

## WITHAM THIRD DISTRICT INTERNAL DRAINAGE BOARD

Minutes of the one-hundred-and-thirty-first meeting of Witham Third District Internal Drainage Board held on Tuesday 27<sup>th</sup> January 2026 in Minting Village Hall at 09.30am.

### Present:

Mr J Armstrong  
Cllr T Ashton  
Mr I Clark  
Mr J Davie  
Mr C Dixon  
Cllr I Fleetwood  
Cllr M Foster  
Cllr W H Gray  
Mr R Hairsine  
Mr M Harrison  
Cllr G Hewson  
Ms J F Holland  
Mr M Hoyes  
Cllr N Jones  
Cllr Mrs F M Martin MBE  
Mr I Parker  
Mr M I Thomas  
Cllr P J Vaughan  
Mr R Weightman  
Mr T Williams  
Cllr R Yarsley

**Chairman**  
**Vice Chairman**

### In attendance:

Mr. Ian Coupland                      Director of Operations.  
Ms. Jayne Flower                      Executive Assistant.  
Mrs. Jane Froggatt                      Chief Executive.  
Mr. Steve Larter                      Director of Finance and Governance.  
Mr. Martin Shilling                      Director of Engineering & Technical Services.

### **3218 Apologies for absence.**

Apologies for absence were received from Cllr J Barrett, Cllr Bridgwood, Cllr B Bushell, Cllr L Bushell, Cllr R Longbottom, Cllr T Kemp, Mr H Moreton, Miss A Sayer and Mr D Sempers.

### **3219 Declarations of Interest.**

Declarations of interest were received from members nominated by City of Lincoln, West Lindsey District and East Lindsey District Councils in matters relating to their respective Councils.

### **3220 Chairman's Announcements.**

Mr Ian Parker, Chairman, welcomed members to the January Board meeting.

Traditionally at the January meeting the focus is to set a financially balanced budget for the forthcoming new financial year from April. It is a legal duty to do so and to publicise this, drainage rates and special levies for the 3 councils by 15th February each year.

This year officers and Standing Committee are recommending to the Board a 4.75% increase in the Penny Rate. That is lower than last year, which is good news.

A 4.75% increase was approved Upper Witham's Board yesterday afternoon, whilst in Witham First and North East Lindsey Boards, a balanced budget can be achieved with a 4.50% and 3.50% recommended increase respectively in the Penny Rate.

Cost pressures continue, including electricity fixed prices at our pumping stations, repairs and maintenance costs, insurance costs. The Chairman was pleased it was possible to contain these for 2026/27 with a lower level of increase to the Penny Rate than had been the case in recent years.

He advised there would be updates on Capital schemes- both those funded from the Flood Defence Grant in Aid route, like the renewal of Woodhall Spa Pumping Station, and those schemes funded via the national £91million IDB Fund. As a reminder, the 4 Witham & Humber Drainage Boards secured £17.4million of that national fund, for 33 schemes, which are due to be completed for the 31st March 2026.

### **3221 Minutes of the Board meeting & Annual Public Meeting, 27.11.25.**

The Minutes of the Board's previous meeting held on 27<sup>th</sup> November 2025 had been circulated with the agenda and were proposed, seconded and APPROVED as an accurate record.

#### *MATTERS ARISING:*

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

3222

### **3204 Minutes of the Joint Services Committee, 08.12.25.**

The Minutes of the JSC held on 08<sup>th</sup> December 2025 had been circulated with the agenda and were NOTED for information.

#### *MATTERS ARISING:*

3204.1

#### Joint Services Budget for 2026/27 and Estimates for 2026/27.

222.1

The proposed 2026/27 JSC estimates were summarised along with the previous year's approved budgets for 2025/26, and the year-on-year variances.

A new Joint Services Agreement signed by all 4 Boards became operational from 01st April 2017. This was reviewed and updated after 3 years, with agreed revised cost contribution arrangements of Upper Witham (UW) 30%, Witham First (W1) 20%, **Witham Third (W3) 30%** and North East Lindsey (NEL) 20%. These proportions had been used for preparation of the 2020/21 Budgets onwards.

The proposed **2026/27 Joint Services budget of £1,474,930** is an increase of £56,550 (3.99%) on the approved 2025/26 budget of £1,418,380. This increase is due to:

- Staffing costs - pay award (agreed by each Board at 5.0% for 26/27) at £54.2k (including incremental point movements/rebasing for some staff

of £14.5k), corresponding Pension contributions (£34.9k), National Insurance £11.5k, Essential User Allowance £2.4k.

- Additional post of Operations Administrator to be based at Woodhall Depot £20.8k, based on 6 months (Sept 26-March 27). The remaining 6 months will need to be built into budgets for 2027/28.
- General inflation on support contracts, insurance, ICT, utilities etc, at £2.6k.
- New Pension contribution rates had been received for the next 3 years from 01st April 2026. These have reduced for all 4 Boards from the previous rates, following the latest triennial review. It was hoped to move to a consistent 'pooled' rate across the 4 Boards, but the differential to the individual rates is still too much for this to be reasonable to all Boards.

Board members noted the discussion at the JSC on 08<sup>th</sup> December about the budget for 2026/27, that it had been supported and therefore that this had now been included in the proposed individual Budget Estimates for 2026/27 in the agreed proportions.

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3204.2

#### 2025/26 Joint Services Budget Monitoring Report as at 30.09.25.

The approved JSC annual total budget for 2025/26 is £1,418,380. The profiled budget for Q2 is £728,609. Against this Q2 budget, expenditure of £726,180 had been incurred for the first 6 months to 30.09.25, so performance is on target with a small positive variance of (£2,429) or (-0.33%).

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3204.3

#### Audit Plan 2026/27

An Internal Audit contract was procured jointly with the other Lincolnshire and Bedfordshire IDBs and was awarded to Lighthouse UK Consultancy Ltd from 01st November 2024. This covers audit for the 5 financial years 2024/25 to 2028/29. There is an option to extend the contract for a further 2 years to 2030/31.

The Audit Programme had already been agreed for the current financial year 2025/26. The Internal Auditor will be undertaking the bulk of the work during the two weeks 02nd to 13th March 2026, including some onsite presence.

The Audit plan for 2026/27, prepared by the Internal Auditor, was submitted to JSC and approved, ahead of the start of the financial year on 01st April 2026.

There were no further matters arising from the JSC meeting on 08.12.25.

#### **3223 Minutes of the Board's Standing Committee, 13.01.26.**

The Minutes of the Board's Standing Committee meeting held on Tuesday 13<sup>th</sup> January 2026 had been circulated with the agenda and were proposed by Terry Williams, seconded by Ian Fleetwood and APPROVED as an accurate record.

#### *MATTERS ARISING:*

There were no matters arising and Members noted the recommendations and actions arising from the Standing Committee.

## **3224 Chief Executive's Report.**

The Chief Executive's report had been circulated with the agenda, items highlighted included:

### **3224.1 Board membership.**

The Chief Executive highlighted that the Board has a vacancy for the Langworth seat. Nominations for the seat should be made to the Chairman or Chief Executive.

### **3224.2 All-Party Parliamentary Group presentation on Wednesday 10.12.25.**

Innes Thomson at ADA had invited the CEO to present and field questions, together with the CEO for Somerset IDBs Iain Sturdy, at the All-Party Parliamentary Group [on Sustainable Flood and Drought Management] meeting in London on Wednesday, 10th December. The APPG meets 3 or 4 times a year and ADA provides the secretariat support.

The title for the presentation was "the impact of reduced main river maintenance on lowland systems and assets".

The APPG's stated purpose is: "to provide a forum for the discussion and progression of lowland sustainable water level management policies and to improve preparedness in the UK for global warming and its weather extremes".

The CEO had informed Leigh Edlin, the EA's Area Director, of this opportunity to present facts and data about the challenges we collectively face in a low-lying area like Lincolnshire, the benefit of added resilience from the one-off IDB Fund and schemes but the limitations to our maintenance and increased future risks.

Pete Reilly, Operations Manager at the EA, and the CEO met beforehand to gather facts & data which the Area team would be comfortable to be used in the presentation.

This was an opportunity to present facts about the challenges we collectively face in our rural communities where current funding formulae do not support a level of revenue maintenance any of us would wish to see, particularly on embanked watercourses behind which sit productive agricultural businesses feeding the nation with staple food crops, but insufficient houses to qualify for the level of maintenance required; increasing the risk level to IDB systems and assets and to our stakeholder landowners and Special Levy paying local councils.

Both the Lincolnshire and the Somerset presentations had been circulated with the electronic versions of the Board Pack. Links to the two presentations will shortly be available on the 4 W&HDBs' website.

### **3224.3 Proposed DCN press release referencing flood risk in Somerset**

We received copy of a draft LGA SIG District Councils' Network press release about the impact of reduced EA maintenance on main rivers, sent to the CEO by

Iain Sturdy, Chief Executive and Clerk for Somerset Drainage Boards Consortium.

Both Somerset and Lincolnshire have been very engaged in this issue. Innes Thomson, ADA's CEO and our Director of Finance Steve Larter are the 2 ADA representatives on the DCN's Special Interest Group looking at the impact on Special Levies to Councils.

On this occasion, Nick Golding, Head of communications, District Councils' Network did not share the draft for comment in Lincolnshire. It refers to Horncastle in W3rd's district and to our W&HDBs' rising electricity standing charge costs.

Although the focus is on Somerset, where now 75% of EA main river is apparently not being maintained by the EA, we have faced reduced maintenance in Lincolnshire on low consequence and some medium consequence main rivers.

I shared this DRAFT with all Chairmen and Vice Chairmen, as the general tenant of this "cost saving" by one central government arm's length public body [the EA] in effect is "cost shifting" to other local public bodies like IDBs and we are not funded centrally but out of local taxation [special levies and drainage rates payers]. I have no problem with the message that is being conveyed, it has many of the elements that Iain and I were impressing upon the APPG in December.

The press release was due to be distributed on Monday 12<sup>th</sup> January 2026, by the DCN.

A copy of the press release had been circulated with the agenda and papers and was now also available on the website.

#### 3224.4 2025/26 Financial Positions as of 31st December 2025, P9.

The 4 Witham & Humber Drainage Boards were all in a healthy financial position as at month 9 of 2025/26, 31st December 2025. Each has a modest positive variance from month 9 profiled budget spend, as follows:

Upper Witham IDB – (£56,454)  
**Witham Third DIDB – (£64,982)**  
Witham First DIDB – (£65,052)  
North East Lindsey IDB – (£56,219)

These positions are stated after neutralising the impact of the one-off capital funding coming into the Boards for FDGiA schemes and the 33 IDB Fund schemes.

This year we are in year 2 of the 2-year IDB Fund Schemes, all 33 of which in our Boards must be completed by 31st March 2026. There are, therefore, tranches of IDB Fund monies coming into the Boards which we are investing wherever possible on a short-term basis whilst preserving necessary liquidity to be able to pay the higher than usual invoices for capital works like new pump and, civils works at our pumping stations.

#### 3224.5 IDB £75 million Fund [increased to £91 million in April 2025].

The 4 Boards successfully bid for all tranches of the IDB Fund national monies, leveraging in £17.4 million across 33 schemes. All schemes must be completed for 31.03.26.

This has been a great opportunity for recovery across the 4 drainage districts [e.g. £1.6 million bank slip repairs] after storms Babet [October 2023] and Henk [January 2024], for achieving greater resilience of our IDB assets where practicable, e.g. schemes at Sandhill Beck PS, at Shortferry PS, at Coulson Road and for innovation, e.g. conversion of two diesel engines to be operated electronically, one each at Stixwould and Fiskerton stations.

A full breakdown was provided in the Capital Programme Report elsewhere on this agenda. Of note, as some of the capital schemes progress [e.g. the £1.7 million refurbishment of UW's Saxilby pumping station], we have undertaken demolition works and have temporary pumping arrangements in place whilst civils works and new pump installations are completed.

The high volume of work still underway was stressed, with c £6million to spend on schemes to be completed by 31.03.26.

There was much discussion and it was noted that 22 schemes had been completed. Civils works would not normally be undertaken at this time of year, but Officers were endeavouring to complete schemes within the tight timescales. Contractors continue to work through appalling ground conditions.

#### 3224.6 National Study on IDB Funding & Costs.

Defra and MHCLG have jointly commissioned a study into the future of IDB Funding and Costs. The study is being led by consultants ICF, working with Logika. The brief communicated to IDBs is that the appraisal will consider IDBs' operations - focusing on financial efficiency, value for money and the broader benefits that IDBs deliver. The research has 3 stated core objectives, as follows:

- IDB Funding & Financial Appraisal: to analyse IDB funding mechanisms, operational costs and financial pressures over the past decade, and explore future funding options.
- Benefit Evaluation: to assess the economic and social value of IDBs' work, both locally and nationally.
- Data modernisation: to explore how the IDB 1 forms can be improved and modernised to improve data collection and reporting.

We were contacted by Nicola Haysey, Senior Consultant for Public Policy at ICF on 08th January 2026, advising that they are conducting case studies on a selection of IDBs across the country.

They wish to include Upper Witham as a case study for this project, to delve deeper into some of the work that we do and the challenges faced. The case study will consist of a visit to the IDB by one or two members of the ICF research team on 17th February. They want to speak with a variety of people involved in running the IDB, including anyone involved in the day-to-day running, managing, administration and operational activities, as well as other relevant stakeholders that we work closely with.

Whilst we were pleased to have Upper Witham IDB, one of our four IDBs in the W&HDB selected, we are encouraging them to review our consortium arrangement and broaden the scope of the visit to cover all 4 IDBs here (Witham First DIB, Witham Third DIB, Upper Witham IDB and North East Lindsey DB).

The case study will be on Upper Witham, but they are interested in how we work collectively.

There was much discussion, Cllr Tom Ashton stated he would be interested to see where the RFCC go on funding this year. The challenge around local levy is getting agreement. Regarding the broader point of EA maintenance, he queried whether in fact it is indeed discretionary. There is a distinction between a small brook and an artificial watercourse – very few areas of public authority that have history like water management authorities. He believed it required further investigation. Terry Williams agreed that there may be some substance to this view point, however the general rule is that national regulation is subject to local acts taking precedence.

Ian Clark advised that he has a contact who is still pursuing the EA regarding the flooding at Horncastle, Cllr Fiona Martin also stated the same.

After discussion, members received and NOTED the Chief Executive's report and update.

### **3225 2025/26 Financial Report as at 31<sup>st</sup> December 2025 (Month 9).**

A report on the month 9 period of 2025/26 had been circulated with the agenda and was presented by the Director of Finance.

The financial performance as of 31st December 2025 was summarised as follows:

Profiled Budget P7 £	Actual (Surplus)/Deficit £	Variance £
(334,143)	(399,1250)	(64,982)

The Board is in a reasonable financial position for 2025/26 to date, with a positive (£64,982) variance from profile at month 9. However, some of the 'high risk' spend areas may occur (especially electricity) over the remainder of this financial year.

#### **Income (£2,135k):**

The main income streams had been posted in terms of Drainage Rates raised (not necessarily paid) at (£288k), and Special Levies received at (£1,300k) for the full year from the 3 relevant councils. Ongoing action is taking place against unpaid drainage rate account holders.

Significant grant income had been received for both FDGIA schemes for Woodhall (£500k), FDGIA Flood Recovery works at Coningsby (£108k) & Stamp end (£10k), and IDB Fund schemes (£1.368m).

**Rechargeable Works** are being undertaken, mainly for the EA through the PSCA. Invoices had been raised up to the end of October at (£231k) for PSCA works and (£109k) in other recharges, with expenditure incurred to date to offset this.

**Highland Water claims** were submitted to the EA in May 2025 for the balance of the 2024/25 actual costs incurred (payment of £45,532) and for the 2025/26 Estimated claim of (£377,500). The EA was due to pay 80% of the estimated claim for 2025/26 (£302,000) along with the balance for 2024/25 actual costs incurred (payment of £45,532), i.e., a total of **(£331,968)** and this had been paid to the Board this year in September. Correspondingly, the balance adjusted for actual 2025/26 costs incurred will be payable by the EA in September 2026.

**Electricity:**

Members were updated in detail at the last meeting on the potential future large increases to fixed costs. This presents a significant financial risk to the Board.

In terms of 2025/26, due to the very dry summer period and mild autumn the electricity costs to date have been contained within the approved budget.

Following discussion, Members noted the 2025/26 financial performance for the period 01st April 2025 to 31st December 2025 (P9); reviewed the Schedules of Expenditure as presented and also noted the Corporate Governance update report.

**3226 Capital Programme Report.**

The Capital Programme Report had been circulated with the agenda and was presented by the Director of Finance, the Director of Engineering and the Director of Operations.

The FDGiA programme, administered by the EA on behalf of Defra has not changed for 2025/26 or 2026/27. No FDGiA funding bids were made for Witham Third DIDB in 26/27 as Woodhall Spa pumping station refurbishment is being undertaken during 25/26.

**Woodhall Spa Pumping Station:**

The work to install the discharge pipes at Woodhall Spa has continued despite the high rainfall and high-water levels experienced. The reinstatement of the Witham defence embankment is complete and a connection between the discharge pipelines and the outfall bay is in progress. Discussions between the Board and National Grid continue. These are required to agree the routes and support required for the new power supply to the motor control centre [MCC]. The remaining civils works are due to be completed by the end of January, although some delay is being experienced due to the wet ground conditions on site. The electrical control panel [MCC] equipment is in the process of being manufactured to be delivered and installed March/April 2026.

The civil engineering works are being undertaken by Sweeting Brothers Ltd. of Goole, with the provision of the MCC and new pumps by Aquatic Control Equipment Ltd. of Retford.

Income and spend as at 31st December 2025 was as follows:

<b>Woodhall PS Refurbishment</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
Income	(£2,718,040)	(£1,000,000)	£1,718,040
Expenditure	£2,718,040	£459,652	(£2,258,388)
<b>Net</b>	<b>£0</b>	<b>(£540,348)</b>	<b>(£540,348)</b>

**Marsh Lane Scheme:**

The Marsh Lane Pumping Station Scheme, part of the Storm Babet Recovery funding is completed. Marsh Lane has had both pumps and motors out for repair. The steps to the weedscreen had been undermined by the water in Storm Babet and were dangerous, so they

have been replaced. A new telemetry panel was also installed. Spend to date is £76,923.

### **Marsh Drain Breach Repair (EA (W3) -T2 Extended to 30/09/2025)**

We negotiated access to the land and agreement from the landowner to install a permanent culvert at the breach site. This was to enable regular access to the pipe that was to be installed through the bank. The Board's workforce undertook the culvert installation and enabling works.

The Board then appointed J E Spence and Son to undertake the repair of the EA river Marsh Drain breach site, utilising a design generated by the Board. At the request of the EA, a flapped gravity discharge pipe was also installed into embankment to allow flood water to flow back into the watercourse in the event of another breach occurring in the future. Future responsibility and ownership of the structure lie with the EA. A Flood Risk Activity Permit [FRAP] was sought from the EA for the installation of the pipe however, the breach repair works fell under an exemption. Cost to date £104,362.

Due to a projected underspend on this scheme of @£150k the IDB Fund to see supported the installation of a (permanent) mobile pump at **Stainfield Pumping Station** with a dedicated intake and outfall (similar concept to W1st's Sandhill Pumping Station). Works will be undertaken before 31st March 2026; the 16" diesel driven unit is purchased and en route from Germany. An EA FRAP will be required to install the discharge pipe through the EA main river embankment.

Members noted the updated Capital Programme Report.

### **3227 Operations Report, including the Health & Safety Update.**

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

There had been 4 reported incidents within Witham Third DIDB:

- (W3) – Near Miss – Big ABB and trailer were 'tight turning' during manoeuvre, and a back wheel 'hit' the bar and lifted the trailer out of the hook. No damage, no injury. To check trailer is hooked on properly.
- (W3) – Incident – Retrospectively added, as record was left in accident book – minor injury tweak to Operative's back when lifting heavy items. To follow training, and use team lifting, or equipment to support heavy loads.
- (W3) – Damage to equipment – Put tablet computer (mobile device) on tracks, forgot and drove off, crushing tablet.
- (W3) – Finger caught in hose/ pipework when setting up a pump.

All the Boards' Operational staff and contractors have started de-silting, reforming or bushing winter works across their districts, including the last of the IDB fund works to all be completed by 31/03/26. It has been necessary to over-pump at several of the pumping station refurbishment sites, causing several mobile pumps to be installed which require fuelling and maintaining seven days a week.

### **Plant and Machinery:**

The Tenders received for the replacement of the wheeled Atlas 150w with sliding dipper had been evaluated and an order has been placed with Contract plant (formerly TDL) for a new **Atlas 160w with sliding dipper** at a cost including 5 years 5000 hours extended warranty and 3 years' service package of **£245,247.00**. This was the only machine that offered the

reach that we currently have with our existing excavator. A trade-in value of £25,000.00 has been offered by TCH, all the used machinery will be advertised on the Board's website for sale within the next couple of weeks using the trade-in value as the Board's benchmark lowest value.

### **PSCA Works:**

The Board has been asked by the EA to quote for vegetation maintenance for 2026/27. This is a reduced amount compared to previous years.

The EA asked the 23 January RFCC meeting to approve £1.5 million from Local Levy monies to fund the gap in their 2026/27 maintenance budget, and this bid was successful. This will not automatically mean all systems will be funded, it may still come down to chimney pots protected.

In summary, even though estimates have been completed for 2026/27 on the maintenance schedules provided by the EA, it will most likely be subject to change before the start of the season.

### Quoted PSCA works for 2026/27.

NEL: TBC

UW: £216,947.67

W1: £ 86,698.99

**W3: £285,148.08**

Last year the quoted works totalled £318,568.84.

Cllr Fiona Martin asked when the Board would know if funding was to be received for maintenance on the River Bain, but it was confirmed that no date was known. Cllr Martin offered to assist by asking the Council to press the EA.

Members received and NOTED the Operations Report and update.

### **3228 Corporate Risk Register.**

The Corporate Risk Register had been circulated with the agenda.

The CRR, introduced by the Director of Finance & Governance, was last reviewed and approved by the Board in January 2025.

The CRR details those risks that are significant enough to warrant management and or oversight by a member of the Senior Leadership Team, providing detail of the risk control measures in place to reduce the likelihood and/or impact of a risk occurrence where this is felt to be practicable /appropriate.

W&HDBs continue to have a robust risk management process, which enables consideration of external and internal risks. By establishing a systematic approach to identification, assessment and management of risk, W&HDBs intend to continually improve the 4 Boards' governance, increase accountability and enhance overall performance.

The risk matrix continues to show an executive summary of the movement of risk. Other aspects for the layout of the report and the Corporate Risk Register remain as previously.

Following review and discussion, Members were content to:

- Approve the removal of Ref 10 Risk – Failure to collect income by the Board due to DRS (Rating System) being de-supported from 31, March 2025 - due to the implementation of the new Rating System.
- Approve the amendments to the CRR to reflect the current risk position.
- Confirm the revised CRR reflects an accurate assessment of the current risks profile.
- Confirm the Risk Objectives are still relevant and reflect the key aspirations of the Board.

### **3229 Pumping Station Capital Programme Refresh 2026.**

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

The Pumping Stations Capital Programme was last updated in January 2024. Since this time there have been 2 significant changes, which mean the Capital Programme needs to be reviewed during 2026:

- The FDGIA funding arrangements for Capital schemes funding have been reviewed nationally, Defra issued guidance on 14.10.25, with a new scheme being introduced from 2026/27 onwards.
- Spend on refurbishing and replacing some assets funded by the FDGIA Recovery Fund and the national £91m IDB Fund (the latter from which these 4 Boards secured £17.4m of funding for 33 schemes).

#### **Current Capital Schemes:**

The following are the current major capital schemes that are underway for each Board (i.e. excluding IDB Fund pump refurbishment works).

Board	Scheme	Cost £	Funding	Status
NEL	Immingham PS	£2.0m	FDGIA	Business Case submitted awaiting sign off by EA.
NEL	Mawmbridge PS	£4.0m	FDGIA	Business Case in development
UW	Saxilby PS	£1.7m	IDB Fund	Works underway new pump, MCC, etc.
UW	Decoy PS	£2.5m	IDB Fund	Works underway new pump, MCC, etc, at each site
UW	Fen Lane PS			
W1	North Kyme PS			
W1	Timberland & Billingham PS	£4.8m	FDGIA	Contracts awarded, new pumps at both sites, resilience measures at Timberland and Billingham.
W3	Woodhall PS	£2.7m	FDGIA	Works underway new pumps, MCC & discharge pipes.

In summary, the new funding rules are as follows:

#### **Eligibility:**

- All FCERM assets requiring refurbishment will be eligible for 100% of the refurbishment costs.
- For new assets (including new pumping stations) - eligible for 100% for the first £3 million, and 90% for costs above £3 million

#### **Prioritisation by value for money:**

- Benefits assessment

- Flood damages avoided (residential, non-residential, agriculture)
- Natural capital
- Environmental benefits

#### **Strategic Objectives:**

- The overarching strategic objective of the FCERM programme is to ‘reduce risk from, and increase resilience to, flooding and coastal erosion and deliver environmental outcomes that are intrinsic to meeting this ambition’.
- Deprived communities, a minimum of 20% of FCERM investment will go to the quintile and a minimum of 40% to the 2 lowest quintiles combined, over both the next 3 and 10 years.
- Partnership Funding - non-Defra contributions will boost a project’s prioritisation.

#### **Local Choice:**

- The new approach will improve local choices

#### **Removing Barriers:**

- There will no longer be a need to demonstrate a project is moving properties from one risk band to a lower risk band.
- Properties constructed since 2012 will now be included in the benefit calculations.

The policy will be implemented from 01st April 2026.

#### **The transition arrangements:**

- projects of a value under £50 million, which have an approved OBC by 31 March 2026, will stay on the old funding rules, otherwise schemes will move to the new rules.
- projects of a value greater than £50 million, which have an approved full business case by 31 March 2026, will stay on the old funding rules otherwise they will move to new rules.

The guidance documents to support the implementation of the new policy were expected to be published by the EA on 30 November 2025, but this is now deferred to January 2026.

#### **Implications for the Board:**

- Any new schemes, including pumping station replacements will require a contribution of 10% of expenditure above £3m. This will need to be made either directly by the Board or by seeking alternative funding partners.
- Refurbishment schemes, whilst fully funded, may need a partnership funding contribution if they are to proceed as prioritisation will be based on GIA funding and benefits achieved. (Policy Objective no3).
- Resilience improvements, i.e. moving vulnerable electrical equipment above flood level may be treated as improvements and therefore not as a refurbishment and will need a contribution if above £3m.
- The Boards need to decide on how they will approach asset replacement, if refurbishment is not recommended by structural engineers. To establish the basic premise for cost estimation for refurbishment/replacement, three options are suggested below. All options will need to be considered in the Outline Business Case (OBC). The cost estimations will be used for the development of the programme.

Option 1 (Current Programme)	Option 2 (Recommended)	Option 3
Lift & refurbish pumps *	New Less Damaging Pumps	New Less Damaging Pumps
New MCC	New MCC	New MCC
New /refurbish AWC	New /refurbish AWC	New /refurbish AWC
Minor Civils	Civil Repairs as required	New Civil Structure
	Resilience Measures	Resilience measures

\* Does not comply with eel regulations.

Whilst Option 2 is the Officer recommended approach mainly due to affordability and therefore providing the ability to deliver a larger programme, Option 3 is always the preferred option as it provides a full new pumping station. Option 2 uses the existing sub structure, and whilst these structures may still be suitable for the current programme development there will come a point in the future when these structures also need replacing or will require major works.

As part of the 4 Boards' Budget proposals, since 2023/24 each Board has been allocating an amount each year towards funding the Capital Programmes and this has been contributed to reserves to establish a source of funding to bridge any gaps/shortfalls in funding. Due to this new DEFRA funding model, it is likely that sums will be required sooner than anticipated under the previous FDGIA funding arrangements and therefore the Boards' planned contributions may not be sufficient over the life of the programme.

### **Pumping Station/Scheme Prioritisation**

Following the heavy rainfall storm events in winter 2023/24, significant damage was caused to the 4 Boards' assets because of inundation of pumping stations from EA main rivers, excessive pumping, bank breaches, bank slips, and receiving excess water into IDB systems from main river.

Funding has been made available initially through FDGIA Flood Recovery Funding, and then over the last 2 years the £91m IDB Fund set up by DEFRA, from which the Boards secured £17.4m for 33 schemes.

Due to the works undertaken via this funding, lifting and refurbishing pumps and motors, replacing MCC's, installing new AWC's and in some cases installing new pumps, the current approved Capital Programme prioritisation order needs reviewing. Until the revised funding mechanism is fully understood and the new business case model is issued it is only possible to group the Pumping Stations into high, medium and low priority. This is based solely upon the asset condition and no other factors like the importance for any locality, etc.

Officers have reviewed the previous programme and recommended the following prioritisation of stations for indicative approval. This will then provide guidance for officers to shape and develop a new Capital Programme to come back to the Boards for approval in November 2026.

Priority	High	Medium	Low
NEL	New Holland Outfall Little Buck Beck	New Holland Middle Drain	Immingham* Mawmbridge* Habrough Slide*
UW	Thorpe Ingleby Broxholme Burton Hykeham Oxpasture	Boultham Torksey Aubourn Sand Syke Pyewipe Coulson Road	Saxilby* Decoy* Fen Lane*
W1	Digby Branston Heighington Sandhill Beck Nocton	Chapel Hill Farroway Blankney Metheringham Ringmoor	Timberland* Billinghay* North Kyme*
W3	<b>Greetwell</b> <b>Bardney Manor Farm</b> <b>Duckpool</b> <b>Marsh Lane</b> <b>Stainfield Fen</b> <b>Dogdyke</b>	<b>Coningsby Ings</b> <b>Kirkstead</b> <b>Bardney Abbey</b> <b>Bardney Fen</b> <b>Short Ferry</b> <b>Southrey</b>	<b>Horncastle Ings</b> <b>Stamp End</b> <b>Woodhall*</b>

*\*Assumes current FDGIA schemes are approved/completed.*

## Next Steps & Timescales

The key information required is how the new FDGIA funding mechanism is going to work in practice and how this will impact on the business cases for any schemes the Boards wish to submit. Until this is known, and what funding may be available, a new funded Capital Programme cannot be submitted to the Boards for approval. Therefore, it is likely this will be developed over summer 2026 with hopefully a funded draft Programme being available for submission to the November Board meetings for approval.

Furthermore, once the funding criteria is known, the indicative scheme (programme of works) can be developed and costed for each location.

An update on progress will be submitted to the May 2026 meetings.

### Following discussion Members were content to:

- note the changes to the funding arrangements for FDGIA from 01st April 2026.
- agree Option 2 as the new approach to scheme requirements for developing the new Capital Programme.
- agree the Pumping Station indicative prioritisation as set out
- note a further update report will be provided in May 2026, with a draft programme available for the Boards in November 2026.

## **3230 Proposed 2026/27 Revenue Estimates and Capital Programme 2026/27 onwards.**

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

Members were advised of the summary estimates position comparing the 2025/26 approved budget to the 2026/27 proposed budget. A summary of the Joint Services Budget was also presented. Items highlighted to Members for consideration were as follows:

Electricity:

One of the most significant increases experienced over the last couple of years is the electricity standing charges, and now KVA charges, which in cash terms have risen to nearly £200k by 01.10.23 from £15k on 01.10.20 (£293k including KVA charges as well) across the 4 Boards. These costs are incurred whether the pumps are running or not. Whilst the standing charges reduced slightly from 01st October 2024 (for the 12 months until 30th September 2025), they have increased again from 01st October 2025 by £13k. The KVA allowance charges have also increased over the last 2 years by £27k and £24k respectively, giving a net overall increase of £37k.

Pensions:

Triennial Revaluation. New Pension contribution rates have been received for the next 3 years from April 2026. These have reduced for all 4 Boards from the previous rates. It was hoped to move to a consistent 'pooled' rate across the 4 Boards, but the differential to the individual rates is still too much. Therefore, the rates to be used over the next 3 years are as follows:

### **Employer Pension Contribution Rates**

	NEL	UW	W1	W3	Pooled
<b>Current Rates (2025/26)</b>					
Primary %	25.1%	24.1%	30.1%	23.5%	
Secondary %	-4.4%		-10.8%		
Secondary £		£ 11,000	£ -		
<b>Overall % of Pay</b>	<b>20.7%</b>	<b>26.9%</b>	<b>19.3%</b>	<b>23.5%</b>	
<b>2026/27</b>					
Primary %	22.1%	19.6%	21.9%	18.0%	<b>18.8%</b>
Secondary %	-12.1%		-8.4%		
Secondary £			£ -		
<b>Overall % of Pay</b>	<b>10.0%</b>	<b>19.6%</b>	<b>13.5%</b>	<b>18.0%</b>	
<b>2027/28</b>					
Primary %	22.1%	19.6%	21.9%	18.0%	<b>18.8%</b>
Secondary %	-12.1%		-8.4%		
Secondary £			£ -		
<b>Overall % of Pay</b>	<b>10.0%</b>	<b>19.6%</b>	<b>13.5%</b>	<b>18.0%</b>	
<b>2028/29</b>					
Primary %	22.1%	19.6%	21.9%	18.0%	<b>18.8%</b>
Secondary %	-12.1%		-8.4%		
Secondary £			£ -		
<b>Overall % of Pay</b>	<b>10.0%</b>	<b>19.6%</b>	<b>13.5%</b>	<b>18.0%</b>	

Due to the significant reduction in the NEL and W1 rates, it is proposed to budget for these at 16% rather than 10% and 13.5% respectively, as there is a risk the rates could increase again in 3 years' time at the next pension triennial valuation exercise. The Boards will pay the reduced rates indicated, but the full reduction will not be reflected in the reduced Budget to stabilise for future changes.

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

To deliver the Pumping Station Capital Programme in the medium term (10 years) the Board needs to make an annual contribution from its Revenue Budget to the programme, to make it affordable and deliverable. Therefore, in the draft Revenue Estimates an additional contribution of £5k per annum has been provided, increasing the existing £60k pa budget to £65k pa.

After much discussion between Officers and Members of the Standing Committee at the meeting held on 13th January 2026, a balanced budget position can be achieved for 2026/27 based on these assumptions and a recommended 4.75% increase in the penny rate.

For information, it was highlighted that the 'penny rate' increases that the Boards have set in recent years are:

### Historic Penny Rate Increases

	<u>Increase in penny rate</u>							<u>Proposed</u>	
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
	%	%	%	%	%	%	%	%	
<b>NEL</b>	1.00%	2.00%	2.00%	5.00%	15.00%	14.00%	4.00%	3.50%	
<b>UW</b>	2.00%	2.40%	2.50%	6.25%	15.00%	16.00%	5.00%	4.75%	
<b>W1</b>	0.00%	5.00%	2.50%	6.50%	29.00%	20.00%	4.00%	4.50%	
<b>W3</b>	0.50%	2.00%	2.50%	5.00%	15.00%	14.96%	5.00%	4.75%	

### Average increase since 2014/15

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	%	%	%	%	%	%	%	%
<b>NEL</b>	0.81%	0.98%	1.11%	1.54%	2.89%	3.90%	3.91%	3.87%
<b>UW</b>	1.73%	1.83%	1.91%	2.39%	3.65%	4.78%	4.80%	4.79%
<b>W1</b>	0.88%	1.46%	1.59%	2.14%	4.83%	6.20%	6.02%	5.90%
<b>W3</b>	1.38%	1.46%	1.59%	1.97%	3.28%	4.34%	4.39%	4.42%

Without this **proposed 4.75% Penny Rate** increase the Board cannot set a balanced budget and endeavour to secure its financial stability. Additionally, there will be the land movements from agricultural land to 'other developed land' under the Land Drainage Act 1991, which impact on each individual Special Levy paying Council. These land movements were set out in the following report on this Agenda, to be considered alongside this report.

A 1% change in the penny rate for W3rd equates to £15,910 in income/cash terms for 2026/27.

The revised Financial Regulations approved at JSC in December 2024 agreed a policy of holding a general 'Revenue Reserve' for emergencies of 15% to 20% of turnover [previously 10-15%], and that the balance be held in 'earmarked reserves' for specific requirements. This concurs with previous Member ambitions to increase the General Reserve to 20% in the coming years, as resources allow.

Following discussion the Board:

- **APPROVED** the financially balanced Estimates for 2026/27, based upon a **4.75% increase** in the penny rate.
- **NOTED** that the outcome of this report will determine the level of penny rate, drainage rates and Special Levies to be set for 2026/27.

### 3231 Annual Value, Drainage Rates and Special Levies 2026/27

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

The Annual Values must be formally approved by the Board, starting with those brought forward from last year's rate setting as of 31st December 2024, with the movements during the 2025 calendar year required for land that has been developed or is no longer used for agricultural purposes.

The Annual Values as at 31st December 2024 were:

	Annual Values 31.12.23 £	Land Transfers 2024 £	Annual Values 31.12.24 £
Drainage Rates	2,047,700	-2,597	2,045,103
City of Lincoln	2,776,055	0	2,776,055
East Lindsey DC	4,105,078	103,263	4,208,341
West Lindsey DC	2,221,275	14,556	2,235,831
<b>Total</b>	<b>11,150,108</b>	<b>115,222</b>	<b>11,265,330</b>

The land movements between 01.01.25 and 31.12.25 that require transfer from Drainage Rates to Special Levy are summarised below. Land is transferred at the agreed development rate of £4,287.44 per hectare.

Area ha	Parish	Council	Developed for
0.494	Halham	ELDC	New build house and garden
0.291	Horncastle	ELDC	new build house and gardens
2.581	Coningsby	ELDC	Next phase on Kirkby on Bain quarry site
0.352	Coningsby	ELDC	Next phase on Kirkby on Bain quarry site
0.425	Coningsby	ELDC	Next phase on Kirkby on Bain quarry site
0.202	Tupholme	ELDC	House and garden

This results in the following Annual Values as of 31st December 2025:

	Annual Values 31.12.24 £	Land Transfers 2025 £	Annual Values 31.12.25 £
Drainage Rates	2,045,103	-363	2,044,740
City of Lincoln	2,776,055	0	2,776,055
East Lindsey DC	4,208,341	18,629	4,226,970
West Lindsey DC	2,235,831	0	2,235,831
<b>Total</b>	<b>11,265,330</b>	<b>18,266</b>	<b>11,283,596</b>

#### 'Penny Rates'

The following 'penny rates' will be applicable if the 4.75% increase proposed is agreed:

	Penny Rate (pence)
Current	14.0974
Proposed	14.7670

## Drainage Rates

The increase to the 'penny rate' will provide a net increase in the income to the Board generated from Drainage Rates, income increasing from £288,306 to £301,947 (+£13,640).

## Special Levies

The increase to the 'penny rate' will have the following impact on the 3 Councils' Special Levies, including the rebasing of the Annual Values for the land transfers for each Council:

	Current £	Proposed £	Difference £	Increase %
City of Lincoln	391,351.58	409,940.04	18,588.46	4.75
ELDC	593,266.66	624,196.65	30,929.99	5.21
WLDC	315,194.02	330,165.16	14,971.14	4.75
<b>TOTAL</b>	<b>1,299,812.26</b>	<b>1,364,301.85</b>	<b>64,489.59</b>	<b>4.96</b>

**In summary, income to the Board increases by a net total of £78,130 for 2026/27 (being an increase of £64,490 in Special Levy and a net increase in Drainage Rates of £13,640).**

Following discussion and review Members were content to **APPROVE**:

- The transfer of land from Drainage Rates to Special Levy.
- The land valuations as at 31st December 2025 upon which Drainage Rates and Special Levies are calculated is set at £11,283,596.
- The 'penny rate' is increased from 14.0974 pence to 14.7670 pence in the pound (+4.75%) for 2026/27.
- The Special Levies 2026/27 be agreed for each of the 3 Councils as:

City of Lincoln	£409,940.04
East Lindsey District Council	£624,196.65
West Lindsey District Council	£330,165.16

- The Chairman and Chief Executive be authorised to sign the 'Rate Book', apply the seal of the Board and publicise the revised Penny Rates, estimated Drainage Rates and Special Levies for 2026/27 before 15.02.26.

## **3232 Engineering & Technical Services Report.**

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

As a public body, Internal Drainage Boards have a legal duty under the Natural Environment and Rural Communities Act (2006) to consider biodiversity conservation in all areas of their work, including policy development and decision-making. This duty includes not only protecting biodiversity but also enhancing and restoring habitats and species populations where possible.

## **Class License Renewal**

The Board's officers have renewed both the CL24 and CL27 licences, which permit works to proceed under mitigation measures at sites where water voles (CL24) and badgers (CL27) are present. These licences allow the Board to displace water voles when carrying out works on flood defences, watercourses, or drainage systems, and to interfere with badger setts for watercourse and drainage-related purposes. The CL51 beaver class licence for modifying or removing dams, burrows, and lodges will be renewed at the end of March 2026.

### Eel Exemption Notices

The EA has decided to change the way the Board's eel exemptions are processed. In a positive development, the Agency has granted the Board exemptions that will remain valid until the pumping stations are due to be upgraded. This represents a significant shift away from the annual or bi-annual renewal model previously used.

The following table shows the expiry dates of the new exemptions. As North East Lindsey DB has no 'high priority' stations, exemptions are not currently required.

Board	Pumping Station	Exemption Expiry
UW	Boultham PS	31/12/2031
UW	Thorpe PS	31/12/2029
UW	Aubourn PS	31/12/2040
W3	Duckpool PS	31/12/2027
W3	Southery PS	31/12/2040
W3	Stixwold PS	31/12/2027
W1	Billingham PS	31/12/2027
W1	Blankney	31/12/2036
W1	Chapel Hill	31/12/2027
W1	Farroway	31/12/2028
W1	North Kyme	31/12/2026
W1	Timberland	31/12/2027

### ADA Environment Forum

The Forum met in early December to discuss current environmental issues affecting Internal Drainage Boards. Topics included Water Level Management Plans (WLMPs), beavers, and updates from ADA policy representatives. Feedback from the meeting will be presented by ADA at follow-up meetings.

### ADA Environment Day (04<sup>th</sup> February 2026)

ADA will be hosting its annual Environment Day on Wednesday, 4 February 2026, at Park Farm, Thorney (near Peterborough). This free, in-person event will feature a programme of talks on key issues affecting lowland watercourse and freshwater management, including eels, invasive species, beavers and landscape recovery. Members can register via the ADA website or contact the Board's Environment Officer at [nick.downing@witham3idb.gov.uk](mailto:nick.downing@witham3idb.gov.uk)

### Willingham Fen Marina Project (TD-3733-2017-PLN)

Work to develop this site continues. The developer, DAS Services, submitted a consent application dated 06th October 2025 to fill a reach of the North Delph, to allow the construction of the marina entrance. The Consent has now been issued to allow the marina basin to be joined to the River Witham which will dissect the Board's North Delph. Discussions are

ongoing with the developer and Heads of Terms have been agreed in principle regarding a Developer Contribution in the region of £300k payable in instalments to correlate with the build out of the site, along with a dedicated mobile pump hard standing with intake and discharge pipes within the development site to provide resilience for the Greetwell Pumping Station and associated drains within the area. Solicitors will now draft the relevant agreements for approval by officers.

Officers are in discussion with the developer with regard to that financial contribution to works to refurbish Greetwell Pumping Station.

Terry Williams recorded thanks to the Officers for the work in securing the contribution from the Developer.

### **Minting**

Whilst works promoted by the Board within the village are complete, officers have been in consultation with Lincolnshire County Council Highways Authority engineers regarding the replacement of an access culvert. The Council has installed additional high-level capacity with the provision of an additional culvert, with this structure to be replaced by a clear span bridge when a design and budget are agreed.

### **Planning Applications.**

The Board received several consultations and has commented on various planning applications to the various planning authorities. Major comments were in the report. A full schedule detailed where responses included no objections or minor standard comments referring to soakaways, the requirement for consents etc may be made available upon request.

Several were highlighted to Members where the Board had objected to the application, reasons included:

- Increased flood risk
- Local surface water flooding
- Setting a precedence in a flood risk area

Members discussed 1 application in particular, namely Land off Jubilee Way, Horncastle:

03572/25/FUL

**CHANGE OF USE OF LAND TO FORM WETLAND WITH ASSOCIATED LANDSCAPING TO INCLUDE BUNDING, SWALES AND A VIEWING PLATFORM.**

TD-7218-2025-PLN

**LAND OFF JUBILEE WAY, HORNCASTLE, LINCOLNSHIRE**  
**The Board objected to the above application**

Thank you for the opportunity to comment on the above application. The site is within the Witham Third District Internal Drainage Board area.

The Environment Agency main rivers River Bain and River Waring border the site, the Environment Agency undertakes periodic maintenance on the watercourse including de-silting (last in 1988). The site is downstream of Horncastle which has a long history of flooding.

Witham Third District Internal Drainage Board **OBJECTS** to the current application.

**Reason;-** The proposal shows planting, ground raising and reprofiling adjacent to the watercourses (River Bain and River Waring) which will prevent maintenance access, without effective maintenance flood risk to Horncastle will increase.

The project is an opportunity to enhance access to the watercourses by clearing vegetation which is currently obstructing access. The Board would strongly recommend a clear unobstructed strip at least as wide as the 8m Environment Agency Byelaw distance from the top of the bank of the watercourses. Allowance should also be made for future de-silting to provide areas where it can be placed.



This application has been submitted jointly by the Mercia Rivers Trust and Wildlife Trust. Cllr Fiona Martin stated that she understood the objection from the Board but asked if negotiation could take place as the Council had been led to believe that it would alleviate flooding in Horncastle. It was being promoted publicly as a flood alleviation scheme. It was queried if the Consents Officer had spoken with the Trusts directly. Martin Shilling advised that access was the main issue, stating that the scheme needs redesign. The current proposal shows planting, ground raising and reprofiling adjacent to the watercourses (River Bain and River Waring) which will prevent maintenance access, without effective maintenance flood risk to Horncastle will increase. The Board has strongly recommended a clear unobstructed strip at least as wide as the 8m EA Byelaw distance. The position and comments would be kept under review.

Members discussed and NOTED the Engineering & Technical Services Report.

<sup>33</sup>  
3216 Any Other Business.

There being no further items of business, the meeting closed at 11:25.

<sup>32-34</sup>  
3217 Date, Time and Place of the Board's Next Meeting.

The Board's next meeting was confirmed for Tuesday 19<sup>th</sup> May 2026 at 09:30am in Minting Village Hall.

.....<sup>Turl</sup>..... Chairman ..... 19-5-26 ..... Date  
W3rd B.M. 27.01.26.