

## **WITHAM THIRD DISTRICT INTERNAL DRAINAGE BOARD**

Minutes of the seventy ninth Meeting of Witham Third District Internal Drainage Board held on Tuesday, 29<sup>th</sup> January 2013 at Coningsby Community Hall.

### *Present:*

Mr. P Hoyes – Vice Chairman  
Mr. R Armstrong  
Mr. J Boyall  
Mr. I Clark  
Mr. R Coupland  
Mr. W S Crane  
Cllr. R Curtis  
Cllr. C J Darcel  
Cllr. I G Fleetwood  
Mr. J R Garner  
Mr. R Hairsine  
Cllr. D C Hoyes MBE  
Cllr. M G Leaning  
Cllr. D Jackson  
Cllr. Mrs. F M Martin MBE  
Mr. I Parker  
Cllr. P Vaughan

### *In attendance:*

Mrs. Jane Froggatt	Chief Executive
Mr. Martin Shilling	Director of Operations
Mr. Robert Spaight	Senior Finance and Rating Officer
Mrs. Anna Wilson	Finance and Rating Assistant

In the absence of the Chairman, the Vice Chairman welcomed members and officers and chaired the meeting.

### **2118 Apologies**

Apologies for absence were received from Mr. J C Smithson [Chairman], Cllr. W H Gray, Cllr. P Harness, Cllr. G Hewson, Cllr. Mrs L J Marfleet , Cllr. Mrs I Parrott, Cllr. P. Phillipson, Mr. D J Straw, Mr. P A Spilman, Mr. M I Thomas and Mr. R J Weightman.

### **2119 Declarations of Interest**

Declarations of interest were received from members nominated by City of Lincoln, East Lindsey District and West Lindsey District Councils. Cllr. D C Hoyes MBE and Mr P Hoyes also declared interests in Engine Drain, Stixwold which is referred to in the 2013/14 budget report , indicating that they would not participate in discussion.

## **2120 Chairman's Announcements**

The Vice Chairman made members aware of the following:

### Travel Expenses 2012/13

Members were reminded to complete a travel claim for the period 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2013 if they wished to do so.

### Summer inspection 2013

This year's summer inspection will involve a visit to the national ADA demonstration site at Cross Guns Pumping Station, Wisbech on Wednesday, 17<sup>th</sup> July 2013. The event is being hosted by North Level District IDB.

## **2121 Minutes of the Board's meeting on 23.10.12.**

The Minutes of the Board's meeting held on Tuesday, 23<sup>rd</sup> October 2012 were APPROVED as an accurate record.

### *MATTERS ARISING*

#### 2102 Board's DRS rating system

The upgrade for the DRS rating package has been installed and is operational for all 3 Boards based at Witham House.

#### 2105 DEFRA Ministerial letter

The response to the 19.07.12 DEFRA Ministerial letter to IDB Chairmen about the membership and skills set on Boards was submitted prior to the closing date of 30.11.12 as too was the response on the subsequent DEFRA questionnaire.

#### 2109 Bennett's Mill, Woodhall Spa. ELDC Planning application S/215/016/12

The Director of Operations and the Board's Engineer have had meetings with the potential developer of 22 additional housing units at this location, Manor Crest, and East Lindsey District Council to agree a suitable drainage plan. A CCTV survey had been carried out which found the culvert full of debris. Repairs to the pipes within the system were also being carried out to standardise size. The Board was advised that Manor Crest appeared now to be recognising the need to maintain an open watercourse and were amenable to maintenance of a 9 metres access strip for maintenance.

#### 2110 Lead Local Flood Authority [LLFA] Section 19 Flood Investigations

The Board was updated on progress on the Section 19 investigations on which the LLFA was leading, following 2 flood events in Lincolnshire on 28<sup>th</sup> and 29<sup>th</sup> June and 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> July 2012. The draft reports that the LLFA was scheduled to complete by 18<sup>th</sup> December 2012 had not yet been completed and circulated to partner Flood Risk Management Authorities like IDBs. However, there was a scrutiny committee

meeting shortly where progress would be reported. There were approximately 100 flood investigations, covering approximately 200 dwellings affected by internal flooding on these two occasions. Progress would be kept under review, particularly any actions arising for the Board.

#### 2111 Storm Water Sewer behind Mark Avenue, Horncastle

Cllr Mrs Fiona Martin asked for an update on the maintenance responsibility for the culvert at Horncastle, this matter having been discussed at the last meeting as no reply had been received from Anglian Water Services [AWS] to the Chief Executive's letter dated 05<sup>th</sup> October 2012. The Chief Executive informed the Board that as yet no written reply had been received from AWS but verbal confirmation had been received indicating that AWS accepted that it will adopt the culvert, that it should not have been de-registered from the list of maintained assets, but that AWS will then seek to open discussion with the Board about the Board potentially adopting the 395 metres long culvert. The Board's officers were seeking written confirmation, following which an understanding of the condition of the culvert and likely future maintenance costs was needed. At that point the Board would consider potential adoption of the watercourse albeit the Board agreed that it was not in the interests of flood protection in Horncastle to have such a significant asset without clear maintenance responsibilities.

#### 2112 Short Ferry Pumping Station Refurbishment

The work has been awarded to the successful bidder following the procurement exercise. It was hoped that, weather permitting, a significant amount of the refurbishment work could be completed before 31.03.13, albeit the bespoke replacement platform may run into 2013/14. The total cost is £19,690.73 of which £13,267.74 is for the refurbishment scheme by Cobra Engineering (UK) Ltd and £6,423 is for the new weedscreen access platform.

### **2122 Minutes of the Joint Administration Committee meeting 03.12.12**

The Minutes of the Joint Administration Committee meeting held on 3<sup>rd</sup> December 2012 were APPROVED as an accurate record.

#### *MATTERS ARISING*

#### SAGE 200 Finance and SAGE 50 Payroll system

It was confirmed that following the Committee having agreed to vire monies between cost centres, to allow the new finance and payroll packages to be purchased and installed in 2012/13, the systems had been ordered and a project plan was in place for the systems to go live on 02.04.13, the first working day of the new financial year 2013/14.

### **2123 Minutes of the Standing Committee meeting 15.01.13**

The Minutes of the Standing Committee meeting held on 15<sup>th</sup> January 2013 were APPROVED as an accurate record. There were no matters arising, these being covered by the agenda.

### **2124 Update on the Board's Risk Register**

The Chief Executive outlined the updated Risk Register, updated since the version agreed on 19<sup>th</sup> June 2012. Of note was the addition of a new risk that not all the Pumping Stations have automated weed screen cleaners, meaning that the clearing of weed and debris has to be carried out manually which is a regular and onerous task. Since about 1995 automated weed screen cleaners have been seen as the health and safety standard to which we should be working. There would be no upgrade to these facilities in the 2013/14 financial year, as this had not been built into budgets but this risk was one which the Board would need to monitor and plan how it will mitigate, although the Board may wish to ensure action is also compliant with new eel and fish pass regulations which we anticipate coming into force in 2015.

The updated Risk Register for the Board was *APPROVED*.

### **2125 Internal Auditor's Interim Report of January 2013**

The Chief Executive presented the Internal Auditor's interim independent report to the Board dated January 2013. His main audit findings included an improvement in financial systems, a significant improvement in the information provided to the Board, a review of the accounting [dataflow] computer system and a belief that the planned new finance and payroll packages will improve accuracy of data and ease of management information reporting. He also stated that the majority of management actions arising from the 2011/12 audit have now been implemented and stated there had been a significant improvement in Risk Management, revision of Financial Regulations, some issues remain on bank mandates and signatories but these are being progressed, fuel security is adequate, financial transactions checked were accurate and well maintained and there were no significant issues found from his review of the key points from the Caldicot and Wentlooge Levels IDB public interest report [published 08.10.12]. The management action plan at the back of the report, indicating management comments in response to the Auditor and when these would be done, was brought to members' attention. She also brought the Board's attention to the 7 Nolan Principles of public life, which were enclosed with the report at the Internal Auditor's request that these be highlighted to all Board members.

It was NOTED that the Internal Auditor's interim report gave an ADEQUATE ASSURANCE on the systems of controls, accepting the risk of reduced internal control due to the low staff resource.

### **2126 Financial Performance Report to 31/12/2012, month 9 of 2012/13.**

The Chief Executive presented the financial performance report to 31<sup>st</sup> December 2012, which demonstrates total income achieved to date of £919,100, which is above the income anticipated due to EA Highland Water payment one to the Board being higher than forecast [a second payment is due in March]. Within this, all Special Levy income has been received from the 3 relevant District Councils, which amounts to £659,430. On Direct levies income, £146,280 has been collected, which leaves £2,682 outstanding from ratepayers and achieves to 31<sup>st</sup> December a collection rate of 98.1% [1.5% up on the same period 2011/12].

On expenditure, the total to 31<sup>st</sup> December was £633,703 against a profiled budget of £671,787, a variance of £38,083 below expected spend for the year to date. This reflects underspend across all cost centres except Pumping Stations, where there is an overspend of £9,235. This expenditure overspend at Pumping Stations, £98,458 expenditure to 31.12.12 against a profiled budget of £89,223 for the period, was explained by the additional staff time coded to Pumping Stations given the wet weather this year together with the high level of electricity budget used given the many additional hours the pumps were running in the wet weather. Members asked whether the Environment Agency could be asked to meet some of the additional Pumping Station costs and it was confirmed that where the Board was being asked to take additional water this was being monitored and raised with the EA.

The under spend on drains maintenance was attributed to the wet weather delaying some maintenance activities. However, the Director of Operations stated that he hopes to use some of this under spend to repair some of the many bank slips which have occurred recently due to heavy rainfall.

Although it was a position to be refined closer to 31<sup>st</sup> March 2013, members NOTED the financial position in 2012/13 to 31.12.12 and the predicted year end outturn position of a £9,435 surplus.

### **2127 Schedule of Expenditure 01.10.12 to 31.12.12**

The Chief Executive gave an overview of the Schedule of Expenditure that the Board has incurred from 1<sup>st</sup> October 2012 to 31<sup>st</sup> December 2012. It was noted that page 2, which should have been included on the reverse of page 1, was not included. It was agreed to include this with the papers for the Board's next meeting such that the next Expenditure Schedule covers the period 01.10.12 to 31.03.13.

### **2128 Annual value as at 31.12.12 , rate setting and the Board's proposed budget for 2013/14**

The Chief Executive outlined to Members how the budget process for 2013/14 had been organised and presented the report.

A review of budgets had been undertaken based on 2012/13 budgets against actual spend, cost pressures, efficiencies and potential developments in 2013/14. The main proposed changes between the 2012/13 existing budget and the proposed 2013/14 budget were explained, including:

- On rechargeable works income, the 2012/13 budget is £10k but will potentially achieve only £5k. As this seems the more realistic income level, the proposed 2013/14 budget has been set at £5k income.
- Sundry income target of 310k in 2012/13 has been reset at £7.5k for 2013/14.
- Inclusion of projected income of £5.4k for undertaking consents and enforcements work for the LLFA into 2013/14
- Cost centre for overtime of £60k, split across drains maintenance and Pumping Stations. This is not new money, just a more detailed breakdown of pay costs.
- Pay budget 2013/14 assumes a pay award of 2%, settlement from 01.04.13 not yet agreed but unlikely to exceed 1 %.
- Establishment of a cost centre for 'Engineering costs' which includes for 50% Engineer, 50% Director of Operations, 30% GIS Officer, 30 % Consents and Enforcements Officer.
- Conservation measures cost centre established of £3.2k. Not new money but extracted from drains maintenance and Pumping stations.
- A limited range of development schemes necessary in 2013/14 are provided for in the proposed budget. These include £10k for any contribution from the Board as a consequence of the Ings Drain Horncastle permanent pump scheme, £7.5k for remote water level management [telemetry], part of a joint project with Witham First District IDB which has a similar amount in its budget.
- £10k Bardney pipe scheme, part of a joint improvement project in Bardney with other public bodies.
- £30k for Stixwold Engine Drain pipe replacement scheme
- Year 1 of the 5 year plant, vehicle and Machinery Programme which has an opening balance of £9,027 and which supports the acquisition in 2013/14 of a replacement excavator, a 4x4 vehicle and replacement small tools with a trade off on disposals of an excavator and a 4x4 vehicle.
- £91,905 for the Board's 30% share of the total Joint Administration budget of £306,350 for 2013/14, as proposed by the JAC's meeting of 03.12.12.

Members discussed the impact of the proposed 2013/14 budget on ratepayers, where it was acknowledged that the agricultural sector and farming had faced a very difficult last year, and on the 3 District Councils who were being asked to freeze Council Tax levels and who would face an increase in Special Levy payments to the Board if the rate was increased to meet the proposed budget. There followed debate on the need to keep budget increases to a minimum coupled with the need for the Board to do some necessary maintenance and improvement schemes, as outlined, in order not to stand still or stack up problems for the future.

If the budget was approved, the impact would be a 2.7% rate increase which in terms of the Special Levy would be an increase for City of Lincoln Council of £6.2k, for East Lindsey District Council an increase of £7k and for West Lindsey District Council an increase of £4.5k. For the direct ratepayers, the impact would be a total increase of £4k. This gives a total income from direct and Special Levies of £830,218 for 2013/14, an increase of £21,827 on 2012/13. The total revenue budget would be balanced if a 2.7% rate increase were applied, giving a total budget of £1,000,137 for 2013/14.

After much debate, the Board *APPROVED*:

- The land valuation upon which drainage rates and Special Levies be calculated as at 31<sup>st</sup> December 2012 at £9,739,657, noting that this had not changed from 31.12.11.
- The proposed income and expenditure budget for the financial year 2013/14 ended 31<sup>st</sup> March 2014 [and which includes year 1 of the 5 year Plant, Vehicle and Machinery programme]
- The uplift of 2.7% to the drainage rate which then sets the rate at 8.5241 pence in the pound for 2013/14. This determines the direct levy and the Special levies for 2013/14.

The Board having approved such, the Vice Chairman applied the Board's common seal to seal the rate.

### **2129 Report of a Loss to the Board**

Board members were informed in a written report that there had been some items missing from the Board's depot, Fiskerton and Stixwold pumping stations. Some items then reappeared and some items have not, so are now presumed stolen. Lincolnshire Police have interviewed all key holders following the incidents being reported to Lincolnshire Police, the Internal Auditor and the Board's Insurers on 02.01.13.

It is a requirement under the Board's Financial Regulations that losses to the Board are reported to both the Board and to the Internal Auditor.

The estimated loss to the Board is £16.75 for a canister of gas oil and £2k- £3k estimated replacement costs for the loss of diesel pump parts and scrap metal at Fiskerton, if indeed replacement items can be sourced.

The Board NOTED the current position and actions taken.

### **213 Director of Operations' Report**

The Director of Operations presented his report, previously circulated, and in addition took members through a presentation. Issues highlighted to members included :

- **Flood event, Horncastle**

Cllr. Mrs Fiona Martin thanked the Board's workmen for their quick response and efforts in Horncastle during the recent flood events.

- **Plant**

Tenders had been received for a new, replacement excavator and following tenders evaluation, an order for a JCB JS160 had been placed at a cost of £103,995 + VAT plus £4,200 + VAT for a rear mounted fuel tank and £727 + VAT for a rear mounted camera. Trade in of £32,000 + VAT. Net cost £76,922 + VAT. Delivery is expected in June 2013.

### **2131 Consents and Enforcements**

A schedule of the consents and enforcements cases both within the drainage district and in the extended catchment was presented.

The Chief Executive advised the Board that it will be reimbursed for the time spent by the Board's Engineer on Consent and Enforcement work undertaken in the extended catchment for and on behalf of the Lead Local Flood Authority. A Memorandum of Understanding review meeting was scheduled for 21.02.13 with other IDBs and Lincolnshire County Council to review how the first year had worked for all concerned. She would report on the outcome to the Board's next meeting.

### **2132 Schedule of Planning Applications**

The Schedule was examined and the actions taken were NOTED.

### **2133 Five year plant, vehicle and machinery programme**

The Chief Executive presented the Board's five year plant, vehicle and machinery programme distributed with the agenda . In particular, members were asked to note that the Pumping Station attendant will use the Supervisor's 4x4 vehicle once a new one is purchased for his use [as just agreed as part of the 2013/14 budget] as these vehicles have much more flexibility to meet the demands of the service.

Concern was raised by Members that extending the working life of the machines could lead to increased repair costs and downtime. The Director of Operations was conscious of this and outlined how he would continue to balance getting efficiency from usage of plant and vehicles against a replacement programme that meant vehicles did not become uneconomical to maintain.

Members had earlier APPROVED year 1 of the 5 year programme and NOTED the indicative programme years 2 to 5.

### **2134 Ings Drain, Horncastle- Permanent Pump**

Members were informed that the Environment Agency had originally set aside a £50,000 budget for this scheme but as yet no written confirmation had been received. This was being actively sought, given the Board's approval to project manage the scheme was given on 23.10.12. It was hoped this would be urgently forthcoming if the bulk of the scheme was to be progressed before 31<sup>st</sup> March 2013.

### **2135 River Bain, south of Horncastle**

The Director of Operations showed the Board a series of photos identifying issue with the stretch of the River Bain, south of Horncastle at the request of Mr. J Garner. They had recently walked this stretch of the river. Members noted Mr Gardner's concerns

**2136 Lincolnshire Joint Flood Risk Management & Drainage Strategy**

Members had been invited to view the Lincolnshire Joint Flood Risk Management Strategy, led by Lincolnshire County Council as LLFA but developed by all Flood Risk Management Authorities as a joint document.

It was *AGREED* to be a signatory to this joint strategy.

**2137 Any other business**

There were no further items of business.

**2138 Date Time And Place of Next Meeting**

The Board's next meeting was confirmed for Tuesday, 23<sup>rd</sup> April 2013 at 10.30am in Coningsby Community Hall.

.....Chairman.....Date