# Witham First District Internal Drainage Board

## Annual Report & Statement of Accounts 2025/26

## for the year ended 31st March 2026

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# Contents

# Witham First District Internal Drainage Board
# Statement of Accounts & Annual Report 2025/26

## Annual Report 2025/26

Witham First 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 16,384 hectares, other than on main rivers where the Environment Agency has this role and towards which the Board pays an annual IDB precept [£83,031 in 2025/26]. 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 28 Members, including Mr David Armstrong (Chairman) and Mr Mark Harrison (Vice Chairman). Members are either elected by and represent the occupiers of land in the drainage district or they are nominated by one of two District Councils, City of Lincoln Council or North Kesteven District Council. All Members have a corporate responsibility to represent the interests of the Board. The Board's role is to determine strategy, direction and policy for the organisation and to ensure the IDB operates within an appropriate governance framework. The Board is supported by officers, led by a Chief Executive, who advise the Board, 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 Upper Witham IDB, Witham Third District IDBs and from 01st April 2017 North East Lindsey IDB joined the partnership under the terms of a new Joint Services Agreement. The 4 Boards remain separate legal statutory bodies but work collectively in a partnership as the "Witham and Humber Drainage Boards".

The Board secures income from two main sources. Firstly, income is secured through a direct levy on owners and occupiers of land within the drainage district, with rates being payable on 01st April each year and totalling £893,801 in 2025/26. Secondly, income is secured through special levies paid by the two District Councils in two instalments on 01st May and 01st November each year, totalling £717,972 for 2025/26 (i.e., City of Lincoln £237,791 and North Kesteven District Council £480,181).

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

The Board agreed on 28th January 2025 a rate uplift for 2025/26 of 4.00% to set a balanced budget of £1,736,299.

After an excessively wet 2012/13, when the Board's Pumps in its 13 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. There have been localised heavy rainfall events of a short duration.

However, there were further high rainfall events during Summer and Autumn 2019/Winter 2020 which resulted in flooding across Lincolnshire. There were parts of the Witham & Humber Boards' systems that had to deal with water from EA main rivers, whether due to bank breaches, overtopping or excessive bank seepage. This meant that some of the Board's pumps were pumping far more hours than would have been required without this additional water not intended to be received by the Board's systems, which in turn meant excessive additional electricity costs were incurred. Where these lead to internal flooding to property these were subject to multi-agency Section 19 investigations and reports led by Lincolnshire County Council as the Lead Local Flood Authority.

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 was experienced in 2023/24. In October 2023, Storm Babet brought significant rainfall across Lincolnshire with significant flooding resulting from EA main river breaches, overtopping and excessive seepage. Rainfall 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 £553,907 during 2024/25 compared to a budget already increased to £305,000. 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 the Board.

In 2025/26 electricity unit rates reduced from 01st October 2025 and overall, it was a drier autumn, but a wet winter 2026. The Board incurred electricity costs of £264,640 during 2025/26 (£263,830 in 2024/25). 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 is a signatory to the Greater Lincolnshire Nature Partnership. The Board has continued to monitor and record locally important species on all Drains and roll out its programme of owl boxes installation and monitoring in partnership with the Wildlife Conservation Partnership. In November 2021 the Board approved a new Nature Strategy, which supersedes the previous Biodiversity Action Plan.

Since April 2012 the Board, in common with other IDBs in Lincolnshire, has provided a consents and enforcements service for and on behalf of Lincolnshire County Council [LCC], the Lead Local Flood Authority in Lincolnshire, beyond the Board's drainage district in its extended rainfall catchment. This service has been provided under a Memorandum of Understanding with LCC for 2025/26.

Examples of the Board's work in 2025/26 include:

- Operation of the Board's 13 Pumping Stations to protect property, agricultural land and critical infrastructure in the drainage district of 16,384 hectares.
- Completion of the Board's Summer 2025 maintenance and weed cutting programme.
- The 4 Witham & Humber Boards were awarded £1.205m Flood Defence Grant in Aid (FDGiA) and £17.4m of the one-off national £91m IDB Fund monies from DEFRA for recovery, resilience & improvement and innovation schemes following Storms Babet and Henk in winter 2023/24. These 33 schemes to be completed for 31.03.26.
- Sandhill Beck Pumping Station refurbishment works included 12" electric mobile pump and pipework, fish screen and electric panel permanently installed at the station, mounted on a steel frame and concrete pad. This pump is to aid the recovery of the land in the Sandhill area following a flood event, it will not help prevent the land flooding, only aid its recovery. Total scheme cost £970k fully funded by IDB Fund.
- Replacement Archimedes Screw Pumps (x2) at North Kyme (front cover picture) booster station part of a £2.5m upgrade scheme with two similar pumps in Upper Witham IDB.
- New/Replacement water control structures at Heighington, Billinghay, Timberland, Chapel Hill and 5 Mile Lane part of a £0.8m IDB Fund scheme.
- New Automatic Weedscreen Cleaners at Branston and Heighington part of a £1.4m IDB Fund scheme.
- £4.8m FDGIA scheme developed for Timberland and Billinghay catchment with contracts awarded for refurbishment of these Pumping Stations.
- Works undertaken as part of the Public Sector Co-operation Agreement (PSCA) on behalf of the Environment Agency in 2025 at: Ruskington Catchwater, Anwick Catchwater, Farroway Drain, Digby Beck, Sandhill Beck, Leasingham Beck, Ruskington Beck, Nine Foot River, Old River Slea, River Slea and Ancaster Beck.
- The Board has replaced the Volvo 160 LR with an order placed for a new JCB 220XLR @ a cost (including 5 years 4000 hours Warranty and Service package) of £174,826.00.
- This year we reported 7 pairs of breeding adult barn owls with 9 chicks and 7 eggs. This year a little owl was ringed with two healthy chicks in the box. There were 3 boxes that required replacement; Sandhill PS, Farroway Drain South and Farroway Drain North, which were completed before the breeding season.
- Provided a consents and enforcement service for Lincolnshire County Council (as Lead Local Flood Authority), under a Memorandum of Understanding to 31.03.29, outside the Board's drainage district in the extended rainfall catchment.

***All figures exclude VAT.***

The end of year outturn position for the Board, as at 31st March 2026, was a modest surplus of £40,075 after contributing £250k to reserves (compared with a surplus year-end position of £37,058 in 2024/25). This surplus has been allocated to the General Reserve.

# Statement of Accounts 2025/26

## 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 JSC on behalf of the Board approved on 09$^{th}$ December 2024 its Risk Management Policy. The JSC also approved a revised set of Financial Regulations and Statement of Internal Control. The Corporate Risk Register was reviewed and updated again on 27$^{th}$ January 2026.

## 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 2025/26.

## The Balance Sheet:

This statement is fundamental to the understanding of the Board's financial position as at 31st March 2026. 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 2025/26 with comparisons to 2024/25.

# Witham First District Internal Drainage Board, Members 2025/26

The Board has 28 Members, 21 Members elected by the Occupiers of land within the drainage district and 7 members nominated by the two District Councils who pay Special Levies to the Board, i.e., City of Lincoln Council and North Kesteven District Council. Elections of occupiers of land are every 3 years with an election process and a new term of office from 01.11.24 to 31.10.27. Council nominated members are for the period of the civic year.

Members 01.04.25 to 31.03.26 were:

| Elected Member's Name | Electoral District | Executive Committee Members (8) |
|---|---|---|
| **David C Armstrong (Chairman)** | **Nocton & Branston Fen** | **Yes** |
| **Mark Harrison (Vice Chairman from Nov 2025))** | **Timberland & Thorpe Fen** | **Yes** |
| Simon Maplethorpe | Anwick | Yes |
| William Grantham | Billinghay & North Kyme Fen | No |
| Andrew Means | Billinghay & North Kyme Fen | No |
| David K Busby | Blankney & Martin Fen | No |
| Vacancy | Blankney & Martin Fen | N/a |
| David Leggate (to May 2025) | Blankney & Martin Fen | No |
| Vacant (from May 2025) | Blankney & Martin Fen | No |
| Bridget Maplethorpe | Digby | Yes |
| Edward Applewhite | Heighington Fen & Lincoln | Yes |
| Stephen F Cobb | Heighington Fen & Lincoln | Yes |
| Vacancy | Heighington Fen & Lincoln | N/a |
| Richard C Hickling | Metheringham & Dunston Fen | No |
| Ian Mair | Metheringham & Dunston Fen | No |
| Valerie Stanton | Nocton & Branston Fen | No |
| Stuart Longmate (from Apr 2025 | Nocton & Branston Fen | No |
| Andrew G Hodgson | Ruskington & Dorrington | No |
| Cllr Ken Fernandes | Sleaford District | No |
| Simon B Leggate | Timberland & Thorpe Fen | No |
| Peter Gilbert | Walcott & Dales Fen | Yes |
| Mr Ron Oxby | Walcott & Dales Fen | Yes |

| Nominated Member's Name | Nominating Authority | Executive Committee Members |
|---|---|---|
| Cllr Gary Hewson | City of Lincoln Council | No |
| Cllr Patrick Vaughan | City of Lincoln Council | No |
| Cllr Ian Carrington | North Kesteven District Council | No |
| Cllr Mervyn Head | North Kesteven District Council | No |
| Cllr Andrew Hagues | North Kesteven District Council | No |
| Cllr Leigh Sanders | North Kesteven District Council | No |
| Cllr Mike Clarke | North Kesteven District Council | No |

## The Annual Governance Statement 2025/26

We acknowledge as the Members of Witham First 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 for the year ended 31st March 2026, that:

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

This annual governance statement is approved by the Board and recorded as a Board minute, dated Tuesday, 19th May 2026.

Signed on behalf of Witham First District Internal Drainage Board.

Signed by: Mr. David Armstrong, Chairman..........................................

Date...19.5.26 .

Signed by: Mrs. Jane E. Froggatt, Chief Executive..........................

Date: 19/05/2026 .

# The Statement of Responsibilities for the Statement of Accounts 2025/26

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.

<u>The Director of Finance & Governance's Responsibilities:</u>

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 2026.

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 Smaller Authorities Proper Practices Panel (SAPPP formerly JPAG), a further update to the Practitioners' Guide having been issued by SAPPP in March 2025.
- 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.

<u>Certificate of the Director of Finance & Governance</u>

This Statement of Accounts 2025/26 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 2026 and its income and expenditure for the year then ended.

<u>Certificate of the Chairman of the Board</u>
I confirm that these accounts have been approved by Witham First District Internal Drainage Board at a meeting held on Tuesday, 19th May 2026.

Signed by: Mr. David Armstrong, Chairman ....................................

Date: ..........19.5.26..........................................................

# 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 Smaller Authorities Proper Practices Panel (SAPPP formerly JPAG), a further update to the Practitioners' Guide having been issued by SAPPP in March 2025.

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 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.

In December 2012 the Board drew down a Public Works Loan Board of £354,480 over a period of 14.5 years for the specific purpose of transferring liability and future maintenance responsibility on 18 bridges and culvert structures from the Board to Lincolnshire County Council. The loan is on a fixed Equal Instalments of Principal (EIP) basis. The first repayment was in June 2013 with 6 monthly payments thereafter.

## 5. Stock

Stocks (if held) 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 where required.

## 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 2025/26 that are charged to the Income and Expenditure Account for the period to which it relates for fleet vehicles.

## 8. Reserves

A reserves policy was agreed at the Board meeting on 11th February 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/Capital Programme to support future replacement of components at pumping stations or as contributions to Capital Grant applications.

8.4 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.

8.5 Specific reserves for Emergency Events, Self Insurance and Commuted Sums received.

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. A bad debt provision is included in the accounts and is reviewed annually.

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

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

**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 2026

| | Note | 31st March 2026 | 31st March 2025 |
|---|---|---|---|
| **Income** | | **£** | **£** |
| Drainage Rates & Costs | | 893,801 | 865,037 |
| Special Levies | 1 | 717,972 | 680,596 |
| FDGIA Grant | 2 | 200,000 | 443,920 |
| Other Grants | 2 | 2,322,057 | 1,328,831 |
| Highland Water Contributions | 2 | 27,821 | 12,743 |
| Consents & Enforcement | | 9,710 | 12,357 |
| Insurance Claims | | 0 | 25,064 |
| Commutation Payments/Developer Contributions | | 0 | 0 |
| Rechargeable Works | | 178,174 | 86,648 |
| Interest | | 81,143 | 53,129 |
| Gains/Losses on the Sale of Surplus Assets | | 5,500 | 1,800 |
| Rent, Wayleaves & Sundry Income | | 5,565 | 5,780 |
| **Total Income** | | **4,441,743** | **3,515,905** |
| | | | |
| **Expenditure** | | | |
| Drains | | 630,375 | 710,982 |
| Pumping Stations | | 2,871,454 | 754,278 |
| Depot | | 7,048 | 12,428 |
| Engineering | | 101,174 | 88,894 |
| Conservation | | 532 | 1,713 |
| One Off Schemes | | 464,495 | 462,170 |
| Environment Agency Precept | | 83,031 | 83,031 |
| Consents & Enforcement | | 9,710 | 12,357 |
| Board Administration | | 40,868 | 21,644 |
| Joint Administration | 7 | 155,110 | 153,621 |
| Rechargeable Works | | 131,170 | 87,873 |
| Public Works Loan Board Interest | 5 | 25,605 | 26,188 |
| Contribution to Reserves | | (119,505) | 1,071,080 |
| Wages & Plant Holding Account | | (1,399) | 16,588 |
| FRS17 Pension Adjustment (net) | | 2,000 | (24,000) |
| **Total Expenditure** | | **4,401,668** | **3,478,847** |
| | | | |
| **(Surplus)/ Deficit** | | **(40,075)** | **(37,058)** |

Signed: D Arm

Name: Mr. D. Armstrong

Designation: Chairman

Date: 19th May 2026

# Balance Sheet as at 31st March 2026

| | Note | 31st March 2026 | | 31st March 2025 | |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Non Current Assets** | | | | | |
| Land & Buildings | | 4,276,189 | | 2,553,827 | |
| Vehicles and Plant | | 461,840 | | 545,296 | |
| Other | | 0 | | 0 | |
| *Total Non Current Assets* | 10 | | 4,738,029 | | 3,099,123 |
| | | | | | |
| **Current Assets** | | | | | |
| Stock | | 0 | | 0 | |
| Debtors & Prepayments | 11 | 1,887,882 | | 454,405 | |
| Short Term Investments | | 1,500,000 | | 1,988,575 | |
| Bank & Cash | | 415,211 | | 80,063 | |
| *Total Current Assets* | | | 3,803,093 | | 2,523,043 |
| | | | | | |
| **Long Term Assets** | | | | | |
| LGPS Net Pension Surplus | 13 | 920,000 | | 841,000 | |
| Commuted Sum | | 36,669 | | 61,116 | |
| | | | 956,669 | | 902,116 |
| **Total Assets** | | | 9,497,791 | | 6,524,282 |
| | | | | | |
| **Current Liabilities** | | | | | |
| Creditors | 12 | (1,803,091) | | (579,907) | |
| Short Term Loans | | (24,447) | | (24,447) | |
| *Total Current Liabilities* | | | (1,827,538) | | (604,354) |
| *Total Assets less Current Liabilities* | | | 7,670,253 | | 5,919,928 |
| | | | | | |
| **Long Term Liabilities** | | | | | |
| Long Term loans | | (12,222) | | (36,669) | |
| LGPS Net Pension Liability | 13 | 0 | | 0 | |
| | | | (12,222) | | (36,669) |
| ***Total Assets less Liabilities*** | | | **7,658,031** | | **5,883,259** |
| | | | | | |
| **Represented by:** | | | | | |
| Capital Discharged | 10 | | 4,738,029 | | 3,099,123 |
| Funds, Balances & Reserves | 14 | | 2,000,002 | | 1,943,136 |
| Pensions Reserve | 13 | | 920,000 | | 841,000 |
| Capital Receipts Unapplied | | | 0 | | 0 |
| ***Total*** | **14** | | **7,658,031** | | **5,883,259** |

Signed:.............................................. Name: Mr. D. Armstrong

Designation: Chairman Date: 19th May 2026

# Notes to the Accounts

## Note 1: Special Levies

Special Levies were paid by the following District Councils:

| Special Levies | 2025/26 | 2024/25 |
|---|---|---|
| | £ | £ |
| City of Lincoln Council | 237,791 | 228,645 |
| North Kesteven District Council | 480,181 | 451,951 |
| | **717,972** | **680,596** |

## Note 2: Government Grants & Contributions

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

| Government Grants | 2025/26 | 2024/25 |
|---|---|---|
| | £ | £ |
| Flood Defence Grant in Aid | 200,000 | 443,920 |
| Other Grants | 2,322,057 | 1,328,831 |
| Highland Water | 27,821 | 12,743 |
| | **2,549,878** | **1,785,494** |

## Note 3: Pension Contributions

In 2025/26 the Board paid an employer's contribution rate of 19.3% with no lump sum (19.3% + £0k in 2024/25) of each employee's gross pay into Lincolnshire County Council's Superannuation Fund. This amounted to £53,406 in 2025/26 (£52,400 in 2024/25). Further pension disclosures are shown in the FRS102 Pension Note below.

## Note 4: Officers' Remuneration

Staff employed directly by the Board:

| Remuneration of Employees | 2025/26 | 2024/25 |
|---|---|---|
| *Remuneration band* | | |
| 80,000 - 89,999 | 1 | 1 |
| 70,000 - 79,999 | 0 | 0 |
| 60,000 - 69,999 | 0 | 0 |
| 50,000 - 59,999 | 0 | 0 |

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

Staff employed across all 4 Boards, including those employed by this Board, and recharged via JSC proportions:

| Remuneration of Employees | 2025/26 | 2024/25 |
|---|---|---|
| *Remuneration band* | | |
| £100,000 - £109,999 | 1 | 1 |
| £90,000 - £99,999 | 0 | 0 |
| £80,000 - 89,999 | 3 | 3 |
| £70,000 - £79,999 | 0 | 0 |
| £60,000 - £69,999 | 1 | 1 |
| £50,000 - £59,999 | 5 | 2 |

## Note 5: Public Works Loans Board.

An application was made to DEFRA for permission to take out a loan in order to transfer, under a legal agreement, future maintenance liability for 18 Bridges and Culvert structures to Lincolnshire County Council [the Highways Authority]. Permission was given in writing by DEFRA on 09th November 2012 and the monies were received on 17th December 2012. This loan is for £354,480 from the Public Works Loan Board (PWLB) and is to be repaid over a period of 14.5 years at an interest rate of 2.41% per annum, the first repayment made in June 2013 and then six monthly thereafter. Agreement was reached with Lincolnshire County Council on the transfer of the future maintenance liability for the bridges and culverts on 19th January 2015 and the sum of £350,981 was transferred on 22nd January 2015 to finalise the matter.

## Note 6: Audit Fees & Expenses

The fees paid to the Board's external auditors (PKF Littlejohn LLP) for 2025/26 are £2,940 (£2,100 in 2024/25).

## Note 7: Joint Services

The Board is party to a Joint Services Agreement of 01st April 2017 between Upper Witham IDB, North East Lindsey IDB, Witham First DIDB and Witham Third DIDB for the shared provision of certain functions. Recharges are made for the Chief Executive, Finance and Administration Services, GIS & Environment Officer, Engineering Services and Director of Operations & Engineering 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 2025/26 | | | | |
|---|---|---|---|---|---|
| | UW | NEL | W1 | W3 | TOTAL |
| | 30.0% | 20.0% | 20.0% | 30.0% | 100.0% |
| Joint Administration | £ | £ | £ | £ | £ |
| Witham House (UW) | 17,125 | 11,416 | 11,416 | 17,125 | 57,082 |
| Joint Admin (UW) | 18,775 | 12,516 | 12,516 | 18,775 | 62,582 |
| Joint Admin (W3) | 196,766 | 131,177 | 131,177 | 196,767 | 655,887 |
| **Total Joint Admin** | **232,666** | **155,109** | **155,109** | **232,667** | **775,551** |
| Engineering & Operational Services | | | | | |
| Engineering & Operational Services (W1) | 39,899 | 26,599 | 26,599 | 39,900 | 132,997 |
| Engineering & Operational Services (W3) | 155,411 | 103,608 | 103,608 | 155,412 | 518,039 |
| Engineering & Operational Services (UW) | 0 | 0 | 0 | 0 | 0 |
| **Total Engineering & Operational** | **195,310** | **130,207** | **130,207** | **195,312** | **651,036** |
| **Total Inter Recharges between Boards** | **427,976** | **285,316** | **285,316** | **427,980** | **1,426,588** |

## 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 City of Lincoln Council and North Kesteven District Council who pay Special Levies.

Land is rented by the Board to companies controlled by Mr Peter Gilbert and an irrigation dam to Mr Steve Cobb, both of whom were Board Members during the financial year.

## Note 9: Post Balance Sheet Event

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

## Note 10: Non-Current Assets

| Non Current Assets | Land & Buildings | Depot | Plant & Vehicles | Office Equip | Pumping Stations | Total |
|---|---|---|---|---|---|---|
| Cost | £ | £ | £ | £ | £ | £ |
| **Closing Balance 31/03/25** | 82,160 | 25,910 | 1,287,359 | 0 | 2,607,725 | 4,003,154 |
| Additions | | | 25,000 | | 1,730,202 | 1,755,202 |
| Reclassification | | | | | | 0 |
| Disposals | | | (20,020) | | | (20,020) |
| **Closing Balance 31/03/26** | 82,160 | 25,910 | 1,292,339 | 0 | 4,337,927 | 5,738,336 |
| **Depreciation** | | | | | | |
| **Closing Balance 31/03/25** | 0 | 0 | 742,063 | 0 | 161,968 | 904,031 |
| Depreciation Charged | | | 107,256 | | 7,840 | 115,096 |
| Reclassification | | | | | | 0 |
| Disposals Written Out | | | (18,820) | | | (18,820) |
| **Closing Balance 31/03/26** | 0 | 0 | 830,499 | 0 | 169,808 | 1,000,307 |
| **Net Book Value 31/03/25** | 82,160 | 25,910 | 545,296 | 0 | 2,445,757 | 3,099,123 |
| **Net Book Value 31/03/26** | 82,160 | 25,910 | 461,840 | 0 | 4,168,119 | 4,738,029 |

The above Capital has been financed as follows:

| Capital Discharged | 2025/26 | 2024/25 |
|---|---|---|
| | £ | £ |
| Capital Receipts Applied | 1,790,967 | 60,765 |
| Revenue Contributions | 2,562,750 | 2,562,751 |
| Renewals Fund | 1,201,559 | 1,196,578 |
| Revaluation Reserve | 183,060 | 183,060 |
| less Depreciation | (1,000,307) | (904,031) |
| | **4,738,029** | **3,099,123** |

## Note 11: Debtors and Prepayments

| Debtors & Prepayments | 2025/26 | 2024/25 |
|---|---|---|
| | £ | £ |
| Drainage Ratepayers | 14,221 | 8,627 |
| Sundry Debtors & Prepayments | 1,398,026 | 253,478 |
| HMRC | 475,635 | 192,300 |
| | **1,887,882** | **454,405** |

## Note 12: Creditors and Receipts in Advance

| Creditors & Receipts in Advance | 2025/26 | 2024/25 |
|---|---|---|
| | £ | £ |
| Drainage Ratepayers | (101) | (101) |
| Sundry Creditors | (1,782,150) | (573,782) |
| HMRC | (6,619) | (6,024) |
| Payroll Deductions | 0 | 0 |
| Provision for Bad Debts | (14,221) | 0 |
| | **(1,803,091)** | **(579,907)** |

## Note 13: FRS102 Pensions

The following disclosures are based upon the 'March 2026 FRS102 Report' prepared by Barnett Waddingham LLP, the fund Actuaries for the Lincolnshire County Council Pension Fund (previous Actuaries were Hymans Robertson LLP).

The impact on the Balance Sheet is:

| Balance Sheet | 31/03/26 £000's | 31/03/25 £000's |
|---|---|---|
| Present value of the defined benefit obligation | (1,459) | (1,758) |
| Fair value of Fund assets (bid value) | 2,379 | 2,599 |
| **Net (Under)/Overfunding in Funded Plans** | **920** | **841** |
| Present Value of Unfunded Liabilities | 0 | 0 |
| Unrecognised Past Service Cost | | |
| **Net Asset/(Liability)** | **920** | **841** |
| ***Amount in the Balance Sheet*** | | |
| Liabilities | | |
| Assets | 920 | 841 |
| **Net Asset/(Liability)** | **920** | **841** |

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

| Fair Value of Employer Assets | 31/03/26 | | 31/03/25 | |
|---|---|---|---|---|
| | £000's | % | £000's | % |
| Equities | 1,197 | 50% | 1,265 | 49% |
| Bonds | 335 | 14% | 368 | 14% |
| Property | 170 | 7% | 178 | 7% |
| Cash | 77 | 3% | 73 | 3% |
| Infrastructure | 106 | 4% | 114 | 4% |
| Absolute return fund | 494 | 21% | 601 | 23% |
| **Cumulative Actuarial Gains and Losses** | **2,379** | **100%** | **2,599** | **100%** |

The impact on the Income and Expenditure Account is:

| Recognition in the income and expenditure account | 31/03/26 £000's | 31/03/25 £000's |
|---|---|---|
| Current Service Cost | 54 | 75 |
| Net interest on the defined liability (asset) | (49) | (36) |
| Administration expenses | 2 | 2 |
| **Total** | **7** | **41** |

The Defined Benefit Obligation consists of:

| Reconciliation of Defined Benefit Obligation | 31/03/26 £000's | 31/03/25 £000's |
|---|---|---|
| **Opening Defined Benefit Obligation** | **1,758** | **1,873** |
| Current Service Cost | 54 | 75 |
| Interest Cost | 92 | 89 |
| Change in financial assumptions | (29) | (195) |
| Change in demographic assumptions | 43 | 0 |
| Experience loss/(gain) on defined benefit obligation | (162) | 0 |
| Liabilities assumed / (extinguished) on settlements | 0 | 0 |
| Estimated benefits paid net of transfers in | (320) | (105) |
| Past service costs, including curtailments | 0 | 0 |
| Contributions by Scheme participants and other empl | 23 | 21 |
| Unfunded pension payments | 0 | 0 |
| **Closing Defined Benefit Obligation** | **1,459** | **1,758** |

The Fair Value of Employee Assets consists of:

| Reconciliation of Fair Value of Employee Assets | 31/03/26 £000's | 31/03/25 £000's |
|---|---|---|
| **Opening Fair Value of Employer Assets** | **2,599** | **2,596** |
| Interest on assets | 141 | 125 |
| Return on assets less interest | 76 | (89) |
| Other actuarial gains/(losses) | (196) | 0 |
| Administration expenses | (2) | (2) |
| Contributions by employer including unfunded | 58 | 53 |
| Contributions by Scheme participants and other employers | 23 | 21 |
| Estimated benefits paid plus unfunded net of transfers in | (320) | (105) |
| Settlement prices received / (paid) | 0 | 0 |
| **Closing Fair value of Fund assets** | **2,379** | **2,599** |

The following assumptions have been used by the Actuary in making their valuation as at 31st March 2026:

| Assumptions | 31/03/26 | 31/03/25 |
|---|---|---|
| ***Financial Assumptions*** | | |
| Discount Rate | 6.00% | 5.75% |
| Pension Increase Rate | 2.85% | 2.95% |
| RPI Inflation | 3.30% | 3.30% |
| Salary Increase Rate | 3.85% | 3.95% |
| ***Mortality (future life expectancy at age 65)*** | | |
| Current Pensioners (Male) | 21.4 years | 19.9 years |
| Current Pensioners (Female) | 23.4 years | 23.1 years |
| Future Pensioners (Male) | 23.1 years | 21.3 years |
| Future Pensioners (Female) | 25.2years | 24.5 years |

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

| Sensitivity Analysis | Approx increase to Employer Liability % | Approx Monetary Amount £000's |
|---|---|---|
| ***Change in assumptions at 31 March 2025*** | | |
| 0.1% decrease in Real Discount Rate | 0.96% | 14 |
| 0.1% increase in the Salary Increase Rate | 0.00% | 0 |
| 0.1% increase in the Pension Increase Rate | 1.03% | 15 |
| Adjustment to life Expectancy Assumptions +1 Year | 3.77% | 55 |

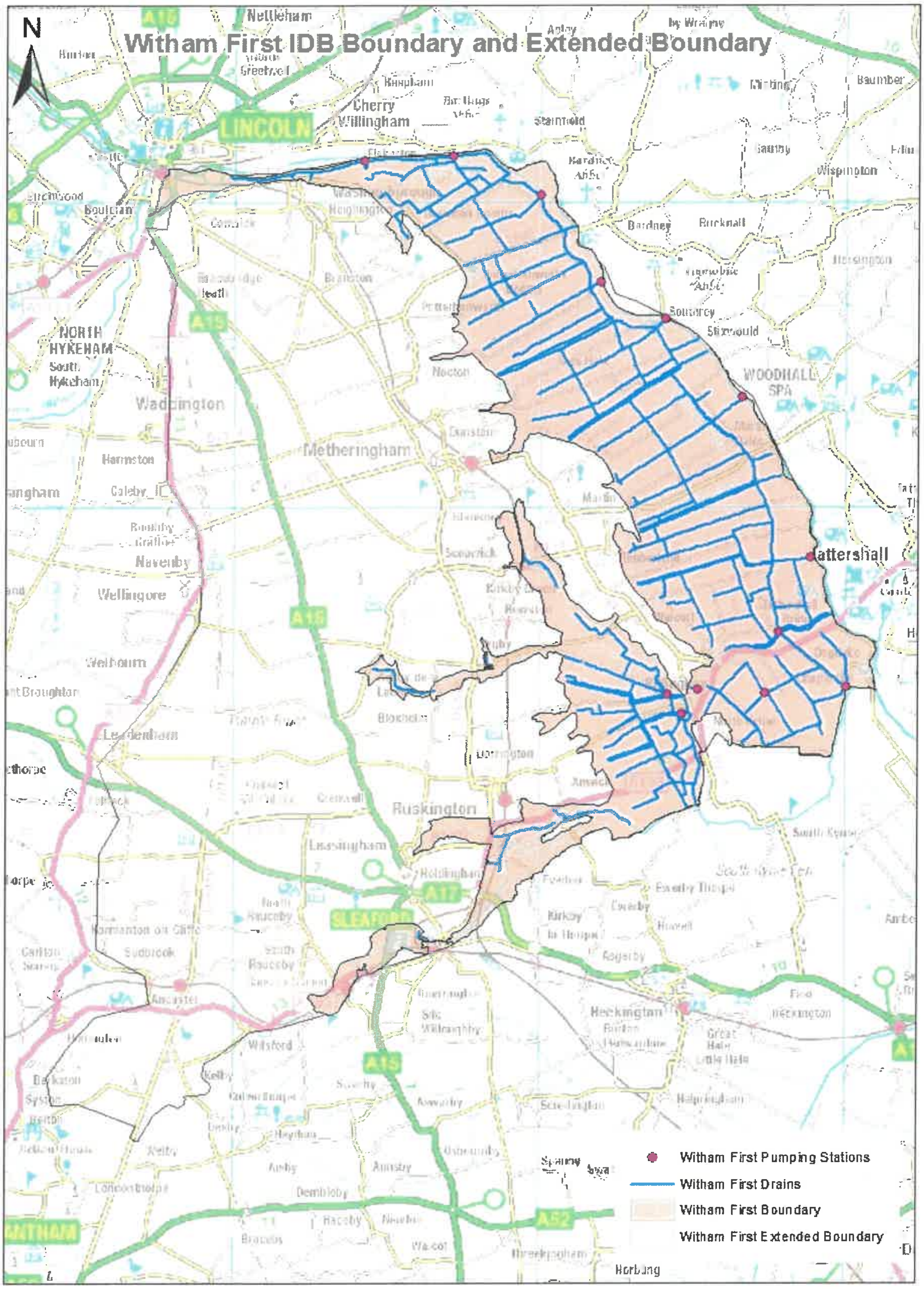
Projected pension costs: The estimated Employer's contribution for the period to 31st March 2026 is approximately £42,000.

## Note 14: Funds & Reserves

### W1st DIDB Schedule of Funds & Reserves as at 31st March 2026

| Movement on Reserves | Capital Discharged | Pensions Reserve | Revenue Reserve | Plant & Machinery Reserve | Pumping Station Reserve | One Off Projects Reserve | Emergency Events | Self Insurance | Commuted Sums | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | | | £ | £ |
| **Balance as at 31 March 2025** | **(3,099,123)** | **(841,000)** | **(317,172)** | **(292,192)** | **(245,681)** | **(652,373)** | **(280,663)** | **(50,000)** | **(105,055)** | **(5,883,259)** |
| | | | | | | | | | | |
| Depreciation | 115,096 | | | (107,256) | (7,840) | | | | | **0** |
| Capital Purchases | (1,755,202) | | | 25,000 | 1,730,202 | | | | | **0** |
| Capital Disposals | 1,200 | | | (1,200) | | | | | | **0** |
| Pension Interest Cost (Net) | | (79,000) | | | | | | | | **(79,000)** |
| Contributions In | | | (75,000) | (75,000) | (1,875,202) | | (65,000) | (100,000) | | **(2,190,202)** |
| Contributions Out | | | | | | 534,505 | | | | **534,505** |
| Transfers | | | | | | | | | | **0** |
| (Surplus)/Deficit on I&E | | | (40,075) | | | | | | | **(40,075)** |
| | | | | | | | | | | |
| **Balance as at 31 March 2026** | **(4,738,029)** | **(920,000)** | **(432,247)** | **(450,648)** | **(398,521)** | **(117,868)** | **(345,663)** | **(150,000)** | **(105,055)** | **(7,658,031)** |

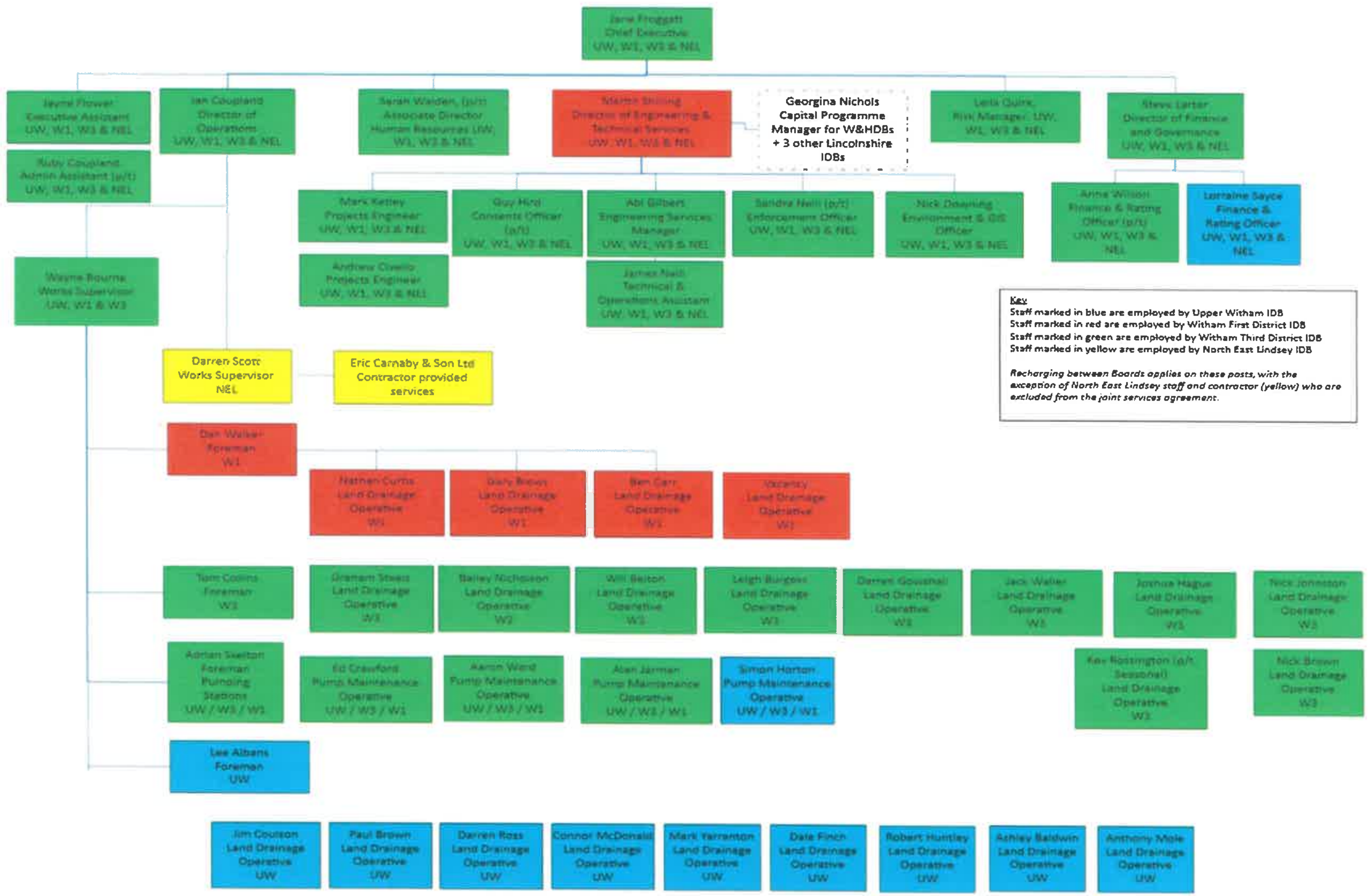
## Appendix 1




© Crown copyright and database rights 2012, Ordnance Survey 100005513 0 2.75 5.5 11 Kilometers

## Appendix 2

**Witham and Humber Drainage Boards' Organisational Structure Chart**

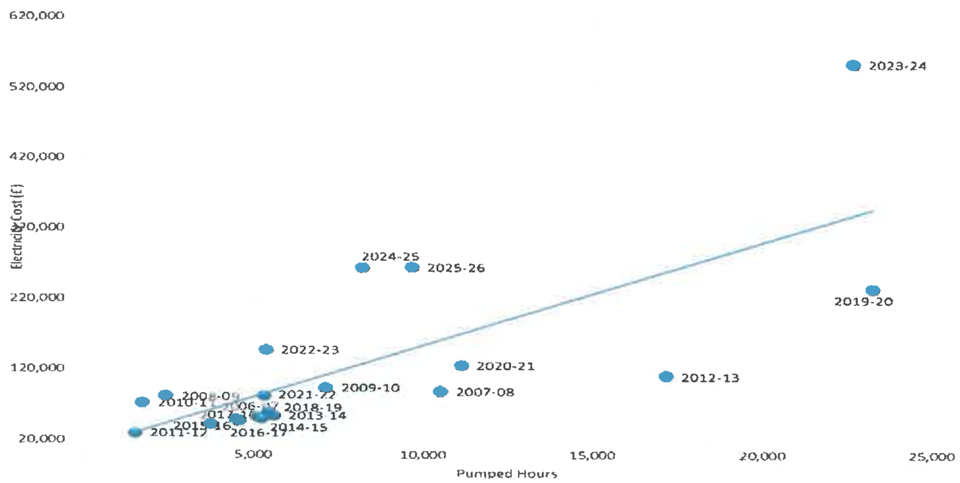


# Appendix 3

## Witham First DIDB: Interrelationship between Rainfall, Pumped Hours and Electricity Costs

| Pumping Station | 2021-22 | | | 2022-23 | | | 2023-24 | | | 2024-25 | | | 2025-26 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 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 (£) |
| Billinghay | | 0.03 | £ 412.35 | | 0.02 | £ 446.79 | | 34.47 | £ 2,229.59 | | 3.00 | £ 779.92 | | - | £ 680.19 |
| Blankney | 492.00 | 413.69 | £ 10,667.11 | 452.50 | 366.00 | £ 18,485.62 | 824.00 | 1,896.58 | £ 81,846.63 | 230.00 | 642.00 | £ 34,166.38 | 457.00 | 859.00 | £ 39,659.19 |
| Branston | | 717.65 | £ 7,313.79 | | 756.80 | £ 13,590.45 | | 2,204.81 | £ 48,283.58 | | 911.00 | £ 18,214.72 | | 1,095.00 | £ 20,704.42 |
| Chapel Hill | | 252.90 | £ 8,733.60 | | 250.76 | £ 16,398.90 | | 1,310.98 | £ 52,663.36 | | 301.00 | £ 39,691.74 | | 519.00 | £ 32,889.57 |
| Digby | | 242.90 | £ 3,665.54 | | 266.90 | £ 6,839.15 | | 1,804.90 | £ 32,987.57 | | 416.00 | £ 15,951.84 | | 435.00 | £ 12,816.28 |
| Farroway | | 1,013.67 | £ 6,585.24 | 440.50 | 950.55 | £ 13,673.98 | 784.50 | 3,629.84 | £ 49,040.80 | | 1,755.00 | £ 26,192.17 | 493.00 | 1,883.00 | £ 25,428.61 |
| Heighington | 468.50 | 658.73 | £ 6,194.25 | 480.50 | 807.46 | £ 12,536.12 | 772.50 | 2,874.53 | £ 50,266.54 | 507.50 | 767.00 | £ 15,270.52 | 520.50 | 1,122.00 | £ 19,766.42 |
| Metheringham | 511.50 | 491.03 | £ 7,775.07 | 500.50 | 412.92 | £ 12,766.19 | 710.00 | 1,773.12 | £ 48,697.71 | 411.00 | 573.00 | £ 19,991.65 | 457.00 | 859.00 | £ 24,367.94 |
| Nocton | | 307.01 | £ 11,031.15 | | 265.07 | £ 19,474.56 | | 944.12 | £ 62,985.75 | | 340.00 | £ 30,735.59 | | 708.00 | £ 37,927.78 |
| North Kyme | | 143.70 | £ 1,659.18 | | 147.06 | £ 1,570.12 | | 1,219.26 | £ 6,532.71 | | 244.00 | £ 3,773.25 | | 167.00 | £ 382.62 |
| Ringmoor | | 74.10 | £ 839.16 | | 126.70 | £ 290.77 | | 976.46 | £ 1,488.88 | | 305.00 | £ 638.81 | | 82.00 | £ 572.28 |
| Sandhill Beck | | 436.24 | £ 4,556.91 | | 482.04 | £ 8,191.68 | | 884.63 | £ 20,461.67 | | 788.00 | £ 13,757.64 | | 731.00 | £ 13,821.55 |
| Timberland | 523.50 | 534.18 | £ 14,803.14 | 519.50 | 549.64 | £ 23,320.85 | 776.40 | 3,146.14 | £ 96,422.71 | 552.50 | 1,184.00 | £ 44,666.28 | 541.00 | 1,226.00 | £ 35,623.27 |
| Total | 498.88 | 5,285.83 | £ 84,236.49 | 478.70 | 5,381.92 | £ 147,585.18 | 773.48 | 22,699.84 | £553,907.50 | 425.25 | 8,229.00 | £263,830.51 | 493.70 | 9,686.00 | £264,640.12 |

**Interrelationship between Electricity Costs and Pumped Hours**




**Interrelationship between Rainfall and Pumped Hours**