

## NORTH EAST LINDSEY DRAINAGE BOARD

### Minutes of a meeting of North East Lindsey Drainage Board held on Tuesday, 01<sup>st</sup> February 2022 at Stallingborough Grange Hotel at 2pm.

Present: Cllr P. Batson  
Mr J. Finch  
Mr. L. Grooby **Vice Chairman**  
Cllr R. Hannigan  
Mr. P. J. Hoyes **Chairman**  
Mr. R. Kirk  
Mr. P. Mills  
Cllr N. Pettigrew  
Mr. S. Shepherd  
Cllr D. Wells

In Attendance:  
Miss J. Flower, Executive Assistant  
Mrs. J. E. Froggatt, Chief Executive  
Mr. G. Hird, Head of Engineering & Technical Services  
Mr. S. Larter, Director of Finance & Governance

#### **1. Apologies.**

Apologies for absence were received from Cllr P Clark, Mr I Colquhoun, Mr J Fussey, Cllr S Harness, Mr J Hargreaves, Cllr B Parkinson and Cllr M Patrick.

#### **2. Declaration of Members' interests.**

Members nominated by North Lincolnshire and North East Lincolnshire Councils declared interests relating to their respective Councils. The Chairman declared an interest in any matters raised in respect of NELC pertaining to Stallingborough.

#### **3. Chairman's Announcements.**

The Chairman welcomed all to the meeting, he was pleased the Board was able to once again meet in-person.

It was noted that traditionally at the late January/early February meeting the focus is on setting a financially balanced budget for the forthcoming new financial year from April. The Board has a legal duty to do so and to publicise the Penny Rate, drainage rates and special levies for the 3 councils by 15th February each year. A lot of preparation work goes into this from the officer team, this year this work having been one of the most financially challenging rounds of budget setting we have faced in recent years. Members were advised that the proposed Estimates for 2022/23 were on the agenda today, this being inextricably linked to setting the Penny Rate.

Members would also be receiving an update on the procurement process for the Board's maintenance works at today's meeting.

#### **4. Minutes of the Board Meeting, incorporating the Annual Public Meeting, 09.11.21.**

The minutes of the Board's previous meeting incorporating the Annual Public Meeting held on Tuesday, 09<sup>th</sup> November 2021 were proposed, seconded and APPROVED as an accurate record.

##### *MATTERS ARISING:*

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

#### **5. Joint Services Committee 13.12.21**

The minutes of the Joint Services Committee held on Monday 13<sup>th</sup> December 2021 had been circulated with the agenda. Items highlighted to members included:

##### **5.1 Pay Award 2022/23.**

ADA Lincolnshire Branch's Pay & Conditions Committee [a sub-committee of the Branch which recommends changes in pay/conditions and oversees the ADA White Book of Terms & Conditions for staff - used nationally by IDBs] met last on 19.10.21. The 4 Boards' representative on the Committee, Cllr Lance Pennell [Upper Witham Board member] and Jane Froggatt had attended the meeting.

Next year 2022/23 is year 3 of a 3-year pay formula agreed between staff side and employers. In short, the indicator used is the 3-months average increase in public sector earnings between May and July, as published nationally in September each year [KPI KA09]. This was 2.5%. The Committee agreed to honour the 3-year deal, and this was therefore recommended by staff-side to their members and by Employers' side to the ADA Lincolnshire Branch meeting for ratification on 02.12.21. Lionel Grooby and Jane Froggatt had attended the ADA Lincolnshire Branch meeting on 02.12.21 where the Branch agreed the recommended IDB pay award for 2022/23, applicable from 01.04.22 across all salaries, wages and the ADA White Book pay scales.

An assumed 2.5% uplift to pay scales had been included in the draft joint services budget for 2022/23, and each individual Board's pay costs for 2022/23 Estimates accordingly. Although NELDB has only one directly employed staff member, the Board is affected by pay awards as regards staff in the joint services arrangement.

JSC members had noted the 2.5% ADA Lincolnshire Branch pay settlement for next year from 01.04.22 and agreed to recommend it to the 4 individual Boards, pay being a matter reserved to individual Boards. This had therefore been built into individual Estimates 2022/23 for each Board and the recommendation was in the Chief Executive's report.

##### **5.2 Budget Setting for 2022/23.**

As at the JSC meeting on 13.12.21, Budget preparation was well underway but 2022/23 was proving to be a challenging year. For the benefit of new JSC members, during November and early December a series of officer meetings are held to go through budget cost pressures in the current year, cost pressures in

the forthcoming year and any known developments or known improvements Boards wish to achieve are also fed through into a first draft of individual Estimates for each Board. As part of this the Joint Services Budget for 2022/23 is reviewed, following a similar process of building up known pressures. On the other side of this equation, efficiencies are part of the process. The proposed Joint Services Budget for 2022/23 had been considered in detail by the JSC and in its draft form it has been apportioned into the budget setting process for individual Boards [in the Joint Services Agreement agreed contribution proportions of Upper Witham and Witham Third 30% each and North East Lindsey and Witham First Boards 20% each].

By way of context, it was outlined that the following cost pressures were included in draft budgets:

- Pay award at 2.5% from 01.04.22.
- National Insurance employer contribution rate increase of 1.25% from April 2022 [increasing the rate from 13.80% now to 15.05%].
- Revised organisational structure, including those agreed at JSC in May 2021.
- In NELDB, assumed 15% increase in costs of new Maintenance Contract [tenders from potential suppliers had been due in on 04.01.22].
- Costs of switching operations from red diesel to white diesel from April 2022, a significant cost pressure for 2022/23. This includes the two elements of the increased cost of switching to white diesel across all plant, tractor/flails and excavators, and the increased unit price of white diesel [assumed £1.30 per litre pump price, as IDBs reclaim VAT effectively £1.08 per litre excluding VAT, rather than the unit price we did have of £0.5614 per litre and usage quantities like 2021/22 [UW 82,000 litres, W1 52,000 litres, W3 72,500 litres]. It also assumed the NELDB contractor making the switch.
- Fuel budgets: assumed budget in UW £88k [from £45.5k], W1st £56k [from £33.5k] and W3rd £78k [from £47.5k]. In NELDB this is covered in the assumption of 15% on the Maintenance Contract tenders due in 04.01.22.
- Insurance costs: assumed renewals July 2022 costs will be as July 2021 plus 5%.
- Electricity costs [a significant cost driver]: all 4 Boards are part of the ESPO framework which had forward purchased to April 2022. The Boards had been notified in October 2021 of a 15% immediate price increase, but this was fixed to October 2022, so only half of 2022/23. We have assumed a full year effect 15% rise in electricity costs, as no further information is available.
- Assumed 0% increase in NNDR- all 4 Boards.
- Assumed 0% costs increase in mobile phones, as costs are reducing but units of usage are increasing [rebased where required].
- Based on costs escalating on servicing and repairs and maintenance of plant and equipment, draft budgets have factored in increased R&M/servicing budgets for 2022/23, e.g., W1st £33,270 [from £20,270], UW £53,000 [from £26,000], W3rd £50,000 [from £29,200]. Not relevant for NELDB.
- Telemetry costs on 3 of the 4 Boards [not NELDB where a major upgrade was undertaken in 2020 when Control Star went into liquidation, and we had to migrate to a new system]. Copper landlines disappear in 2025. 2G

and 3G will be switched off in 2023 and some of our Telemetry is currently reliant on this [approximate cost of £3.5k to upgrade per Pumping Station and £8k to install per PS from scratch]. Currently developing a capital scheme Business Case for each of the 3 relevant Boards, but if successful this is likely to require a £10k budget contribution per Board [total costs estimate W1st £90k, W3rd £50k and UW £50k]. This is not currently budgeted separately, so it will be a call on existing budgets [e.g., from One Off schemes W1 budget currently £35k and W3 currently £10k, new budget of £10k required for UW].

- Pump lifts and refurbishments: we have increased the budget provision from £30k per Board to do 2 pumps per annum [in the light of recent costs experience] to £35k for NELDB, left UW and W3rd at £30k and increased W1st to £35k.
- Lease vehicle costs 0% [rebased where required].
- Assumed 5% increase in the Penny Rate for 2022/23, subject to each Board agreeing this in January [plus any percentage increase for land movements 31.12.21 from agricultural land to other developed land category under the Land Drainage Act [1991]. Post JSC meeting note: after further work, the recommended increases in the Penny Rate at January Board meetings had been UW 6.25%, W3rd 5.00% and W1st 6.50%. The recommendation today to NELDB was a 5.00% increase.
- Emergency/wet weather event reserve [not shown in revenue budget]: assumed UW £25k maintained, £35k W3rd. Nothing yet established for either NELDB or W1st in these draft budgets.

In meeting the 4 Boards' obligations to set a balanced budget for 2022/23 as at 06.12.21 the JSC had been advised that, based on these assumptions, we were getting closer to closing the gap to zero. But there was still some work to do. Based on the stated assumptions, and assuming members support a 5% increase in the Penny Rate, the current position was outlined to JSC:

- NELDB: A gap of £11,833 to close [which with known land movements would on a 5% Penny Rate increase give a Special Levy increase 2022/23 of NLC 5.03%, NELC 5.21% and WLDC 5.0%]. In NELDB 1% on the Penny Rate generates in 2022/23 £6k income to the Board.
- UW: A gap of £74,771 to close [land movements not yet finished for the 5 relevant Councils]. In UW for 2022/23, 1% on the Penny Rate generates £11k income to the Board.
- W1st: A gap of £33,873 [with land movements this would mean on a 5% increase in the Penny Rate, a 5% increase in Special Levy to City of Lincoln Council and 6.32% to NKDC]. In W1st a 1% increase in the Penny Rate generates £9k income to the Board.
- W3rd: A gap of £35,011 [which with known land movements would on a 5% increase generates an increased Special Levy to the 3 relevant councils of City of Lincoln 5%, ELDC 6.53% and WLDC 5.05%]. In W3rd a 1% increase in the Penny Rate generates £10k income to the Board.

Board members noted that, after discussion, the JSC had supported the proposed 2022/23 joint services budget and this had therefore been fed through into individual proposed Estimates, the NELDB Estimates being on the agenda today.

## 6. Chief Executive's Report.

The Chief Executive's report had been circulated with the agenda and issues highlighted included:

### 6.1 Covid-19.

The Boards continue with a precautionary approach, the 3 priorities remain:

- To maintain business continuity for the IDBs, both operationally and in terms of office-based functions, providing as normal a service as practicable.
- To provide a safe working environment for our staff.
- To maintain sufficient resilience in our teams to be able to respond appropriately to a flood event, when that happens.

We are observing national Covid-19 guidance, and the lifting of restrictions was announced on Thursday 27<sup>th</sup> January 2022 allowing people to return to working from the office.

There have been some staff directly affected by Covid-19, and some staff who have had Covid-19 within their households, e.g., we currently have two Operatives whose partners have confirmed Covid-19, they are coming to work but have been asked to do so only with a negative daily lateral flow test and by going straight to their machine [avoiding contact with colleagues]. It will become more difficult to observe social distancing in our operational teams in the next couple of weeks, as 2021 maintenance works finish and we move to winter works which includes gangs undertaking bushing and tree works.

Witham House office remains open to visitors and members of the public, but by prior appointment. The main office number 01522 697123 is staffed during office hours via the Unity App and calls are directed to the appropriate person. Use of the office is pre-booked by staff, with a maximum of 4 staff using the main office at any one time although we are widening those restrictions now. Site visits, meetings with contractors, landowners etc continue.

Covid-19 arrangements and any necessary changes to these or RAMS are assessed weekly, in the light of national guidance and local experience.

### 6.2 Context to Financial Pressures on IDBs and the Recommended Penny Rate Increases for each of the 4 IDBs for 2022/23.

We are legally obliged to set a financially balanced budget for each Board and to publicise this before 15th February. Whilst the usual pressures on IDBs remain, this year we have faced a perfect storm of cost pressures on IDBs. This is not just the 4 Witham & Humber Drainage Boards; we are experiencing pressures like those in the 112 IDBs nationally. Following the Joint Services Committee meeting on 13.12.21 it was agreed that the Director of Finance and Chief Executive should jointly write to all those Councils who pay Special Levy to the 4 Boards, to brief them on some of the key cost pressures on IDBs and to give them early warning that the Penny Rate increase required to set a financially balanced budget would need to be higher than the low increases in

recent years. This affects both Special Levies and Drainage Rates payers. A letter was accordingly sent on 17.12.21.

It was highlighted that whilst not exhaustive, the following factors are some of the key cost drivers IDBs are experiencing:

- The Finance Act 2021 and there being no dispensation to use rebated red diesel means that the 112 IDBs nationally are required to switch operations from red diesel to white diesel from April 2022 [unlike the agricultural dispensation or indeed the dispensation that has been made available to golf courses, there is no such dispensation for Flood Risk Management Authorities like IDBs]. This has two impacts, the cost of making the switch from red to white diesel and the ongoing cost thereafter in being legislatively compliant and running on white diesel. For 2022/23 budget purposes we have assumed a pump price of £1.30 per litre, or £1.08 per litre for white diesel after IDB VAT reclaim, compared with the current cost of 57 pence per litre for red diesel. Fuel is one of our key cost drivers and this change almost doubles our fuel costs. It will similarly affect our NELDB maintenance costs for any contractor.
- A national 1.25% increase in Employer National Insurance contribution rates from April 2022 increases the contribution rate to 15.25%, in real terms a 9% increase in pay costs.
- Electricity contract price increases. The 4 Boards use electricity to run our 55+ pumping stations, in a flood event our pumps can operate 24/7 for several weeks or even months, as happened in Lincolnshire during the heavy rainfall events and floods of November 2019. We market test our contracts and are party to the Eastern Shires Purchasing Organisation [ESPO] framework for electricity, the current contract being with Total Gas and Power. Even with ESPO's forward purchasing arrangements, our contract unit prices were increased by 15% from 01.10.21 and are fixed now until October 2022, so our IDBs may have further price increases part-way through 2022. We have assumed a stable 15% price increase for the whole of 2022/23 and this may prove unrealistic.
- Insurance premiums costs and comprehensiveness of cover. An unstable, contracting insurance market meant our costs escalated at insurance renewals in July 2021. We anticipate at least a further 5% increase in IDB insurance costs at renewal in July 2022, with further restrictions likely on the level of available cover.
- Plant & Machinery Repairs & Maintenance. IDBs use tractor/flail combinations and wheeled and tracked excavators for much of our day-to-day operational maintenance of watercourses and for our minor improvement schemes. With RPI at 7.1% and CPI at 5.1% in November 2021, inflationary increases and the time lag in sourcing parts from Europe means our spend on routine plant servicing and repairs has increased significantly. To put some metrics to this, for example, our R&M budget in Witham Third DIDB realistically needed to increase from £29,200 in 2021/22 to £50,000 for 2022/23.

This context was outlined to set the scene to the agenda papers setting out in detail the Budget Estimates and the associated paper setting the revised Penny Rate [the Penny Rate in turn driving the setting of Drainage Rates and the Special Levies for 2022/23].

Each of the 4 Boards could justifiably increase the penny rate by more than the levels recommended [e.g., in NELDB 7.88% would be justified and 11.5% would be justified in Witham Third]. Based on the cost pressures outlined, but also on some efficiencies and perhaps unrealistic assumptions of 0% inflationary uplift on most budget headings, the following increases in the Penny Rate had been recommended and approved by the other 3 Witham & Humber Drainage Boards for 2022/23:

- Upper Witham IDB 6.25% [NB: A 1% increase in the Penny Rate equates to an additional £11,527 Income to the Board for 2022/23, spread across agricultural ratepayers and the 5 relevant councils paying Special Levy].
- North East Lindsey DB 5.00% [NB: A 1% increase in the Penny Rate equates to an additional £6,167 Income to the Board for 2022/23, spread across agricultural ratepayers and the 3 relevant councils paying Special Levy].
- Witham First DIDB 6.50% [NB: A 1% increase in the Penny Rate equates to an additional £9,210 Income to the Board for 2022/23, spread across agricultural ratepayers and the 2 relevant councils paying Special Levy].
- Witham Third DIDB 5.00% [NB: A 1% increase in the Penny Rate equates to an additional £10,405 Income to the Board for 2022/23, spread across agricultural ratepayers and the 3 relevant councils paying Special Levy].

### 6.3 Staffing.

Following the departure in mid-November of the 4 Boards' Environment and GIS officer for another external role, and subsequent recruitment process, the vacant post was offered to an individual last week. References were sought, but unfortunately the candidate has withdrawn their application, having decided not to relocate to Lincolnshire.

The Boards have not yet been able to recruit to the post of Planning & Consents Officer, which after unsuccessful recruitment rounds was converted to a generic Civils Engineer graduate post, with an interview being held on Wednesday 09<sup>th</sup> February. In discussion with colleagues in other IDBs and with the EA's Area Director, other FRMAs are similarly struggling to recruit.

Upper Witham IDB still holds a vacant Operative post [primarily for the wheeled excavator]. There have been two rounds of successful recruitment, but each time just prior to starting the successful applicant withdrew, citing a better financial package available elsewhere. This reflects the employment market at present, and we have delayed re-advertising for a few weeks.

The Board's part-time Consents Officer, Alan Gardner, retired from the Boards on 24.12.21 [having held various part-time roles, including Engineer for 2 of the Boards, since 2007].

### 6.4 Pay Award for 2022/23.

The 4 Boards' representative on the ADA Lincolnshire Branch's Pay & Conditions Committee is Cllr Lance Pennell, Upper Witham Board member. He and the Chief Executive attended the last meeting on 08.10.21 as mentioned earlier, where the pay settlement for 2022/23 was discussed between staff side and employer representatives. It was agreed by the Committee to honour year

3 of the 3-year pay formula, using the rolling 3 months average of pay in the public sector for May to July 2021 as published in KPI KA09 in September 2021, which was a 2.5% increase.

Employers' representatives also gave the requisite 12 months' notice to terminate the current agreement, which will in effect open negotiations for the 2023/24 pay negotiation formula and settlement.

The Pay & Conditions Committee's recommendation to honour the pay formula result of 2.5% was reported to the ADA Lincolnshire Branch meeting on 02.12.21. The Branch meeting endorsed the recommended pay award, commending this to individual Boards for 2022/23 and asking that the ADA White Book pay scales be updated. Pay is, however, a matter reserved to individual Boards and therefore each Board needs formally to agree the recommended 2.5% uplift from 01.04.22, which has been used as the assumption for budget Estimates 2022/23.

**Following discussion members were content to formally APPROVE the ADA Lincolnshire Branch recommended 2.5% pay award across all salaries and wages for 2022/23 be implemented.**

Following a query from Cllr Nick Pettigrew where he asked for clarification of the increase of the plant programme there followed much discussion on the financial pressures on IDBs and the Recommended Penny Rate Increases for each of the 4 IDBs for 2022/23. Members discussed the work for the Environment Agency as part of the PSCA programme, lead times for machinery and insurance at great length.

The Chief Executive's report was received and noted.

#### **7. Maintenance & Mowing Contract 2022 to 2025 (with an option to extend for 2 years to 2027).**

The Director of Finance and Governance introduced the item for which a briefing note had been circulated with the agenda.

The Board agreed at its November 2021 meeting to send out Invitations to Tender to potential contractors for the Maintenance and Mowing Contract from 01st April 2022 to 31st March 2025 (with a possible 2-year extension until 31st March 2027, by mutual agreement). The report updated the Board on that process and provided a recommendation for the Contract award.

The current maintenance and mowing contract is due to finish at the end of the current summer season 2021. It is currently awarded to Eric Carnaby & Son Ltd. The current contract only covers the summer maintenance works, but other works are requested from the Contractor for ad hoc works and some minor winter works. A separate agreement has been made with the Contractor for the Public Sector Co-Operation Agreement (PSCA) works the Board agrees with the Environment Agency, in effect the contractor is a sub-contractor to the Board for these PSCA works.

The current contract was awarded from 15th July 2017 for an initial 3-year period, until the end of the 2019 maintenance season. Due to successful delivery of the contract over the 3-year period, and as permitted within the contract, a 2-year extension was agreed



until the end of the 2021 season.

Initially, the contract had a 2-year cycle of maintenance, with some drains maintained each year and some drains maintained in alternate years. However, in 2019 the Board agreed to maintain all the Drains each year and this was incorporated into budget plans and the agreement with the contractor was amended accordingly.

The Board's current budget 2021/22 for the maintenance works is £124k (the contract value is £123,254.64). Additionally, there is a winter works Board budget of £7.8k for those additional items the Board requests. PSCA works for the EA are estimated at £126k in 2021/22, including £10k for emergency mutual aid support if required.

As agreed at the November Board meeting, the draft Specification and Tender procurement process was discussed with the small Working Group the Board established [i.e., the Chairman, Vice Chairman, Julian Hargreaves, the Chief Executive, Director of Finance & Governance and Director of Operations]. An initial Zoom meeting was held on 22nd November 2021. Members were reminded that one of the key changes to the contract was to request that contractors' Tenders be submitted assuming white diesel is used, rather than red diesel, from April 2022.

After this review, the Invitation to Tender documents were sent out on 23<sup>rd</sup> November 2021 to the following 7 companies:

- Eric Carnaby & Son Ltd
- Sweeting Bros (Land Drainage) Ltd
- Mill Farm Services (Joe Motley)
- D C Bichan
- K W Timmins & Sons Ltd
- Creative Nature UK Ltd
- NE Davis Plant Hire

Tenders were due for return by 5pm on Tuesday 04<sup>th</sup> January 2022.

The Tenders received were opened by the Chief Executive and Director of Finance and Governance, witnessed by the Executive Assistant on 10<sup>th</sup> January 2022.

### **Tenders Evaluation.**

The following Tenders were received:

<b><u>Tenderer</u></b>	<b><u>Price per m</u></b> <b>£</b>	<b><u>Total</u></b>
Eric Carnaby & Son Ltd	0.97	£137,683.74
Sweeting Bros (Land Drainage) Ltd	n/a	No Tender submitted
Mill Farm Services (Joe Motley)	n/a	No Tender submitted
D C Bichan	n/a	No Tender submitted
K W Timmins & Sons Ltd	n/a	No Tender submitted
Creative Nature UK Ltd	n/a	No Tender submitted
NE Davis Plant Hire	n/a	No Tender submitted

The sole tender received had been reviewed for accuracy and completeness. All aspects of the Tender had been complied with, except the requirement to provide £2m

Professional Indemnity insurance. This is a requirement to undertake PSCA works for the EA. This does not affect the works for the Board so is not an issue for the Tender award.

Whilst it is disappointing that only 1 Tender was received, the procurement process remains valid as 7 quotations were sought. The Working Group met for a second time via Zoom on 13<sup>th</sup> January 2022 to discuss the results of the Invitation to Tender process. The current budgets are as stated previously. It was assumed that due to changing from Red to White diesel, additional staffing costs (e.g., NI rate increase from April 2022), increasing insurance costs and general inflation on running costs it was likely that the current budgets would not be sufficient for the new contract. Initially, an increase of 15% was therefore included in the draft 2022/23 Budget Estimates.

The Tender submitted equates to an 11.71% (£14,429) increase on the Board's current costs. This is due to increase in the unit metre cost by 10 pence from 87 pence to 97 pence (+11.49%), plus the inclusion in the scheduled works of the Board's adopted and scheduled Barton New Cut Drain:

	Price per m	Metres to Maintain	Total	Increase	
Current contract	£ 0.87	141,672	£ 123,254.64		
Carnaby Tender 2022	£ 0.97	141,672	£ 137,421.84	£ 14,167.20	11.49%
Additional Drain	£ 0.97	270	£ 261.90	£ 261.90	0.21%
<b>Increase</b>		<b>141,942</b>	<b>£ 137,683.74</b>	<b>£ 14,429.10</b>	<b>11.71%</b>

This value of £137,683.74 annual cost for the contract to ensure maintenance & mowing of all watercourses had been used in the Estimates 2022/23 report, later on the agenda. The Board's separate Winter works budget had also been increased by £900 from £7,800 to £8,700 for 2022/23.

Based upon the evaluation, it was recommended by the Working Group that the Mowing and Maintenance Contract be awarded to Eric Carnaby & Son Ltd from 01st April 2022 until 31st March 2025, with a possible extension until 31st March 2027 subject to mutual agreement.

**Following discussion Members were content to AGREE that the Board:**

- **Awards the Mowing and Maintenance Contract to Eric Carnaby & Son Ltd from 01st April 2022 until 31st March 2025, with a possible extension until 31st March 2027 subject to mutual agreement.**
- **Notes that the additional resources required in the budget 2022/23 to meet additional costs arising from the procurement exercise are included in the Estimates 2022/23 report which appears elsewhere on this agenda [together with the additional resources required for the Winter Works Budget 2022/23].**

#### **8. Schedule of Expenditure, 01.11.21 to 31.12.21.**

The schedule of expenditure for the two months ended 31<sup>st</sup> December 2021 had been circulated with the agenda and was presented by the Director of Finance & Governance.

The schedule was of invoices paid in the period, and therefore some expenditure incurred in the two months period was excluded. Items highlighted to or raised by members included:

- Item 17: £512.50 (net) to Black Sluice IDB for external Support being the Grant Manager Contribution to 30.09.21.
- Items 29 & 30 £494.00 and £585.54 (net) to David Neal Electrical for works at New Holland Outfall PS, to supply and fit a surge protector and test and inspect single phase wiring.
- Item 31: £80,509.50 (net) to EA for Flood & Coastal Erosion Risk Management Precept, being the 2<sup>nd</sup> of 2 payments in 2021/22. The total due being £161,019.00.
- Item 111: £22,419.50 (net) to Stantec UK Ltd for Able Marine Park works which are fully rechargeable to Able UK.

Members NOTED the schedule of expenditure incurred for the two months 01<sup>st</sup> November to 31<sup>st</sup> December 2021, which totalled £322,542.23 gross or £284,274.88 net of £38,267.35 VAT. Recharges to other bodies during this period totalled £84,671.57.

## 9. Financial Performance Report 2021/22, Month 9 to 31<sup>st</sup> December 2021.

The Financial Performance Report for 2021/22 to 31<sup>st</sup> December 2021, had been circulated with the agenda. The Director of Finance and Governance presented the position, summarised as:

	<b>2021/22 Estimate</b>	<b>Profiled Budget</b>	<b>Actual</b>	<b>Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income	(689,869)	(675,646)	(844,300)	(168,654)
Board & General Admin	20,050	9,009	10,035	1,026
One Off Schemes	17,000	0	15,053	15,053
Conservation	2,500	1,317	587	(730)
Depot	8,360	6,364	6,118	(246)
Drains	142,420	130,570	126,943	(3,627)
Pumping Stations	70,850	30,754	35,146	4,392
Staffing & Joint Admin	102,192	52,171	53,705	1,534
Consents & Enforcement	2,121	0	0	0
Engineers & Works Supervisor	161,746	99,719	102,747	3,028
Contribution to/(from) Reserves	0	0	0	0
PWLB	0	0	0	0
Rechargeable Works	0	0	140,909	140,909
EA Precept	162,630	162,630	161,019	(1,611)
FRS17 Pension Adjustment (net)				0
Wages & Plant Holding Account				0
<b>(Surplus)/Deficit</b>	<b>0</b>	<b>(183,112)</b>	<b>(192,038)</b>	<b>(8,926)</b>

The Board's budget profile as of 31<sup>st</sup> December 2021 was an anticipated positive variance of [£183,112] and the actual position was a positive [£192,038], so broadly on profile with only a small positive variance of [£8,926]. Members were reminded however that some of the higher risk spend areas had not yet been incurred, such as electricity costs during winter months.

On income, Special Levies had been received for the full year from the 3 Councils (£588k). Drainage Rates invoices for 2021/22 had been posted out in April 2021 with

first reminders being sent in August. The collection rate for drainage rates income as of 31<sup>st</sup> December 2021 was 95.3% (compared with 93.6% for the same point in 2020/21).

Final reminders were sent out on 28<sup>th</sup> September. The court date set for 10<sup>th</sup> December for any unpaid account holders was cancelled, due to the minimal amounts left to go through the Court process. Any Outstanding amounts would be added to account holder invoices and collected with the next year's drainage rates. Cllr David Wells queried whether the collection rate was based on amounts or people, and it was confirmed that it is based upon the financial amount.

Also, on income, Highland Water claims had been submitted the EA for the balance on the 2020/21 actual claim, with a further balance of (£12,341) due, together with the 2021/22 Estimated claim of (£71,500). Of the total estimated 2021/22 claim, 80% (£57,200) was paid in August 2021 along with the balance due on the actual claim 2020/21 of (£12,341). So, a total of [£69,541] Highland Water income had been received by the Board.

For Rechargeable Works, some works (£124k) had been recharged to date for EA PSCA works. The Killingholme Marshes PS costs of £38k had been recharged to ABLE UK.

The bank balances as of 31<sup>st</sup> December 2021 were set out as follows:

<b><u>Barclays Bank plc</u></b>	
Payments Account	£ 7,431.71
Receipts Account	£ 92,318.69
General Deposit Account	£ 220,000.00
Developer Contributions Account	£ 132,122.41
Nationwide Instant Access (Dev Cont's)	£ 152,200.84
<b>Total</b>	<b><u>£ 604,073.65</u></b>

It was pointed out that these balances were healthy but at about peak point in the year, with no further significant sources of income due to be received before May 2022.

Members NOTED the 2021/22 financial performance report, for the 9 months from 01<sup>st</sup> April to 31<sup>st</sup> December 2021 and the 31<sup>st</sup> March 2022 forecast outturn of a broadly balanced position.

#### **10. Estimates for 2022/23.**

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

Detailed work had been undertaken to review the actual income and expenditure in 2021/22 as at 31<sup>st</sup> December 2020. This position was used to inform the budgets for 2022/23, together with any known cost pressures, necessary developments and known savings.

The summary Estimates position was provided and compared the 2021/22 approved Budget to the 2022/23 proposed Budget and showed variances.

Also provided for information was the detailed Estimates showing:

- The Approved 2021/22 Estimates
- The changes made for inflation and other factors
- The Proposed 2022/23 Estimates

The summary of the Joint Services arrangements was provided for information, being recommended for approval by the 4 Boards' JSC meeting on 13.12.21. These costs were allocated between the 4 Boards on the agreed proportions of 30% each to Upper Witham IDB and Witham Third DIDB and 20% each to Witham First DIDB and North East Lindsey IDB.

Preparing the 2022/23 Budget Estimates had been a challenge, given the significant cost pressures which are externally driven and outside the control of the Boards. The 112 IDBs nationally are experiencing similar cost pressures and there has been much discussion with our membership body, ADA [the Association of Drainage Authorities] and with neighbouring IDBs about the impact of these cost pressures.

Some of the cost pressures arising, due to Government legislation changes, include:

- National Insurance employer contribution rate increase of 1.25% from April 2022 [increases the contribution rate from 13.80% now to 15.05%]. A 9.1% increase in costs, in real terms.
- Cost of switching IDB operations from red diesel to white diesel from April 2022, a significant cost pressure for 2022/23. This is due to changes in the Finance Act 2021 and the removal of the exemption previously afforded to IDBs. This cost pressure has two elements for IDBs. Firstly, the increased cost of switching all our operations from red diesel to white diesel across plant, tractor/flails and excavators.

Secondly, the increased unit price of white diesel [for budget purposes we have assumed £1.30 per litre pump price 2022/23, as IDBs reclaim VAT [effectively £1.08 per litre excluding VAT, rather than the previous unit price of £0.56 per litre for red diesel]. We do purchase fuel in bulk and test the market between suppliers. The combination of these factors has broadly doubled the fuel costs for the Boards, one of our most significant cost drivers. This issue has been subject to much discussion and ADA has lobbied Defra and HM Treasury, but in the absence of any clear exemptions IDBs nationally are planning to switch to white diesel from April 2022.

Cost pressures due to inflation, market changes and contractual arrangements include:

- Electricity costs [a significant cost driver]. All 4 Boards utilise the ESPO framework which had forward purchased to April 2022. However, we were notified in October 2021 of a 15% immediate price increase, fixed to October 2022, so half of 2022/23. We have assumed a full year effect 15% rise in electricity costs, as no further information is available, but this may be understated.
- Insurance costs. The Boards are facing very significant challenges in procuring suitable insurance cover at realistic prices. In the current financial year 2021/22, we experienced a 48% increase in premium costs with reduced cover. We have assumed the renewal budget for July 2022 will be the costs as of July 2021 plus 5%. We are also looking at detail into our insurance arrangements with our advisors, The Risk Factor.
- Pay. Like Councils and the EA, the Boards are facing significant retention and recruitment issues, particularly of front-line Operatives. As these are excavator and tractor drivers, some also holding HGV licences, we are losing staff to other

sectors of the market. When we try to recruit, potential recruits have been enticed to remain with their current employer by the offer of increased pay. A pay award of 2.5% has been assumed in draft 2022/23 budgets.

- In NELDB, we had assumed a 15% increase in costs of the new Maintenance Contract [tenders from potential suppliers due in 04.01.22]. However, potential contractors are facing the same issues of increased NI, staff recruitment and retention, move to red diesel and price increase of fuel, insurance increases, increases in purchase and maintenance of plant and equipment, so again this may be understated. The actual contract costs had been included in the Estimates plus an uplift for winter works.
- Telemetry costs on 3 of the 4 Boards [not NELDB where a major upgrade was undertaken in 2020]. Copper landlines disappear in 2025. 2G and 3G will be switched off in 2023 and some of our existing Telemetry is currently reliant on this technology. Telemetry is integral to our operations to not only provide real time data on river levels but also to start/stop pumps remotely and monitor their performance (i.e., any faults, etc). Currently a capital scheme Business Case for each of the 3 relevant Boards has been developed to seek funding from the Environment Agency, but if successful is likely to require a £10k budget contribution per Board [total costs estimate W1st £90k, W3rd £50k and UW £50k]. This is not currently budgeted separately, so is a cost pressure for 2022/23.
- Based on costs escalating on servicing and repairs and maintenance of plant and equipment, draft budgets have factored in significantly increased R&M/servicing budgets for 2022/23 to reflect actual costs.
- Pump lifts and refurbishments, in the light of recent costs experience we have had to increase the budget provision to continue undertaking 2 pump lifts per annum per Board, an important factor in our insurance conditions and in keeping our assets well maintained and reliable.
- General inflation – RPI hit 7.1% in November 2021 [CPI 5.1%], and we are seeing increased costs in many areas of the 4 Boards' spend.

In order to mitigate some of these cost pressure increases, where possible we have frozen budgets. Significantly, we have also deferred all our routine major plant purchases scheduled for 2022/23 in the other 3 IDBs, which will have a further impact on our service and maintenance costs. Where capacity allows, we are also sharing staff and machines across the Boards to reduce external costs. We have reviewed our main spend areas and achieved savings for items such as mobile phones and by standardising supplier base across the 4 Boards. In terms of back-office functions and costs as a proportion of turnover, the 4 Boards have worked together in a voluntary partnership now since April 2017, considerably reducing management costs for each Board.

After much discussion between officers a balanced budget position can be achieved for 2022/23 based on these assumptions and a recommended **5.00%** penny rate increase.

Following discussion members **APPROVED** the Estimates for 2022/23 based on a 5.00% increase in the Penny Rate.

## 11. Annual Value, Drainage Rates and Special Levies 2022/23

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

A schedule setting out the Annual Values to be agreed as part of the formal setting of the Drainage Rates and Special Levies, before 15.02.22 for the financial year 2022/23 was presented.

### Annual Values

The Annual Values must be formally approved by the Board. These start with the brought forward from last year's rate setting as at 31<sup>st</sup> December 2020, with then the land 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 2020 were:

	<b>Total £</b>
Drainage Rates	597,581
North Lincolnshire Council	3,991,059
North East Lincolnshire Council	10,663,097
West Lindsey DC	84,775
<b>Total</b>	<b>15,336,512</b>

The land movements between 01.01.21 and 31.12.21 that require transfer from Drainage Rates to Special Levy are summarised:

<b>Council</b>	<b>Area ha</b>	<b>Annual Value</b>
Drainage Rates	-35.45	-£3,519
North Lincolnshire Council	0.35	£1,210
North East Lincolnshire Council	35.10	£122,346
West Lindsey DC	0.00	£0
<b>Total (Net)</b>		<b>£120,037</b>

The land is removed from Drainage Rates at the known Annual Value and transferred to Special Levy at the 'Developed Land' rate, as calculated on 1993 values, of **£3,485.74** per hectare. The developed land rate calculated on the 1993 values is as follows:

	<b>Acres</b>	<b>Hectares</b>	<b>Annual Value</b>	<b>Rate per Hectare</b>
Agricultural	18,930	7,661	671,801	£87.69
<b>Developed</b>	<b>8,881</b>	<b>3,594</b>	<b>12,527,747</b>	<b>£3,485.74</b>
Total	27,811	11,255	13,199,548	

The changes set out results in the following Annual Values as at 31<sup>st</sup> December 2021:

	<b>Total £</b>
Drainage Rates	594,062
North Lincolnshire Council	3,992,269
North East Lincolnshire Council	10,785,443
West Lindsey DC	84,775
<b>Total</b>	<b>15,456,549</b>

### **'Penny Rates'**

The following 'penny rates' will be applicable if the **5.00%** change proposed is agreed:

	<b>Penny Rate (pence)</b>
Current	3.9931
Proposed	4.1928

This will increase, net of land movements, the amount of the Board's income generated from Drainage Rates from £23,862 in 2021/22 to £24,908 (+£1,046) in 2022/23.

### **Special Levies**

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

	<b>Current £</b>	<b>Proposed £</b>	<b>Difference £</b>	<b>Increase %</b>
<b>NLC</b>	159,366.98	167,387.85	8,020.87	5.03
<b>NELC</b>	425,788.13	452,212.05	26,423.92	6.21
<b>WLDC</b>	3,385.15	3,554.45	169.30	5.00
<b>Total</b>	<b>588,540.26</b>	<b>623,154.35</b>	<b>34,614.09</b>	<b>5.88</b>

In summary, income to the Board increases by a total of £35,660 (being an increase of £34,614 in Special Levy and a net increase in Drainage Rates of £1,046 due to transfer of agricultural land to other developed land).

**Following much discussion members of the Board AGREED:**

**The transfer of land from Drainage Rates to Special Levy as set out be approved.**

**The land valuations as at 31<sup>st</sup> December 2021 upon which Drainage Rates and Special Levies are calculated is set at £15,456,549.**

**The 'penny rate' is increased by 5.00% to 4.1928 pence for all areas.**

**The Special Levies 2022/23 be agreed and set for each of the 3 Councils as:**



<b>North Lincolnshire Council</b>	<b>£ 167,387.85</b>
<b>North East Lincolnshire Council</b>	<b>£ 452,212.05</b>
<b>West Lindsey District Council</b>	<b>£ 3,554.45</b>

**The Chairman and Chief Executive were 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 15.02.22.**

**12. Health and Safety Update.**

A report had been circulated with the agenda and was presented by Head of Engineering & Technical Services, Guy Hird.

Approaching the end of the 2021 summer maintenance programme, plans were underway to start winter maintenance shortly. Carnaby's had now completed the Board's summer maintenance.

As guidelines nationally were lifted on Thursday 27<sup>th</sup> January 2022, staff are now able to return to working from the office and social distancing no longer must be observed. So, sharing of cabs and vehicles can now commence. There were 2 confirmed cases of Covid-19 within the team and 1 Operative was suffering with lung problems following Covid-19 in October 2021 and was signed off work for several weeks until 27.01.22.

However, despite the lifting of restrictions the IDB guidance to office staff remains the same: to work from home wherever possible and measures remain in place to make the office accessible to a limited number of staff at any one time. The office is open to members of the public and visitors, by prior arrangement.

These arrangements and the risk assessments are reviewed weekly at the Management Team Meetings and changes in national guidance is kept under review.

One accident had been reported since the last report. This involved an Operative slipping whilst wheeling a pressure washer on a slight incline at Upper Witham's Coulson Road pumping station. The Operative twisted his knee, resulting in muscle damage. This became Riddor reportable as the Operative had more than 7 days off work due to the injury. The Operative is now back at work at undertaking a full range of duties.

Witham Third received a complaint from a member of the public. The basis of the complaint was that two of the Board's tractor/flail drivers acted inappropriately when approaching two people on horseback, on the public highway outside Woodhall Spa near the Village Limits pub. The horses reacted to the approaching vehicles, and the flashing lights on them, to the point that the rider of one of the horses was struggling to control it. The complaint was that one of the tractor drivers did not stop soon enough, he only stopped when the horse was almost in contact with the tractor, the second driver did stop a good distance away and waited for the riders to pass. The complaint also stated that neither driver turned off their flashing beacons.

This incident was investigated by Wayne Bourne (Works Supervisor) with the support of Sarah Walden (HR Advisor). They took statements from all parties involved and looked at what the Highway Code says on the subject and reviewed the 4 Boards' driving policy. The outcome of their investigation was that the driver should have stopped in plenty of time and not kept driving, the use of beacons is to warn other road users that the vehicles

are large pieces of equipment, the question was asked would the Emergency Services turn off their flashing lights when approaching a horse and rider.

The recommendation from the case investigators was that the driver that failed to stop soon enough has training based around being courteous to other road users, recognising the Operatives' role as ambassadors for the Boards when out in the community. They also recommended that we review our driving policy to include horses and riders and that we undertake toolbox talks to all our Operatives regarding courteous road use. The flashing beacon element of the complaint was not upheld, they are used for a reason and other road users have flashing beacons. The turning off beacons whilst still moving would potentially be a dangerous act, as to locate the switches may cause the driver to take their eyes off the road.

The second Operative was found to have nothing to answer, as he did stop a good distance from the horse riders and left them to safely negotiate safe passage around the tractor/flail.

Many complaints are resolved informally before progressing to a stage 1 complaint. This one is highlighted to Board members as there were issues to review arising from it and lessons to be learned.

The NPORS Wheeled Excavator training started on the 08th November overseen by XRE training, most Operatives needing this training have now received it. First Aid training certification expires on the 26th February, so this will be organised before then for all those that need training. This will be emergency first aid at work with defib and chainsaw wounds training added to the training module. Manual Handling training is also going to be booked for early February. When training is organised, places are offered to the Board's contractor for their staff.

The defibrillators owned by the Boards and housed at each Depot, and some located in designated vehicles, have had the pads replaced as they had reached their expiry date.

Members received and NOTED the Health and Safety update.

### **13. Proposed Killingholme Marshes Pumping Station.**

A report prepared by the Director of Engineering & Technical Services had been circulated with the agenda and was presented by Guy Hird.

This proposed pumping station development is to be located within the Board's district, serving an area of development between the North and South Killingholme Haven outfalls into the Humber Estuary. This area, previously known as Killingholme Marshes, is now being promoted and developed by Able UK Ltd. [AUL] as the Able Marine Energy Park.

The Board has been invited to attend the regular meetings of the Able Marine Energy Park Delivery Board. The Director of Engineering & Technical Services was unable to attend the last Delivery Board meeting on 11th January, but a written update report was provided for circulation before the meeting. The Board is not aware of any issues that are causing a delay to this project.

Whilst there has been various communication between the Board's officers and AUK, there has been no progress as to the drawing up of the legal agreement necessary between AUL, NELDB and Crown Estates, allowing access to the various parcels of land to be occupied by the new pumping station, discharge pipeline and outfall structure.

AUK has raised the issue of the calculating of the commuted sum that will be required as part of the agreement between NELDB and AUK. AUK have been advised of the information that the Board will require for this matter to progress.

The construction of the pumping station continues but has not progressed substantially since the last meeting update. The piles around the outfall bay remain in place and the remaining discharge culvert sections are yet to be placed.

Access to the construction site remains open and unfettered for both the Board's officers and their representatives from Stantec, who continue to attend site to monitor work and ensure compliance with the design specification and drawings.

The Director of Engineering & Technical Services had participated in several meetings and email correspondence regarding technical aspects of the station's design and performance. Discussions as to how the pumping capacity required of the station is to be met over the lifetime of the station continue.

Construction of the station is programmed to be complete in May 2022, a slip in the original programme date of January 2022, with full commissioning of the pumping station itself delayed until the completion of the discharge channel. AUK is considering temporary discharge arrangements to be in place from April to allow the station to operate ahead of completion of the discharge channel. This amendment would allow the contractors responsible for the construction of the adjacent quay to also excavate the discharge channel. A less disruptive and more economical option.

This change in planned works may result in the full commissioning of the all the site elements not being completed until Easter 2023. It is planned for the Board to accept responsibility for the operation and maintenance of the pumping station after a 12 month 'defects correction period' but this may be changed such that the Board takes over from the date of commissioning. This would be subject to successful completion of all legal agreements and receipt of an agreed commuted sum relating to the whole life of the station.

Members received and NOTED the update.

#### **14. Operations Report.**

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

We are in the final stages of our summer maintenance in Upper Witham, Witham First and Witham Third. In North East Lindsey's drainage district, Carnaby's have finished the summer programme. And, across all the Boards we are preparing for winter maintenance work to start shortly.

In North East Lindsey, Darren Scott the Board's Works Supervisor will be overseeing the start of winter maintenance, to be undertaken by Carnaby's the Board's contractor.

The winter works are on sections of Habrough Marsh Drain and Oldfleet Drain. Both watercourses need bushing, chipping work and slight desilt works to enable future maintenance by machine.

The Red / White diesel issue is still being actively addressed by ADA and other parties. As it stands at this time, we have kept our excavators on red and our tractors that are not used for haulage on red. Keeping the tractors on red is a slight risk as Customs and Excise have confirmed that travelling from one site to another or flailing or weed cutting a watercourse in a City, Town or Village would never be classed as an agricultural duty. But to put the infrastructure in place i.e., purchase fuel bowsers on each Board so we can fuel red, and white is not affordable or practical when it looks like we will have to put everything on white diesel from April 2022. We can then flush our current bowsers and tanks out and we are just delivering one fuel again. As you can imagine if we do not get the agricultural classification and dispensation, it is going to be open season on our machines left on site overnight.

This issue is a major cost pressure for 2022/23 budget estimates, covered elsewhere on the agenda, both in terms of the costs of conversion to running plant on white diesel and thereafter the ongoing additional costs of running on white diesel rather than red,

We are still experiencing some difficulty in delivery times for parts and machinery, and prices for most items regularly increase. The Repairs and maintenance budgets have been overstretched in this financial year 2021/22 and we have uplifted relevant R&M budgets to be more realistic for 2022/23.

The Operations Director has liaised with a company that produces GRP cabinets, requesting that they visit New Holland outfall Pumping Station to measure and price up a replacement cabinet to house the control panels. The current steel cabinet is in poor condition, probably due to the salty air. It would benefit from replacement before we get corrosion inside. Still awaiting the company to visit the site.

We have been asked by the EA not to undertake the last flailing cuts of the year due to the flood banks being very wet. We have also quoted the EA for some winter maintenance work on North East Lindsey, Upper Witham and Witham Third Boards. We are currently waiting to hear if they do indeed wish to commission the works and for confirmation of purchase orders. We do raise with the EA that these late confirmations for work do not enable us to plan works efficiently.

We have regular meetings with the EA, the last being on 07.01.22, and constantly ask for early confirmation of these winter works and for the early list of watercourses for future summer maintenance well ahead of the season starting. This is important for operational planning with Operatives and machines, and in terms of income.

As 2021/22 maintenance works [excluding winter works] were not confirmed until July 2021 and we therefore were not able to undertake some early cuts, we are stressing the need for early confirmation of orders for 2022/23, ahead of April 2022 and in accordance with the written PSCA Agreement.

Members received and NOTED the report and update.

## 15. Engineering Report.

A report by the Head of Engineering & Technical Services had been circulated with the agenda.

Pleasingly, there had been no flood events on which to report.

### Multi agency Rain Gauge Project (JA-5378-2020-ASS).

Officers were exploring on behalf of all four Boards whether to be involved with this multi-agency scheme. Potential partners across Greater Lincolnshire are the 3 Lead Local Flood Authorities [LLFAs] namely Lincolnshire County Council, North Lincolnshire Council and North East Lincolnshire Council. Other partners include Anglian Water and other Internal Drainage Boards (but not the EA). The scheme is proposed to be part funded by the Anglian (Northern) RFCC Local Levy and a draft bid was submitted by Lincolnshire County Council in November 2020. The proposal is to have 'live' web-based rainfall data available to partners during heavy rainfall events and historic data for post event investigations including the LLFA led Section 19 investigations. Approximately 50 sites would be located across the area hosted by partners in appropriate secure sites which potentially could be the Boards' Pumping Stations. However, we need to understand more about locations, potential ongoing maintenance costs for which the Boards may be liable etc before agreeing to participate in what is currently an expression of interest stage project. There had been no change and information is awaited from Anglian Water. Although the FRCC Local Levy funding has been confirmed for the project it has proved difficult to move the project forward and commit to, some potential partners have already dropped out. The project is being reviewed

### Middle Drain access culvert (ND-5514-2021-ASS, ND-5486-2021-ENF).

NELDB's contractor undertook urgent culvert reconstruction works on the access track culvert, completed in May 2021. It was reported at the September Board meeting the EA have confirmed they will contribute half of the cost of the reconstruction of this culvert and now the company with a part land ownership of the culvert has agreed to contribute half of the cost. The invoice has been sent, but the contribution has not been paid yet.

### Immingham multi-agency study and model (ND-3987-2018-PRO).

A multi-agency approach has been taken to assess the Flood Risk and distribute potential scheme benefits between the parties involved, North East Lindsey Drainage Board, EA, Anglian Water and North East Lincolnshire Council - who are hosting the scheme because they have an in year GiA scheme which has received funding for the work. NELDB commissioned the survey of the watercourses which will be combined in the model, which Anglian Water has agreed to undertake.

The results of the work will potentially allow the Board to proceed with GiA funding schemes for Middle Drain Pump Station and Habrough Marsh Drain system.

All types of flood risk are included in the study including surface water, fluvial and coastal.

North East Lincolnshire Council has secured some alternative funding and this joint approach may not continue. This would mean the potential Middle Drain Pump Station

and Habrough Marsh Drain schemes would have to be progressed separately by the Board.

However, the work continues, and Anglian Water Services have now provisionally completed the Hydraulic Model of the combined systems. Some additional detail and survey has been undertaken to complete it and the results should be available soon. A meeting was held on 20th January 2022.

#### Ground Water Flooding November 2019, Barton upon Humber (ND-5379-2020-FLD).

An 'off site' plan for Wren Kitchens is being produced, this would include the setting of various trigger thresholds for alarms and warnings to be issued. The current expansion of the Wren Kitchens site will have no adverse effect upon the local drainage system, nor will it increase the likelihood of flooding of this nature in the area.

A second meeting was held on 17th September 2020, there have been no further meetings or updates since the May meeting. However, the EA have now extended the Ground Water warnings to include surrounding areas including Wren Kitchens. The site emergency plan is being produced by Wren Kitchens.

#### Humber Wader Migration (ND-3458-2017-ENV).

This site to attract wading bird as part of mitigation for development in the area. It is located adjacent to Mawmbridge pumping station and will include a small pump to top up the wet areas on the site. The scheme has evolved, and the proposal is now to have the pump location remote from Mawmbridge pumping station. Several site meetings have taken place and a Consent application is awaited for the proposed works.

#### North Lincolnshire Council Operation Flood Group (ND-4485-2019-GEN).

It is a multi-agency meeting to discuss and resolve local drainage issues. In Barton and Barrow, the EA have extended the Ground Water warnings to include surrounding areas including Wren Kitchens. A meeting was held on 17<sup>th</sup> December 2021.

#### Townscroft Drain/Mawmbridge Drain Branch 3 proposed bus bridge, Grimsby. (ND-4366-2018-CON, ND-4835-2019-CON)

North East Lincolnshire Council have a project to construct a bus only bridge over the Board maintained Townscroft Drain/Mawmbridge Drain Branch 3 to link the two parts of Europarc. The Board's officers are endeavouring to ensure there is continuity of access along the watercourse given the constraints of the highway requirements.

#### Wren Kitchens ND-4610-2019-PLN

A meeting was held with North Lincolnshire Council and the Consultant for the works on 9th December 2021 for the new building with regard to the planning conditions. The new outfall from the attenuation pond is due to be put in place early in 2022 and they will also do the remedial work on the consented works already in place. The main hand over of the factory is in March but there will be partial hand over before then so it can be operational as quick as they can.

Stallingborough 3 Sea defence improvements - NE Lindsey IDB liaison (ND-5362-2020-ASS).

The EA is advancing the development of the scheme to improve the tidal defences and outfalls along the frontage from Middle Drain to New Cut Drain at Barton. The Outline Business Case was approved in July 2020. One aspect of this scheme is considering how best to sustain the conveyance of Oldfleet Drain. Furthermore, they are also particularly looking at options to improve the defences and outfall at Mawmbridge Drain.

This potentially has an impact on Middle Drain pumped catchment, Mawmbridge pumped catchment and Oldfleet Drain.

We have been invited to a meeting to discuss the current systems and operations of the Board/EA and how they interact.

An initial meeting was held on 24th November 2020 with the EA where options to divert flows from Oldfleet Drain into the Middle Drain or Mawmbridge Pumped Catchments were discussed, initially Middle Drain Branch 3 (6C) adjacent to the Humber bank is favourable. Further analysis and modelling will need to be done to establish how the connection is made and whether the Oldfleet gravity outfall is abandoned. The EA gravity outfall and Board pumped outfalls will be looked at to see whether it is feasible to combine them like at Middle Drain, to ensure the gravity is not obstructed by silt.

Potentially the schemes can use GiA funding either combined with the EA or separately for the Board.

A catch-up meeting was held on 06th October 2021 on site at Mawmbridge Pumping Station and a virtual meeting was held on the 21st December 2021. The EA is continuing with the business case and are considering the options for the Humber flood wall and to discuss with the Board the options at the Mawmbridge and Oldfleet gravity outfalls.

In anticipation of a potential GiA scheme for the refurbishment of Mawmbridge Pumping Station an application will be made to the Environment Agency for funds to undertake modelling and an asset condition assessment to provide information for the main submission.

Barton to New Holland Sea defence improvements - NE Lindsey IDB liaison (ND-5613-2021-GEN).

The EA is advancing the development of the scheme to improve the tidal defences and outfalls along the frontage from Barton to New Holland. The EA do have a provisional project plan and Morgan Wray and Mark Adams presented the scheme at the November Board meeting.

Several groups will be set up soon, on which the Board will have representation.

The provisional time table of the project is:

- Early 2022 - Survey
- 2022/2023 – Options Development
- 2024 – Design/Approvals/Procurement
- 2025 – On site works begin

Several emails have been exchanged and there should be a meeting soon.

North Killingholme Outfall and Habrough Marsh Drain Outfall (ND-5364-2020-DRA).

Contractors for the EA have been in contact to undertake survey and inspections of the two outfalls with a potential for them to be refurbished/replaced. Works to replace the penstock on North Killingholme Outfall that were programmed for September 2021 did not happen however, work finally commenced on 06<sup>th</sup> December 2021 and these works are now complete.

Members received and NOTED the report.

**16. Planning & Consultations Report.**

A report had been circulated with the agenda and was presented by the Acting Head of Engineering & Technical Services. The report provided information on the planning applications received by the Board and detail of the comments submitted to the relevant Local Planning Authority (LPA).

There were no issues to highlight to members on this occasion.

Members received and NOTED the report.

**17. Consents and Enforcements Report.**

A report had been prepared by the Consents and Enforcements Officers, circulated with the agenda and was presented by the Acting Head of Engineering & Technical Services:

Section 23 Land Drainage Act Consent Applications – District

Reference	Location	Applicant	Details	Date
ND-5864-2021-CON	Site opposite Queens Road, Immingham	The Spencer Group	Border Control Post (Brexit). Three culverts, resection ditch and two attenuated discharges	15-12-21

Section 23 Land Drainage Act Consent Applications – Extended Area

The Board acts as Agent for Lincolnshire County Council, the Lead Local Flood Authority. North Lincolnshire Council and North East Lincolnshire Council process their own Consent Applications.

None received.

Enforcement Issues – District

Reference	Location	Description / Comments	Actions
ND-5207-2020-ENF	Land adj Brocklesby Ave, Immingham	Encroachment of access strip adj to Habrough Marsh Drain Branch 1 with a fence	Property owner had agreed to move the fence back to the original line, but he has now completed the fence encroaching on the Board's land.



			Awaiting advice re relevant legislation pertaining to deeds.
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Enforcement Issues – Extended District

The Board acts as Agent for Lincolnshire County Council, the Lead Local Flood Authority in the West Lindsey District Council area. North Lincolnshire Council and North East Lincolnshire Council undertake their own enforcement.

No current cases.

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

**18. Any Other Business.**

There were no further items of business and the meeting closed at 16:35.

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

The next meeting of the Board was confirmed for Tuesday, 24<sup>th</sup> May 2022, venue and format TBC.

..... *D.S. Hayes* ..... Chairman..... *24 . 5 . 22* ..... Date

NELDB BM 01.02.22.

