

WITHAM FOURTH DISTRICT INTERNAL DRAINAGE BOARD

MINUTES

of the proceedings of the **Board** at a Meeting held via Zoom due to the Covid 19 pandemic on
Wednesday, 9th June 2021.

Present: - P. Richardson (Chairman)

Messrs: T. Ashton C. Hardy
R. Austin A. Hall
P. Bedford A. Harrison
B. Bowles N. Jones
C. Crunkhorn (Vice-Chairman) R.F. Leggott
J. Grant P. Skinner
R. Hall-Jones K. Smith
J. Ward

1 **CHAIRMAN'S ANNOUNCEMENTS**

1.1 **Congratulations**

To Cllr Frank Pickett who has been elected "The Worshipful the Mayor" of Boston and to Cllr Tom Ashton who has been elected Deputy Mayor. The Chairman wished them well in their mayoral year.

1.2 **Committees**

Unfortunately, nobody had contacted the Chief Executive Officer about the Committee Vacancies. The Chairman asked Members to indicate to the Chief Executive Officer which vacancies they would like to fill, particularly the Governance and Risk Committee which has lost 2 Members.

J. Grant - confirmed he was happy to sit on the Governance & Risk Committee to ensure sufficient Farmer representation.

2 **APOLOGIES**

Apologies had been received from J. Woods and A. Saul. Also, in attendance was Mr Chris Harris, the Internal Auditor.

3 **DECLARATION OF INTEREST ON ANY GENERAL ITEM**

Declared an interest in discussions about Triton Knoll/Viking Link – P. Richardson, J. Grant
Wrangle Pumping Station – B. Bowles
The Chairman also added that his Partner was now also a member of Boston Borough Council.

4 **DEFRA APPROVED UPDATED STANDING ORDERS**

The Vice-Chairman referred Board Members to item 5 of the document which allowed the Board to continue with Zoom meetings should the anticipated easing of lockdown not happen on 21st June 2021. The Vice-Chairman confirmed that this document would require Board's approval.

J. Grant - asked why Parish Councils could not continue with Zoom meetings but IDBs could? The Chief Executive confirmed that SAAA had confirmed that Drainage Boards are not covered by Local Authority legislation, but parish councils are. IDBs can continue to proceed with Zoom meetings provided the Standing Orders have been approved by DEFRA.

The Vice-Chairman asked if someone would propose the approval of the Standing Orders?

J. Grant proposed the approval, and this was seconded by P. Skinner. There was a show of hands, and it was unanimously approved.

5 **MINUTES**

5.1 **Board Meeting – Wednesday 3rd February 2021**

The Minutes of the Meeting of the Board held on 3 February 2021 were submitted and their accuracy confirmed and signed by the Chairman. There were no matters arising and the Board gave their approval for the Minutes to be signed.

J. Grant - pointed out a typographical area on page 57. It states £40,000 and it should be £40,000. Apologies were given and the Minutes will be amended to reflect the correct figure.

6. **MEETINGS WITH OUTSIDE ORGANISATIONS**

The Chief Executive confirmed there were very few meetings which had taken place. A couple had been attended by himself and Cllr. Tom Ashton but he would take the Report as read unless anyone had any questions.

The only thing he would add is the disappointment that the Environment Agency (“EA”) will not award a multi-year maintenance contract instead, choosing to award an annual contract. Whilst this provides less assurance to enable the Board to commit to certain investments. The Board has been given assurance that the work they are currently undertaking on the EA’s behalf will be repeated.

J. Grant - asked if this was because they were looking at budgets on a short-term basis? The Chief Executive confirmed Treasury was happy for a 6-year capital investment programme but since the end of last year were not prepared to award multi-year maintenance contracts. Colleagues at the local EA were just as bemused by this decision.

7. **CHIEF EXECUTIVE AND FINANCE MANAGERS REPORT**

7.1 **Cash Book Balances**

The Chief Executive went through his report and read through the list of larger payments made.

7.2 **Rate Arrears as at 31 March 2021**

The Chief Executive confirmed there was a detailed list of rate arrears in the report.

Almost 99% of the rates had been recovered and of the arrears bought forward from previous years, two of the larger debts had now been recovered.

Rate Demands for the current year have been sent out and payments are being received.

7.3 **Income from Credit card payments to 31 March 2021**

The Chief Executive confirmed that the phone lines had been exceptionally busy with people calling to make payments which as at today’s date, totalled almost £370,000. People continued to ring in to make payment over the telephone, especially in the current circumstances.

7.4 **Accounts Year Ending 31 March 2021**

The Chief Executive confirmed there were three areas to cover in the meeting. Firstly, the Internal Audit which would be explained by Chris Harris shortly, secondly the formal approval of the Accounts and the Annual Return and thirdly, the external audit process which has not happened yet.

8. **Internal Audit and Financial Statements for the year ended 31 March 2021**

8.1 **Internal Audit – report from Internal Auditor for 2020/21**

The Chief Executive asked Chris Harris, the Internal Auditor who was attending the meeting, to take the Board Members through his report.

- J. Ward* - queried the Minutes on page 52 – C. Hardy suggested that £500k be placed on deposit account but this had not been done. The Chief Executive confirmed that we had held £500k on deposit and had believed the agreement was that the Board would re-invest this if the interest rate improved. Unfortunately, it has not, so the funds are still being held in the current account
- J. Ward* - confirmed that was not what was reflected in the Minutes and perhaps the Minutes should be amended accordingly. The Chief Executive confirmed this was not his recollection, but the Minutes could be amended if everyone agreed. The Chairman intervened and agreed that the Minutes would be amended.

The Internal Auditor began by thanking the Chief Executive and his staff for their assistance given to him during this remote audit. He went through his report and began by pointing out that the Board had been given the highest level of assurance, which was “substantial assurance”. There were two recommendations shown on page 2 of his report. The first related to a previous recommendation that the Chief Executive had been working on regarding the register of older plant and machinery. The second point was in relation to the Transparency Code which required certain information to be displayed on the website, which he was pleased had been bought up to date.

The Internal Auditor confirmed it had been a very clean audit and there was good governance and control in place. He was able to complete the Internal Audit section of the AGAR and confirmed that the Board were able to confirm on the AGAR, that good governance procedures were in place. He remained for the rest of the Board Meeting.

- J. Grant* - asked if the issue with regard to the transparency code had been ongoing for a while? The Internal Auditor confirmed this was a bit of a grey area as the Drainage Boards are not classified as a local authority but by some quirk Drainage Boards are included in the public transparency code. There had been a couple of items that had fallen slightly behind.

Management Accounts – Approval for the year ended 31st March 2021

The Chief Executive referred Board Members to the Financial Statements which were included in the folder showing the Spearhead on the front cover. Page 1 provided an overview of the financial commentary for the year. Pumping costs were £50,000 higher than estimated because of the wet weather experienced in 2021. However, the Board had managed to sell some machinery/equipment which had resulted in funds totalling £160,000. As anticipated, the Board had also received in excess of £130,000 from Triton Knoll. Also reflected is the impact of the work the Board is completing on behalf of the EA, which is contributing towards supervision and administration costs. In the last year £1.2 million had been invoiced to the EA although not all work had yet been completed and would be done in this current year.

The Actuary reviewed the Pension scheme and although there is more going into the fund monthly than going out, the actuary’s view of the deficit is an £876,000 increase. This is a snapshot in time of where they think liabilities are going.

Page 4 shows income and there is a consistent amount for drainage rates and Special Levies. Consenting also contributes to this and also the one-off payments from Triton Knoll/Viking Link. Rechargeable works are shown at £1.4 million, £1.2 million of which relates to EA works. Total income is now £4.6 million.

The Chief Executive ran Board Members through the remainder of the Financial Statements and the Reserves. The General Reserve last year ended very low, and the Board are trying to reach 20% of the annual expenditure. The increase in the General Reserve is £160k, £130k of that is in relation to the Triton Knoll/Viking Link payments so the Board is still somewhat short of the proposed 20%. The position has significantly improved upon last year. Every 5 years, the properties and the office are valued and this year this has shown an increase of £101k. The Board does not usually sell land, but the Board has been approached about selling

a strip of land near the Jolly Farmer bank. This would not interfere with the Board's maintenance programme but is something that would need Board approval and will be discussed after the accounts have been dealt with.

The Chief Executive briefly ran through the Statements for the Board and asked if anyone had any questions.

J. Grant - asked if the land the Board had purchased was currently being grazed. The Chief Engineer confirmed that it was fallow at present as the cattle were causing damage and there was an issue with ragwort. Consideration was being given to biodiversity gains as we review the BAP.

The Vice-Chairman wanted to reiterate that the General Reserve needed to be returned to 20% minimum to cope with increased cost for increasingly common weather events. The Chairman agreed and said that the Reserve needed to be set at 20% plus. Weather events can cost up to £400k. The Board were still trying to deal with slips from the last weather event.

J. Grant - agreed with this proposal. There was a fine line to accommodate the Borough Councils and the ratepayer, but the rate increase is needed to ensure that these works can be carried out as and when required. The Chairman felt that we need to be more resilient so works in relation to weather events can be carried out without having an adverse effect on the spending for routine works.

The Chief Executive asked the Board for approval of the accounts. P. Skinner proposed the accounts be approved and this was seconded by A. Harrison. There was overall approval from the Board.

8.2 **Approval of the Accounts and Annual Governance and Accountability Return (AGAR) – year ended 31 March 2021.**

The Chief Executive referred Board Members to the Annual Governance and Accountability Return 2020/21 Part 3 ("AGAR"). Pages 1 and 2 set out details of what is required, and Page 3 details the Internal Audit Report. Where C. Harris, the Internal Auditor, had already signed this off.

8.2 (1) The Chief Executive asked Board Members to review, confirm and approve the Annual Governance Statement and there was overall approval from the Board. It was therefore

RESOLVED that the Annual Governance Statement for the Year Ended 31 March 2021 be approved and signed by the Chairman and Chief Executive.

8.2 (2) The Chief Executive confirmed that Section 2 of the Annual Return dealt with Accounting Statements which summarised the figures from the Management Accounts and the Board could see that the figures agreed. The Chief Executive asked for the approval of the Board for the Chairman to sign the Accounting Statements. There was overall approval from the Board. It was therefore:

RESOLVED that the Accounting Statements for the Year Ended 31 March 2021 be approved and signed by the Chairman.

8.2 (3) **External Audit**

The Chief Executive confirmed that he would send the approved AGAR, to the External Auditors. Their Audit Report together with the signed External Audit Opinion would hopefully be received in time to be discussed at the September Board Meeting. The Chief Executive confirmed that a notice would be placed on the website and would also be displayed on the notice board in the Office Reception, offering ratepayers the opportunity for public inspection.

The Chief Executive asked the Board Members if they would consider selling a strip of land in front of the property near the Jolly Farmer bank at Freiston? The Board did not use this strip of land. A discussion followed and some Board Members indicated that they would like

to see the land in question before making a final decision. The Chief Executive confirmed that he had told the ratepayer that this would be discussed today and that whilst the Board were not against the proposal, they did require further information.

J. Grant - asked if a copy of the plan could be e-mailed to Board Members for consideration?

The Chief Executive confirmed he would e-mail the plan and that any Board Members that wanted to, could visit the site. The Chief Engineer showed the Board a copy of the plan.

9. **CHIEF ENGINEER'S REPORT NO. 1/21**

The Chief Engineer confirmed, as usual, he would take the report as read and provide Board Members with any relevant updates and was happy to take any questions that Board Members may have.

9.1 **Pumping Station Operations**

The Chief Engineer updated the Board that 348 hours pumping had been completed in May.

9.2 **Hobhole Pumping Station**

The Chief Engineer drew Board Members attention to Item 1.2.1 regarding the access road. Following the last Board meeting, the Chief Engineer had gained further clarity regarding the Rights of Way issue. As reported, he met with the LCC Public Rights of Way Officers and they had confirmed the public do have right of way across the back of the diesel station. As a result, he would be seeking the Board's approval for a gate at the end of the access road near Cut End for out of hours and emergency closures. He had not yet obtained any prices for the gates but just wanted to ensure the Board were agreeable to this option.

A discussion followed regarding the proposed site for the gates. The Chief Engineer confirmed the gates would only be closed of an evening and in emergency situations and any persons behind the gates would be able to get out if need be.

B. Bowles - raised concerns that people were being more and more limited in places that they were able to take their dogs for a walk. The more places that are closed has a knock-on effect on the visitor numbers visiting places that are still open such as the sea banks.

The Chairman confirmed that the main issue was security for the site, and this was the easiest way to deal with the issues.

P. Skinner - confirmed that the 3 residents on the Jolly Sailor bank would struggle with opening a fixed gate and perhaps might be best to consult with them regarding the proposed closure of the road.

The Chief Engineer confirmed he had already written to the residents confirming that there would be some changes there but that he would keep them fully informed of any proposed changes. It would not be a traditional heavy gate but one with a sensor which would be operated by fob.

J. Grant - suggested that thought be given what would happen in the event of a power failure. The Board needed to consider the rights of the private residents as well as the commercial requirements. Perhaps security fencing around the asset might be more appropriate.

The Chief Engineer confirmed he would give the matter further thought and would report back to the Board with the best solution at the September Board meeting.

9.3 **Engine No 2 Strip Down**

The Chief Engineer confirmed that this work was well underway, earlier than anticipated, and the engine issue was now being investigated.

9.4 **Rainfall and Water Level Management**

The Chief Engineer updated the Board that 68.9mm had been recorded for May.

9.5 **Summer Retention Level Concern**

The Chief Engineer confirmed a concern had been raised regarding the summer retention level in the East Fen Catchment. The Chief Engineer and Charles Hardy met with the Occupier who was concerned that his field had been under water for most of the winter and was very bare now. The field was now going to maize. The Chief Engineer confirmed the levels were at the summer retention level, where they have been since 2009 and at certain times of the year land drainage will be under water. The Occupier had asked if this could be brought to the Board's attention. In the meantime, the levels had been reduced because prevailing conditions had made that possible, to see whether this would improve the situation, but this reduction had meant that the levels had been dangerously close to the "hands off level" stipulated on all abstraction licences.

The levels were last reviewed in 2009 by the Engineering Manager. The Chief Engineer's personal opinion was that levels could not be set just to satisfy one person but if there was a genuine issue then this needed to be addressed. The Chief Engineer asked the Board for their thoughts.

J. Grant - thinks it works well but with the volumes of water experienced in May, the drains are sometimes overworked, and it takes time. The riparian owners have to do their share of work to get their water into the Board's drains. Is mechanical maintenance as good as chemical maintenance?

The Chief Engineer confirmed that whilst he works within the parameters set, he likes to be proactive if the prevailing conditions allow a different approach. Unless there is a widespread problem across the whole East Fen catchment it does not justify reviewing the levels again, unless members that farm in that area believe there is an issue.

J. Grant - confirmed that many issues are as a result of aged drainage infrastructure on the farms. There is a lot that farmers can do to help themselves and the drainage boards.

R. Leggott - believed that the Chief Engineer's flexible approach is the correct approach. He also agrees with J. Grant's comments about aged drainage infrastructure adding to the issues.

The Chief Engineer advised that he needed to respond to the landowner, and he would do so stating that whilst the levels will not be reviewed the Board will continue to be flexible and assist wherever possible.

The Vice-Chairman confirmed that the drainage system had to be right for the majority and not just for one landowner.

K. Smith - agreed that the Chief Engineer needed to remain flexible because there are so many extreme weather events, that parameters cannot be set in stone.

9.6 **Soil Moisture Deficit**

The Chief Engineer advised the Board the latest average figure for May totalled 44.9 mm.

9.7 **Channel Maintenance Operations**

The Chief Engineer confirmed that critical cutting work was now being undertaken in respect of 100,000m of the most vulnerable areas. This work had started slightly later but was now well underway and should be completed by the end of June 2021.

The Sewer maintenance programme has been completed as has the Bushing programme although not everything was completed because of the bad weather in January/February a lot of the machines were stood down and pumping was given priority.

9.8 **Planning**

The Chief Engineer apologised for the number of pages relating to planning but said there had been a large number of applications and it was quite a long period between Board meetings this time.

There were just a couple of updates in relation to Planning.

(a) Alcorn Green

The Board's solicitor was finalising the Agreement.

(b) Cross Keys Lane, Coningsby

The Chief Engineer confirmed that Alan Harrison had kindly visited the site and provided some very useful information. ELDC have taken notice of our comments. These concerns have been noted and it will be a condition of the planning approval that these will be met.

A. Harrison - confirmed the state of the riparian owned ditches were of concern and needed to be addressed.

J. Grant - asked if there had been any update regarding the large development at Spilsby? The Chief Engineer confirmed that there had not been an ELDC PAD meeting held but this was a very similar situation to the previous matter and were awaiting some information from the developers.

J. Grant - added a separate application had now been submitted in respect of the medical centre and this would cause additional water in our systems.

9.9 **Viking Link**

The Chief Engineer updated members that he had received a package of drainage consents which he needed to review. Once these have been completed the consents will be concluded for Viking Link.

9.10 **Policy Approval**

The Chief Engineer confirmed that he had sent out the Policy documents for review before the meeting. The Chief Engineer was looking to tighten up the operational policies in place alongside the Development and Consent Control Guidance which he had recently written which is designed to give developers an idea of what is and is not acceptable to the Board in the pre-development stages. The Chief Engineer was happy to answer questions but was seeking approval for the following:-

1. Culvert and Watercourse Policy
2. Injurious Weeds Policy
3. Nine Metre Easement Policy
4. Development and Control Guidance.

The Chairman asked if there were any questions.

N. Jones proposed that all 4 policies should be approved as per The Chief Engineer's proposal. There was a show of hands, and it was unanimously agreed that the four policies be approved.

J. Grant - suggested using temperature testing before operatives start work and having screens in shared vehicles. The Chief Engineer said he would consider this if needed.

9.11 **Plant and Equipment**

The Chief Engineer confirmed the purchase of the front mounted Flail Mower approved by the Board at a cost of £15,500 and was due for delivery in July.

J. Grant - asked if the Chief Engineer was happy with the vans purchased? The Chief Engineer confirmed he was pleased with them, and they have adequate ground clearance, and they are working out well.

- J. Grant* - asked what the costs implication had been? The Chief Engineer confirmed these figures would be presented at the September Board meeting.
- C. Hardy* - asked if the Depot had the use of a van? The Chief Engineer confirmed they had the use of the Hilux with the bowser on the back together with the use of another pick-up.

9.12 **Flood Defence Grant in Aid Projects**

The Chief Executive was pleased to confirm he had just received the information regarding the Catchment Modelling, and this would be presented to the Board at the September Board meeting once he had had a chance to digest the same.

The Benington and Leverton Pumping Station inspection reports had been included with the paperwork for Board Members perusal. The Chief Engineer confirmed that whilst the findings were not brilliant, they were not all doom and gloom and that there was life left in both assets as they stand but they will require serious investment.

With regard to Wrangle Pumping Station, Stantec UK are preparing an Outline Business Case for the refurbishment/replacement of the station. The longer-term plan of extending the coastal catchment back to Old Leake will be considered when looking at the Benington and Leverton refurbishment programme. The primary focus is the replacement of Wrangle Pumping Station and the funding that is available. The Chief Engineer will then be able to provide an estimate of the actual costs, the funding available and the Board's contribution to the works.

9.13 **Goosemuck Lane, Sibsey**

The Chief Engineer confirmed this was a long running issue which he would like to resolve for the residents before they have to endure another winter of flooding. He requested the Board's approval to proceed with the project and for a contribution towards the project cost of not more than £10,000. Anglian Water and East Lindsey District Council will also be making contribution towards the final cost of £23,000. There were no comments from the Board.

- J. Grant* - asked if the Engineer was happy with the relationship with the EA staff for the work being done with regard to the main river maintenance. The Chief Engineer confirmed there had been an excellent relationship, but the contact had now left. He believed that the EA need to be shown the importance of the work being done, such as mudding, and is confident they will be bought round to our way of thinking.

9.14 **Staff Matters**

The Chief Engineer confirmed that Joe Larder who has been brought in to replace the Workshop Foreman is settling in very well and picking the role up quickly. The Workshop Foreman's services should be able to be dispensed with within a month. Lee Marshall is now shadowing the East Fen Foreman who is due to retire shortly. Lee Marshall will then be promoted to East Fen Supervisor.

- R. Leggott* - asked if the Board's infrastructure had failed at Goosemuck Lane? The Chief Engineer confirmed this was a riparian issue where recent weather events had overwhelmed the existing system. Basically, a new pipe was needed to take the water into the Board's system via a different route. There was no liability on the Board to contribute but the Chief Engineer wanted to have a partnership approach to resolving the issues for the ratepayers.

- R. Leggott* - felt this was setting a dangerous precedent for the Board.
J. Grant - agreed.

A discussion followed and the Chief Engineer confirmed that if the Board were uncomfortable with this, he would shelve the project until next year. The Chief Engineer was hopeful that Anglian Water would pay the majority of the costs and perhaps the Board would consider making a token gesture.

- J. Grant* - suggested proceeding with the work but that the Chief Engineer should secure definite figures first.
- J. Ward* - asked if this was a riparian owned pipe who would be responsible for maintaining it? The Chief Engineer confirmed the Board would. .

9.15 **Tax Treatment of Red Diesel**

The Chief Engineer confirmed there was not much to add to the comments in his report and that this would have to be accepted as an additional cost from April 2022.

- A.Saul* - noted the anticipated £90k increase in duty to the Board figure and asked about Contractor involvement. The Chief Executive confirmed that this figure would equate to a 4-5% increase on the rate.

The Chairman confirmed that the taxation on Red Diesel was a very major issue.

- J. Grant* - suggested trying to claim that the Board should be considered as an emergency service. The Chief Executive confirmed that ADA had approached the Treasury regarding this but ultimately it was a way of creating a better carbon footprint and perhaps money would be better spent renewing ageing assets.
- T. Ashton* - asked if we were absolutely certain that this applies to pumping stations as Witham Third did not seem to think it did. The Chief Engineer confirmed that this had not been mentioned at the ADA Technical and Environment meeting.
- K. Smith* - asked if it was possible to purchase an electric teleporter? The Chief Engineer confirmed it was but at present only small ones were available, but he felt certain that, in time, these would be readily available.

The Chairman added that even if the pumping stations were converted to electric, they would still need standby diesel generators.

- P. Skinner* - added that lobbying had already commenced because if this resulted in a 5% increase on the rate, it would really hit the Borough Council and the drainage rate would need to be shown separately on the council tax bills. The Chairman agreed that this was a major issue and would have big ramifications on the budget

9.16 **Health & Safety**

The Chief Engineer confirmed there was nothing further to report.

10. **ENVIRONMENT REPORT**

The Chief Engineer ran through the Environment Report with the Board. The BAP had been updated ready for a review in the Autumn.

- J. Grant* - was disappointed with the results of the eel pass at Lade Bank.

11. **ANY OTHER BUSINESS**

- B. Bowles* - advised that the soil from the Board had not arrived at the Wrangle Sea banks car park and the area was still very sharp. The Chief Engineer had discussed this with the Operations Manager this morning and the soil would be transferred next week.
- J. Grant* - asked if it would be possible to have a breakdown of the amount of diesel used for each type of work? The Chief Engineer confirmed that it would be difficult to itemise this. The team were already looking where efficiencies could be made and everyone was focusing to make sure there was a purpose to everything the Board does.
- R. Leggott* - suggested approaching the Treasury. The Chief Engineer confirmed that Treasury were struggling for money, and he did not want to waste too much time trying to fight the inevitable

The Chairman concurred that the Board would not win in this situation and that we would have to resign ourselves to the fact that we would be looking at a 4-5% increase on the rate.

There was No Other Business and the meeting concluded at 3.57pm.

Chairman