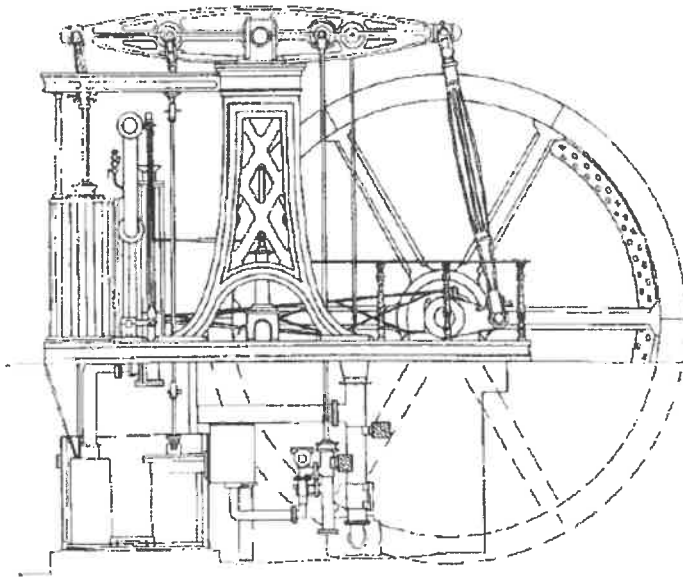


# Witham Third District Internal Drainage Board



**Annual Report & Statement of Accounts 2023/24**

**For Year Ended 31st March 2024**

**Witham House  
Meadow Lane  
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Lincoln  
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# Contents

Annual Report 2023/24 .....	3
Statement of Accounts 2023/24 .....	6
Witham Third District Internal Drainage Board – Members 2023/24 .....	7
The Annual Governance Statement .....	8
The Statement of Responsibilities for the Statement of Accounts .....	10
Statement of Accounting Policies .....	11
1. General .....	11
2. Non Current Assets .....	11
3. Depreciation .....	11
4. Debtors and creditors.....	12
5. Stock.....	12
6. Government Grants and Contributions.....	12
7. Leases .....	12
8. Reserves .....	12
9. Provisions .....	13
10. Taxation.....	13
11. Post Balance Sheet Events.....	13
12. Pensions.....	13
13. Exceptional Items .....	13
14. Discontinued Operations .....	13
Income and Expenditure Account for the Year Ended 31st March 2024 .....	14
Balance Sheet as at 31st March 2024 .....	15
Notes to the Accounts .....	16
Note 1: Special Levies .....	16
Note 2: Government Grants & Contributions .....	16
Note 3: Pension Contributions.....	16
Note 4: Officers’ Remuneration .....	16
Note 5: Public Works Loans Board .....	17
Note 6: Audit Fees & Expenses .....	17
Note 7: Joint Administration.....	17
Note 8: Related Party Transactions.....	18
Note 9: Post Balance Sheet Event.....	18
Note 10: Non Current Assets .....	18
Note 11: Debtors and Prepayments.....	19
Note 12: Creditors and Receipts in Advance .....	19
Note 13: FRS102 Pensions .....	19
Note 14: Funds & Reserves .....	22
Appendix 1 – Board Area .....	23
Appendix 2 – Structure Chart .....	24
Appendix 3 - Interrelationship between Rainfall, Pumped Hours and Electricity Costs .....	25

# **Witham Third District Internal Drainage Board Statement of Accounts 2023/24**

## **Annual Report 2023/24**

Witham Third District 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 levels management, works and improvement schemes and operational maintenance of water courses and pumping stations within its defined drainage district of 15,196 hectares, other than on main rivers where the Environment Agency has this role and towards which the Board pays an annual precept [£105,154 in 2023/24]. A map of the Board's drainage district and its extended catchment is included at Appendix 1 to this Annual Report and Statement of Accounts.

The Board comprises 31 Members, including a Chairman, Mr. Ian Parker from January 2021, and a Vice Chairman, Mr. Max Thomas. Members are either elected by and represent the occupiers of land in the drainage district or are nominated by one of three District Councils who pay Special Levy, namely East Lindsey District Council, West Lindsey District Council and City of Lincoln 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 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 and Witham Third District IDBs and, from 01<sup>st</sup> 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 "Witham and Humber Drainage Boards".

The Board secures income from two main sources. Firstly, through a direct levy on owners and occupiers of agricultural land within the drainage district, with rates being payable on 01<sup>st</sup> April each year. This was £234,242 income for 2023/24 including costs. Secondly, through Special Levies paid by each of the three District Councils in two instalments on 01<sup>st</sup> May and 01<sup>st</sup> November each year, totalling £1,029,718 for 2023/24. The Special Levy for East Lindsey District Council in 2023/24 was £446,085, for City of Lincoln Council it was £324,213 and for West Lindsey District Council it was £259,420.

The Special Levy for the forthcoming year is set at a Board meeting before the 15<sup>th</sup> February each year, when the Board is asked to agree the land valuation as of 31<sup>st</sup> 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 rate.

The Board agreed on 24<sup>th</sup> January 2023 a rate uplift for 2023/24 of 15.00% in order to set a balanced budget for 2023/24, with total planned income and expenditure of £1,900,524.

After an excessively wet 2012/13, when the Board's Pumps in its 18 Pumping Stations operated for long hours, evidenced by comparative historical records, to protect property, agricultural land and critical infrastructure, since 2014/15 it had been much drier, although there have been localised heavy rainfall events of a short duration. However, 2019 proved different.

There were several high rainfall events in 2019/20 financial year, when June 2019 and Autumn 2019/Winter 2020 rainfall events resulted in saturated catchments and 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 Board's pumps were pumping far more than would have been required without this additional third-party water, which in turn meant excessive additional electricity costs were incurred, with pumps running 24/7 for considerable periods. This Board also suffered inundation and flooding at its Stainfield Pumping Station, when in November 2019 there was a main river bank breach at Barlings Eau. This resulted in a major refurbishment of the pumping station and an insurance claim of £110,433.

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 2022/23, significant rainfall has been experienced in 2023/24. In October, Storm Babet brought significant rainfall across Lincolnshire with significant flooding resulting from EA main river breaches, overtopping and excessive seepage. Rain events continued with another significant event in January 2024, Storm Henk which again brought widespread flooding. Due to these rainfall events, the Board incurred electricity costs of £325,627 during 2023/24 compared to an increased budget of £220,000. This was also due to the substantial increase in electricity unit costs and standing charges from October 2022 and again in October 2023. This has been a significant Budgeting issue for 2023/24. At Appendix 3 rainfall data, pumped hours and electricity costs incurred by the Board are set out, showing the inter relationship between them.

The Board approved a Nature Strategy in November 2021, replacing the long-standing Biodiversity Action Plan, and remains a partner in 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. Three new owl boxes are installed each year, landowner consent permitting.

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 2023/24.

Examples of the Board's work in 2023/24 include:

- Operation of the Board's 18 Pumping Stations to protect property, agricultural land and critical infrastructure in the drainage district of 15,196 hectares.
- Substantial completion of the Board's Summer 2023 weed cutting and maintenance programme.
- Substantial completion of a new telemetry scheme installed at Witham Third's pumping stations. These works have been funded by Flood Defence Grant monies of £112,500.
- Produced a hydraulic model of the catchment areas for Shortferry and Greetwell. This work enables the Board to assess the affects of a range of rainfall events on the catchment area.
- Responded to Storm Babet (October 2023) and the subsequent heavy rainfall events which had a significant impact on the drainage district and Board's assets.
- Commenced a £800k programme of repairs at Pumping Stations following the heavy rainfall events of Autumn 2023.
- Plant and machinery purchases:
  - Purchase of a used Aebi machine at a cost of £12,480, to provide additional flail capacity for the Board.
  - Purchase of a 8" mobile pump to increase pump capacity during flood events. The cost of this was £26,500.
  - Purchase of a second-hand van and 4x4.
- Construction of new access steps at Bardney Manor Pumping Station at a net cost of £6,318.
- Works undertaken on main rivers under the Public Sector Co-operation Agreement (PSCA) on behalf of the Environment Agency on Welton Beck, Duckpool Catchwater, Tilehouse Beck, Thunker Drain, Snakeholme Drain, Barlings Eau, Marsh Drain, Stainfield Beck, River Waring, River Bain, Old River Bain, Horncastle Canal and Haltham Beck.
- 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, annual report and training.
- Provided a consents and enforcement service for Lincolnshire County Council (as Lead local Flood Authority), under a Memorandum of Understanding to 31.03.24, outside the Board's drainage district in the extended rainfall catchment.

*All figures exclude VAT.*

The Board achieved as at 31st March 2024 a year-end surplus position of £41,027 (compared with a surplus of £104,323 in 2022/23). This surplus balance has been allocated as a contribution to the General Reserve.

# Statement of Accounts 2023/24

## **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.

To support its Governance arrangements, the Board approved on 17<sup>th</sup> September 2019 its Risk Management Policy, Strategy and its Risk Register, which it reviewed and updated again on 30<sup>th</sup> January 2024. On 14<sup>th</sup> 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 2023/24.

## **The Balance Sheet:**

This statement is fundamental to the understanding of the Board's financial position as at 31st March 2024. 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 2023/24 with comparisons to 2022/23.

## Witham Third District Internal Drainage Board – Members 2023/24

The Board comprises 31 Members, a mix of 15 directly elected members [occupiers of land or members nominated by occupiers of land] and 16 members nominated by the three District Councils who pay Special Levies to the Board. 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 01.04.23 to 31.03.24 were:

Elected Member's Name	Electoral District	Standing Committee Membership* [8 Members]
<b>Ian Parker (Chairman)</b>	<b>Tattershall</b>	<b>Yes</b>
<b>Maxwell I Thomas (Vice Chairman).</b>	<b>City of Lincoln &amp; Greetwell</b>	<b>Yes</b>
James Armstrong	Bardney	No
Mark Hoyes	Bardney	No
Vacancy (to May 2023)	Bardney	n/a
John Davie (from May 2023)	Bardney	no
Vacancy (to Nov 2023)	Bardney	n/a
Henry Moreton (From Nov 2023)	Bardney	no
Alexandra Sayer	City of Lincoln & Greetwell	No
Ian M Clark	Horncastle & River Bain	Yes
Vacancy (from Nov 2022 to May 2023)	Horncastle and River Bain	N/a
Michael Harrison (From May 2023)	Horncastle & River Bain	no
Raymond J Weightman	Horncastle & River Bain	No
Vacancy (to Nov 2023)	Kirkstead	N/a
Craig Dixon (From Nov 2023)	Kirkstead	No
Roy P Hairsine	Langworth	Yes
Jill Holland	Langworth	No
Dean Sempers	Langworth	No
Vacancy	Langworth	N/a

District Council Nominated Members	Nominating Authority	Standing Committee Membership*
Cllr Bob Bushell (from May 2022)	City of Lincoln Council	No
Cllr. Gary Hewson	City of Lincoln Council	No
Cllr Jackie Kirk (From May 22 to May 2023))	City of Lincoln Council	No
Cllr Rebecca Longbottom (From May 2023)	City of Lincoln Council	No
Cllr Donald Nannestad (From May 22)	City of Lincoln Council	No
Cllr. Patrick Vaughan	City of Lincoln Council	No
Cllr Tom Ashton	East Lindsey District Council	Yes
Mr. Stan M. Avison (Lay Member from May 2023)	East Lindsey District Council	No
Cllr. William H Gray	East Lindsey District Council	No
Cllr William Grover (To May 2023)	East Lindsey District Council	No
Cllr Martin Foster (From May 2023)	East Lindsey District Council	No
Cllr Tom Kemp	East Lindsey District Council	No
Cllr. Mrs Fiona M Martin, MBE	East Lindsey District Council	No

Vacancy (from Nov 2022 to May 2023))	East Lindsey District Council	No
Cllr Neill Jones (From May 2023)	East Lindsey District Council	No
Cllr. Ian G Fleetwood	West Lindsey District Council	Yes
Cllr Caralyne Grimble (To May 2023)	West Lindsey District Council	No
Cllr John Barrett (From May 2023)	West Lindsey District Council	No
Cllr Peter Morris	West Lindsey District Council	No
Mr. Terry Williams	West Lindsey District Council	Yes

\*There is 1 vacant seat on the Standing Committee



# The Annual Governance Statement

We acknowledge as the Members of Witham Third District 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 2023/24 for the year ended 31<sup>st</sup> March 2024 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 reference, dated Tuesday, 21st May 2024.

Signed on behalf of Witham Third District Internal Drainage Board:

Signed by: Mr Ian Parker, 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 2024.

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 2023.
- 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 2023/24 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 2024 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 Witham First District Internal Drainage Board at a meeting held on Tuesday 21st May 2024.

Signed by: Mr Ian Parker, Chairman.....

Date.....

## 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 2023.

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	7 years
Tractors	7 years
Motor Vehicles	6 years
General equipment	between 4 to 10 years

**Pumping Stations**

Automated Weed Screen Cleaners	30 Years
--------------------------------	----------

**Computer Equipment**

All computer equipment	4 Years
------------------------	---------

**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 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.

**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 2023/24 that are charged to the Income and Expenditure Account for the period to which it relates for 7 fleet vans and 5 4x4 vehicles as well as some office photocopiers.

**8. Reserves**

A reserves policy was agreed at its Board meeting on 28th 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 Pumping Station Renewal Fund to update and refurbish pumping stations.
- 8.4 Automatic Weed Screen Cleaners (AWC) Reserve. This for the future replacement of automatic weed screen cleaners.
- 8.5 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 2024

	Note	31st March 2024 £	31st March 2023 £
<b>Income</b>			
Drainage Rates & Costs		234,242	199,329
Special Levies	1	1,029,718	889,115
Highland Water Contributions	2	515,090	316,983
Flood Defence Grant in Aid (FDGIA)	2	9,576	116,750
Commutation Payments/Developer Contributions		0	0
Consents & Enforcement		19,692	14,778
Interest		34,345	11,270
Rechargeable Works		404,385	330,998
Sale of Surplus Assets		0	3,632
Rent, Interest, Wayleaves & Sundry Income		58,729	46,111
<b>Total Income</b>		<b>2,305,777</b>	<b>1,928,966</b>
<b>Expenditure</b>			
Drains		730,186	658,891
Pumping Stations		562,727	335,195
Depot		79,767	38,486
Engineering		111,997	104,213
Conservation		284	1,773
One Off Schemes		60,658	36,429
Environment Agency Precept		105,154	105,154
Consents & Enforcement		18,469	19,443
Board Administration	6	30,462	20,758
Joint Administration	7	184,913	253,121
Rechargeable Works		331,366	258,326
Wages & Plant Holding Account		(31,150)	107,532
Contribution to/(from) Reserves		23,917	80,322
FRS17 Pension Adjustment (net)	3	56,000	(195,000)
<b>Total Expenditure</b>		<b>2,264,750</b>	<b>1,824,643</b>
<b>(Surplus)/ Deficit</b>		<b>(41,027)</b>	<b>(104,323)</b>

Signed: 

Name: Mr Ian Parker

Designation: Chairman

Date: 21st May 2024

## Balance Sheet as at 31st March 2024

	Note	31st March 2024		31st March 2023	
		£	£	£	£
<b>Non Current Assets</b>					
Land & Buildings		2,844,573		2,861,565	
Vehicles and Plant		558,103		608,287	
Other		7,540		0	
<b>Total Non Current Assets</b>	10		3,410,216		3,469,852
<b>Current Assets</b>					
Stock		34,600		46,114	
Debtors & Prepayments	11	486,212		394,366	
Short Term Investments		0		0	
Bank & Cash		1,193,691		1,120,018	
<b>Total Current Assets</b>			1,714,503		1,560,498
<b>Long Term Assets</b>					
LGPS Net Pension Surplus	13		1,058,000		645,000
<b>Current Liabilities</b>					
Creditors	12	(166,199)		(139,574)	
Short Term Loans					
<b>Total Current Liabilities</b>			(166,199)		(139,574)
<b>Total Assets less Current Liabilities</b>			6,016,520		5,535,776
<b>Long Term Liabilities</b>					
Long Term loans					
LGPS Net Pension Liability	13	0		0	
			0		0
<b>Total Assets less Liabilities</b>			6,016,520		5,535,776
<b>Represented by:</b>					
Capital Discharged	10		3,410,216		3,469,852
Funds, Balances & Reserves	14		1,548,304		1,420,924
Pensions Reserve	13		1,058,000		645,000
<b>Total</b>			6,016,520		5,535,776

Signed: 

Name: Mr Ian Parker

Designation: Chairman

Date: 21st May 2024

## Balance Sheet as at 31st March 2024

	Note	31st March 2024		31st March 2023	
		£	£	£	£
<b>Non Current Assets</b>					
Land & Buildings		2,844,573		2,861,565	
Vehicles and Plant		558,103		608,287	
Other		7,540		0	
<b>Total Non Current Assets</b>	10		3,410,216		3,469,852
<b>Current Assets</b>					
Stock		34,600		46,114	
Debtors & Prepayments	11	486,212		394,366	
Short Term Investments		0		0	
Bank & Cash		1,193,691		1,120,018	
<b>Total Current Assets</b>			1,714,503		1,560,498
<b>Long Term Assets</b>					
LGPS Net Pension Surplus	13		1,058,000		645,000
<b>Current Liabilities</b>					
Creditors	12	(166,199)		(139,574)	
Short Term Loans					
<b>Total Current Liabilities</b>			(166,199)		(139,574)
<b>Total Assets less Current Liabilities</b>			6,016,520		5,535,776
<b>Long Term Liabilities</b>					
Long Term loans					
LGPS Net Pension Liability	13	0		0	
			0		0
<b>Total Assets less Liabilities</b>			6,016,520		5,535,776
<b>Represented by:</b>					
Capital Discharged	10		3,410,216		3,469,852
Funds, Balances & Reserves	14		1,548,304		1,420,924
Pensions Reserve	13		1,058,000		645,000
<b>Total</b>			6,016,520		5,535,776

Signed:

Name: Mr Ian Parker

Designation: Chairman

Date: 21st May 2024



# Notes to the Accounts

## Note 1: Special Levies

Special levies were paid to the Board by the following District Councils:

Special Levies	2023/24	2022/23
	£	£
City of Lincoln Council	324,213	281,925
East Lindsey District Council	446,085	382,480
West Lindsey District Council	259,420	224,710
	<b>1,029,718</b>	<b>889,115</b>

## Note 2: Government Grants & Contributions

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

Government Grants	2023/24	2022/23
	£	£
Flood Defence Grant in Aid	9,576	116,750
Highland Water	515,090	316,983
	<b>524,666</b>	<b>433,733</b>

## Note 3: Pension Contributions

In 2023/24 the Board paid an employer's contribution rate of 23.5% (23.5% in 2022/23) of each employee's gross pay into Lincolnshire County Council's Superannuation Fund. This amounted to £261,230 in 2023/24 (£194,807 in 2022/23). Further pension disclosures are shown in the FRS102 Pension Note below.

## Note 4: Officers' Remuneration

Remuneration of Employees	2023/24	2022/23
<i>Remuneration band</i>		
90,000 - 99,999	1	1
80,000 - 89,999	3	0
70,000 - 79,999	0	3
60,000 - 69,999	0	0
50,000 - 59,999	0	0

There is one Officer employed by the Board, the Chief Executive, who provides a service as joint Chief Executive for this Board, North East Lindsey IDB, Upper Witham IDB and Witham First DIDB, whose remuneration is in the £90,000 to £99,999 banding and is recharged in accordance with the Joint Services Agreement of 01<sup>st</sup> April 2017.

There is one Officer employed by the Board, the Director of Finance & Governance, who has remuneration in the banding £80,000 to £89,999. This Officer is the Director of Finance & Governance for this Board, Upper Witham IDB, Witham First DIDB and for North East Lindsey IDB and is recharged in accordance with the Joint Services Agreement of 01<sup>st</sup> April 2017.

There is one Officer employed by Witham First DIDB, the Director of Engineering & Technical Services, who has a gross annual salary in the £80,000 to £89,999 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 Upper Witham IDB and is recharged in accordance with the Joint Services Agreement of 01<sup>st</sup> April 2017.

There is one Officer employed by this Board, the Director of Operations, who has remuneration in the banding £80,000 to £89,999. This Officer is the Director of Operations for this Board, North East Lindsey IDB, Witham First DIDB and for Upper Witham IDB and is recharged in accordance with the Joint Services Agreement of 01<sup>st</sup> April 2017.

There is one Officer employed by Upper Witham IDB, 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, Upper Witham IDB, North East Lindsey IDB and Witham First DIDB and is recharged in accordance with the Joint Services Agreement of 01<sup>st</sup> April 2017. This Officer retired in November 2023.

The Joint Services Agreement of 01<sup>st</sup> April 2017 currently allocates costs 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 has no short- or long-term loans outstanding. The Board is debt free.

#### **Note 6: Audit Fees & Expenses**

The fee paid to the Board's external auditors (PKF Littlejohn LLP) for 2023/24 is £2,520 (£2,100 in 2022/23).

#### **Note 7: Joint Services**

The Board is party to a Joint Services Agreement of 01<sup>st</sup> 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, 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 2023/24				
	UW 30.0%	NEL 20.0%	W1 20.0%	W3 30.0%	TOTAL 100.0%
	£	£	£	£	£
<b>Joint Administration</b>					
Witham House (UW)	13,957	9,305	9,305	13,957	46,524
Joint Admin (UW)	16,629	11,086	11,086	16,630	55,431
Joint Admin (W1)	172,043	114,695	114,695	172,042	573,475
<b>Total Joint Admin</b>	<b>202,629</b>	<b>135,086</b>	<b>135,086</b>	<b>202,630</b>	<b>675,431</b>
<b>Engineering &amp; Operational Services</b>					
Engineering & Operational Services (W1)	36,506	24,337	24,337	36,505	121,685
Engineering & Operational Services (W3)	96,265	64,177	64,177	96,266	320,885
Engineering & Operational Services (UW)	23,783	15,855	15,855	23,783	79,276
<b>Total Engineering &amp; Operational</b>	<b>156,554</b>	<b>104,369</b>	<b>104,369</b>	<b>156,554</b>	<b>521,846</b>
<b>Total Inter Recharges between Boards</b>	<b>359,183</b>	<b>239,455</b>	<b>239,455</b>	<b>359,184</b>	<b>1,197,277</b>

### 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 3 District Councils. These are City of Lincoln Council, East Lindsey District Council and West Lindsey District Council who each pay Special Levies. 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

<u>Non Current Assets</u>	Land & Buildings	Depot	Plant & Vehides	Office Equip	Pumping Stations	Total
	£	£	£	£	£	£
<b>Cost</b>						
<b>Closing Balance 31/03/23</b>	<b>3,401</b>	<b>119,592</b>	<b>1,496,567</b>	<b>11,119</b>	<b>2,978,911</b>	<b>4,609,590</b>
Additions			94,975	8,618		103,593
Reclassification						0
Disposals			(8,900)	(11,119)		(20,019)
<b>Closing Balance 31/03/24</b>	<b>3,401</b>	<b>119,592</b>	<b>1,582,642</b>	<b>8,618</b>	<b>2,978,911</b>	<b>4,693,164</b>
<b>Depreciation</b>						
<b>Opening Balance 01/04/23</b>	<b>0</b>	<b>0</b>	<b>888,280</b>	<b>11,119</b>	<b>240,339</b>	<b>1,139,738</b>
Depreciation Charged			144,659	1,078	16,992	162,729
Reclassification						0
Disposals Written Out			(8,400)	(11,119)		(19,519)
<b>Closing Balance 31/03/24</b>	<b>0</b>	<b>0</b>	<b>1,024,539</b>	<b>1,078</b>	<b>257,331</b>	<b>1,282,948</b>
<b>Net Book Value 31/03/23</b>	<b>3,401</b>	<b>119,592</b>	<b>608,287</b>	<b>0</b>	<b>2,738,572</b>	<b>3,469,852</b>
<b>Net Book Value 31/03/24</b>	<b>3,401</b>	<b>119,592</b>	<b>558,103</b>	<b>7,540</b>	<b>2,721,580</b>	<b>3,410,216</b>

The above Capital has been financed as follows:

<b>Capital Discharged</b>	<b>2023/24</b>	<b>2022/23</b>
	<b>£</b>	<b>£</b>
Capital Receipts Applied	60,000	60,000
Revenue Contributions	2,610,982	2,610,982
Renewals Fund	2,022,182	1,938,608
Revaluation Reserve	0	0
Deferred Charge	0	0
less Depreciation	(1,282,948)	(1,139,738)
	<b>3,410,216</b>	<b>3,469,852</b>

### **Note 11: Debtors and Prepayments**

<b>Debtors &amp; Prepayments</b>	<b>2023/24</b>	<b>2022/23</b>
	<b>£</b>	<b>£</b>
Drainage Ratepayers	363	1,284
Sundry Debtors & Prepayments	485,849	393,082
HMRC	0	0
	<b>486,212</b>	<b>394,366</b>

### **Note 12: Creditors and Receipts in Advance**

<b>Creditors &amp; Receipts in Advance</b>	<b>2023/24</b>	<b>2022/23</b>
	<b>£</b>	<b>£</b>
Drainage Ratepayers	(899)	(899)
Sundry Creditors	(113,459)	(99,448)
HMRC	(51,841)	(39,227)
Payroll Deductions	0	0
	<b>(166,199)</b>	<b>(139,574)</b>

### **Note 13: FRS102 Pensions**

The following disclosures are based upon the 'March 2023 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:

<b>Balance Sheet</b>	<b>31/03/24</b>	<b>31/03/23</b>
	<b>£000's</b>	<b>£000's</b>
Present value of the defined benefit obligation	(4,440)	(4,111)
Fair value of Fund assets (bid value)	5,498	4,756
<b>Net (Under)/Overfunding in Funded Plans</b>	<b>1,058</b>	<b>645</b>
Present Value of Unfunded Liabilities	0	0
Unrecognised Past Service Cost		
<b>Net Asset/(Liability)</b>	<b>1,058</b>	<b>645</b>
<b>Amount in the Balance Sheet</b>		
Liabilities		
Assets	1,058	645
<b>Net Asset/(Liability)</b>	<b>1,058</b>	<b>645</b>

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

<b>Fair Value of Employer Assets</b>	<b>31/03/24</b>		<b>31/03/23</b>	
	<b>£000's</b>	<b>%</b>	<b>£000's</b>	<b>%</b>
Equities	2,717	49%	2,669	56%
Bonds	757	14%	622	13%
Property	382	7%	358	8%
Cash	151	3%	131	3%
Infrastructure	222	4%	179	4%
Absolute return fund	1,269	23%	797	17%
<b>Cumulative Actuarial Gains and Losses</b>	<b>5,498</b>	<b>100%</b>	<b>4,756</b>	<b>100%</b>

The impact on the Income and Expenditure Account is:

<b>Recognition in the income and expenditure account</b>	<b>31/03/24</b>	<b>31/03/23</b>
	<b>£000's</b>	<b>£000's</b>
Current Service Cost	201	386
Net interest on the defined liability (asset)	(37)	41
Administration expenses	4	4
<b>Total</b>	<b>168</b>	<b>431</b>

The Defined Benefit Obligation consists of:

<b>Reconciliation of Defined Benefit Obligation</b>	<b>31/03/24</b>	<b>31/03/23</b>
	<b>£000's</b>	<b>£000's</b>
<b>Opening Defined Benefit Obligation</b>	<b>4,111</b>	<b>6,291</b>
Current Service Cost	201	386
Interest Cost	197	163
Change in financial assumptions	(37)	(2,411)
Change in demographic assumptions	0	(314)
Experience loss/(gain) on defined benefit obligation	0	62
Liabilities assumed / (extinguished) on settlements	0	0
Estimated benefits paid net of transfers in	(113)	(133)
Past service costs, including curtailments	0	0
Contributions by Scheme participants and other employees	81	67
Unfunded pension payments	0	0
<b>Closing Defined Benefit Obligation</b>	<b>4,440</b>	<b>4,111</b>

The Fair Value of Employee Assets consists of:

<b>Reconciliation of Fair Value of Employee Assets</b>	<b>31/03/24</b>	<b>31/03/23</b>
	<b>£000's</b>	<b>£000's</b>
<b>Opening Fair Value of Employer Assets</b>	<b>4,756</b>	<b>4,624</b>
Interest on assets	234	122
Return on assets less interest	283	(112)
Other actuarial gains/(losses)	0	(3)
Administration expenses	(4)	(4)
Contributions by employer including unfunded	261	195
Contributions by Scheme participants and other employers	81	67
Estimated benefits paid plus unfunded net of transfers in	(113)	(133)
Settlement prices received / (paid)	0	0
<b>Closing Fair value of Fund assets</b>	<b>5,498</b>	<b>4,756</b>

The following assumptions have been used by the Actuary in making their valuation as at 31st March 2024:

<b>Assumptions</b>	<b>31/03/24</b>	<b>31/03/23</b>
<b><i>Financial Assumptions</i></b>		
Discount Rate	4.85%	4.80%
Pension Increase Rate	2.90%	2.95%
RPI Inflation	3.30%	3.30%
Salary Increase Rate	3.30%	3.95%
<b><i>Mortality (future life expectancy at age 65)</i></b>		
Current Pensioners (Male)	19.9 years	19.8 years
Current Pensioners (Female)	23.0 years	22.9 years
Future Pensioners (Male)	21.2 years	21.1 years
Future Pensioners (Female)	24.5 years	24.1 years

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

<b>Sensitivity Analysis</b>	<b>Approx increase to Employer Liability %</b>	<b>Approx Monetary Amount £000's</b>
<b><i>Change in assumptions at 31 March 2024</i></b>		
0.1% decrease in Real Discount Rate	1.60%	71
0.1% increase in the Salary Increase Rate	0.11%	5
0.1% increase in the Pension Increase Rate	1.51%	67
Adjustment to life Expectancy Assumptions +1 Year	4.05%	180

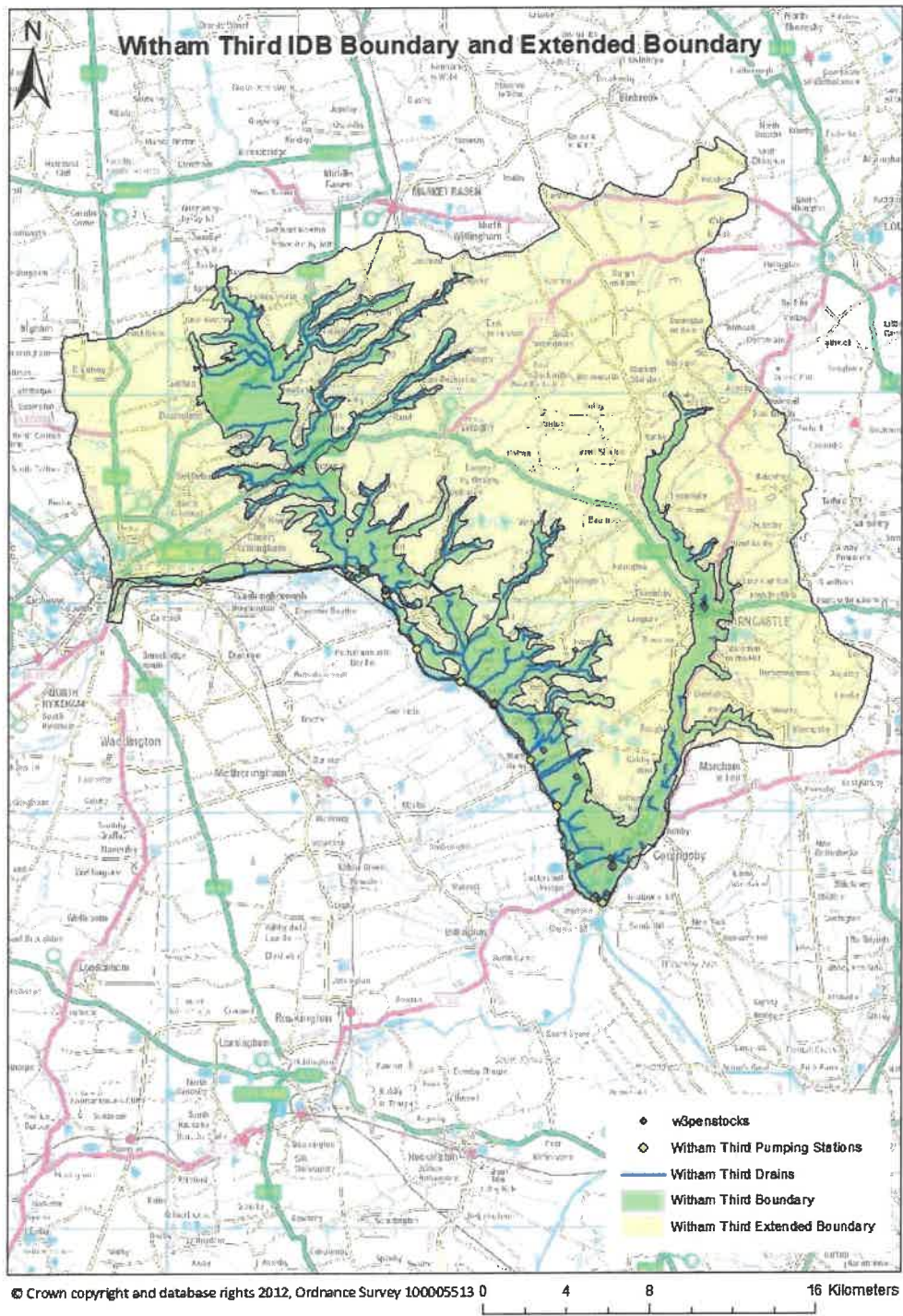
Projected pension costs. The estimated Employer's contribution for the period to 31st March 2024 will be approximately £285,000.

**Note 14: Funds & Reserves**

**W3rd DIDB Schedule of Funds & Reserves as at 31st March 2024**

Movement on Reserves	Capital Discharged	Pensions Reserve	Revenue Reserve	Plant & Machinery Reserve	Pumping Station Reserve	AWC Renewal Fund	One Off Projects Reserve	Emergency Events	Insurance	Commuted Sums	Office Equipm't Reserve	Total
	£	£	£	£	£	£	£	£	£	£	£	£
<b>Balance as at 31 March 2023</b>	<b>(3,469,852)</b>	<b>(645,000)</b>	<b>(346,614)</b>	<b>(339,159)</b>	<b>(283,221)</b>	<b>(193,549)</b>	<b>(161,262)</b>	<b>(35,000)</b>	<b>(35,000)</b>	<b>(10,400)</b>	<b>(16,719)</b>	<b>(5,535,776)</b>
Depreciation	162,729			(144,659)	(3,714)	(13,278)					(1,078)	0
Capital Purchases	(103,593)			94,975							8,618	0
Capital Sales	500			(500)								0
Pension Interest Cost (Net)		(413,000)										(413,000)
Contributions in				(25,000)	(50,000)		(9,575)				(2,800)	(87,375)
Contributions out					(3,714)	3,714	60,658					60,658
Transfers												0
Deferred Charge W/off												0
(Surplus)/Deficit on I&E			(41,027)									(41,027)
<b>Balance as at 31 March 2024</b>	<b>(3,410,216)</b>	<b>(1,058,000)</b>	<b>(387,641)</b>	<b>(414,343)</b>	<b>(340,649)</b>	<b>(203,113)</b>	<b>(110,179)</b>	<b>(35,000)</b>	<b>(35,000)</b>	<b>(10,400)</b>	<b>(11,979)</b>	<b>(6,016,520)</b>

# Appendix 1







### Appendix 3 - Witham Third DIBB: Interrelationship between Rainfall, Pumped Hours and Electricity Costs

Pumping Station	2019-20			2020-21			2021-22			2022-23			2023-24		
	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 (£)
Bardney Abbey		449	£ 2,524.77		223	£ 1,315.08		124	£ 768.80		98	£ 1,239.66		898	£ 10,169.55
Bardney Fen (Bardney Abbey New)		2,297	£ 1,406.98		1,207	£ 1,068.83		848	£ 811.71		673	£ 1,200.64		1,261	£ 1,863.84
Bardney Manor Farm		1,080	£ 4,026.48		693	£ 2,445.74		426	£ 1,750.88		485	£ 3,841.99		1,952	£ 18,186.07
Comingsby Ings		2,160	£ 1,561.61		260	£ 956.13		131	£ 832.80		106	£ 877.44		52	£ 952.96
Dogthike (Diesel)			£ 179.25			£ 156.20			£ -			£ -			£ -
Dogthike (Electric)		1,718	£ 5,627.84		824	£ 2,851.90		539	£ 2,264.92		470	£ 3,380.78		1,810	£ 14,562.17
Duckpool		821	£ 6,165.71		320	£ 2,288.81		274	£ 1,853.74		166	£ 2,445.18		1,166	£ 21,394.42
Greatwell		892	£ 13,116.68		306	£ 5,611.06		145	£ 5,568.12		119	£ 9,272.60		1,143	£ 26,947.44
Homcastle Ings		1,554	£ -		707	£ 384.37		126	£ 451.27		108	£ 995.93		732	£ 605.23
Kirkstead		2,684	£ 6,405.41		1,296	£ 4,037.04		1,102	£ 2,706.17		981	£ 5,056.74		2,978	£ 17,576.66
Marsh Lane		2,621	£ 8,737.38		1,379	£ 5,892.54		591	£ 2,238.32		764	£ 4,548.22		3,192	£ 24,221.38
Short Ferry (Fiskerton) Electric		2,053	£ 30,096.52		1,412	£ 20,578.57		1,056	£ 16,890.68		1,121	£ 28,341.00		1,910	£ 89,348.60
Short Ferry Diesel															
Southrey		1,126	£ 13,223.23		581	£ 13,004.37		357	£ 11,422.04		389	£ 19,571.93		1,407	£ 62,390.17
Stainfield		3,824	£ 4,136.67		2,062	£ 2,144.22		1,348	£ 2,762.88		1,186	£ 2,606.74		823	£ 3,616.97
Stainfield (New)															
Stamp End		3,393	£ -		1,640	£ -		995	£ -		1,791	£ -		2,860	£ -
Stikwoud Döisel			£ 128.31			£ 203.56			£ 232.78			£ 275.27			£ 326.44
Woodhall		1,236	£ 14,803.20		686	£ 8,893.95		542	£ 8,166.75		483	£ 12,951.44		1,408	£ 39,465.26
<b>Total</b>		<b>27,888</b>	<b>£ 112,140.04</b>		<b>13,596</b>	<b>£ 71,712.37</b>		<b>8,604</b>	<b>£ 58,661.86</b>		<b>4,417</b>	<b>£ 96,595.56</b>		<b>23,592</b>	<b>£ 325,627.16</b>

