearn.

In determining the Board's position, the issues considered included that the length of watercourse that Mr Fearn is requesting the Board to adopt is partially outside of the Board's District. Adopting the watercourse would have no initial benefit for the Board. The watercourse only drains a small catchment of the surrounding land and is not a major discharge point for the village, and the new development adjacent to Main Road is attenuated to 5l/s. The Board would not receive any commuted sum or increase in rateable income to fund additional works.

The reach outside of the District would not be subject to the Board's by-laws nor would the Board be guaranteed the protection of the Land Drainage Act. In the extended area, Land Drainage Act powers are held by Lincolnshire County Council. The Board is currently acting as agent for Lincolnshire County Council under an agreement until 31<sup>st</sup> March 2021, although it is likely that this period will be extended.

This report only considers the request from Mr Fearn to adopt the length in his responsibility.

Members AGREED that the Board **does not schedule** the riparian watercourse discharging into the River Witham for the length indicated.

### **92.20 Request for Board to Schedule Watercourse: Long Bennington Southern Watercourse.**

A briefing note had been circulated with the agenda and was introduced by the Acting Head of Technical & Engineering Services.

The Board had received a request from Mr Geoffrey Fearn of G.E & B. Fearn Farms Ltd. for the Board to schedule a 532m length of riparian watercourse that runs adjacent to Great North Road, Long Bennington and agree to maintain it in the future.

A request for a similar length of watercourse was submitted to the Board in November 2016. On that occasion the Board followed the officer recommendation and did not schedule the watercourse.

The catchment of the riparian watercourse extends into the village, includes the adjacent highway and serves an arable field adjacent to its most downstream reach. The open reach of the watercourse begins at the southern boundary of the village and flows southwards turning east to pass under Church Lane into a flapped outfall into Church Ease Drain, a Board maintained watercourse. Only 259m of the watercourse is within the Board's area the upstream length of 273m lies outside of the Board's district. Mr Fearn is only asking for the length in his ownership to be adopted, the 36m between this and the culverted section in the village is under different ownership.

There is a history of flood events affecting residential properties within the village, the most recent being August 2015. This event was subject to an investigation led by Lincolnshire County Council as Lead Local Flood Authority under S19 of the Floods and Water Management Act 2012.

Mr Fearn is aware of his responsibility to maintain riparian watercourses that may serve his land, but states that the watercourse does not serve the land, only the housing development in the village, and it places an undue burden on him.

The watercourse is currently in a fair condition. But some de-silting will need to be carried out in the near future on the section nearest the village as the culvert from the village is partly obstructed, it has not reached the point where enforcement action is required. There is another outfall that is part of the local highway drainage system. This system also relies on the same flapped outfall into the Church Ease Drain.

The Board has a written Policy for the Scheduling of Watercourses (2014). The Policy is written for land and watercourses within the district. For the Board to consider adopting anything outside the district, it would have to be just outside in an area with a known issue or be of benefit to the Board.

The length that is subject to the request is partially outside the district [273m out of a total length of 532m] with its downstream reach lying within the district, with a flapped outfall discharging into the Board's existing maintained system.

The watercourse does not comply with the adoption Policy and there are two options that the Board may consider applicable:

- Not schedule the watercourse; in this case the responsibility for maintenance would remain with the adjacent riparian landowners.
- Schedule the watercourse and the Board undertake maintenance of the whole length, not just the reach requested by Mr Fearn. This would be subject to the other owner(s) agreeing to the Board adopting and scheduling the watercourse.

The length of watercourse that Mr Fearn is requesting the Board adopt is partially outside of the Board's District but does benefit from an existing discharge into the Church Ease Drain. Adopting the watercourse would have no initial benefit for the Board, The Board would not receive any commuted sum or increase in rateable income to fund additional works. The length Mr Fearn is requesting does not include the section between his land and the village, this length would also need to be included and means the other landowner(s) would also have to agree with the Board adopting and scheduling the watercourse for maintenance.

The reach outside of the District would not be subject to the Board's bylaws nor would the Board be guaranteed the protection of the Land Drainage Act. In the extended area, Land Drainage Act powers are held by Lincolnshire County Council. The Board is currently acting as agent for Lincolnshire County Council under an agreement until 31 March 2021, although it is likely that this period will be extended.

The whole village is subject to an investigation led by Lincolnshire County Council. As a result of this investigation, the Board may be involved in further discussion about the creation, improvement or maintenance of other watercourses or surface water systems within the village. The results of these investigations may suggest that the adoption and maintenance of this watercourse and associated structures is not the most beneficial

solution, and as such the Board may be asked to consider adopting others within the local area at some point in the future. There is no confirmed timetable as to when the results of Lincolnshire County Council’s investigation will be completed and published. However, the Board’s officers continue to liaise with and assist Council officers in the completion of their investigation and recommendations and, where appropriate, promote local appropriate enforcement action and remedial work.

This report only considers the request from Mr Fearn to adopt the length in his responsibility.

Following discussion, Members AGREED that the Board **should not schedule the riparian watercourse** adjacent to the Great North Road.

**93.20 Closure Report UW Depot / Joint office scheme.**

A report had been circulated with the agenda and was presented by the Director of Finance & Governance.

A business case and investment decision were presented to and approved by the Board in November 2018 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 was to be operationally fit for purpose, on the existing site owned by the Board. A Planning Application had previously been submitted on the 01<sup>st</sup> of November 2017, to North Kesteven District Council and it had been approved by the Council on 09<sup>th</sup> March 2018.

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 to 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, J1 The Point, Weaver Road, Lincoln LN6 3QN would be 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 was an asset owned wholly by UWIDB; the Board purchased it in 2007.

The funding of the project would be a loan of £1.2m from the Public Works Loans Board (PWLB) with the balance being funded by the Capital Receipt generated from the sale of the former Witham House.

The timetable for the scheme was agreed as follows:

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

Following approval of the Business Case and procurement process to select a preferred contractor, Upper Witham IDB's JCT demolition and build contract with Taylor Pearson (Construction) Ltd (TPCL) commenced on 01<sup>st</sup> May 2019, for a 40 week period to 05<sup>th</sup> February 2020. Client-side progress report meetings had been held (usually every 2 weeks) between the Project Manager (Garry Winterton, Enforcement Officer and Building Inspector by background), the Director of Finance and Governance and the Chief Executive, to ensure transparency and control in that any variations authorised by the client representative were agreed by senior management.

A Project Board was also established with some nominated Members from the F&GP Committee to receive and discuss periodic updates.

In order to fund the project, it was agreed that a £1.2m loan would be requested from the PWLB. The £1.2m loan agreed was an Annuity loan over 40 years at an interest rate of 2.68%. This was agreed and drawn down on 18<sup>th</sup> January 2018 with half yearly repayments to be made in May and November to tie into when Special Levies monies are received.

As part of the development, enabling works on the other side of the road at the development site which would include temporary welfare facilities to provide a temporary base for the Board. This was established during winter of 2019 along with transferring the depot items to this site and Witham Third site for storage. The depot was vacant and ready for hand over to the contractor by 31<sup>st</sup> March 2019.

Demolition and clearance of the site, including the removal of asbestos, began in April 2018 ready for construction to begin in May 2018. All site cabins and welfare units had been erected and the services to the existing depot buildings had been disconnected. Office staff began the relocation phase from the old offices on The Point, Weaver Road, to the new offices and depot on Meadow Lane, from the week commencing Monday 10<sup>th</sup> February 2020, with staff being fully relocated by Thursday 13<sup>th</sup> February 2020. Some TPCL staff remained on the Meadow Lane site, finishing remaining contract items and work started on checking and formulating a snagging list. Therefore, the target date of moving into the building in January 2020 was virtually achieved.

Due to the COVID-19 pandemic and following Government guidance, the site was closed to visitors and office staff began to work from home on 19<sup>th</sup> March 2020. TPCL made the decision to remove their staff from the site on 24<sup>th</sup> March 2020, the day that national lock down formally commenced.

Contractual Items Outstanding when TCPL entered administration were:

- Tarmac Entrance Bell Mouth
- Painting to workshop floor
- Workshop area heating system
- White Lining to carpark & Health & Safety markings
- Various snagging list items

On 15<sup>th</sup> May 2020, TPCL entered administration.

On 21<sup>st</sup> May 2020, JW Butler and AJ Nichols of Redman Nichols Butler were appointed joint administrators of TPCL. The assets of TPCL were auctioned online on Monday, 15<sup>th</sup> June 2020. Officers continued to liaise with the Administrators to see whether the contract could be concluded. A site visit was due to be held on 23<sup>rd</sup> June 2020 with the administrators appointed Quantity Surveyor but, after Officers had collated a likely 'final account' figure for the works outstanding, they concluded that there was no value in completing the works. UW Board's Solicitor therefore issued a notice of termination of the contract to TPCL on 13<sup>th</sup> July 2020. Officers commenced arrangements to undertake the outstanding works.

On 23<sup>rd</sup> July, the Board's solicitor issued a schedule of warranties and guarantees that need to be transferred to the Board from TPCL to ensure the Board receives any benefit required during the warranty and guarantee periods. Liquidated damages have been agreed with the administrator at £2,625.

The monies not yet paid to TPCL were used to complete any outstanding works. However, if any sums remained compared to the original contract value plus variations, then any difference would be due to be paid to TPCL.

Site meetings took place with various contractors in order to complete the works outstanding. The focus was the bell mouth entrance, replace block paving, main depot area heating, floor painting and electrical works. Although some subcontractors had not been paid for the works undertaken on behalf of TPCL, they were willing to return to site to complete works outstanding.

The following outstanding works were completed:

- SBEN and EPC certificates required for Building Regulations sign off.
- Outstanding electrical works.
- Floor painted and associated health and safety markings.
- Outside notice board installed.
- Gate bollards installed.
- Window blinds fitted (not part of main contract).
- TVs installed in Boardroom (not part of main contract).
- Fencing repairs
- Outstanding plumbing works.
- Replace block paving.
- Entrance Bellmouth
- Additional CCTV and alarm work (not part of main contract).
- Depot Heating.
- Calor tank for depot heating.
- Cold Water Pressure Booster Pump.

The only items outstanding, not part of the main contract, were some fit-out items for the workshop (benches, etc.) therefore a £5k provision was made for these items. Also, the sale of some of the items purchased as part of the enabling works (canteen, etc.) plus some residual items were yet to be completed but were estimated to achieve (£9.5k) in revenue sale income.

Therefore, all outstanding works were completed. Any issues arising were dealt with via the revenue budget for the depot and offices.

The previous Witham House was also placed on the open market in July 2019 with viewings quickly following. A verbal offer was received on 05<sup>th</sup> August 2019 and subsequently accepted. Over the next few weeks, the relevant documents and certificates were aggregated, however it emerged there were issues with the management company relating to the maintenance of “The Point” business park. This took several weeks to resolve. The sale of the former office at J1, The Point completed on Monday, 17<sup>th</sup> February at a sale price of £255,000, which was paid into a capital reserve for Upper Witham IDB.

The financial position as at 31<sup>st</sup> December 2020 was:

<b><u>New Depot &amp; Offices</u></b> <b><u>(as at 31/12/20)</u></b>	<b>Budget</b> <b>£</b>	<b>Payments to Date</b> <b>£</b>	<b>Commit/ Allocation</b> <b>£</b>	<b>Total</b> <b>£</b>	<b>Variance</b> <b>£</b>
Main Contract	1,072,335	1,021,440	0	1,021,440	(50,895)
Contingency & Fit Out	107,234	99,860	0	99,860	134,404
		141,778	0	141,778	
Depot Fit Out	25,000	10,545	5,000	15,545	(9,455)
Interim Office rent	20,000	0	0	0	(20,000)
Revenue Costs	0	7,077	(9,500)	(2,423)	(2,423)
	<b>1,224,569</b>	<b>1,280,700</b>	<b>(4,500)</b>	<b>1,276,200</b>	<b>51,631</b>
<b><i>Charged to Revenue 2018/19</i></b>					
<i>Enabling Works</i>	<i>20,000</i>	<i>31,259</i>	<i>0</i>	<i>31,259</i>	<i>11,259</i>
<i>Professional Fees/Contingency</i>	<i>0</i>	<i>12,253</i>	<i>0</i>	<i>12,253</i>	<i>12,253</i>
	<b>20,000</b>	<b>43,512</b>	<b>0</b>	<b>43,512</b>	<b>23,512</b>
<b>Overall Cost</b>	<b>1,244,569</b>	<b>1,324,212</b>	<b>(4,500)</b>	<b>1,319,712</b>	<b>75,143</b>

The funding of the scheme is set out as follows:

<b><u>Financed by:</u></b>	<b>£</b>
<b>PWLB Loan</b>	1,200,000
<b>Revenue 2020/21</b>	(2,423)
<b>Capital Receipt</b>	78,623
<b>Sub Total</b>	<b>1,276,200</b>
<b>Revenue 2018/19</b>	43,512
<b>Total Funding</b>	<b>1,319,712</b>

Additional to this, UWIDB also had a Capital Receipt to use as future funding of £255,000 from the sale of its former office.

The Board, on 29<sup>th</sup> June 2020, approved the utilisation of up to £60k of the Capital Receipt received for the previous office at J1 The Point to complete the scheme. However, this was not sufficient with the final requirement being £78,623. This variance was mainly the additional costs associated with the entrance bell mouth and resolving the issue of the cold water pressure. It was recommended that the UWIDB agreed this final allocation.

As part of the administration process, the Board had also submitted a claim on 17<sup>th</sup> December 2020 for the additional costs of completing the works over and above the contracted sum. The basis of the claim was made up as follows:

Main Contract Value	£1,057,335.12
Agreed Variations	£102,420.07
Total Contract Sum	£1,159,755.19
less payments to date to TPCL	(£1,121,299.15)
<b>Amount due to Taylor Pearson in total (Completion + Retention)</b>	<b>£38,456.04</b>
Amount due upon completion of all works	£9,462.16
Retention due 12 months (after Rectification Period complete).	£28,993.88
	<b>£38,456.04</b>
less Liquidated Damages @£250 per week from 05.02.2020 (Agreed sum)	(£2,625.00)
<b>Draft Final Account</b>	<b>£35,831.04</b>
<b>Total to complete Main Contract Works, Agreed Variations and Snagging</b>	<b>£60,007.81</b>
<b>Balance due to/(from) Taylor Pearson</b>	<b>(£24,176.77)</b>

Whilst it was unlikely that much financial benefit will be gained from the claim, it was important that the Board demonstrated the cost to complete the works had been more than the monies remaining to be paid to TPCL so the administrator could not make a claim against the Board.

Members discussed and understood the need for an audit trail with a formal closure report on such a major capital scheme. It was AGREED:

- To receive the project closure report for the redevelopment of Upper Witham's Meadow Lane site (North Hykeham) for a replacement UW depot and joint office accommodation for the 4 Boards.
- To agree the additional funding of £18,623 from the Capital Receipt (total of £78,623).
- To close the Capital project as complete and mainstream it into revenue budgets.

**94.20 Any Other Business.**

There were no further items of business and the meeting closed at 16.00.

**95.20 Date, Time and Place of Next Meeting.**

The next meeting of the Board was confirmed for Monday, 24<sup>th</sup> May 2021, venue and format TBC, but likely to be once again via videoconference.

.....Chairman..... Date  
 UW BM 18.01.21