

Upper Witham Internal Drainage Board



Annual Report & Statement of Accounts 2021/22

For Year Ended 31st March 2022

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Upper Witham Internal Drainage Board Statement of Accounts and Annual Report 2021/22

Annual Report 2021/22

Upper Witham Internal Drainage Board [IDB] is a Public Body, an independent Flood Risk Management and Drainage Authority created under land drainage statutes. The IDB has a duty to work in partnership with other Flood Risk Management Authorities in Lincolnshire including IDBs, the Environment Agency, District Councils and Lincolnshire County Council [in LCC's role as Lincolnshire's Lead Local Flood Authority since April 2012]. The Board is responsible for flood risk, land drainage and water level management, works and improvement schemes and operational maintenance of watercourses and pumping stations within its defined drainage district of 21,094 hectares, other than on main rivers where the Environment Agency has this role and towards which the Board pays an annual precept [£166,826 in 2021/22]. A map of the Board's drainage district and extended rainfall catchment (the Board undertakes works for LCC, as the lead local Flood Authority, in the extended rainfall catchment) is included at Appendix 1 to this Annual Report and Statement of Accounts.

The Board comprises 35 members including a Chairman, Mr Fred H Myers and two Vice Chairmen, Mr. John Scarborough and Cllr. Pat Vaughan. Of the 35 members, 17 are elected by and represent the occupiers of land in the area and 18 are nominated by one of five District Councils, namely North Kesteven District Council, South Kesteven District Council, West Lindsey District Council, City of Lincoln Council and Newark & Sherwood District Council. All Members have a corporate responsibility to represent the interests of the Board. The Board's role is to determine strategy, direction and policy for the organisation and to ensure the IDB operates within an appropriate Governance framework. The Board is supported by officers, led by a Chief Executive, who advise the Board and implement the Board's agreed strategies, plans and policies and operationally manage and provide the Board's services. The Board's current organisational structure chart is provided at Appendix 2. The Board's support services, as this chart demonstrates, are provided to a group of four IDBs, the other three being Witham First District, Witham Third District IDBs and from 01st April 2017, North East Lindsey IDB joined the partnership under the terms of a new Joint Services Agreement. The 4 Boards remain separate legal statutory bodies but work collectively as the "Witham and Humber Drainage Boards".

The Board secures income from two main sources. Firstly, through a direct levy on owners and occupiers of land within the drainage district, with rates being payable on 01st April each year. This produced £253,273 (with costs) of income for 2021/22. Secondly, through special levies paid by each of the five District Councils in two instalments paid on 01st May and 01st November each year. This totalled £884,240 for 2021/22. The Special levy for City of Lincoln Council in 2021/22 was £464,061, for North Kesteven District Council it was £221,038, for South Kesteven District Council it was £140,008, for West Lindsey District Council it was £48,001 and for Newark and Sherwood District Council it was £11,132.

The levy for the forthcoming financial year is set at a Board meeting before 15th February annually. The Board is asked to agree the land valuation as at 31st December in the previous year, the proposed budget for the forthcoming year [which outlines any planned developments and the plant, vehicle and machinery programme] and any consequent percentage uplift to the penny rate.

The Board agreed on 18th January 2021 a rate uplift for 2021/22 of 2.50% in order to set a balanced budget for 2021/22, with total planned income and expenditure of £1,395,659.

In 2012/13, we experienced one of the wettest years on record, according to recorded rainfall. The Board's pumps in its 15 Pumping Stations operated longer hours than usual, according to comparative records, to protect property, agricultural land and critical infrastructure. Since 2014/15 we have experienced much drier years although there have been localised heavy rainfall events, e.g., in Long Bennington in August 2015. Where these lead to internal flooding to property these are subject to a multi-agency Section 19 investigation and report led by Lincolnshire County Council as the Lead Local Flood Authority.

There were further high rainfall events during Summer and Autumn 2019 which resulted in some flooding across Lincolnshire. There were parts of the Witham & Humber Boards' systems that had to deal with water that had come from EA main rivers, whether due to bank breaches, overtopping and/or excessive seepage. This meant that some of the Boards' pumps were pumping far more than would have been required without this additional water, which in turn meant excessive additional electricity costs were incurred.

During January and February 2020 there was further heavy rainfall which increased electricity usage to higher than normal, due to catchments remaining saturated from the previous year. Although a much drier year was experienced in 2021/22, the Board incurred electricity costs of £47,953 during 2021/22, compared to a budget of £41,000. At Appendix 3 rainfall data, pumped hours and electricity costs incurred by the Board are set out, showing the relationship between them.

The Board is part of the Greater Lincolnshire Nature Partnership. The Board has continued to monitor and record locally important species on all Drains and roll out its programme of owl boxes installation and monitoring in partnership with the Wildlife Conservation Partnership. In November 2021, the Board approved a new Nature Strategy which supersedes the previous Biodiversity Action Plan.

Since April 2012 the Board, in common with other IDBs in Lincolnshire, has provided a consents and enforcements service for and on behalf of Lincolnshire County Council [LCC], the Lead Local Flood Authority in Lincolnshire, beyond the Board's drainage district in its extended rainfall catchment. This has been provided under a Memorandum of Understanding with LCC for 2021/22, which has been extended for the Board to continue the service until 31.03.23.

Examples of the Board's work in 2021/22 include:

- Operation of the Board's 15 Pumping Stations to protect properties, agricultural land and critical infrastructure throughout the drainage district from South Witham to Gainsborough (including Grantham, Lincoln and villages) covering 21,095 hectares.
- Substantial completion of the Board's Summer 2021 maintenance programme and weedcutting programme on 61 watercourses.
- Purchase of plant & machinery:
 - a new Case Puma 185 CVX tractor and Herder flail
 - combination at a cost of £165,967 after trade in.
 - used Massey Ferguson 7715 tractor at a net cost of £61,500.
 - a Maschio Buffalo front/rear flail for the Massey 7715 tractor
 - at a cost of £7,500.
- Completed phase 1 of bank reinstatement works near Tillbridge Lane at a cost of £42,739 in materials, plus staff/machine time.
- Replace collapsed culvert at Hardwick Ferry.
- Dealing with storm and rainfall events in early 2022, resulting in additional working hours to clear obstructions and culverts.
- Continuing with the Board's conservation initiatives including the erection of owl boxes, the leaving of reed margins for water voles, birds and insects and continued membership of the Greater Lincolnshire Nature Partnership, environmental Annual Report and staff/member training.
- Provided a consents and enforcements service to Lincolnshire County Council (as the Lead Local Flood Authority) in the Board's extended rainfall catchment under a Memorandum of Understanding to 31.03.23.
- Provided a service to Lincoln Water Transfer Service Ltd, to support efficient use of water.
- Public Sector Co-operation Agreement (PSCA) works undertaken on behalf of the Environment Agency at Boultham Catchwater Drain, Cardinal Dyke, Foston Beck, Shire Dyke, Skellingthorpe Beck, Skinnand Dyke and River Till plus other rechargeable works for other public bodies and landowners.
- Further development of joint website for all Witham and Humber Drainage Boards. It can be found at www.witham3idb.gov.uk.

All figures exclude VAT

The Board ended 2021/22 as of 31st March 2022 with a surplus position of £19,379 (compared with the year-end surplus position of £86,526 in 2020/21), which has been allocated as a contribution to the Board's General Reserve.

Statement of Accounts 2021/22

The statement of responsibilities:

The Board is required to make arrangements for the proper administration of its financial affairs and to ensure that one of its Officers has the responsibility for the administration of those affairs.

The Board is required to manage its affairs to secure economic, efficient and effective use of its resources and to safeguard its assets.

The Board's Accountable Officer is the Director of Finance & Governance.

During 2021/22 the Board, to support its Governance arrangements, approved on 23rd September 2019 its Risk Management Policy, Strategy and its Risk Register, which it reviewed and updated again on 15th November 2021. On 08th September 2021 the Board approved a revised set of Financial Regulations and Statement of Internal Control.

The Statement of Accounting Policies:

This statement details the legislation and source of accounting principles on which the financial statements are prepared.

The Income and Expenditure Account:

This statement summarises the resources that have been generated and consumed in providing services and managing the IDB during the last year.

The Balance Sheet:

This statement is fundamental to the understanding of the Board's financial position at the year end. It shows the balances and reserves at the Board's disposal and the fixed and net current assets employed in its operation, together with summarised information on the fixed assets held. The statement also includes assets and liabilities of the Board.

Notes to the accounts:

The notes relating to the statements above are detailed after the core statements, including cost centre budgets and variance analysis where appropriate, for the period 2021/22 with comparisons to 2020/21.

Upper Witham Internal Drainage Board – Members 2021/22

The Board comprises 35 Members, 17 elected by the occupiers of land in the drainage district and 18 who are appointed by one of 5 District Councils. Elections of occupiers of land are every 3 years and the latest term of office runs from 01.11.21 to 31.10.24. Council nominated members are for the period of the civic year.

Members 01.04.21 to 31.03.22 were:

Elected Member's Name	Electoral District	Finance & General Purposes Committee Member [12]*
Frederick H Myers (Chairman)	River Till & Burton	Yes
John R Scarborough (Vice Chairman)	North Scarle, Broadholme & Skellingthorpe	Yes
Jacky S P Smith	Borough of Grantham	Yes
Noel Tobin	City of Lincoln	No
Nick Craft (until Nov21)	Long Bennington, Barkston & Normanton	Yes (until Nov21)
Vacancy (from Nov 21)	Long Bennington, Barkston & Normanton	N/a
David R Knight (until Nov21)	Long Bennington, Barkston & Normanton	No
Peter Knight (from Nov 21)	Long Bennington, Barkston & Normanton	No
Joanne Wilkinson	North Scarle, Broadholme & Skellingthorpe	No
Raymond J Phillips	Pike Drain & Lincoln	Yes
John R Hollis	River Brant	No
Graham E Porter (until Nov21)	River Brant	No
Ian Powell (From Nov 2021)	River Brant	No
Stuart H White	River Brant	No
Andrew Buckley	River Till & Burton	No
Giles Rawlings	River Till & Burton	No
Will Timmins (from Nov 21)	River Till & Burton	No
Emma Jenkinson	South Witham	No
Tom Arnold	Stapleford & Claypole	No
Elliot Jackson	Stapleford & Claypole	No

Nominated Member's Name	Nominating Authority	Finance & General Purposes Committee Member [12]*
Cllr Patrick Vaughan (Vice Chairman)	City of Lincoln	Yes
Jeff Boyall	City of Lincoln	No
Brent Charlesworth (until Feb 22)	City of Lincoln	No
Vacancy (from Feb 22)	City of Lincoln	N/a
Cllr Paul Gowen	City of Lincoln	No
Cllr Gary Hewson	City of Lincoln	No
Rebecca Longbottom	City of Lincoln	No
David Jackson	City of Lincoln	No
Colin Smith	City of Lincoln	No
Tony Speakman	City of Lincoln	Yes
Cllr Linda Dales	Newark & Sherwood District Council	No
Cllr Stephen Roe	North Kesteven District Council	No
Cllr Mary Green	North Kesteven District Council	No
Cllr Lance Pennell	North Kesteven District Council	Yes
Cllr Robert Oates	North Kesteven District Council	No
Cllr John Cottier	South Kesteven District Council	No
Cllr Rosemary Kaberry Brown	South Kesteven District Council	No
Cllr Ian Stokes	South Kesteven District Council	No
Cllr Steve England	West Lindsey District Council	No

* Currently 5 vacant seats on Finance & General Purposes Committee

The Annual Governance Statement


We acknowledge as the Members of Upper Witham Internal Drainage Board our responsibility for ensuring that there is a sound system of internal control, including the preparation of the statement of accounts, and confirm, to the best of our knowledge and belief, with respect to the Board's statement of accounts for the year ended 31 March 2022, that:

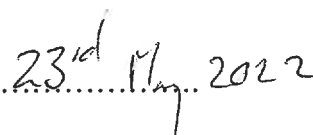
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.
2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.
3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice which could have a significant financial effect on the ability of this Board to conduct its business or manage its finances.
4. We have provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.
5. We have carried out an assessment of the risks facing the Board and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.
7. We took appropriate action on all matters raised in reports from internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.

This annual governance statement is approved by the Board and recorded as a Board minute, dated Monday, 23rd May 2022.

Signed on behalf of Upper Witham Internal Drainage Board


Signed by: Mr Frederick H Myers,

Chairman.....

Date.....

Signed by: Mrs Jane E Froggatt,

Chief Executive ..

Date.....

The Statement of Responsibilities for the Statement of Accounts

The Board is required:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this the Board that officer is the Director of Finance & Governance.
- to manage its affairs to secure economic, efficient and effective use of its resources and safeguard its assets

The Director of Finance & Governance's Responsibilities:

The Director of Finance & Governance is responsible for the preparation of the Board's Statement of Accounts which is required to present a true and fair view of the financial position of the Board at the accounting date and its income and expenditure for the year ended 31st March 2022.

In preparing this statement of accounts, the Director of Finance & Governance has:

- selected suitable accounting policies and then applied them consistently.
- made judgements and estimates that were reasonable and prudent.
- compiled the accounts in accordance with the UK GAAP Financial Reporting Standard 102 issued by the Financial Reporting Council and has regard to the proper practices published by the Joint Panel on Accountability and Governance (JPAG), a further update to the Practitioners' Guide having been issued by JPAG in March 2021.
- applied the accounting concept of a "going concern" by assuming that the IDB will continue to operate for the foreseeable future.

The Director of Finance & Governance has:

- kept proper accounting records which were up to date and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certificate of the Director of Finance & Governance

This Statement of Accounts 2021/22 is that upon which the Auditor should enter their certificate and opinion. It provides a true and fair view of the financial position of the Board as at 31st March 2022 and its income and expenditure for the year then ended.

Certificate of the Chairman of the Board

I confirm that these accounts have been approved by Upper Witham Internal Drainage Board at a meeting held on Monday, 23rd May 2022.

Signed by: Mr Frederick H Myers,

Chairman..........

Date..23..May..2022

Statement of Accounting Policies

1. General

This statement of accounts has been prepared in accordance with the UK GAAP Financial Reporting Standard 102 issued by the Financial Reporting Council and has regard to the proper practices published by the Joint Panel on Accountability and Governance (JPAG), a further update to the Practitioners' Guide having been issued by JPAG in March 2021.

These accounts have been prepared in accordance with the following accounting concepts:

- Accruals
- Relevance
- Consistency
- reliability
- Comparability
- Understandability
- Materiality
- Going Concern.

2. Non-Current Assets

Non-Current Assets are recognised as expenditure on the acquisition, creation or enhancement of fixed assets with a value in excess of £5,000 and with estimated useful lives in excess of one year are capitalised on an accruals basis in the accounts valued on the following basis:

- 2.1 land, operational and non-operational buildings are included in the Balance Sheet at historical cost. Pumping Stations are included in the Balance Sheet at insurance valuation (reinstatement cost).
- 2.2 vehicles, plant and equipment are included at depreciated historic cost. A depreciation charge is made against the appropriate income and expenditure code and balances created in the renewal funds based on the life and estimated residual value.
- 2.3 disposals are written off at cost less depreciation. Any surplus/deficit arising is charged to the Income and Expenditure Account and transferred to/from reserves.

3. Depreciation

Land and buildings are not depreciated on the grounds that an on-going repairs and maintenance policy results in an extension of useful life and negates the necessity for material depreciation.

A depreciation charge is made against the running costs of plant and equipment and vehicles on a straight-line basis over their useful economic life, if the value of the plant does not negate the necessity for material depreciation.

The following assumptions are made with regards to life cycle of assets:

Plant

Excavators	6 to 12 years
Tractors	9 to 11 years
Motor Vehicles	5 to 12 years
General equipment	between 5 to 15 years

Pumping Stations

Automated Weed Screen Cleaners	30 Years
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Computer Equipment

All computer equipment	4 Years
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4. Debtors and creditors

The revenue accounts of the Board are maintained on an accruals basis in accordance with FRS18, that is, sums due to or from the Board during the year are included whether or not the cash has actually been received or paid in the year. If the invoice spans two financial years and the apportionment is not material, then this will be charged to the financial year with the larger portion.

There is no provision for bad debts.

In January 2019 the Board drew down a Public Works Loan Board of £1,200,000 over a period of 30 years for the specific purpose of building a new depot building with auxiliary office space. The loan is on an Annuity basis. The first repayment was in May 2020 with 6 monthly payments thereafter.

5. Stock

Stocks are valued in the Balance Sheet on the average price basis with no allowance made for obsolescent and slow-moving items. This is a departure from the requirements of FRS102 which require stocks to be shown at actual cost or net realisable value, if lower. The effect of the different treatment is not material. Full stock takes have been undertaken.

6. Government Grants and Contributions

Government Grants and contributions when received are recognised in the income and expenditure account on an accruals basis. Government Grants used for the acquisition of fixed assets have been netted of the asset purchase cost.

7. Leases

The Board has no finance leases. It has entered Operating Leases during 2021/22 that are charged to the Income and Expenditure Account for the period to which it relates for 7 fleet vans and 2 4x4's.

8. Reserves

A reserves policy was agreed at the Board's meeting on 27th January 2014.

- 8.1 Revenue Reserve. The Board's policy is to maintain this balance at approximately 10% to 15% of the annual revenue expenditure.
- 8.2 Plant Renewal Funds. The Board's policy is to build up sufficient funds over the useful economic life of major assets to enable replacement. This is through a depreciation charge as set out in the fixed asset register.
- 8.3 One-Off Project reserve is used for any slippage in the financial year for one-off projects that have not yet been completed. The works will then be completed and funded in the following financial year.

Further reserves can be (and have been) agreed by the Board at any Board meeting.

9. Provisions

The Board sets aside provisions where there is a definite liability, but the amount and timing of settlement is not known. Details are given as notes to the accounting statements if a provision has been required.

10. Taxation

Drainage Boards are exempt from Corporation and Capital Gains Tax. Income Tax is paid by employees in the normal way. Value Added Tax is paid/recovered in the usual manner and is only included in the accounts to the extent that it is irrecoverable.

11. Post Balance Sheet Events

Any material post balance sheet events, which did not exist at the date of the balance sheet, have been disclosed as a separate note to the accounts if an event has occurred.

12. Pensions

Pension costs are accounted for on a defined benefits basis.

The Annual Report of Lincolnshire County Council's Superannuation Fund is available from Lincolnshire County Council, Superannuation Section, County Offices, Lincoln, LN1 1YE.

The full Disclosure of Net Pensions Asset/Liability and associated information is contained in the notes to the accounts on an FRS102 basis.

13. Exceptional Items

Any material, exceptional or prior year adjustments will be accounted for once they are known and shown in the accounts and associated notes.

14. Discontinued Operations

The Board had no material operations that it acquired, or which were discontinued in the year.

Income and Expenditure Account for the Year Ended 31st March 2022

	Note	31st March 2022	31st March 2021
Income		£	£
Drainage Rates & Costs		253,273	247,185
Special Levies	1	884,240	861,259
Highland Water Contributions	2	207,907	197,892
Flood Defence Grant in Aid (FDGIA)	2	0	71,000
Consents & Enforcement		23,339	21,296
Insurance Claims		50,907	250
Rechargeable Works		205,220	177,177
Commutation Payments/Developer Contributions		49,500	56,060
Sale of Surplus Assets (net)		24,371	9,000
Rent, Interest, Wayleaves & Sundry Income		33,195	21,024
Total Income		1,731,952	1,662,143
Expenditure			
Drains		685,084	667,581
Pumping Stations		139,652	165,544
Depot		138,750	89,191
Engineering		110,292	99,263
Conservation		273	265
One Off Schemes		17,872	91,155
Environment Agency Precept		166,826	166,826
Consents & Enforcement		23,339	21,296
Board Administration	6	22,804	17,377
Joint Administration	7	167,786	153,850
Rechargeable Works		205,220	98,992
Wages & Plant Holding Account		40,252	8,277
Contribution to/(from) Reserves		48,423	7,000
FRS17 Pension Adjustment (net)	3	(54,000)	(11,000)
Total Expenditure		1,712,573	1,575,617
(Surplus)/ Deficit		(19,379)	(86,526)

Signed:

Name: Mr Fred H. Myers

Designation: Chairman

Date: 23rd May 2022



Balance Sheet as at 31st March 2022

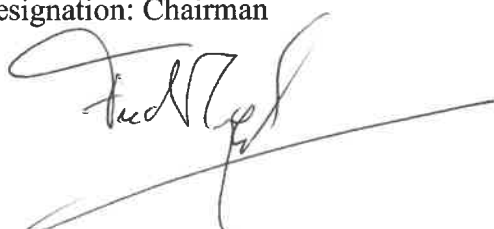
	Note	31st March 2022		31st March 2021	
		£	£	£	£
Non Current Assets					
Land & Buildings		4,003,712		3,988,887	
Vehicles and Plant		684,783		562,030	
Other		0		0	
Total Non Current Assets	10		4,688,495		4,550,917
Current Assets					
Stock		16,964		9,307	
Debtors & Prepayments	11	173,472		192,863	
Short Term Investments					
Bank & Cash		734,003		787,035	
Total Current Assets			924,439		989,205
Total Assets			5,612,934		5,540,122
Current Liabilities					
Creditors	12	(164,799)		(159,789)	
Short Term Loans		(28,683)		(27,930)	
Total Current Liabilities			(193,482)		(187,719)
Total Assets less Current Liabilities			5,419,452		5,352,403
Long Term Liabilities					
Long Term loans		(1,089,709)		(1,118,392)	
LGPS Net Pension Liability	13	(1,646,000)		(2,122,000)	
			(2,735,709)		(3,240,392)
Total Assets less Liabilities			2,683,743		2,112,011
Represented by:	14				
Capital Discharged	10		4,688,495		4,550,917
Funds, Balances & Reserves			759,640		653,400
Pensions Reserve	13		(1,646,000)		(2,122,000)
Capital Adjustment Account			(1,118,392)		(1,146,322)
Capital Receipts Unapplied			0		176,016
Total			2,683,743		2,112,011

Signed:

Name: Mr Fred H. Myers

Designation: Chairman

Date: 23rd May 2022



Notes to the Accounts

Note 1: Special Levies

Special levies were paid by the following District Councils:

Special Levies	2021/22	2020/21
	£	£
City of Lincoln Council	464,061	452,745
Newark & Sherwood D.C.	11,132	10,860
North Kesteven District Council	221,038	215,150
South Kesteven District Council	140,008	136,085
West Lindsey District Council	48,001	46,419
	884,240	861,259

Note 2: Government Grants & Contributions

The following grants and contributions were received from the Environment Agency:

Government Grants	2021/22	2020/21
	£	£
Flood Defence Grant in Aid	0	71,000
Highland Water	207,907	197,892
	207,907	268,892

Note 3: Pension Contributions

In 2021/22 the Board paid an employer's contribution rate of 19.7% plus a lump sum of £53k (19.7% + £51k in 2020/21) of each employee's gross pay into Lincolnshire County Council's Superannuation Fund. This amounted to £128,225 in 2021/22 (£125,080 in 2020/21). Further pension disclosures are shown in the FRS102 Pension Note below.

Note 4: Officers' Remuneration

Remuneration of Employees	2021/22	2020/21
<i>Remuneration band</i>		
70,000 - 79,999	0	0
60,000 - 69,999	0	0
50,000 - 59,999	1	1

There is one Officer employed by this Board, the Head of Engineering & Technical Services, who has remuneration in the banding £50,000 to £59,999. This Officer is the Head of Engineering & Technical Services for this Board, North East Lindsey IDB, Witham First DIDB and for Witham Third DIDB and is recharged in accordance with the Joint Services Agreement of 01st April 2017.

The Chief Executive, who is employed by Witham Third District IDB, provides a service as joint Chief Executive to North East Lindsey IDB, Upper Witham IDB, Witham First

DIDB and Witham Third DIDB and has remuneration in the £90,000 to £99,999 banding. This is recharged in accordance with the Joint Services Agreement of 01st April 2017.

There is one Officer employed by Witham Third District IDB, the Director of Finance & Governance, who has remuneration in the banding £70,000 to £79,999. This Officer is the Director of Finance & Governance for this Board, North East Lindsey IDB, Witham First DIDB and for Witham Third DIDB and is recharged in accordance with the Joint Services Agreement of 01st April 2017.

There is one Officer employed by the Witham First DIDB, the Director of Engineering & Technical Services, who has a gross annual salary in the £70,000 to £79,999 banding and is charged to Engineering. This Officer is the Director of Engineering & Technical Services for this Board, North East Lindsey IDB, Witham First DIDB and for Witham Third DIDB, and is recharged in accordance with the Joint Services Agreement of 01st April 2017.

There is one Officer employed by the Witham Third District IDB, the Director of Operations, who has remuneration in the banding £70,000 to £79,999. This Officer is the Director of Operations for this Board, North East Lindsey IDB, Witham First DIDB and Witham Third DIDB, and is recharged in accordance with the Joint Services Agreement of 01st April 2017.

The Joint Services Agreement of 01st April 2017 currently allocates costs between the IDBs in proportions of 30% to Upper Witham IDB, 20% to North East Lindsey IDB, 20% to Witham First DIDB and 30% to Witham Third DIDB.

Note 5: Public Works Loans Board

The Board took out a loan of £1.2m from the Public Works Loans Board (PWLB) in order to undertake a redevelopment of its depot site to provide a new depot and ancillary offices. The Annuity loan was drawn down on 18th January 2019 at a fixed interest rate of 2.68% and is repayable in 6 monthly instalments over 30 years. The final repayment is on 15th November 2048. The loan is serviced 2/3^{rds} by UWIDB for the depot site and 1/3rd by the Joint Services Agreement (JSA) for the office element of the building, which is recharged on the agreed JSA percentage allocations (see Note 7).

Note 6: Audit Fees & Expenses

The fees paid to the Board's external auditors (PKF Littlejohn LLP) for 2021/22 is £2,000 (£2,000 in 2020/21).

Note 7: Joint Services

The Board is party to a Joint Services Agreement of 01st April 2017 between Upper Witham IDB, North East Lindsey IDB, Witham First DIDB and Witham Third DIDB for the provision of certain functions. Recharges are made for the Chief Executive and all relevant support including Finance and Administration Services, GIS & Environment Officer, Engineering Services and Director of Operations on the following proportions: 30% to Upper Witham IDB, 20% to North East Lindsey IDB, 20% to Witham First DIDB and 30% to Witham Third DIDB.

Joint Services	Total Charge for 2021/22				
	UW	NEL	W1	W3	TOTAL
	30.0%	20.0%	20.0%	30.0%	100.0%
	£	£	£	£	£
Joint Administration					
Witham House (UW)	13,817	9,211	9,211	13,817	46,056
Joint Admin (UW)	16,551	11,034	11,034	16,552	55,171
Joint Admin (W1)	132,071	88,048	88,048	132,071	440,238
Total Joint Admin	162,439	108,293	108,293	162,440	541,465
Engineering & Operational Services					
Engineering & Operational Services (W1)	33,520	22,347	22,347	33,521	111,735
Engineering & Operational Services (W3)	76,579	51,053	51,053	76,579	255,264
Engineering & Operational Services (UW)	25,425	16,950	16,950	25,426	84,751
Total Engineering & Operational	135,524	90,350	90,350	135,526	451,750
Total Inter Recharges between Boards	297,963	198,643	198,643	297,965	993,214

Note 8: Related Party Transactions

Board Members are either elected by and represent the occupiers and ratepayers of land in the Board's area (and are ratepayers) or are nominated by one of the 5 District Councils who pay Special Levies (City of Lincoln Council, North Kesteven District Council, South Kesteven District Council, West Lindsey District Council and Newark & Sherwood District Council). Except for normal transactions with the Board (e.g., payment of Drainage Rates), no other related party transactions have been identified.

Note 9: Post Balance Sheet Event

There are no post balance sheet events that are material to the accounts and require disclosure.

Note 10: Non-Current Assets

Non Current Assets	Land & Buildings	Depot	Plant & Vehicles	Office Equip	Pumping Stations	Total
	£	£	£	£	£	£
Cost						
Closing Balance 31/03/21	159,000	1,553,984	1,196,674	0	2,337,845	5,247,503
Additions		22,100	283,217			305,317
Reclassification			0		0	0
Disposals			(130,000)			(130,000)
Closing Balance 31/03/22	159,000	1,576,084	1,349,891	0	2,337,845	5,422,820
Depreciation						
Opening Balance 01/04/21	0	0	634,644	0	61,942	696,586
Depreciation Charged	0	0	143,834		7,276	151,110
Reclassification			0		0	0
Disposals Written Out	0	0	(113,371)		0	(113,371)
Closing Balance 31/03/22	0	0	665,107	0	69,218	734,325
Net Book Value 31/03/21	159,000	1,553,984	562,030	0	2,275,903	4,550,917
Net Book Value 31/03/22	159,000	1,576,084	684,784	0	2,268,627	4,688,495

The above Capital has been financed as follows:

Capital Discharged	2021/22	2020/21
	£	£
Capital Receipts Applied	2,090,403	1,914,387
Renewals Fund	1,503,347	1,504,046
Revaluation Reserve	629,070	629,070
Loans Applied	1,200,000	1,200,000
less Depreciation	(734,325)	(696,586)
	4,688,495	4,550,917

Note 11: Debtors and Prepayments

Debtors & Prepayments	2021/22	2020/21
	£	£
Drainage Ratepayers	9,200	7,659
Sundry Debtors & Prepayments	158,841	185,204
HMRC	5,431	0
	173,472	192,863

Note 12: Creditors and Receipts in Advance

Creditors & Receipts in Advance	2021/22	2020/21
	£	£
Sundry Creditors	(156,905)	(147,893)
HMRC	(7,894)	(11,896)
Payroll Deductions	0	0
	(164,799)	(159,789)

Note 13: FRS102 Pensions

The following disclosures are based upon the 'March 2022 FRS102 Report' prepared by Barnett Waddingham LLP, the fund Actuaries for the Lincolnshire County Council Pension Fund (previous Actuaries were Hymans Robertson LLP).

The impact on the Balance Sheet is:

Balance Sheet	31/03/22	31/03/21
	£000's	£000's
Present value of the defined benefit obligation	(5,815)	(5,872)
Fair value of Fund assets (bid value)	4,173	3,755
Net (Under)/Overfunding in Funded Plans	(1,642)	(2,117)
Present Value of Unfunded Liabilities	(4)	(5)
Unrecognised Past Service Cost		
Net Asset/(Liability)	(1,646)	(2,122)
Amount in the Balance Sheet		
Liabilities	(1,646)	(2,122)
Assets		
Net Asset/(Liability)	(1,646)	(2,122)

The Fair Value of the Employer Assets can be analysed as follows:

Fair Value of Employer Assets	31/03/22		31/03/21	
	£000's	%	£000's	%
Equities	3,014	72%	2,760	74%
Bonds	551	13%	526	14%
Property	450	11%	387	10%
Cash	158	4%	82	2%
Cumulative Actuarial Gains and Losses	4,173	100%	3,755	100%

The impact on the Income and Expenditure Account is:

Recognition in the income and expenditure account	31/03/22	31/03/21
	£000's	£000's
Current Service Cost	179	132
Net interest on the defined liability (asset)	40	39
Administration expenses	3	3
Total	222	174

The Defined Benefit Obligation consists of:

Reconciliation of Defined Benefit Obligation	31/03/22	31/03/21
	£000's	£000's
Opening Defined Benefit Obligation	5,877	4,909
Current Service Cost	179	132
Interest Cost	113	110
Change in financial assumptions	(213)	1,048
Change in demographic assumptions	0	(55)
Experience loss/(gain) on defined benefit obligation	9	0
Liabilities assumed / (extinguished) on settlements	0	0
Estimated benefits paid net of transfers in	(171)	(289)
Past service costs, including curtailments	0	0
Contributions by Scheme participants and other employers	26	23
Unfunded pension payments	(1)	(1)
Closing Defined Benefit Obligation	5,819	5,877

The Fair Value of Employee Assets consists of:

Reconciliation of Fair Value of Employee Assets	31/03/22	31/03/21
	£000's	£000's
Opening Fair Value of Employer Assets	3,755	3,160
Interest on assets	73	71
Return on assets less interest	366	670
Other actuarial gains/(losses)	0	0
Administration expenses	(3)	(3)
Contributions by employer including unfunded	128	124
Contributions by Scheme participants and other employers	26	23
Estimated benefits paid plus unfunded net of transfers in	(172)	(290)
Settlement prices received / (paid)	0	0
Closing Fair value of Fund assets	4,173	3,755

The following assumptions have been used by the Actuary in making their valuation as at 31st March 2022:

Assumptions	31/03/22	31/03/21
Financial Assumptions		
Discount Rate	2.60%	1.95%
Pension Increase Rate	3.35%	2.90%
Salary Increase Rate	3.65%	3.20%
Mortality (future life expectancy at age 65)		
Current Pensioners (Male)	21.2 years	21.1 years
Current Pensioners (Female)	23.7 years	23.6 years
Future Pensioners (Male)	22.1 years	22.0 years
Future Pensioners (Female)	25.1 years	25.0 years

The following table sets out the likely impacts if certain assumptions are changed:

Sensitivity Analysis	Approx increase to Employer Liability %	Approx Monetary Amount £000's
Change in assumptions at 31 March 2022		
0.1% decrease in Real Discount Rate	1.60%	96
0.1% increase in the Salary Increase Rate	0.18%	11
0.1% increase in the Pension Increase Rate	1.40%	84
Adjustment to life Expectancy Assumptions +1 Year	4.96%	298

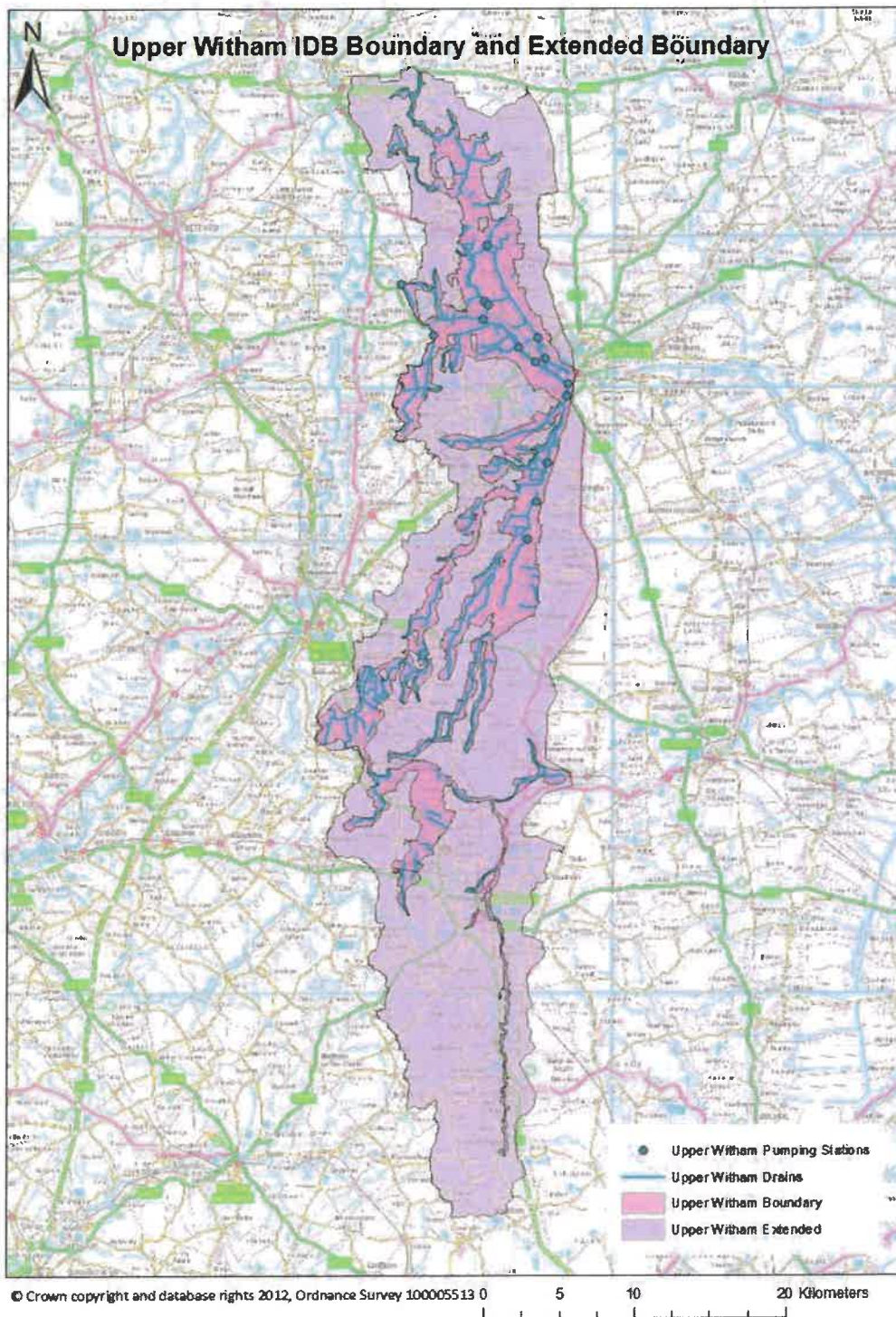
Projected pension costs. The estimated Employer's contribution for the period to 31st March 2022 is approximately £134,000.

Note 14: Funds & Reserves

UWIDB Schedule of Funds & Reserves as at 31st March 2022											
Movement on Reserves	Capital Discharged	Pensions Reserve	Capital Adjust Account	Revenue Reserve	Plant & Machinery Reserve	Emergency Events	One Off Projects Reserve	Pumping Station Reserve	Committed Sums	Capital Receipts	Total
	£	£	£	£	£	£	£	£	£	£	£
Balance as at 31 March 2021	(4,550,917)	2,122,000	1,146,322	(165,145)	(119,095)	(25,000)	(336,885)	(7,275)	0	(176,016)	(2,112,011)
Depreciation	151,110				(143,834)			(7,276)			0
Capital Purchases	(305,317)				129,301					176,016	0
Capital Sales	16,629				(16,629)						0
Pension Interest Cost (Net)		(476,000)									(476,000)
Contributions In							(15,000)		(49,500)		(64,500)
Contributions Out							16,077				(11,853)
Transfers			(27,930)								0
(Surplus)/Deficit on I&E				(19,379)							(19,379)
Balance as at 31 March 2022	(4,688,495)	1,646,000	1,118,392	(184,524)	(150,257)	(25,000)	(335,808)	(14,551)	(49,500)	0	(2,683,743)

Appendices

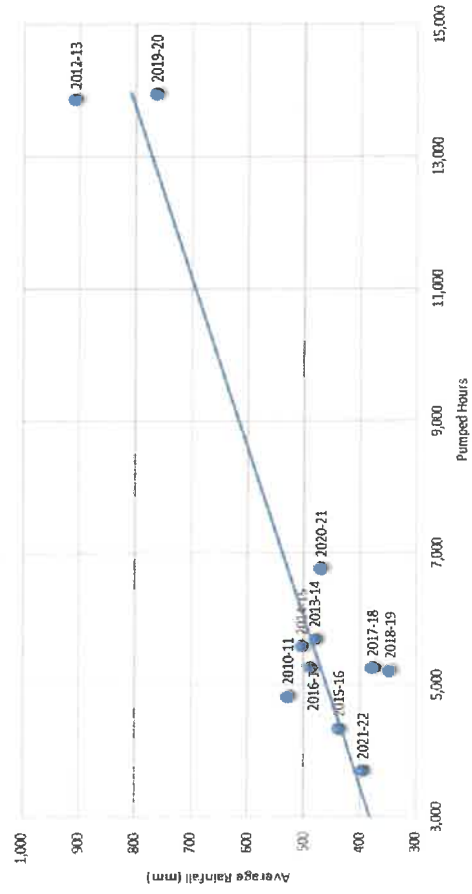
Appendix 1



Appendix 3 - Upper Witham IDB: Interrelationship between Rainfall, Pumped Hours and Electricity Costs

Pumping Station	2016-17			2017-18			2018-19			2019-20			2020-21			2021-22		
	Rainfall (mm)	Pumped Hours	Electricity Costs (£)	Rainfall (mm)	Pumped Hours	Electricity Costs (£)	Rainfall (mm)	Pumped Hours	Electricity Costs (£)	Rainfall (mm)	Pumped Hours	Electricity Costs (£)	Rainfall (mm)	Pumped Hours	Electricity Costs (£)	Rainfall (mm)	Pumped Hours	Electricity Costs (£)
Aulbourn	284	284	Paid by EA	343	343	Paid by EA	401	401	Paid by EA	1,238	1,238	Paid by EA	141	141	Paid by EA	165	165	Paid by EA
Boultham	330	330	£ 2,285.17	302	302	£ 1,766.16	360	360	£ 2,411.36	653	653	£ 3,924.88	557	557	£ 3,924.88	221	221	£ 2,522.12
Broxholme	27	27	£ 400.30	43	43	£ 564.07	-	-	£ 571.86	192	192	£ 1,196.77	91	91	£ 811.78	11	11	£ 604.13
Burton PS	529.50	1,236	£ 10,738.08	466.30	992	£ 8,256.48	361.50	909	£ 6,074.86	1,907	1,907	£ 4,766.11	492.00	707	£ 12,276.13	479.00	971	£ 12,322.22
Coulson Road	74	74	£ 1,051.50	250	250	£ 1,935.24	-	185	£ 1,645.38	179	179	£ 2,233.56	152	152	£ 2,185.43	73	73	£ 1,940.76
Decoy	420	420	£ 1,225.54	465	465	£ 997.44	-	428	£ 2,036.04	861	861	£ 2,898.18	517	517	£ 1,780.30	360	360	£ 1,406.00
Fen Lane	519	519	£ 1,443.34	496	496	£ 828.31	-	455	£ 1,633.67	857	857	£ 2,765.33	547	547	£ 1,777.81	379	379	£ 1,548.41
Hylkeham	174	174	£ 1,351.76	189	189	£ 561.15	-	241	£ 2,927.80	678	678	£ 3,166.91	341	341	£ 3,166.91	181	181	£ 2,069.08
Ingleby	595	595	£ 2,852.64	638	638	£ 4,957.92	-	348	£ 2,624.52	1,456	1,456	£ 6,464.03	759	759	£ 5,299.61	282	282	£ 3,992.91
Oxpasture	485	485	£ 6,823.98	430	430	£ 6,278.33	-	531	£ 6,091.15	1,429	1,429	£ 15,084.06	723	723	£ 9,644.31	289	289	£ 7,627.13
Pyewipe	312	312	£ 8,852.51	280	280	£ 8,538.14	-	265	£ 6,211.94	1,290	1,290	£ 18,298.93	620	620	£ 13,210.09	205	205	£ 8,449.12
Sand Syke	121	121	Paid by EA	187	187	Paid by EA	-	280	Paid by EA	1,182	1,182	Paid by EA	554	554	Paid by EA	105	105	Paid by EA
Sawilby	121	121	£ 350.85	97	97	£ 990.10	-	179	£ 1,637.83	482	482	£ 3,212.17	273	273	£ 2,288.66	42	42	£ 1,037.87
Thorpe	235	235	£ 1,618.66	176	176	£ 947.56	-	318	£ 1,279.63	589	589	£ 2,736.65	245	245	£ 1,392.15	179	179	£ 1,191.71
Torksey	423.00	322	£ 3,372.08	367	367	£ 3,602.16	285.00	318	£ 2,523.05	966	966	£ 8,706.00	425.00	536	£ 4,802.02	354.50	233	£ 3,392.35
Average	488.67	5,255	£ 42,366.41	377.83	5,255	£ 40,223.06	347.83	5,218	£ 37,619.09	763.00	13,959	£ 78,955.79	470.17	6,763	£ 62,560.08	395.00	3,696	£ 48,103.81

Interrelationship between Rainfall and Pumped Hours



Interrelationship between Electricity Costs and Pumped Hours

