

WITHAM FIRST DISTRICT INTERNAL DRAINAGE BOARD

Minutes of the one hundred and twenty first meeting of Witham First District Internal Drainage Board held on Wednesday, 25th May 2022, in Branston Booths Village Hall at 2pm.

Present:

Mr E Applewhite
Mr M D Harrison Chairman
Cllr M Head
Mr A Hodgson
Cllr P Lundgren
Mrs B Maplethorpe
Mr A Means

In attendance:

Mr Ian Coupland Director of Operations
Miss Jayne Flower Executive Assistant
Mrs Jane Froggatt Chief Executive
Mr Chris Harris Internal Auditor, TIAA
Mr Steve Larter Director of Finance & Governance
Mr Martin Shilling Director of Engineering & Technical Services

2543 Apologies for absence.

Apologies for absence were received from Mr D Armstrong (**Chairman**), Mr D Busby, Cllr I Carrington, Mr P Carrot (**Vice Chairman**), Mr S Cobb, Mr P Gilbert, Mr W Grantham, Cllr G Hewson, Mr R Hickling, Mr D Leggate, Mr S Leggate, Mr I Mair, Mr S Maplethorpe, Mr R Oxby, Dr V Stanton, Cllr P Vaughan, Cllr S Waring.

2544 Declarations of Interest.

Declarations of interest were received from members appointed by City of Lincoln Council and North Kesteven District Council, in matters relating to their respective Councils.

2545 Chairman's Announcements.

Due to the absence of the Chairman and Vice Chairman, Mr Mark Harrison was appointed Chairman of the meeting. He welcomed members to the May meeting of the Board.

The Chairman highlighted to members the 3 vacant seats on the Board for the electoral wards of Blankney & Martin Fens, Heighington Fen & Lincoln and the long-standing Sleaford vacancy. Members were asked to give some thought as to who may be interested and qualify for membership and to please advise the Chief Executive accordingly.

A particular welcome was given to Internal Auditor, Chris Harris from TIAA. Chris would present his independent report on last financial year 2021/22 and his audit certificate on the

year, which forms part of the Board's Annual Governance & Accountability Return [the AGAR].

The Chairman advised members of changes to City of Lincoln Council's appointments to outside bodies like IDBs, in that the Council will no longer be nominating lay members, only councillors. Long-standing members Cllrs. Gary Hewson and Pat Vaughan had been nominated and would continue to serve on the Board. The number of City of Lincoln seats on the Board had reduced to two this year, with the change in proportions of Special Levy contributions to the Board. Officers would write to those members leaving the Board, Mr David Jackson and Cllr Biff Bean to thank them for their service.

2546 Minutes of the Board meeting, 25.01.22.

The Minutes of the Board's previous meeting held on Tuesday, 25th January 2022 were proposed by Mr Ed Applewhite, seconded by Cllr Mervyn Head and APPROVED as an accurate record.

MATTERS ARISING:

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

2547 Minutes of the Executive Committee meeting, 10.05.22.

The minutes of the Board's Executive Committee meeting held on Tuesday, 10th May 2022 had been circulated with the agenda and were proposed by Mr Ed Applewhite, seconded by Mr Mark Harrison and APPROVED as an accurate record.

MATTERS ARISING:

2547.1 Plant & Machinery Programme.

Members were briefed on the Executive Committee's discussion on the plant and machinery programme, a paper arising was on today's agenda.

The Plant & Machinery Programme usually comes to the Board in September, but delivery times of 10-12 months mean plant for June 2023 needs to be ordered this summer. Also, machinery prices are rising, and the affordability of the programme has been reviewed, with increased purchase prices factored in and tested for affordability. There was no proposal to change the policy of replacing major items of plant at 7 years, but each replacement will be reviewed to consider whether the risk of keeping the plant longer is reasonable.

It was noted that the existing year 2022/23 is now fallow, in that the Board agreed last September to defer the planned purchase of a replacement tractor/flail for the Case tractor/Herder flail [AE64 CKN] to 2023/24. This was discussed and it was acknowledged by the Executive Committee that whilst in summer it is used a lot, in winter months Kevin Rossington [who primarily

drives it] is working in the Pumping Stations team. After discussion, members felt that we could further defer the replacement from 2023/24 to 2024/25.

The Atlas 140w [FX64 DZG] which Dave Tempest predominantly drives is scheduled for replacement next year in 2023/24. Two 150w Atlas machines are due for replacement in 2023/24 but the relevant subcommittees had considered whether to defer these replacements for a year. There followed discussion about whether to defer this wheeled excavator purchase to 2024/25, considering the hours worked and whether in replacing the Board should go for a machine with longer reach and therefore a sliding dipper arm [which the 140w does not have, this would need a larger 150w machine]. Although a longer reach was preferable, given a wider review about plant use across drainage district boundaries may consider a specialist machine with a long-reach programme of works, on balance it was felt that the Board could go for a straight replacement for the Atlas 140w and no sliding dipper arm.

Accordingly, the plant programme had been redrafted to leave 2022/23 fallow, to leave the Atlas 140w wheeled excavator replacement in 2023/24 and to defer once more the Case tractor/Herder flail replacement to 2024/25.

The programme, from 2025/26 onwards is indicative only and will be further reviewed. However, as in the other 2 IDBs with plant and machinery in the Group, having updated the programme with higher indicative purchase prices, the Boards are all seeing a deficit open in the plant reserve, in W1st in 2026/27 it is a £41k deficit and in 2027/28 a £93.7k deficit. This does give us time to review whether more plant replacement deferrals are warranted or whether more monies need to be deployed into the plant fund.

The Executive Committee was content to see the Plant & Machinery Programme updated as discussed, and to recommend it to the Board on 25.05.22 on this basis.

The recommendations to the Board from the subcommittee were noted.

2548 Minutes of the Joint Services Committee meeting, 09.05.22.

The minutes of the Joint Services Committee meeting held on Monday 09th May 2022 had been circulated with the agenda. The Chief Executive highlighted the following items:

2548.1 Joint Services Budget Monitoring Report for 2021/22, as at 31.03.22.

The approved JSC total budget for 2021/22 was £960,940. Against this budget, expenditure of £993,214 had been incurred, so a small negative variance of £32,274 (3.36%). Some of these issues had been addressed in the 2022/23 budget, such as HR support costs which is now built into the base budget.

The figures consider the impact of the various Covid-19 lockdowns during 2021/22 and that the JSC funded staff were mainly working from home in the earlier part of the financial year. Whilst investment had been made in ICT

equipment to facilitate home working, this cost has been offset by savings in travel and stationery.

Members noted the Budget Monitoring Report for 2021/22 as at 31.03.22 and the expenditure broadly in line with budget.

Members noted the minutes of the Joint Services Committee meeting held on 09.05.22.

2549 Chief Executive's Report.

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

2549.1 Covid-19.

The 4 Boards' arrangements for Covid-19 risk mitigation are kept under regular review, maintaining the focus on 3 priorities:

- Maintaining business continuity in the Boards' services as far as practicable, both operationally and in office-based services.
- Providing a safe working environment for our staff.
- Maintaining sufficient resilience across our teams to be able to respond appropriately to a flood event.

With these priorities in mind and with the end of national free Lateral Flow Tests [LFTs], the Boards had invested in sufficient LFTs to issue every employee with 2 LFTs per week for a 12-week period [at £1.95 per test]. Staff are being asked to test routinely twice a week and if they suspect they may have Covid symptoms. Although the national isolation requirements have changed, we are asking staff to advise if they test positive and not to attend the workplace until we discuss with them whether they feel well enough to work and can work from home or work in a lone worker capacity, hence minimising the Covid transmission risk to colleagues.

The Boards are, however, resuming a normal service although we are still providing PPE including face coverings, wipes, sanitiser etc to minimise virus transmission risk. Operatives are sharing vehicle cabs once more, although this tends to be within the group of people they usually work with. Office based staff are working a hybrid model of sometime in the office [or out at in-person meetings] each week and sometime working from home.

May 2022 Board meetings are all in-person meetings, as too are the 3 subcommittees and the 4 Boards' Joint Services Committee. Some of the County-wide meetings, e.g., ADA Pay & Conditions Committee on 03.05.22, are similarly now held in-person.

2549.2 Staffing

Nick Downing commenced with the Boards on 28.02.22, as GIS and Environment Officer.

After several recruitment drives, the vacant Upper Witham Land Drainage Operative post has been filled. We welcomed Aaron Stern to the Upper Witham workforce on 21.03.22.

We have once again been unsuccessful in recruiting to the graduate entry civil engineer role for the Boards [& are now targeting summer 2022 graduates].

Alan Gardner, part-time Consents Officer for the Boards, retired in mid-February 2022.

Sarah Walden started as an employee with the Boards [0.7FTE] on 01.02.22, having provided the Boards' HR service as an independent consultant for several years.

Cllr Lundgren asked if the Board had considered Apprenticeships. There followed considerable discussion on recruitment.

2549.3 2022/23 Estimates & Penny Rate Increases.

Each of the Boards set financially balanced Estimates for 2022/23 but recognised the particularly challenging year ahead in doing so. The main cost drivers for Boards were escalating, causing somewhat of a perfect storm [i.e., fuel costs escalating, cost of switching from red diesel to white diesel usage factored in to budgets, electricity price increase of 15% from October 2021 and only fixed for a year, insurance cover challenges and price increase of 5% factored in, Employer's National Insurance contribution rate increasing by 1.25%, Repair and Maintenance Costs escalating, supplies costs increasing [concrete, stone, timber etc], a Pay Award of 2.5% approved by each Board in line with the ADA Lincolnshire Branch recommendation, and for NELDB the potential price increase of a new Maintenance Contract from 01.04.22]. Each of the Boards approved a higher than usual increase in their Penny Rate for 2022/23 therefore, which drives the increase in the relevant Councils' Special Levies and Drainage Rates account holders' drainage rates [+land movements between the two]. Approved Penny Rate increases were as follows:

- NELDB: 5.00%
- Upper Witham: 6.25%
- Witham First DIDB: 6.50%
- Witham Third DIDB: 5.00%

[By comparison, Penny Rate increases in neighbouring Boards included: 4.19% in BSIDB, 8.50% in Welland & Deepings, 5.00% in Witham 4th, 8.00% in North Level IDB].

Cllr Mervyn Head stated that he felt IDBs are generally underfunded. Through his experience of serving on this Board and others, IDBs must ensure that the service given is adequate. Members of the public would not be thinking of the costs of service when they are flooded. The risk outweighs the cost. He stated he had no issue with the increases in Penny Rate. He advised that Officers do need to look at efficiencies and queried if there was any scope in Natural Recovery Payment to create wetland /flood plains and whether this would be a viable option.

2549.4 PSCA work for the EA in 2022/23

There had been several discussions with the EA about the PSCA works they wish to commission on main rivers from the IDBs in 2022/23, and the 4 Boards' quotations for doing those works. To IDB staff this felt like a shift from the original objective of the partnership agreement in achieving operational efficiencies on watercourse maintenance, to more of an EA as commissioner and IDB as contractor relationship.

In summary, the Boards had undertaken an increasing amount of maintenance work on EA main rivers over the last few years.

In 2020/21 the price quotations, not necessarily the amount of actual subsequent work billed, totalled £824,943.27 [W1st £83,138.69 W3rd £394,729.44 UW £162,396.86 and NEL £184,678.27].

In 2021/22 the quotations to the EA for specified works increased to £947,535.10 [W1st £99,570.02 W3rd £432,102.92 UW £213,101.13 and NEL £202,761.03].

There was an increase in the prices originally quoted for works in 2022/23 to £1,142,455.61 [W1st £177,900.00 W3rd £544,552.13 UW £197,509.55 and NEL £222,493.94].

The quotes for 2022/23 appeared to raise a red flag within the EA, potentially because it was > £1million across the 4 Boards. This led to a review of the quotations, what was in there [watercourse lengths, frequency of weed cuts, new stretches of watercourse, hand work, chemical spraying, obstruction runs etc] and how much of the increased prices was due to cost pressures versus how much of it was due to more/different maintenance regimes on watercourses being specified by the EA. Issues discussed included the proportion of works undertaken at basic rates of pay for Operatives and at overtime rates, administration/supervision on-cost parity with that charged by other IDBs, inclusion/removal of the previously included 10% Covid-19 contingency sum, removal of the £17,250 sum per Board which it was previously agreed should be included for covering emergency works for the EA in a flood event.

Although the quantum of costs does not change, the way in which EA colleagues wish to handle this internally has changed. So, the outcome is our Boards have submitted revised quotations to strip out a proportion of the overtime assumptions and reduced the quoted hourly rate for Machine [tractor/flail or excavator] and Operative to £72.75 from £83 originally quoted to cover a proportion of the work needing to be done at overtime rates of pay [we agreed to monitor and handle/claim differently the overtime costs incurred], removal of the 10% Covid contingency, cost out separately the additional work commissioned by the EA.

This has now been done and the 2022/23 revised quotes were submitted totalling £892,198.78 [W1st £129,573.38 W3rd £437,166.39 UW £152,215.05 and NEL £173,243.96].

The EA has accepted these quotations and confirmed order numbers are in train and should be received soon [although once again we have missed the scheduled April work].

This whole process for 2022/23 raises several issues for the Boards. The significant amount of work we are now undertaking for the EA and the precarious nature of that process for 2022/23 risked, at one point, all the work being pulled and awarded to the EA's framework contractors. The Boards are managing this significant amount of additional workload on existing staff and making decisions to defer disposal of plant and machinery, with only one-year contractual assurance and uncertainty on EA future commissioning intentions and workload.

Cllr Lundgren acknowledge the increased costs faced by the Boards. As a farmer and Councillor, he asked if the Executive Committee had instigated a review of costs of the Board to see how it may change practices. He further queried if the Board should pull away from PSCA work. He raised the issue of alternate bank-side flailing, noting that this is done in the Welland & Deeping IDB area. There would be cost and environmental savings to be made he felt. Discussion followed on aspects of these comments and differences between drainage districts.

The Chief Executive's report and update was received and NOTED.

2550 Independent Internal Auditor's Report 2021/22

A report had been circulated with the agenda and was presented by Chris Harris Internal Auditor from TIAA.

Chris undertook the 2021/22 internal audit remotely during March 2022. The key outcomes from the audit were as follows:

1. The overall assurance opinion for 2021/22 is 'Substantial Assurance' and one priority three recommendation and one operational effectiveness matter have been made this year.
2. Recommendation one referred to some minor improvements to the information contained on the Board's website regarding its Policies and Procedures page. A similar recommendation was also made in 2020/21.
3. The operational effectiveness matter referred to the Board's website for Witham 1st IDB needs to reflect accurately the number of Members who are on the Board.
4. Good corporate governance is practiced by the Board with appropriate Board member involvement
5. The accounting records are all in order, up to date and in balance.
6. Overall, the Board can be satisfied that the governance, risk and control framework is working well, and the finances are all in order.

Members noted the report findings and RECEIVED and accepted the Substantial Assurance rating for 2021/22.

2551 Schedule of Expenditure, 01.01.22 to 31.03.22.

The Schedule of Expenditure for the three months' period from 01st January to 31st March 2022 had been circulated with the agenda and was presented by the Director of Finance & Governance.

Gross expenditure totalled £325,101.78 or, net of £38,355.28 VAT, £286,746.50. It was emphasized that this is the invoices paid in the three months period, and some invoices relating to the period may not be included [e.g., electricity costs at pumping stations are invoiced in arrears].

Items highlighted to or raised by members included:

- Item 2: £2,597.00 (net) to ADA for IDB Membership subscription 2022.
- Item 16: £7,088.61 (net) to Certas Energy UK Ltd for 9991 ltr of gas oil.
- Item 57: £3,032.40 (net) to Jeremy Benn Associates Ltd for Billingham & Timberland Catchment Study: Modelling & Condition Assessment (Interim invoice no.1).
- Items 84 - 86: £36,108.10, £7,928.00 and £2,607.61 (net) to Paktronic Engineering Co Ltd for FDGiA works at Metheringham PS to install a MCC, weedscreen and Xylem unit. This is part of the FDGiA scheme to refurbish the pumping station.
- Item 89: £11,130.25 (net) to Perry's Pumps Ltd for Farway PS pump refurbishment.

Members received and NOTED the expenditure incurred between 01.01.22 and 31.03.22.

2552 Financial Performance Report 2021/22 to 31st March 2022.

The Director of Finance & Governance presented the Financial Performance Report as of 31st March 2022, the year-end position. This had been circulated with the agenda. A summary table of the overall income and expenditure position was presented, as follows:

	2021/22 Budget	2021/22 Actual	Variance	FRS102 Adjusted	2022/23 Budget
	£	£	£	£	£
Income	(1,022,281)	(1,107,185)	(84,904)	(1,107,185)	(1,126,247)
Board & General Admin	14,670	15,480	810	15,480	16,870
One Off Schemes	35,000	139,087	104,087	139,087	35,000
Conservation	1,750	291	(1,459)	291	1,750
Depot	13,440	17,337	3,897	17,337	17,350
Drains	346,040	377,147	31,107	377,147	403,842
Pumping Stations	216,590	195,595	(20,995)	195,595	201,730
Joint Admin/Witham House	102,192	108,293	6,101	108,293	109,408
Consents & Enforcement	10,603	8,924	(1,679)	8,924	10,753
Engineering Services	69,336	68,296	(1,040)	86,779	77,484
Contribution to/(from) Reserves	40,000	(39,706)	(79,706)	(39,706)	40,000
PWLB	27,970	27,961	(9)	27,961	27,370
Rechargeable Works	60,000	92,125	32,125	92,125	100,000
EA Precept	84,690	83,031	(1,659)	83,031	84,690
FRS17 Pension Adjustment (net)	0	0	0	(66,000)	0
Wages & Plant Holding Account	0	0	0	47,518	0
(Surplus)/Deficit	0	(13,324)	(13,324)	(13,324)	0

The Board was showing a modest surplus position of (£13,324) at the end of the financial year 2020/21, which would be transferred to the Revenue Reserve.

On drainage rates income, of [£521,830.98] due to the Board in 2021/22 the collection rate was 97.1% as at 31.12.22 compared to 99.5% at the same point in the previous year. After adjustments, [£15,223.57] outstanding income remains due to the Board. This amount was carried over to the drainage rate bills issued in April 2022 for the year 2022/23.

Special Levy payments from NKDC and City of Lincoln Council had been received in May 2021, totalling [£199k] income to the Board, with the second and final similar payments for 2021/22 paid in early November as scheduled.

Highland Water claims had been submitted to the Environment Agency for 2021/22 actual costs incurred, with a further balance of (£7,944) due which will be payable in September 2022. 80% of the estimated claim for 2021/22 (£20,480) was paid in August 2021 along with the balance for 2020/21 costs incurred of (£4,690). This gives total Highland Water income due for 2021/22 of (£28,424).

Works of (£76k) had been recharged to the EA for PSCA works undertaken in 2021/22, along with other recharges of (£8k) and charges to other Boards of (£8k).

The contribution from Lincolnshire County Council relating to Lincoln Eastern Bypass had been received during the year at (£19.8k) and contributed to the Commuted Sums reserve.

On expenditure for One-Off Schemes, a Budget of £35k was approved for improvement schemes in 2021/22.

At Farroway pumping station works have been completed, replacing the Farroway weed screen and installing a culvert, with direct costs incurred of £18k (weedscreen £5.5k and culvert pipe £4.7k, dry mix concrete sandbags £7k, back fill and toppings). Fencing and gates were still to be purchased and installed to complete the scheme.

At Metheringham Pumping Station the main scheme being undertaken is the refurbishment works totalling £168,000, with FDGIA grant awarded to the Board of £163,000 received in previous financial years. The remaining funding of £5k will be resourced by the Board, as previously approved (this has been contributed to the One-Off Schemes reserve during 2021/22). Most of the works had been completed including new fencing £12k, new control panel installed £66k and the weedscreen has been refurbished at £24k. The remaining works are for new steps and flap valves to be installed and these works are currently being commissioned.

Billingham & Timberland Catchment Study (phase 2). Further surveying and asset condition surveys are being carried out to support the review of these sites. (£33k) has been received from FDGIA funding to complete these works with no contribution required from the Board. So far, £10k has been spent with the balance likely to be spent early in 2022/23. The balance of £23k has been transferred to the One-Off Projects reserve.

A contribution to the Plant & Machinery Reserve of £15k has been made, as budgeted. A contribution to replenish the General Reserve of £25k has not been actioned but the surplus of £13,324 will be allocated to the General Reserve. The £19.8k LEB sum received from LCC has been allocated to the Commuted Sums Reserve.

The FDGIA Grant received of £33k has been contributed to the One-Off Reserve with the £9.7k spent drawn from the Reserve. Similarly, the £5k Board contribution for the

Metheringham scheme has been transferred to the reserve and the £103k spent in year transferred from the Reserve.

Members were reminded that the Board has a Revenue Reserve Policy of 10% to 15% of budgeted annual income/expenditure which currently has an allocation of (£128,209). The surplus of (£13,324) will increase the balance to (£141,533), which is 12.6% of 2022/23 estimated income and expenditure (£1,126,247) and therefore enables compliance with Policy.

Other earmarked reserves exist for Plant & Machinery renewal (£260k), Pumping Station Renewal (£57k), One-Off projects (FDGIA grant £82k) and Commuted Sums (£33k). Members were reminded that if funds are required then the Board can approve movements between the reserves at any time.

The Bank Balances as at 31.03.22 were set out as follows:

Natwest	£	158,695.25
Nationwide Instant Access	£	460,093.40
Nationwide 90 Day Notice	£	-
Total	£	<u>618,788.65</u>

The Board's Public Works Loan Board loan [taken out to pay LCC for the transfer of Bridges and culverts liability from the Board to LCC] was being repaid, with £134,457.36 now outstanding on the original loan of £354,480 and to be repaid over the next 6 years:

2.41% **£ 134,457.36**

*Original loan £354,480. Loan period 14.5 years from 17/12/2012. Maturity date 17th June 2027
Repayments made 17th June and 17th December each year.*

Members NOTED the financial performance 2021/22 for the 12 months 01st April 2021 to 31st March 2022. Members APPROVED the surplus of £13,324 to be contributed to the Revenue Reserve, leaving a Revenue Reserve balance of £141,533 (12.6% of 2022/23 estimated income and expenditure).

Finally, Members NOTED the Outturn position had been used in the compilation of the Statement of Accounts, IDB Annual Return and IDB1 Annual Report.

2553 Annual Governance Statement 2021/22.

A copy of the Annual Governance Statement [AGS] 2021/22 for members to complete and approve had been circulated with the agenda and was presented by the Chairman.

The AGS part must be approved prior to the Accounting Statements, either at separate meetings or in the same meeting but with the correct order of business on the agenda. This must be evidenced by the meeting minute references and/or dates.

The AGR comprises 9 assertions (number 9 is not applicable to IDBs) which the Board must consider and agree or provide a detailed explanation for the external auditor where it cannot agree and how it will address any weaknesses identified.

Once the AGS is approved, the Accounting Statements and AGAR may be approved.

The Chairman took the Board through the relevant 8 statements at the Board meeting and the response to each was agreed.

Following completion of the Annual Governance Statement (AGS) 2021/22, members AGREED to incorporate it into the overall Annual Governance and Accountability Return 2021/22.

2553 Annual Report and Statement of Accounts 2021/22.

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

The Board does not have a statutory requirement to produce a full set of Statement of Accounts, but it is deemed good practice. Furthermore, a lot of the detailed work undertaken is required to complete the Annual Governance and Accountability Return (AGAR) which is a statutory requirement.

The accounts had been produced (where applicable) in accordance with the Joint Panel on Accountability and Governance (JPAG) Governance and Accountability for Smaller Authorities in England; A Practitioners' Guide to Proper Practices to be applied in the preparation of statutory annual accounts and governance statements issued in March 2021.

The Statement of Accounts comprises the following key sections:

- Annual Report 2021/22 – narrative on the work of the Board during 2021/22.
- Statement of Accounts 2021/22 – lists the key components of the statements.
- Board Members – schedule of Board Members who served during 2021/22.
- The Annual Governance Statement – replication of the text in the Annual Report.
- Statement of Responsibilities – list the Board's and Chief Executive's responsibilities regarding the Statement of Accounts.
- Statement of Accounting Policies.
- Income & Expenditure Account 2021/22
- Balance Sheet 2021/22
- Notes to the Accounts.
- Appendices
 - Map of Board drainage district
 - Organisational Structure Chart

Once approved, the document is loaded onto the Board's website to help meet its requirements under the Local Government Transparency Code 2015. It was noted this document is not subject to audit, as only the AGAR is subject to external audit.

The Board approved the unaudited Annual Report and Statement of Accounts 2021/22.

2555 Annual Governance and Accountability Return (AGAR) 2021/22.

A report had been circulated with the agenda and was presented by the Director of Finance and Governance. The Board has a statutory requirement to complete and approve the AGAR.

The AGAR has 4 separate sections and normally is approved at a full Board meeting before 01st July each year. It also must be submitted, along with additional requested information, to the External Auditor by Friday 01st July 2022. Alongside this, the rights of public inspection will commence on Monday 13th June until Friday 22nd July 2022. This period must incorporate the first 10 working days of July, as required by statute.

The AGAR comprises the following key sections:

- Annual Internal Audit Report 2021/22 [received earlier in the meeting]
- Section 1 – Annual Governance Statement 2021/22 [approved earlier]
- Section 2 – Accounting Statements 2021/22 [herewith]
- Section 3 – External Auditor Report and Certificate 2021/22 [tbc by 30.09.22]

The Accounting Statements utilises the information used in the preparation of the Statement of Accounts and were now presented. Once approved, the document is published on the Board's website to meet its requirements under the Accounts and Audit Regulations 2015. This will be Friday 10th June 2022. The statutory deadline by which the AGAR and signed external auditor report and the Notice of Conclusion of Audit must be published is 30th September 2022.

The Board APPROVED the Annual Governance and Accountability Return (AGAR) 2021/22 and that be published on the Board's website along with the notice to commence the period of public rights of inspection from 13th June 2022.

2556 DERFA Annual Report (IDB1) 31.03.22.

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

The report must be completed, approved and submitted by 31st August each year to:

- Defra.
- Environment Agency.
- The Chief Executives of:
 - All local authorities that pay special levies to the Board.
 - All County Councils or London Boroughs within which the Board is situated.

The form is in 3 sections covering:

- Financial information
 - Special Levies issued for 2022/23.
 - Income & expenditure Account for year ending 31 March 2022.
- IDB Reporting
 - Policy Delivery Statement.
 - Information on the National Flood and Coastal Defence Database.
 - Biodiversity.
 - Access to environmental expertise.
 - Asset Management.
 - Guidance and Best Practice
 - Board Membership and Attendance.
 - Complaints Procedure
- Declaration – to be signed by the Chief Executive.

The Board APPROVED the Defra Annual Report (IDB1) for the year ended 31 March 2022, noting that the final report format had yet to be received from Defra.

2557 Health and Safety Update.

A Health and Safety update had been circulated and was presented by the Director of Operations.

Winter maintenance required the Operatives to work closer together and we have had 4 cases of Covid-19 within the teams. We are still providing masks and sanitiser; we have also taken the decision to provide Lateral flow tests to all staff to test twice a week or in the event they feel they have symptoms.

Witham House office is open to members of the public and to visitors, by prior arrangement. We are returning to a form of normality, but very conscious that we need to keep everyone safe and ensure we can deliver all work required. These arrangements and risk assessments are reviewed weekly at Management Team meetings, and any change to national guidance is kept under review.

Cope, the Boards Health and Safety advisors, have completed their annual visit to Witham First. Since their last visit we have managed to close all but one of their findings and recommendations. The one outstanding item, the steps at Metheringham pumping station, are part of the station refurbishment that is currently underway and will soon be completed. The steps and fitting of a flap valve are the remaining elements to the scheme.

There has been one accident since the last report. An Operative on Upper Witham, whilst chain sawing a fallen tree, had a branch snap round and hit him on the arm and chest. The Operative did continue to come to work for a further week but was in pain and eventually spoke to his GP who signed him off until 25/05/2022. The duration of absence makes this Riddor reportable, which has been done, and incidents concerning chainsaws or fork lifts raise a red flag with the HSE.

We have had one near miss reported since the last report, again it was an incident involving a chainsaw. Whilst chain sawing on Upper Witham, an Operative slipped on the wet, sloping bank and the saw caught his trousers. We do supply all the correct equipment and the chainsaw trousers stopped the saw instantly, preventing injury.

Following the accident and near miss, both of which involved chainsaws, the Operatives' training has been reviewed and, although all users are currently up to date, we are putting together a toolbox talk around the dangers of using a chainsaw in the environments we encounter.

The piling conversions to our whacker plates have been delivered to Witham First and to Witham Third. These will be utilised across the group as needed, in order to reduce the risk of Operatives working under moving machinery

We have completed NPORs wheeled excavator training for Operatives, with just one new member of staff at Upper Witham outstanding. Overhead Cable training is up to date with ALL Operatives. We are about to start the training of Machine Operators who use Tree Clippers, this operation now falls under the Lola regulations and as such needs the operators to be trained in the use of the equipment and the completion of lift plans.

Adrian Skelton, Pumps Foreman for Upper Witham, Witham First and Witham Third, started electrical training on the 09/05/2022. This was the first of three electrical courses for Adrian.

We have also completed First aid training with the use of Defibrillators.

As reported previously, Witham First access bridge to Ringmoor Pumping Station is still being investigated (ascertaining ownership via the Environment Agency). EA colleagues have stated that this bridge is a riparian responsibility and we have asked repeatedly for the EA's legal department to confirm this to the Board's officers.

Members received, discussed and NOTED the Health and Safety update.

2558 Plant Programme 2023/24 and 2024/25.

A report had been circulated with the agenda and was presented jointly by the Chief Executive, Director of Finance and Governance and Director of Operations.

Each of the three Boards which holds plant and machinery has an existing, approved replacement programme from September 2021. This set of proposed Plant Programmes is being submitted to the Boards in May, earlier than the usual September, for the following reasons:

- Various plant and machinery suppliers are advising that their delivery lead times are now 10-12 months, far longer than in the past, and any plant we need for June 2023 delivery and start of the summer maintenance programme therefore needs to be agreed, and tenders issued shortly for orders to be placed this summer.
- Plant and machinery prices are notably increasing, and we have needed to review our agreed plans to consider in the light of prices what plant replacement is a priority and affordable and throughout the programme period the impact these estimated revised prices will have on our rolling programmes.
- We have a 7-year replacement policy for all major items of plant and machinery e.g., a tractor/flail combination or an excavator and, whilst we recommend 7 years remains the replacement policy, increasing cost pressures on the Boards means that we have gone through all planned replacements and considered machine hours worked, reliability etc in order to recommend deferring plant replacements where we feel this is practicable and the risk of doing so is manageable.

Members were presented with the proposed revised plant programmes for each of the three relevant Boards with, following on in each case, a table setting out the impact that these revised plant acquisitions and disposals at the new assumed prices will have on the affordability of the programme by setting out the impact on the plant and equipment reserve for each Board [depreciation charges on plant are applied to the revenue budget of the IDB over the assumed lifetime of the asset and this is contributed to the plant & machinery reserve in order to replenish this for future purchases, together with any further one-off plant & machinery reserve contributions which an individual Board may make].

- The current year 2022/23 is set out for each Board. For Witham First 2022/23 is a fallow year, with no planned plant purchases, the planned new tractor/flail replacement for the existing Case tractor/Herder flail having been deferred in September 2021 into initially 2023/24.
- It is the 2 years 2023/24 and 2024/25 which we would particularly like members to

consider, and these have been set out as recommended to each Board by the 3 Boards' subcommittees [UW F&GPC on 11.05.22, W3rd on 10.05.22 and W1st on 10.05.22].

- The purpose in sharing plant & vehicle programme information across Boards is so members can see what is happening across the Boards. For example, all three Boards were due to replace their existing Atlas wheeled excavators in next year 2023/24 [in both UW and W3rd these replacements having already been deferred once from 2022/23], but UW and W3rd subcommittees are content to defer the Atlas 150w replacement purchases now to 2025/26, in W3rd's case subject to a new sliding dipper arm being fabricated at £25k quoted.
- In 2023/24 W1st proposes to replace the wheeled Atlas 140w in 2023/24 as planned, but with a replacement wheeled excavator, not a larger machine with sliding dipper arm. This is as recommended by the Board's Executive Committee.
- In 2024/25 W1st the 2024/25 purchase is a replacement tractor/flail for the Case tractor/Herder flail deferred from 2022/23 and again from 2023/24.
- The programme years from 2025/26 onwards are indicative only. They illustrate where, based on deferred plant replacements and applying the 7-year policy, the three Boards' replacements are currently programmed. Individual plant will be reviewed on a case-by-case basis.
- Having revamped the plant and machinery programmes but also uplifted the purchase prices, the impact on all three Boards' plant & machinery reserves is highlighted at M2 for UW, M3 for W1st and in M6 for W3rd. This shows that without action to address this, e.g., more investment into the plant reserve or further plant purchase deferrals, we have a deficit opening in terms of affordability of plant programmes in each Board. In UW this is in 2027/28 at £102k, in W1st this is in 2026/27 at £41k and in W3rd this is in 2027/28 at £66.5k. This does give us some time to plan remedial action.

Bridget Maplethorpe asked what hours the machinery had completed. It was advised that the Case tractor had completed approximately 4.5k hours. This is the tractor and flail that does less work than other tractors as the Operator also works on the pumps. The Atlas Excavator had approximately 10k hours. Ed Applewhite asked how long the pricing was agreed for. Ian Coupland advised that he insists that a tender is guaranteed upon placing the order. Much discussion took place on the proposals.

In addition to the individual plant programmes, members were advised of the Review of Plant and Machinery use across the IDBs. The work represents discussions between officers and then by subcommittees about how to revamp each Board's individual plant and machinery programme, these having traditionally been kept separate as has each Board's workforce.

At the Joint Services Committee meeting on 09.05.22, and at subsequent subcommittee meetings later that week, members supported a wider piece of work to review whether if we looked at pooling some of our plant and machinery programmes and enabled our Operatives to work flexibly and differently across drainage district boundaries this may provide some efficiencies in our working practices and possibly some different arrangement of the total fleet of plant and machinery across the Boards. Without pre-empting the outcome of such a review, it may be, for example, that one long-reach excavator could be justified as a specialist item of plant working a dedicated maintenance programme across all three relevant Boards' districts, meaning fewer 15m long-reach machines for Boards as a result.

NELDB members of JSC, that Board having a contractor service rather than its own plant and Operatives, agreed that the scope of any review should include looking at how the three Boards might provide a service to NELDB should, for example, their contractor service cease for any reason.

This wider look at plant and machinery is not reflected in the programmes presented to Boards but will be undertaken as a subsequent review.

Following much discussion Members APPROVED the revised plant programme for 2023/24 and for 2024/25 as recommended by its Executive Committee meeting of 10.05.22. And the Board NOTED the impact on plant and machinery reserves as set out, based on an indicative programme from 2025/26 onwards.

2559 Operations Report.

The Operations report had been circulated with the agenda and was presented by the Director of Operations.

With Summer 2021 maintenance works eventually coming to an end in early 2022, there had been varying degree of winter works in each of the Boards.

Witham First DIDB Operatives had a good start to their Winter maintenance programme and had already completed the De-silting of Canwick Fen Drain, Longstone's and North Engine Drain. They are now working on the De-silting of Dorrington Bankside.

The use of Red Diesel (Gas Oil) in plant and machinery used by the Boards to undertake their duties has been reviewed and a dispensation was issued in an amended HMRC Customs & Excise Notice 75, received in late March. Following lobbying pressure from ADA and IDBs direct, we have consent to use Red Diesel for the maintenance of watercourses providing there is a 'benefit to agriculture' in maintaining the watercourse. Nick Downing, GIS & Environment Officer, has reviewed the watercourses on all four Boards and we have concluded that very few watercourses are NOT giving benefit to agriculture.

This outcome is a big relief for the Boards as we can complete our works with very little change to our current working practises on red diesel [with haulage tractors on UW and W3rd on white diesel as now]. Even with this outcome, however, the cost of Red Diesel is now at the price we had budgeted for in January 2022 for white diesel [we based budgets on £1.08 pence p/litre]. So, whilst this dispensation is not actually giving us cash savings, at least it is easing the degree of cost pressure that running the fleet on white diesel would have been. And importantly, it relieves the concern about our plant left on sites overnight with white diesel now we can run on red, and the risk of them as soft targets for crime.

Most suppliers of machinery used by the Boards are telling us they need around ten months to a year to supply any new machinery, hence bringing the plant programmes to the 3 relevant Boards in May 2022 when we usually bring them to the September meetings. We will need to place any orders for plant to be delivered in June 2023 this summer. Manufacturers are also having price increases more frequently than we have seen in the past, with some manufactures increasing prices on deals already signed.

Nocton Pumping station currently has one pump out and about to be reinstated, following refurbishment. The second pump will be removed and overhauled shortly.

Officers had received the paperwork and maps from the EA following what was a difficult process of negotiating PSCA works for 2022/23. We have missed the April bank top cuts on all 4 Boards but should have the paperwork in place for the works to go ahead in May.

Members received and NOTED the Operations Report and update.

2560 Engineering Report.

A report had been circulated with the agenda and was presented by the Director of Technical & Engineering Services, Martin Shilling.

Flood Events:

There had been no flood events to report.

Lincolnshire Local Resilience Forum (LRF) (JA-1400-2014-ORG)

In addition to the main meetings the 'LRF Flood Group' subgroup met on the 02nd September 2021, the agenda included 'FloodEx2022' which is a significant regional exercise taking place in September 2022 involving all the LRFs along the Trent Catchment as well as all the East Coast LRFs covering both Tidal and Fluvial Flooding.

The exercise will test the interaction between LRFs including the Humber which is also looking at a scenario like the tidal event in December 2013.

Several meetings are taking place to finalise the proposed exercise.

It will give an opportunity to consider how we engage with the LRF(s) and the exercise to maximise protection of the districts, reduce the impact of flooding and potentially have access to national resources for future events.

Telemetry upgrade for Upper Witham IDB, Witham 1st DIDB and Witham 3rd DIDB.

An opportunity arose, following successful FDGiA grant funding schemes for other Boards within Lincolnshire, to upgrade Telemetry systems. Georgina Nichols, Capital Projects Officer for our 4 IDBs and 3 other Lincolnshire Boards, is working on a Business Case for upgrading the systems for 3 of the 4 Witham & Humber Boards [not NELDB who had to switch telemetry provider 2 years ago] which would need to upgrade their telemetry systems in the next couple of years as 2G and 3G is switched off and copper lines are discontinued.

The proposed system is from Xylem, a multinational company including the diversion that was formally known as Flygt. The system is the web based 'VTScada' installed successfully in NELDB pumping stations and several other stations across the Witham Boards.

The previous generation server based 'AquaView' system is currently used for existing Upper Witham stations with telemetry, two Witham 3rd stations and one Witham 1st station will require upgrades for the equipment on site to enable communication to the web-based system. All other stations across the Boards will require new equipment picking up existing telemetry ready provision were available and new connections as required.

Three Outline Business Cases were submitted for the Witham Boards. Following a few changes agreed with EA they have received technical approval with formal confirmation to follow. A summary of the figures was:

	Xylem Cost	Funding Officer	Contingency	GIA	Contribution	Total
Upper Witham	£94,353	£5000	£19,871	£118,224	£1,000	£119,224
Witham 1 st	£120,625	£5000	£25,125	£150,750	£0	£150,750
Witham 3 rd	£88,750	£5000	£18,750	£112,500	£0	£112,500

Metheringham Fen Pumping Station (FD-1143-2014-PRO)

This station has attracted Flood Defence Grant in Aid monies allocated via the EA in the sum of £163,000, subject to a contribution from the Board of a further £5,000 as approved at the June 2020 meeting. These monies will be used to replace or refurbish the elements of the site as listed:

- Replace existing MCC (pump control panel), now completed.
- Replace outfall flap valves.
- Refurbish automated weed screen cleaner.
- Health & Safety improvements including fencing, site lighting and steps.

Orders have been placed for new flap vales for the outfall and new steps, to complete the refurbishment scheme.

Billingham Pumping Station and Timberland Pumping Station (FD-5336-2020-PRO)

The second phase of work on the study of this catchment has begun following completion of the first phase in 2019. The hydraulic model has been updated and run to mode a variety of scenarios and the resulting effects of a range of rainfall events. These events include a 'do nothing' option with no pumping at all. As part of the project, structural condition surveys of the stations at Timberland and Billingham have been completed. Whilst full details of the surveys are yet to be provided, the initial findings indicate that whilst there are some defects apparent at both stations, there is no immediate cause for concerns relating to the elements inspected.

A further inspection at both sites is required to access elements contained within confined spaces [primarily the intake sumps] that will provide further assessments of the condition of the intake sumps and station foundations. This work requires the removal of as much water as possible and so is best undertaken whilst the catchment can be held at low levels, i.e., autumn.

A decision as to whether further inspection, and cost, is justified, will be taken once the final written reports are received.

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

The EA topographical survey work on the main river in the Lower Witham valley is now coming to an end. This work was undertaken by two separate companies; Storm Geomatics are covering most of the W1st District with Maltby Land Surveys covering all the W3rd District and Sandhill catchment within the W1st. The information taken will be used to create a new hydraulic model of the River Witham system which will evaluate various options to be considered economically suitable, and technically able, to provide the appropriate standard of protection.

The Agency have liaised with the NFU to publicise this work and so all landowners and occupiers should have received written notification of this work. The Board's officers are invited to attend regular progress meetings with the Agency and their consultants. No further updates to report, but there will be a meeting with the EA on Friday 28th May 2022.

The EA have a web page for the Lower Witham Flood Resilience Project

<https://consult.environment-agency.gov.uk/lincolnshire-and-northamptonshire/lower-witham-flood-resilience-project/>

Members received and NOTED the Engineering report and update.

2561 Planning and Consultations Report.

The Planning and Consultations Report had been circulated with the agenda and was presented by the Director of Engineering & Technical Services.

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

Members received and NOTED the Planning and Consultations report.

2562 Consents and Enforcements.

A report had been circulated with the agenda, there was nothing to highlight to members on this occasion.

Members received and noted the report on Consents and Enforcements.

2563 Any Other Business.

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

2564 Date, Time and Place of the Board's Next Meeting.

The Board's next meeting was confirmed for Tuesday 20th September 2022 at 2pm at Branston Booths Village Hall.

.....  Chairman 20.9.22. Date
W1st BM 26.05.22.

