

WITHAM FOURTH DISTRICT INTERNAL DRAINAGE BOARD

MINUTES

of the proceedings of the **Board** at a Meeting at the Boston & County Club on **Wednesday, 15th June 2022.**

Present: - P. Richardson (Chairman)

Messrs: P. Bedford M. Leggott
C. Crunkhorn (Vice-Chairman) F. Pickett
C. Hardy K. Smith
A. Hall A. Saul
A. Harrison J. Woods
N. Jones

Also, in attendance were Mr Chris Harris, the Internal Auditor and observing, A. Clarke, Operations Manager.

1 **CHAIRMAN'S ANNOUNCEMENTS**

1.1 **Inspection 15th June 2022**

The Chairman confirmed that today's inspection had been a remarkable success. The Chairman believed that this should be an annual event as it provided Board Members with a much greater understanding of the work and projects that were ongoing in the district.

1.2 **New Board Members**

Boston Borough Council have appointed Judith Welbourn to the Board in place of Nigel Welton and the Chairman looked forward to welcoming her to the September Board meeting.

1.3 **Former Employee**

The Chairman was sorry to confirm that Bryan Smith had passed away at the Manor Care Home in February aged 84. The Board had sent a card to his Partner. Bryan had worked for the Board most of his working life and again during his retirement.

1.4 **Lincolnshire Show 22-23 June 2022**

The Chairman reminded Members attending the show that the ADA Lincs branch had a stand in the Countryside Area, near the clock tower.

1.5 **Annual ADA Conference**

The Chairman confirmed that the ADA Board have agreed to split the traditional conference and AGM into two separate events. The AGM will now be held online on 28 September 2022 and the ADA Annual Water Management Conference will be held on 9 November 2022 at Dyson's conference facility at Nocton.

2 **APOLOGIES**

Apologies had been received from J. Grant, R. Hall-Jones, B. Bowles, R. Austin, P. Ashleigh-Morris, T. Ashton, J. Ward, and P. Skinner.

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

None

4 **MINUTES**

4.1 **Board Meeting – Wednesday 9th February 2022**

The Minutes of the Meeting of the Board held on 9 February 2022 were submitted and their accuracy confirmed. There were no matters arising and the Board gave their approval for the Minutes to be signed.

The Chief Engineer added that with regard to Minute 10.6.2 Request to plant hedging adjacent to sewer 4/10, a letter had been sent to the ratepayer advising that consent would only be given for a fence but the ratepayer was unhappy with this and was seeking independent legal advice.

M. Leggott - believed the Board's prospects of success were good because of the byelaws. However, the result of this could potentially affect all IDBs.

C. Hardy - asked if the hedge had already been planted? The Chief Engineer confirmed that it had been planted assuming that consent would be granted. The ratepayer had been advised that this was illegal but had felt it was worth taking the risk in any event.

The Chairman added the Board had implemented guidelines regarding this moving forwards. The Operations Manager had discovered this hedge when undertaking routine maintenance works.

K. Smith - believed the Board should fight the case bearing in mind the costs of maintenance to the Board for plants that should not be there in the first place.

5. **MEETINGS WITH OUTSIDE ORGANISATIONS**

The Chief Executive confirmed there were very few meetings which had taken place and he would take the report as read unless anyone had any questions. A couple of points he wished to raise were that RFCC had frozen the IDB precept and the ADA Governance guide had now been approved.

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

6.1 **Cash Book Balances**

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

6.2 **Rate Arrears as at 31 March 2022**

The Chief Executive confirmed there was a detailed list of rate arrears in the report and was pleased to confirm that 99% of the rates had been recovered.

6.3 **Rate Income 2022/23**

The Chief Executive confirmed that Rate Demands for the current year have been sent out and payments are being received.

7 **Accounts Year Ending 31 March 2022**

The Chief Executive confirmed there were three areas to cover in the meeting. Firstly, the Internal Audit which would be covered by Chris Harris, 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 2022**

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.

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."

The Internal Auditor confirmed there were a couple of minor issues :- some house-keeping corrections and updates that the Chief Executive now had in hand. The Reserves needed to be maintained at a reasonable level as stated in the Policy. This was more important now than ever with regard to price increases and the climate changes.

The Internal Auditor was pleased to note good attendance by the Board which was essential to good governance. If elected to be a Board Member it was especially important that meetings were attended.

The Chief Executive added the signing of the AGAR should give the Board assurance that good governance was in place.

The Internal Auditor confirmed it had been a very clean audit and there was good governance and controls in place. He remained for the rest of the Board Meeting.

The Chairman confirmed that the Board was very aware of the issue concerning the level of the Reserves and this was due to be reviewed at the next Governance & Risk Committee meeting. The Vice-Chairman confirmed that the 20% target was really a moving goalpost and it was the Board's intention to improve upon the level of General Reserve. He was confident that this would be achieved but that it would take time to get there. It was agreed that, by the end of Autumn, the Board would have a clearer idea of the position and a full Governance meeting was being held on 11th October 2022 to address this issue. The Vice Chairman was aware that other Boards had increased the level of their Reserves to 30%. The Chairman added ideally it was essential that Reserve funds could cover the costs of two potential weather events and still have surplus funds available.

N. Jones - added that the Board needed to be careful with regard to rate rises in the current economic situation and did not feel that the Reserve was the be all and end all.

8.1 **Management Accounts – Approval for the year ended 31st March 2022**

The Chief Executive referred Board Members to the Financial Statements which were included in the folder showing the Wrangle Pumping Station outfall to the Wash on the front cover. Page 1 provided an overview of the financial commentary for the year.

The Establishment expenses were as expected. The Reserves as set out in the Strategic Plan were maintained at a healthy level and the General Reserve was now at £530k, still less than the desired 20%.

The Public Sector Co-operation works (Environment Agency) were a good cost recovery for the Board. The Actuarial review of the pension shows the deficit has reduced.

Page 4 showed a general review of income and there is a consistent amount for drainage rates and Special Levies.

The Chief Executive ran Board Members through the remainder of the Financial Statements and the Reserves and confirmed that £130k had been transferred to other reserves. The rechargeable works figure is the gross figure and the full cost recovery was slightly less than last year.

The balance sheet showed level assets of £4 million, the current assets and liabilities have reduced. With regard to the other reserves, the Plant Renewals is building up and the Pumping Station Renewals is a buffer fund. The Board is in a healthy position.

The accounts on pages 13-14 set out details of operational work in the district and pumping station cost which have significant movement year on year. Details of weed control costs were set out on page 13 together with details of the additional £40k required for slip repairs which were picked up after the heavy rainfall.

The Chief Executive asked the Board for approval of the accounts. P. Bedford proposed the accounts be approved. K. Smith seconded this. There was overall approval from the Board.

8.2 **Approval of the Accounts and Annual Governance and Accountability Return (AGAR) – year ended 31 March 2022.**

The Chief Executive referred Board Members to the Annual Governance and Accountability Return 2021/2 Part 3 (“AGAR”). Pages 1 and 2 set out details of what is required, and Page 3 details the Internal Audit Report and 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. This was proposed by A. Saul and seconded by M. Leggott and there was overall approval from the Board. It was therefore:

RESOLVED that the Annual Governance Statement for the Year Ended 31 March 2022 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 2022 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.

8.3 **Jolly Farmer Bank**

The Chief Executive asked the Board Members if they would consider selling the strip of land in front of the property near the Jolly Farmer bank at Freiston? The land had been valued at £13,750 and the Board had received an offer of £8k. The Board did not use this strip of land.

N. Jones - did not believe the Board should consider an offer less than £10k.

The Chief Executive and C. Hardy had been to see the strip of land and C. Hardy confirmed that it was a very small area. The Vice-Chairman believed that an increased offer should be made because of the value it would add to the ratepayer’s property.

M. Leggott - believed that £10k was half-way house and that the ratepayer should also accept responsibility for legal costs and a new driveway.

J. Woods - added it was only worth that amount to the occupier of his house and that it would be sensible to find some middle ground.

The Chief Executive confirmed he would put forward the figure of £10k to the ratepayer and see what response is received. This will then be reviewed with the Board.

9. **15-year Capital Programme**

The Chief Executive referred Board Members to the A3 fold out white page at the back of his report. Now that Board Members have been on the tour of the district it is hoped that this document will make more sense. Board Members have looked at all capital assets and pumping station works for the next 15 years. The blue line shows the current year and the black line shows the separate projects. FDGiA is the funding the Board receives from DEFRA.

The Chief Executive confirmed that in relation to sewer improvements, some of these were contained within the Leverton/Benington scheme so the Board may be able to recover some costs.

Catchment modelling costing £120k had been undertaken and the Board had only made a £5k contribution. The Strategic Plan showed smaller projects totalling £340k which are works the Board would like to achieve but which cannot be funded. The main drain dredging works which would significantly improve the standard of the network would attract funding of £800k but would also cost the Board £800k, in total there were £3.3 million of improvements detailed which would cost the Board approximately £1million.

9.1 **Capital Investment Fund**

The Chief Executive confirmed that this fund started with £287k plus an annual increase of £50k which will then increase to £75k. If the Board were to carry out all these works, we would be looking at a deficit of £400k. However, if the main drain dredging was removed from the equation, then the Board could afford it. There is also £550k in pumping station renewals fund, which has not been invested, and subject to the Board's approval to use these funds, we could deliver these works. The total works of £55 million would make a massive improvement to the Board's district.

The Chief Engineer added that this Strategic Plan was a very fluid document. It details larger projects and also unknowns at the present time and is based upon what the Board thinks will need completing in line with the grants available.

The Chairman added that all aspects of the Strategic Plan would be under constant review and it was hopeful that the catchment modelling work should be completed by end of September. He believed the Board should take as much grant money as possible. All of the projects, bar one were included in the plan.

10. **CHIEF ENGINEER'S REPORT NO. 1/22**

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.

10.1 **Pumping Station Operations**

The Chief Engineer confirmed the energy costs for the current year had been reduced thanks to a really dry winter.

10.2 **Hobhole Pumping Station**

The Chief Engineer confirmed that the preferred option for the access road had not been possible, so a 5-bar cantilever gate was being installed. A timer will control the gate for 12 hours per day.

C. Hardy - asked what would happen out of hours? The Chief Engineer confirmed that there would be a number to call for out of hours access.

10.3 **Rainfall and Water Level Management**

The Chief Engineer updated the Board that there had been a reduction in rainfall.

10.4 **Water Transfer Anton's Gowt**

The transfer was late happening due to ongoing maintenance works but the environmental top-up has been completed.

10.5 **Channel Maintenance Operations**

The Chief Engineer advised the Board it had been a highly efficient year and this has come in on budget.

10.6 **Plant Operations 2022-23**

The Chief Engineer confirmed there had been significant increases in the number of slip repairs carried out and that it was an aggressive year for growth.

M. Leggott - asked if round up was still used for bushing works? The Chief Engineer confirmed that it was on larger areas but we always tried to remove the root where possible. The Operations Manager added that once the land

had been flailed that an effort was made to run over it to keep the levels low. The Chief Engineer confirmed that the aim was to have a rolling programme for bushing works and the updated mudding programme was almost complete.

10.7 Planning

The Chief Engineer confirmed 108 planning applications had been reviewed.

10.8 Consenting and Enforcements

The Chief Engineer confirmed the two enforcement issues had now been resolved.

10.9 Plant & Equipment

The Chief Engineer confirmed that the Board was using steel piles in respect of slip repairs. The purchase of a Pile Compactor would limit the Health and Safety Risk to the men. However, despite his previous estimate of £30k, he did not believe that this would be enough to purchase a machine suitable for the job. The price of compactors varies between £30k upwards. The Operations Manager and the Workshop Foreman were currently looking at machines to find a suitable one. Once this has been sourced the matter will be referred back to the Board for approval. A vibrating hammer incurs hire charges of £700 per week.

C. Hardy - confirmed something decent and safe was required.

The Chairman asked how many weeks steel piles were used? The Chief Engineer confirmed that a costing of hiring the machine -v- purchasing the machine had been undertaken and he believed it was better to buy the machine and run it for 15-20 years. However, he wanted to take time to find the right machine for the Board's requirement.

10.10 Thorpe Culvert Modelling

The Chief Engineer confirmed there had been a comprehensive report prepared but it would be a long time before any decision would be made. Lindsey Marsh Drainage Board were running the project but the culvert was actually owned by the Environment Agency. The Chief Engineer confirmed that the culvert needed to be inspected.

K. Smith - added at Crows Bridge there was a new culvert under the road. There had been an increase in water flowing through since this installation. The Operations Manager confirmed that the culvert under the road had collapsed and Lincs CC had carried out the repair.

The Chief Engineer confirmed that these works were completed by the Board as this was cheaper than their existing framework. However, no decision would be made on Thorpe Culvert without the Board's approval.

10.11 Tax Treatment of Red Diesel

The Chief Engineer referred the Board to section 9.2 of his report which set out the Board's position. The Chief Engineer was confident that the Board was compliant and that the majority of our work benefited agriculture.

The Board was happy with the Chief Engineer's proposals as defined in section 9.2 of his report and this was approved

10.12 Flood and Water Live 23

The Chief Engineer asked the Board for approval to allow up to eight district staff for a period of five days at a cost of c. £12,500 to attend the event next July. The event would need to make 60% of its sales target to re-imburse the Board's costs and the Chief Engineer was confident that this would be reached. The Chief Executive added that ADA Board would be stopped if 60% were not achievable. In the event of a significant weather event then the offer to supply these staff would be withdrawn. The Board was happy with the Chief Engineer's proposals as defined in section 9.3 of his report and this was approved

11. **Health & Safety**

The Chief Engineer confirmed there was nothing further to report but to advise that Risk Assessment Audits were constantly audited. This new system was still working well, one year in.

There had been two small incidents as detailed in his report.

There had been a large number of training courses held since last Winter which had incurred significant costs but the training plan would not be so intense moving forwards.

The Chairman confirmed that details of the Health & Safety training could be found in the Strategic Plan at L4.

12. **ENVIRONMENT REPORT**

The Chief Engineer ran through the Environment Report with the Board. The Biodiversity Action Plan Update ("BAP") had been reviewed thoroughly and now required Board's approval.

P. Bedford proposed that the BAP be approved as per the Chief Engineer's proposal. M. Leggott seconded the proposal. There was a show of hands and it was unanimously agreed that the BAP be approved.

The Badger License reporting issue had now been resolved. The Chief Engineer felt that Natural England had come down rather heavy-handed bearing in mind that this was an administrative error.

The Chief Engineer confirmed that the kingfisher nesting boxes were a good win for the Board on the environment front. The part-time Ecologist is focussed to make sure the Board delivers on all these projects. Environmental issues have to be priority the same as Health and Safety.

K. Smith - asked if the kingfisher boxes had been used? The Chief Engineer said that they had only just been installed. However, the first round of owl box inspections had been carried out and there were 8 breeding owls and 12 chicks found. There were two failed nests but Alan (Wildlife Conservation Partners) confirmed it had been a successful year.

13. **ANY OTHER BUSINESS**

The Chairman thanked The Chief Executive, Chief Engineer and the Operations Manager for their time and effort invested into the tour. The Chairman also thanked Chris Harris, Internal Auditor for his attendance at the meeting today.

There was no other business and the meeting concluded at 3.37pm.

Chairman