

Witham First District Internal Drainage Board

Minutes of the eighty first meeting of Witham First District Internal Drainage Board held on Tuesday, 12th February 2013 at Washingborough Village Hall.

Present:

Mr. R.A. Fletcher	Chairman
Mr. P Gilbert	Vice-Chairman
Mr. E. Applewhite	
Mr. R Coupland	
Cllr. R. Cusksey	
Mr. T Gilbert	
Mr. M.D Harrison	
Mr. R.A. Hickling	
Cllr. D Jackson	
Mr. B.S. Leggate	
Mr. L. Maplethorpe	
Mr. N Maplethorpe	
Mr. S Maplethorpe	
Mr. D.N Means	
Mr. J F Money	
Mr. N Osborne	
Cllr. C.R Oxby	
Dr. V Stanton	
Mr. E. Tonge	
Cllr. P. Vaughan	

In attendance:

Mrs. Jane Froggatt	Chief Executive
Mr. Martin Shilling	Director of Operations
Mr. Robert Spaight	Senior Finance and Rating Officer
Mrs. Anna Wilson	Finance and Rating Assistant

The Chairman welcomed Members and Officers to the meeting.

1774 Apologies

Apologies for absence were received from Mr. D Armstrong, Mr. S F Cobb, Mr. J R Crust, Mr. R Hall, Cllr. G Hewson, Mr. S B Leggate, Mr. J Mair, and Mr. A Whitehead.

1775 Declarations of Interest

Members appointed by City of Lincoln Council and North Kesteven District Council declared interests relating to their respective Councils. There were no further declarations of interest.

1776 Chairman's Announcements

The Chairman made members aware of the following:

Travel Expenses 2012/13

Members were reminded to complete a travel claim for the period 1st April 2012 to 31st March 2013 if they wished to do so.

Summer inspection

This year's summer inspection will involve a visit to the ADA demonstration site at Cross Guns Pumping Station, Wisbech on Wednesday, 17th July 2013. The event is being hosted by North Level District IDB.

1777 Minutes

The Minutes of the Board Meeting held on Tuesday, 6th November 2012 were approved as an accurate record.

MATTERS ARISING

1742 Caldicott and Wentlooge IDB Public Interest Report [08.10.12]

The Chief Executive confirmed she had met the Internal Auditor on 13.12.12 on matters arising from this public interest report. There were no significant areas of concern arising from its publication for the Board. However, she had agreed a suite of policies and procedures with the Internal Auditor which would either be reviewed, if in existence already, or developed during 2013/14.

1743 Executive Committee

A new member has been appointed to the vacant seat, Cllr. Ron Oxby, which completes the membership of 8 for the Executive Committee.

1721 Nocton Pumping Station Control Panel

The installation of the new control panel is underway.

1752 Financial Regulations

It was confirmed that the new Financial Regulations approved by the Board on 06.11.12 had been issued to staff and were now in operation.

1753 Board's DRS Rating system

The upgraded DRS rating package with GIS button had been implemented and was fully operational.

1754 Banking arrangements

Members were informed that discussions were taking place between a range of High Street banks and the Senior Finance and Ratings Officer. Nine potential providers had been invited to discuss the specification for banking services to both the Board and Witham Third DIB.

1755 and 1756 DEFRA

Members were informed that responses had been sent to both the DEFRA Ministerial letter of 19.07.12 to IDB Chairmen and to the subsequent DEFRA/ ADA questionnaire, by the closing date of 30.11.12.

1761 LLFA Section 19 Flood Investigations.

The Board was updated on the LLFA's Section 19 investigations into the 100 flood events in Lincolnshire for 2 periods, 28th and 29th June and 5th, 6th and 7th July 2012. The draft report that was scheduled to have been completed by the 19th December FR&D Management Group meeting had not been completed by that date, but the report was received from LCC on 1st February 2013. There were no areas of criticism for the Board but a number of areas for exploration of improvement schemes where the Board would be asked to work in partnership.

One such potential scheme was Digby, where the Board was informed that the Engineer would be looking in particular at Green Dykes watercourse.

There is also a need for a CCTV investigation of the culvert in Timberland due to the recent flooding.

1764 Bridges and Culverts

The loan from the PWLB of £354,480.93 had been approved by DEFRA and received. The Board was now waiting for both parties' solicitors to agree transfer terms, ideally by 31st March 2013, in order for the Board to transfer liability for the 18 structures to LCC.

1766 New Cut Access Track , Digby

Members were informed that the Board was awaiting the Environment Agency's solicitor's response to the Board's solicitor.

1769 Land Tribunal - Leek v Lonsdale

Members were updated that the ditch had been cleared before the enforcement date, following the Tribunal hearing on 28.11.12.

1778 Joint Administration Committee Minutes, 03.12.12.

The Minutes of the Joint Administration Committee meeting held on 3rd December 2012 were approved as an accurate record.

MATTERS ARISING

SAGE 200 Finance and SAGE 50 Payroll systems

This project had been approved at the Joint Administration Committee meeting on 03.12.12 and virement of monies had enabled the project to be implemented in 2012/13 financial year so that the systems could go live from 01.04.13, the start of the new financial year.

1779 Executive Committee Minutes, 29.01.13

The Minutes of the Executive Committee meeting held on 29th January 2013 were approved as an accurate record.

MATTERS ARISING

Land Tribunal

Members were informed that the Board was not asked to complete any works as a result of the tribunal decision. However, a flap valve has been put on Benton's Drain by the Board.

1780 Risk Register

The Chief Executive explained the updates to the Risk Register, originally approved by the Board on 27.06.12. The revised Risk Register had been circulated with the agenda in keeping with it being reviewed by the Board twice a year.

Of note was the concern that not all the Pumping Stations have automated weedscreen cleaners [AWCs], meaning that clearing has to be carried out manually. Members were informed that due to tight budget restrictions, there would be no upgrade to these facilities in the 2013/14 financial year. A lack of electronic communication back up had also been identified as a new risk.

The updated Risk Register for the Board was *APPROVED*.

1781 Internal Auditor's Interim Report 2012/13

The Chief Executive presented the Internal Auditor's independent [interim] report to the Board for 2012/13. His audit had included a review of the implementation of previous Audit recommendations, staff and system changes, sample testing of payroll, bank reconciliations and investments, a review of Board and Committee reports, a review of the Risk Register, rechargeable works and fuel security. He had also discussed with the Chief Executive the recommendations for all IDBs arising from the public interest report into Caldicot and Wentlooge IDB [08.10.12]. Members also received, as agreed with the Internal Auditor, a copy of the Nolan 7 principles of Public Life as an appendix to the audit report.

His findings were that there had been improvement in financial systems, the information provided to the Board has significantly improved, the Risk Register is a working document, Financial Regulations have been revised, fuel security is adequate and the majority of agreed recommendations from the 2011/12 Audit have now been implemented. Due to the low level of resources [as with most IDBs], however, the Internal Auditor's opinion of the areas covered by his report remains at ADEQUATE ASSURANCE.

Finally, Members were also informed that the Board's website was undergoing an overhaul.

1782 Financial Performance Report to 31/12/2012, month 9 of 2012/13

The Chief Executive presented the financial performance report drawing particular attention to the Board's total income to 31st December 2012 of £680,502 against a profile for the 9 months period of £689,115, a shortfall of £8,613. All special levy monies from both Councils has been received, totalling £216,064 and the income to date from direct levies is £445,590 leaving £9,480 outstanding for the full 12 months [a collection rate to date of 97.9%, on par with the same time 2011/12].

On expenditure, there was some concern as the Board had worked hard to contain the unplanned but necessary expenditure on pump electrical motors within agreed budget by virement of monies across cost centres to meet the additional circa £52,000 in costs above the £20,000 budget. However, there are two notable areas of overspend on cost centres. The first is on drains maintenance where the 9 months spend is £196,664 against budget for the period of £177,355, a variance of £19,309. This variance is on wages, where spend is £21,289 above budget for the period. The second is on Pumping Stations where expenditure to 31.12.12 is £153,745 against budget of £143,950, a variance of £9,795. The two areas of overspend in Pumping Stations are again wages and electricity costs. In both drains maintenance and pumping stations the adverse variations on budget, totalling £29,104, reflect the wet year and the additional work on bank slips, overtime incurred on those and on additional pumping station runs and the many additional hours which the pumps have been operating and additional electricity used as a result.

Much discussion ensued about electricity costs and it was queried whether the three Boards [Witham First District, Witham Third District and Upper Witham] could jointly procure electricity to gain economies of scale. Officers would explore this possibility.

Whilst further work is being done to manage the year end position as at 31.03.13, the current forecast deficit was NOTED at £9,803 but it was also NOTED from a verbal update that this is likely to worsen, given current electricity and wages costs in recent further wet weather, to an approximate £38,500 deficit position at the year end.

1783 Schedule of Expenditure

The Chief Executive presented the Schedule of Expenditure that the Board has incurred from 1st October 2012 to 31st December 2012. The expenditure was *noted*.

1784 Agreement of the annual value, setting of the rate and the Board's budget for 2013/14

The Chief Executive presented the report setting out the land valuation upon which drainage rates and special levies had been calculated for 2013/14 as at 31.12.12, the proposed income and expenditure budget for 2013/14 and the consequent rates impact of 2.7% increase for 2013/14. The report was recommended for approval by the Executive Committee.

The main changes proposed between the 2012/13 and 2013/14 budgets were outlined, which included:

- Rechargeable works income, budget set more realistically for 2013/14 at £4k, from £8k
- Income line of £5.1k established for continued consents and enforcements work for the LLFA
- Creation of an overtime budget of £27.1k, not new money, to reflect historical actual overtime spend
- Assumption of a 2% pay award 2013/14 [unlikely to exceed 1%]
- Establishment of an Engineering cost centre for direct costs of 50% Engineer, 50% Director of Operations, 30% GIS Officer, 30% of [temporary] Consents and Enforcements Officer
- Separate cost centre of £2.3k for conservation measures, not new money
- Contributions to capital schemes including Branston electrical cabinet replacement at £29k and telemetry at £7.5k
- From reserves for one year, £5k for Pumping Station repairs and a further £10k for an emergency protection fund [for use, for example, for unforeseen bank slip repairs if 2013/14 is another wet year]
- Year 1 of the 5 year plant, vehicle and machinery programme
- Contribution of £91,905 to the total Joint Administration budget of £306,350 between the 3 IDBs, as recommended by the JAC meeting of 03.12.12
- Repayment sum in 2013/14 of £32,149 on the PWLB loan for the transfer of bridges liability to LCC

There then followed discussion on the impact of the proposed budget. The 2.7% proposed rate increase to fund the proposed budget means an additional £3.2k for City of Lincoln Council and £2.6k for North Kesteven District Council. For direct ratepayers, it represents an £11.4k increase in total [across circa 350 ratepayers]. The proposed budget gives an income total of £688,393 for 2013/14, an increase of £17,258.

Members debated whether, as local councils may not increase their council tax rates and as farming has had such a poor year, the Board should increase rates at all. After full discussion the Board APPROVED:

- The land valuation upon which drainage rates and special levies be calculated as at 31st December 2012 at £3,191,882, noting this has changed from the previous year by a reduction of £4,001
- The proposed income and expenditure budget for the financial year ended 31st March 2014 [ie 2013/14], which includes the plant, vehicle and machinery budget
- The uplift of 2.7% to the drainage rate which then sets the rate for Sub district 1 at 8.63 pence in the pound and Sub district 2 at 21.567 pence in the pound for 2013/14. This then determines the direct levy and special levies.

With the Board's approval, the Chairman then applied the common seal to seal the rate.

1785 Report from The Director of Operations

The Director of Operations presented his report, previously circulated. Matters referred to included highlighting to members:

Bank slips

Photos and video clips of bank slips were shown to members. Work to repair the bank slips which have occurred will start in the week commencing 18th February 2013.

Members raised questions regarding the high water flows recently and it was confirmed by the Director of Operations that Branston Island had been opened and used.

It was also confirmed that an order has been placed for a like for like replacement of the Board's Volvo EC160 tracked excavator. Details of the tenders received were set out and the tender submitted by Volvo for a Volvo EC160DL has been accepted at a net cost of £114,500 and a trade in price of £27,500, meaning a net cost to the Board of £87,000. The replacement vehicle purchase was NOTED, with a delivery date by June 2013.

1786 Consents and Enforcements

The Chief Executive reminded the Board that it will be reimbursed for the time spent by the Board's Engineer on Consent and Enforcement cases outside the Board's district where he is working for and on behalf of the LLFA in the extended catchment. A Memorandum of Understanding review meeting between IDBs and LCC is to be held on 21.02.13 and invoice will be sent to Lincolnshire County Council in March 2013 for the 2012/13 cases.

Members noted the report summarising cases within the district and in the extended catchment.

1787 Schedule of Planning Applications

The Schedule of planning applications was received and comments submitted to LPAs noted.

1788 Five year plant, vehicle and machinery programme

The Chief Executive presented the Board's five year plant, vehicle and machinery programme sent out with the agenda. In particular, members were asked to note that the working life of the wheeled excavator has been extended to 10 years, from 7 years, in order for the budget to balance because depreciation on assets can only be continued until a value of zero, which opens a potential deficit in 2016/17.

Concern was raised by Members that by extending the working life of the machines could lead to increased repair costs and downtime and it was agreed to monitor this closely.

Members had AGREED year 1 of the programme in setting the budget for 2013/14 and the Board noted the indicative programme for subsequent years 2-4.

1789 Joint Flood Risk Management Strategy

Members had been invited to view the Joint Lincolnshire Flood Risk and Drainage Management Strategy, developed by LCC on behalf of and with input from all local Flood Risk Management Authorities.

It was *AGREED* the Board would be a joint signatory to this strategy.

1790 Any Other Business

There were no further items of business.

1791 Date, Time and Place of Next Meeting

The Board's next meeting was confirmed for Tuesday, 30th April 2013, at Washingborough Village Hall, commencing at 2pm.

.....Chairman.....Date