

LINDSEY MARSH DRAINAGE BOARD

Minutes of the Annual General Meeting of the Lindsey Marsh Drainage Board held at the Bacchus Hotel, Sutton on Sea on 27th November 2024 at 9.30 a.m.

Elected Members

* Messrs	G.A. Crust (Chairman)
*	S.W. Eyre (Vice-Chairman)
*	G. Bowser
	W. Cooper
*	R. Crust
*	M. Denby
*	J.M. Mowbray
*	R.H. Needham
*	D. Pridgeon
* Mrs	V. Tagg

Appointed by East Lindsey District Council

* Cllrs	T. Aldridge
*	T. Ashton
	Mrs W. Bowkett
	D. Edgington
*	D. Hobson
	S. Kemp
*	D. McNally
*	E. Mossop
*	D. Simpson
	Vacancy

Appointed by North East Lincolnshire Council

* Cllr	W. Parkinson
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* *Present*

Officers

* Messrs	A. McGill (Chief Executive)
*	R. Brown (Senior Engineer)
*	A.J. Malin (Senior Operations Manager)
*	S. Stones (Operations Manager)
* Mesdames	N.J. Hind (Finance Manager)
*	C.B. Davies (Corporate Services Manager)
* <i>In attendance</i>	

The Chairman welcomed Mrs V. Tagg to her first meeting and hoped she would enjoy her time on the Board.

The Corporate Services Manager presented a short members training session covering the structure of the Board and Consortium; Members responsibilities; Governance, Accountability and Transparency; Funding; Conservation and Environmental; Operations; Byelaws and Consenting; Risks; and Health and Safety. A copy of the slides would be circulated to members along with the ADA Good Governance Guide which provided useful information.

Regarding enforcement of its Byelaws, Officers confirmed that the Board did have the power to legally enforce if agreement and compliance could not otherwise be agreed, however, the Board must be reasonable and the level of enforcement may depend on the importance of the watercourse and the risks posed by the contravention.

Cllr T. Ashton arrived.

1. APPOINTMENT OF CHAIRMAN PRO TEM

It was agreed that the Chief Executive be appointed Chairman pro tem.

2. ELECTION OF CHAIRMAN

It was proposed by Cllr D. Simpson and seconded by Cllr T. Aldridge that Mr G.A. Crust be re-elected Chairman of the Board for the ensuing year.

RESOLVED unanimously

That Mr G.A. Crust be re-elected Chairman of the Board for the ensuing year.

3. ELECTION OF VICE-CHAIRMAN

It was proposed by Mr R.H. Needham and seconded by Cllr T. Aldridge that Mr S.W. Eyre be re-elected as Vice-Chairman for the ensuing year.

RESOLVED unanimously

That Mr S.W. Eyre be re-elected Vice-Chairman of the Board for the ensuing year.

4. APOLOGIES

Apologies for absence were received from Mr W. Cooper and Cllrs S. Kemp, D. Edgington and Mrs W. Bowkett.

5. DECLARATIONS OF INTEREST

None.

6. NOTIFICATION OF ITEMS OF ANY OTHER BUSINESS

None.

7. BOARD MINUTES (Pages 1860 to 1868)

It was noted that Minute 13, page 1865, Drainage Rates and Special Levies had incorrect collection figures. The figures should have read £735,611.42 of Rates and £2,120,549.00 of Special Levy had been collected, this had already been corrected in the minute book copy.

RESOLVED

That the minutes of the meeting of the Board held on 25th September 2024 be confirmed as a correct record, subject to the above amendment.

8. MATTERS ARISING

None.

9. CONSORTIUM COMMITTEE

RESOLVED

That the attached minutes of the meeting of the Consortium Committee held on the 29th October 2024 be confirmed as correct record (Recommendations to be discussed under Item 10 below).

10. JOINT NEGOTIATING COMMITTEE

Officers presented the attached minutes of the Joint Negotiating Committee (JNC) meeting held on 29th October 2024.

The Chief Executive outlined the proposals which had been discussed, with the Union asking for a £500 increase to all spine points plus 5.1%. He also reported that the Office for National Statistics CPI for September stated that the cost of housing and food had not reduced, and that CPIH was regarded as the most accurate figure. He informed members that the ADA Lincolnshire Pay and Conditions Committee had awarded a 5.1% increase this year.

Officers retired to allow Members to consider the proposed 2025/26 pay increase.

Members resolved to award the proposed £500 and 5.1% pay rise, this had been considered by both the Consortium Committee and the JNC.

RESOLVED

- (a) That the attached minutes of the meeting be noted.
- (b) That the annual Duty Officer payments be increased from £1,950 to £2,067 and from £975 to £1,033.50 (a 6% increase).
- (c) That with effect from 1st April 2025 all spine points be increased by £500 and then a 5.1% increase be applied.

11. MEETINGS AND COMMITTEES

11:1 Board Meetings

The Corporate Services Manager presented proposed 2025 meeting dates as follows;

<i>Date</i>	<i>Meeting</i>
29th January 2025	Board (approval of estimates and rate setting)
26th March 2025	Board
16th April 2025	Conservation Advisory Group
14th May 2025	Consortium Committee
14th May 2025	Joint Negotiating Committee
25th June 2025	Board (Approval of final accounts)
17th September 2025	Conservation Advisory Group
24th September 2025	Board
22nd October 2025	Consortium Committee
22nd October 2025	Joint Negotiating Committee
26th November 2025	Board (Annual General meeting)

The following meeting dates for ADA were presented for information;

3rd December 2024	ADA AGM (online)
28th January 2025	ADA Policy Committee
11th February 2025	ADA Advisory Committee
24th April 2025 (Provisional)	ADA Lincolnshire Branch
20th May 2025	ADA Policy Committee
10th June 2025	ADA Advisory Committee
10th September 2025	ADA Policy Committee
23rd September 2025	ADA Advisory Committee
October 2025 TBC	ADA Lincolnshire Branch
12th November 2025 (TBC)	ADA Conference

Other dates of note were the Lincolnshire show (18th and 19h June).

It was noted that there were some clashes with East Lindsey District Council Committee and North East Lincolnshire Council Planning Committee meetings. Board meetings were always held on the Wednesday of the last full week in the months of January, March, June, September and November and Officers would ensure that this was communicated to the councils and hopefully avoid clashes of meeting dates in the future.

11:2 Committees

The Board was asked to considered membership of Committees, there were currently two vacancies on the Standards Committee. It was agreed that Cllr D. Simpson and Mr D. Pridgeon fill the vacancies on the Standards Committee and that membership of the other Committees remain the same.

RESOLVED

- (a) That the above meeting dates be approved.
- (b) That committee membership be as follows;
 - (i) Standards Committee - Chairman and Vice-Chairman of the Board, Messrs R.H. Needham and D. Pridgeon and Cllrs E.P. Mossop and D. Simpson.
 - (ii) Consortium Committee - Chairman and Vice-Chairman of the Board with Cllr T. Ashton as alternate.
 - (iii) Joint Negotiating Committee - Chairman of the Board, with Vice-Chairman as alternate.
 - (iv) Conservation Advisory Group - Cllr T. Ashton and Mr G. Crust.

12. HEALTH AND SAFETY

The Senior Operations Manager reported on four incidents and one near miss across the Consortium since the last Board meeting; two of the incidents were in the Lindsey Marsh area.

There had been no serious injuries or major issues of concern.

The Health and Safety Policy had been reviewed and passed to the Chief Executive for approval. Areas to be included on the 2024/25 action plan would be discussed at the next Health and Safety Committee meeting.

RECEIVED

13. OPERATIONS

The Senior Operations Manager reported that Summer Maintenance works were nearly complete, with 98% of flailing and 95% weedcutting undertaken.

Details of the planned 2024/25 Winter maintenance programme which totalled 23,696m were presented for information. The planned 2025/26 Winter programme totalled 25,604m of

watercourse. The water vole mitigation window ended in October and any watercourses which had not been completed would be brought forward to the next mitigation period beginning 15th February 2025.

The following construction work would be completed before the start of the 2025/26 summer maintenance period;

- (a) Concrete canvas lining at Bleak House Doors.
- (b) Boygrift Pumping Station gravity outfall chamber.
- (c) Irby Beck roadside culverting.

A summary of rainfall and pump run hours was presented for information.

Officers reported that maintenance had been undertaken Willoughby High Drain, Woldgrift Drain, Greyfleet Drain, Cowcroft Drain, Lady Waths Beck and the Wold Drain on behalf of the Environment Agency (EA). A request to undertake additional maintenance work on Louth Navigation between Austin Fen and Tetney had been received. Officers had also been approached about additional work on the River Steeping but were awaiting details and a commitment.

Cllr E. Mossop queried the additional maintenance on Louth Navigation Canal, the Operations Manager confirmed this was a cut along the centre of the channel using the weedboat (two or three days work), the EA had already cut the weed fringes.

Mr R.H. Needham asked if this was a foot in the door to undertake reforming on EA watercourses. The Chief Executive stated this was a first step which had taken six to seven months of work to achieve.

He was aware of low spots on the banks of the Greyfleet which would benefit from work and if agreement could be reached to undertake this work the Board may be able to undertake work in more areas. The Chief Executive was in contact with their local Operations Manager who supported the work, he highlighted the needed to keep building relationships. The EA were not getting the level of funding for they had asked for, only obtaining £11 Million of the £20 million requested.

A schedule of compensation payments totalling £15,317.42 was presented for approval; these had been paid in accordance with the Board's policy.

RESOLVED

That the compensation payments totalling £15,317.42 be approved.

14. PUMPING STATION STATUS

The attached report was presented for information.

The Senior Operations Manager reported that the only area of note was the weedscreen at Trusthorpe which was only working in hand due to the refurbishment works.

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15. ASSET RENEWAL AND REFURBISHMENT

Officers presented the attached report for consideration and updated on progress with projects.

The pump trial at Gibraltar Point was running well and whilst there had been a small unbudgeted cost to the Board of £11,973.26, the equipment would be usable when the site was refurbished.

Trusthorpe Pumping station refurbishment was nearly complete with new doors to be installed.

CCTV and Desilting/ Jetting works programme, item 1:3 of the attached report, was highlighted as a high priority, work had slipped and Officers were keen to reinstate the programme.

Regarding item, 1:4, storm recovery the Tranche 1 funds had now been received. The Board's bid for Tranche 2 funding had not been successful and Officers had requested feedback and been informed that the proposed work did not rank highly enough and there were concerns about damage to the environment. The Chief Executive stated that the Board had stuck to the rules and had only bid for projects which could be completed by 31st March 2025, others who had submitted projects which would take longer received funding. He had raised the matter with ADA. Funding had also been allocated to work on EA Main rivers, the Board had not included work on the Greyfleet as it was not deliverable by the 31st March 2025.

(a) Theddlethorpe Pumping Station Refurbishment (including automation of Bleak House Doors and channel works in a section of Mablethorpe Lower Cut) – LM18306

The Senior Engineer presented an update on the work at Bleak House doors, Item 2:1. In response to Cllr D. Simpson he clarified that the cost of loading, transporting and disposing of material from site was higher than spreading it on the adjacent land. The area was very tight, but work had been well executed. The manufacturer had provided training to staff before work and the level of workmanship was so high they wanted to use it as a case study.

The scheme had originally been planned for 2018 and had experienced significant additional costs and inflation. The Senior Engineer asked that the Board approve the transfer of £135,000, which was the worst-case projection, from the Pumping Station Reserve to cover additional expenses arising from desilting and concrete lining works at Bleak House Doors.

The Vice-Chairman asked that the Board's thanks be passed onto the DLO for the success of the concrete lining.

RESOLVED

That £135,000 be transferred from the pumping station renewal reserve (LM18308) to Theddlethorpe Pumping Station Refurbishment project (LM18306).

16. PLANNING, CONSENTING AND ENFORCEMENT ISSUES

Officers presented the attached report for members consideration.

(a) Viking CCS

The proposed method of installation for the pipelines varied by drain with the method on seven watercourses being open cut, which was against the Board's policy. The pipe was 600mm diameter and more expensive than other services to install by directional drilling. The Board's policy was to install 1.5 to 2m below the bed of the watercourse as this reduced the disruption to the Environment and watercourse.

The Senior Engineer stated that there were arguments for and against use of open cut on some of the seven proposed watercourses, some of which were significant water carriers. Should open cut be approved concrete would be placed over the top of the pipe. Officers asked that the Board review installation method on a drain by drain basis following receipt of detailed construction information.

Mr R. Crust asked if damming would be required for open cut installation, the Senior Engineer confirmed it would, there were several major water carriers on the list and they would need to keep the water moving. The Chief Executive cautioned that the Board had previously enforced use of directional drilling with utility companies and suggested legal advice be sought, previously IDBs had worked together to share costs and negotiate such crossings.

The Senior Engineer stated that Viking CCS were aware all seven would need to be considered by the board but wanted to know there was the ability to explore other options. He stated that on one of the watercourses (Middle Sykes Road Sewer) open cut may be a reasonable option given the location of the crossing.

RESOLVED

That the Board review installation method for Viking CCS crossings on a drain by drain basis following receipt of detailed construction information.

(b) Byelaw Application - Lowgate Sewer

An application had been received to install two electricity service connections crossing over culverts on Lowgate Sewer, Marshchapel. The culvert was around 25 years old and may require replacement. The depth of the cable was also a concern with approximate cover from ground level of 750 mm and an approximate depth to top of culvert of between 1.6 to 1.9 metres, the Board's policy specified 1.5m below the hard bed level. It was suggested that the best option would be to replace the culvert and install the cable underneath it. Officers had gone back to the applicant to suggest this but had not yet had a response and therefore recommended the application in its current format be refused.

RESOLVED

That consent be refused for installation of two electricity service crossings across Lowgate Sewer.

17. PROPOSED REFURBISHMENT OF STRUBBY DEPOT

The Chief Executive reported that options for the refurbishment had been received from the architect. Officers had reviewed those submitted and there were two viable options both of which allowed for separation of office/meeting room and workshop as well as a safe travelling area for plant to reduce the chance of accident whilst plant whilst manoeuvring. The

architect had been asked to prepare costs for both options for consideration, they had also suggested submitting a pre-application to the council to obtain advice/comment.

The Vice-Chairman had asked that the cost of relocating the Manby office to Strubby also be considered and the Chief Executive informed members that this would cost an additional £570,000. The main considerations regarding this option were the condition of the access road, office staff would need access to a post office daily and that the Board had already spent £370,000 refurbishing the Manby office which may not be recouped if sold. He also informed members that the Office roof was, however, in need of repair.

The focus was to get the hangar at Strubby in good condition and have a new office, which was cheaper than refurbishment of the current office block. The Operations Manager stated the current office building leaked and was in poor condition.

The Chairman stated that the Board was undertaking more repairs in-house and needed a better workshop.

Cllr T. Ashton supported the proposed work stating it could be future proofed to allow an office move in the future, if needed. It seemed that the Board needed to get more use out of the Manby office unless the cost of repairs to the roof were too high. Mr S.W. Eyre endorsed this stating there was value in keeping Manby.

Cllr W. Parkinson asked what the advantages would be of sharing the same site. The Chief Executive stated it would bring the workforce closer together in terms of seeing each other more regularly, however, use of the proposed meeting room would allow staff and members to see equipment etc. and this would also benefit cohesion. At this point in time the best option was to keep the business function and operations separate.

Mr J.M. Mowbray asked when the existing depot was built. Officers confirmed this was in the 1960's, the hangar needed a structural review and was no longer fit for its purpose. The site was purchased in 1999 and had been adapted to suit the Board's needs.

Mr D. Pridgeon stated he had not visited the depot yet and suggested a visit prior to making a decision on £1 million expenditure.

The Chief Executive suggested that Members be invited to meet at Strubby Depot prior to the January Board meeting to look at options for the site with the meeting to be held at 10.00 a.m. at Manby.

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18. ENVIRONMENTAL REPORT

The attached report was presented for information.

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19. FINANCE

The attached report was presented for information.

The Board had no Loans outstanding with the Public Works Loan Board, however, four were due to be taken out this financial year.

The Forecast of outturn was presented at Item 2 of the report, the predicted surplus for the year was £408,534 which was £256,010 more than the original estimate.

The Pumping Station electricity costs were around £154,000 over the estimate for this time of year. The meter in one station appeared to have usage around 10 times more than it should have, the supplier was investigating but it was hoped that a refund of around £100,000 would be forthcoming.

The Schedule of Payments over £500 (Appendix 3 of the attached report) was presented for members approval.

The Finance Manager highlighted the forecast cash surplus at the 31st March 2025, detailed at item 2:3, which was expected to be £1,764.093.42 at 31st March 2025 (33.83% of net operating costs).

An update on item 3:3, the external audit was given. Following the last meeting details were sent to KPMS who were not able to offer an audit position. Further details were awaited, and Officers would keep members informed of the progress with appointment of an External Auditor.

Appointment of the new internal auditor was detailed at item 3:4. The contract had been awarded to Lighthouse UK Consultancy Limited for the period 1st October 2024 to 31st July 2029. This change meant that a new internal audit programme for 2024/2025 had been produced.

RESOLVED

- (a) That the attached Budgetary Management Accounts and Balance sheet be approved.
- (b) That the Forecast of Forecast Outturn Position be noted.
- (c) That the attached Schedule of Payments over £500 totalling £1,505,421.78 be approved.
- (d) That the Board approve the appointment of Lighthouse UK Consultancy Limited as the Board's Internal Auditor.
- (e) That the new 2024/25 Internal Audit Programme be approved.

20. DRAINAGE RATES AND SPECIAL LEVIES

Collection for the 2024/25 financial year up to the 8th November 2024 was £1,061,338.51 in respect of drainage rates and £3,177,620.75 for special levies giving a combined collection rate 75.31%. Of the £7,251.96 outstanding at the 31st March 2024, £807.39 was outstanding.

A write off schedule totalling £0.23 was presented for members approval, approval of all write offs regardless of value was an audit requirement

RESOLVED

That the schedule of write offs totalling £0.23 be approved.

21. PARTNERSHIP MATTERS

None.

RECEIVED

22. PLANT REPLACEMENT PROGRAMME

The attached report was presented for information. The Senior Operations Manager updated on the progress of the new Herder one self-propelled mower which was due to be delivered in December 2024.

Regarding the proposed 2025/26 replacement programme, Item 2.1, he also highlighted that the estimated disposal for the two Ford Rangers was currently £3,250, however, he had been informed this may increase significantly with planned changes to taxation and could be as much as £13,000.

Cllr D. Simpson queried the 2025 road tax increase and if this had been factored into the ongoing costs, asking if it would be cheaper to keep the current vehicles longer. The Senior Operations Manager stated that the changes would mean that tax and Benefit in Kind would increase. The Government were being lobbied on this issue and king cab vehicles may still be classed as commercial, however, confirmation of this was awaited. Vehicles ordered before April 2025 would be exempt until 2029. Officers would continue to review the situation.

Mr D. Pridgeon asked if the old 8 inch pump would be retained to use as a standby. The Senior Operations Manager confirmed it would but was starting to show signs of wear. The Operations Manager highlighted that, unlike the proposed replacement, the pump ran off a PTO and needed to be manned when in use.

RESOLVED

- (a) That the plant budgets brought forward be noted.
- (b) That the plant purchases and disposals to date for 2024/25 be noted.
- (c) That the Board make a provision of £330,850 in the 2025/26 estimates for plant replacements.
- (d) That the predicted plant requirements up to 2030/31 be noted.
- (e) That the update on all major plant and equipment be noted.

23. DRAFT ESTIMATES OF INCOME AND EXPENDITURE FOR THE PERIOD 1ST APRIL 2025 TO 31ST MARCH 2025.

The attached report was presented for information. The Finance Manager highlighted key areas of income and expenditure shown at item 2. The DRAFT estimates included the increased National Insurance costs as well as the 2025 pay increase. Electricity had been estimated at £800,318 for 2025/26, in 2023/24 the heavy rainfall had meant electricity cost around £1 million.

The predicted 2024/25 Cash Surplus position was £1,764,093.42 which gave the Board reserves of 33.83% of net operation costs. Because of this Officers recommended a 0% increase in 2025/26, the current five-year plan, Item 4:1 of the report, showed that a 0% increase should also be possible in 2025/26 with 2.5% increases in the following three years. Options for other percentage increases and a decrease were presented for members information, the recommended 0% increase for 2025/26 would result in a deficit of £725 for the year.

Changes of use following development meant that some land had been moved to Special Levy during the year, increasing the Land Value for East Lindsey District Council by £98,132. There had been no change for North East Lincolnshire Council.

Mr D. Pridgeon stated it had been a difficult year for farmers so it was nice to see a 0% increase and would be welcomed in the farming industry.

Cllr T. Ashton endorsed the five-year plan based on a 0% increase in 2025/26. Stating the Board was in a fortunate position and that with the best planning you could not predict the weather.

Cllr D. Simpson asked if increasing little and often would be better than fluctuations and if a 0.95% increase each year would be better. The Finance Manager stated that the Board may receive additional unplanned funds, such as Surface Water Discharge fees. If it increased the rate by 0.95% when it was not needed and then got additional income the Board would be passing on a cost it did not need to. Depending on changes to income and expenditure over the coming years the outlook may improve or worsen, and the five-year plan would be reviewed.

Mr R. Needham endorsed a 0% increase stating the Board had taken the bold decision to have a large increase in rates and that this showed the Board had acted responsibly.

Mr J.M. Mowbray asked what the expected inflation rate was with National Insurance increases. The Finance Manager stated she could not predict this, and that inflation was not always a good indicator of costs for the Board as expenditure differed depending on the work being completed. Mr Mowbray stated that prices may increase, the Senior Engineer confirmed there may be an impact on Engineering projects, however, this was not yet known.

RESOLVED

- (a) That the five-year plan detailing a 0% increase for 2025/26 and 2026/27 followed by 2.5% in 2027/28 to 2029/30 be approved.
- (b) That the DRAFT Estimates be based on a 0% increase in 2025/26.

24. ANY OTHER BUSINESS

None.

Cllrs Hobson and McNally left.

Members were taken on a short tour to view work at Trusthorpe Pumping Station and planned work at Ingoldmells Pumping Station.

Prior to this the Chief Executive updated remaining members on Coast 2100, he was still waiting on the brief for members that the EA would deliver as project leads. Lincolnshire County Council (LCC) were pulling together a vision of the benefits of the area to obtain funding for coastal defences whilst the Environment Agency were considering what might be affordable in terms of sea defences in the future. There was a need to look at Lincolnshire as a whole as most of the Board area was below sea level and the Wolds water flowed into it.

The Chief Executive stated that a large issue was food security and the carbon cost of importing food needed to be considered, there were a lot of strengths to the area which had not been considered.

The Chairman stated that if the marshes were to flood it would take out a lot of houses and businesses behind the defences.

Cllr T. Ashton stated this went back to the need to recognise the value of property and business protected. The EA had confirmed that previous cost calculations were based on shoring up the defences, but they were not structurally sound enough so would need to be replaced in front of or behind the existing defences, which increased costs considerably.

The Chief Executive also informed members that Defra were undertaking a cost review of IDBs and that it had been stated by ADA that this would initially involve a triage of information already in the public domain. There had been discussions regarding the award of the contract for this work and he would keep members updated regarding the progress of the review.

CHAIRMAN

CONSORTIUM COMMITTEE

Minutes of a Meeting held at 1.00 p.m. on Tuesday, 29th October 2024 at Torksey Pumping Station.

Present: Messrs J. Coggon (Committee Chairman) and Peter Cornish (AX), J. Miller (TV), G. Crust and S.W. Eyre (LM), and C. McGuinness and Peter Horne (DE).

In attendance: Mr A. McGill (Chief Executive) and Mrs C. Davies (Corporate Services Manager).

It was agreed that Mr J. Coggon would continue as Chairman for a further 12 months.

1. APOLOGIES

Apologies for absence were received from Mr T.H. Farr and Mrs L. Dales.

2. MINUTES OF THE LAST MEETING

The minutes of the meeting held on 15th May 2024 were noted; these had already been approved by the four Boards.

3. MATTERS ARISING

3:1 Minute 3:1, Page 1 - Telemetry

The Chief Executive confirmed that, where possible, an additional 'storm level' setting had been implemented. It was agreed that Duty Officers monitoring the telemetry must be aware of the need to make adjustments or take appropriate actions when pumps were removed/out of action.

RECEIVED

3:2 Minute 9:5, Page 5 - Storm Recovery and Asset Improvement Fund

The Chief Executive reported that although the Tranche 1 bids had been successful, payment had not yet been received. Officers were still awaiting a decision on the Tranche 2 applications.

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4. UPDATE ON PROJECT DELIVERY

The Chief Executive reported that a review of the Asset Renewals and Refurbishment Programme had been undertaken to ensure it was deliverable and had resulted in some projects being put back 18 months. Additional work had been included following the storms earlier in the year but many of these were small pumps, e.g. in the DE area. There was a lot of work in the programme and the Boards did not have the resources to do everything; a more focussed schedule should improve productivity. There needed to be some resilience to enable additional work to be undertaken, e.g. small investigations. The revised programme would be presented to the individual boards.

It was noted that preparation of the Outline Business Case for Wiseton Pumping Station was underway and channel works in the catchment would be undertaken this winter.

RECEIVED

5. MAIN RIVER MAINTENANCE/PSCA WORKS

The Chief Executive had recently attended a meeting organised by the Lincolnshire National Farmers Union and given a presentation on the work undertaken by LM on main rivers; EA Officers were also present and Mrs V. Atkins, M.P. attended remotely. It had been reported that £11.3M had been awarded to the EA to undertake main river maintenance work compared to their regional maintenance bid of £27M. In response to Mr C. McGuinness, the Chief Executive agreed to forward costs for the Trent and Nottinghamshire areas. Concern had been expressed at the meeting about the cut backs. Mr C. McGuinness understood that this maintenance money had been robbed to enable them to top up the capital fund and emphasised that more houses were at risk of flooding now than previously. Mr P. Cornish referred to the £3.2B allocated for capital works that the EA could not spend and stated that some of this should be used for maintenance. He stated that the boards must continue to push this with their local MPs. The Chief Executive reported that Mr P. Lockhart from the EA had said that all major capital investment in the Nottinghamshire area was complete.

Members expressed concern about a recent comment from the EA that 'IDBs just do land drainage, the EA does flood risk'. He was expecting the narrative to change from 'they are not doing maintenance' to 'they are cash strapped'.

In response to members, the Chief Executive confirmed that the trial in the LM area had gone well. LM had undertaken maintenance on six of the seven agreed main rivers to the Board's standard and feedback from the adjacent landowners had been very positive.

The Chief Executive reported that there was talk about a similar arrangement in the Nottinghamshire area and the EA seemed positive about this. All works were recharged at cost (man and machine) plus a small cost to cover administration costs. If a firm commitment was given by the EA for future works, the boards could consider hiring an additional member of staff.

It was noted that work was due to commence today on the River Smite. In response to Mr J. Miller, the Chief Executive reported that he had seen no changes in the EA following the change in Government.

Mr P. Cornish confirmed that work had started on the River Idle at Bawtry (from Bawtry to the mushroom factory) and reported silt levels of one metre which the contractor reported was worse than expected.

Mr C. McGuinness referred to the last ADA Trent Branch meeting where he had asked why the EA was applying more environmental benefit than was required.

The Chief Executive stated that a uniformed approach across all government departments was required.

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6. UPDATE FROM INDIVIDUAL BOARDS ON OTHER MATTERS

Mr G. Crust expressed disappointment at the liaison between the Lincolnshire councils and IDBs, in particular with regard to the special levy which they classed as a drain on their finances. He was concerned about the way the Special Interest Group was taking this and the possibility of splitting the special levy from the council tax. Mr C. McGuinness agreed, stating that this could mean that if IDBs needed additional funding, they could be told they had a mechanism for raising funds locally. The Chief Executive had attended the meeting in Parliament on 8th October 2024 and understood that ADA was now fully aware of the boards' position on this.

Mr J. Miller praised the TV workforce, stating that they had been busy catching up with work that did not get done last year; there was still more to do but work on the ground was going well. He emphasised that it was important for the community to see work being undertaken, particularly following the flooding last winter.

Mr C. McGuinness reported that some councils were less keen to engage on matters where there were issues with joint assets. He explained that many of the council representatives on the DE board were not councillors so it was important that the council officer attended to feed back. Overall, support from DMBC was positive and they understood the need for the rate increase to maintain services. Mr P. Horne reported that the delivery time for pumps/spares seemed to have increased. In response, the Chief Executive reported that this was not helped by the fact that many IDBs were experiencing pump failures due to increased runtime last winter and they too were undertaking repairs/replacement. He stated that this demonstrated the need to keep assets in good order, e.g. regular maintenance/refurbishment and reforming, as it took a long time to catch up if the programme slipped. Mr C. McGuinness agreed, stating that this also helped with financial planning to smooth the rate.

Mr J. Coggon reported that two pumping stations were out of action in AX but the summer maintenance programme was progressing well with work in the northern area completed. Both the AX Chairman and Vice-Chairman were pleased to see an improvement in communication.

RECEIVED

7. STRATEGIC ENGAGEMENT AND PUBLIC RELATIONS

The Chief Executive updated on the following meetings:

8th October	AX	Parliamentary Reception – Special Interest Group regarding special levies (attended by MPs, IDBs, DCs)	Andrew McGill
9th October	AX	Daryl Road, Retford – meeting with residents regarding Carr Dyke and River Idle (attended by EA, IDB, DCs)	Chief Executive and Engineer
5th November	TV	North Scarle Flood Group	Engineer, Senior Operations Manager and Operations Manager
11th November	TV	Nottinghamshire NFU	Chief Executive
11th November	TV	Sutton-on-Trent Flood Alleviation Scheme meeting with Parish Council followed by meeting with landowners (work due to commence before Christmas 2024)	Chairman, Engineer, Senior Operations Manager and Operations Manager
12th November	AX	Wiseton Pumping Station and Catchment Improvements – meeting with landowners	Vice-Chairman, Engineer, Senior Operations Manager and Operations Manager
27th November	LM	Lincolnshire NFU	Chief Executive
28th November	TV	Thurgarton Flood Group	
13th November		ADA Conference	

The Chief Executive reported that there were more M.P.s present at the recent Parliamentary reception and he had met with several local ones and would be following this up with an invitation to visit the boards' areas. Mr J. Miller referred to the DEFRA visit in August and suggested that the new Floods Resilience Taskforce should be invited to visit the boards.

The Chief Executive reported that a review of the cost of IDBs was being undertaken and he had suggested that this should also include the value of IDBs.

RECEIVED

8. STAFFING

The Corporate Services Manager updated on staffing across the Consortium.

Regarding the pay increase for 2025/26, the Union had submitted a claim for a consolidated £500 plus a 5.1% increase, applicable to all salary points and this was circulated to members. Members were also provided with information from the Office of National Statistics and a schedule showing the additional cost to each board for a lump sum of £300 plus options for a 3%, 4% and 5.15% increase, and a straight 5.1% increase (no lump sum).

The Corporate Services Manager reported that concerns had been raised by the TV workforce regarding use of their own vehicles for work and it was agreed that this would be discussed by the TV Board in November.

The Corporate Services Manager further reported that (in accordance with the Terms and Conditions which stated that these would be reviewed every three years) the Duty Officer payments were now due for review. She explained the roles of the WMC Duty Officer and the DLO Duty/Appointed Person.

The Chief Executive and Corporate Services Manager left the meeting whilst the 2025/26 pay increase was discussed.

RECOMMENDED

- (a) That the annual Duty Officer payments be increased from £1,950 to £2,067 and from £975 to £1,033.50 respectively (an increase of 6%).

- (b) That with effect from 1st April 2025 the Consortium increase all salary points by £500 and then apply an increase of 5.1%.

9. ANY OTHER BUSINESS

None.

CHAIRMAN

Water Management Consortium

Joint Negotiating Committee

Minutes of a Meeting held at 3.00 p.m. on Tuesday, 29th October 2024 at Torksey Depot.

Present:

Board representatives: Giles Crust (LM Chairman), John Coggon (AX Chairman), John Miller (TV Chairman) and Chris McGuinness (DE Chairman).

Employee representatives: [REDACTED] (TV DLO), [REDACTED] LM DLO) and [REDACTED] (DE DLO).

Union representative: [REDACTED] Secretary, Unison East Midlands IDBs Branch).

In attendance:

Officers: Andrew McGill (Chief Executive) and Carol Davies (Corporate Services Manager).
LM Vice-Chairman, S.W. Eyre.

John Coggon chaired the meeting.

1. APOLOGIES

Apologies for absence were received from [REDACTED], [REDACTED] and [REDACTED]

2. NOTES OF THE LAST MEETING

The Notes of the meeting held on 15th May 2024 were circulated for information, these had been approved by the Boards.

RECEIVED

3. MATTERS ARISING

It was noted that AX and DE were still awaiting costs from the East Riding Pension Scheme.

4. PAY INCREASE FOR 2025/26

John Miller stated that the Chairmen were aware that the DLO pay had been reviewed but not the office staff which may mean that they may still be slightly behind inflation.

The DLO had asked for annual increases to be applied to the Duty Officer payments, stating that this was what used to happen prior to the salary review and it was not made clear at the time that this would not be the case going forward. John Miller agreed that this could be reviewed every year, however, the Chairman stated that there were no guarantees that it would be increased.

[REDACTED] supported the paper put forward by the Union for a £500 plus 5.1% increase.

The Chairman reported that the pay increase had been considered at the Consortium Committee meeting and had accepted that some spine points could be slightly behind and agreed to recommend that the boards approve (with effect from 1st April 2025) a £500 increase on all spine points and then apply a 5.1% increase. In addition to this, they would recommend that the Duty Officer payments be increased by 6% and reviewed again next year.

██████████ stated that the TV DLO would be more than happy with the pay offer, ██████████ and ██████████ also stated that the DE, AX and LM DLO would be happy with the offer.

██████████ stated that he would have to take this back to the Union members but was confident they would be accept the offer.

5. TERMS AND CONDITIONS

John Miller confirmed to ██████████ that the TV Board would be considering travelling and provision of vehicles at the November Board meeting. ██████████ stated that all other Land Drainage Operatives across the Consortium were provided with a vehicle, the TV DLO were incurring huge costs for using their own vehicles for work (e.g. insurance, additional servicing and wear and tear) and felt that the current mileage allowance did not cover this.

██████████ agreed to send through some examples of this to ██████████ so that it could be taken into account.

CHAIRMAN

FOR MEMBERS' INFORMATION ONLY

LINDSEY MARSH DRAINAGE BOARD	File Ref:	Agenda Item: 14
Meeting: Board Meeting Date: 27th November 2024	Subject: PUMPING STATION STATUS	

1. Overview (Current Focus and/or Status)

1:1 The current issues at the Board's pumping stations are shown below.

Asset	Pumps Available	WSC Available	At Risk	Planned Works & Owner	Completion Date
Austin Fen East PS	1	Yes	Agricultural Land. Risk to PS if EA's watercourse overtops. 20 Properties.	No Issues	
Austin Fen West PS	1	Yes	Agricultural Land. Takes additional water when EA's Black Dyke overtops. Risk to PS if EA's main river overtops. 8 properties at risk.	No Issues	
Biergate East PS	1 2	Yes	Grainthorpe Village & Agricultural Land. Risk to PS if Louth Canal connects East to West. 79 Properties.	No Issues	
Biergate West PS	1	Yes	Takes additional water when Poulton Drain overtops. 17 properties at risk	No Issues	
Covenham PS	1 2	N/A	Double bends in village flood causing road closure. 35 properties at risk	No Issues	
Fulstow East PS	1	Yes	Agricultural Land & Marshchapel village if Louth Canal overtops. 255 properties at risk	No issues	
Fulstow West PS	1 2	Yes	Agricultural Land & Fulstow. Risk to PS if Louth Canal overtops. 155 properties at risk.	No issues	

Asset	Pumps Available	WSC Available	At Risk	Planned Works & Owner	Completion Date
Grainthorpe PS	1	Yes	Large agricultural land & parts of Marshchapel & Grainthorpe. 313 properties at risk	No Issues	
	2				
	3				
Howdales PS	1	Yes	Agricultural land (gas site). 15 isolated properties.	No Issues	
	2				
Ludney PS	1	Yes	Agricultural Land. 40 properties at risk	No Issues	
	2				
Porters Sluice PS	1	Yes	Agricultural Land & North Somercotes. 764 properties at risk	No issues	
	2				
Saltfleet PS	1	Yes	Large agricultural catchment, Saltfleetby & South Somercotes village. 541 properties at risk	Install, testing and commissioning of 2 motors complete - 3 operational pumps with a pumping capacity of 8-8.5 cumecs (currently all set in auto & set at 11.8Hz) - P3 still has a temporary motor and an appropriate replacement is being sought	31/03/2025 (motor 3 replacement)
	2				
	3				
Thoresby Bridge PS	1	Yes	Low risk following 2007 floods. Agricultural land. 106 properties at risk	No Issues	
	2				
Anderby PS	1	Yes	Large, predominantly agricultural land. 809 properties.	No issues	
	2				
	3				
Boothby PS	1	N/A	Small sump pump serving small agricultural catchment. 1 property.	No issues	
Boygriff PS	1	Yes	Large agricultural catchment including Sutton on Sea urban area. 1029 Board & 1086 Catch.	No issues	
	2				
	3				

Asset	Pumps Available	WSC Available	At Risk	Planned Works & Owner	Completion Date
Chapel Basin PS	1	N/A	Serves small holiday chalet area only. 18 Properties.	No issues	
Fulbeck PS	1 2	N/A	Mablethorpe urban area. 2842 properties.	No issues	
Ingoldmells PS	1 2 3	Yes	Urban areas of Ingoldmells, part of Skegness, Orby, Addlethorpe & multiple caravan sites. 4989 properties.	No issues	
Nursery PS	1	N/A	Agricultural land. 0 Board & 1 Catch.	No issues	
Theddlethorpe PS	1 2 3	Yes	Agricultural land & Theddlethorpe, Gayton and Great Carlton. 400 Board & 530 Catch.	No issues	
Trusthorpe PS	1 2 3	Hand	Agricultural land. 3589 Board & 3659 Catch.	PS fully refurbished - 3 new pumps installed - weedscreen cleaner available to be run in hand	01/11/2024 (minor works to complete with contractor de-mob from site w/c 25/11)
Wyche PS	1 2	Yes	Agricultural land & Sloothby village. 67 properties.	No issues	
Burgh Le Marsh PS	1 2	N/A	0	No issues	
Burgh Sluice PS	1 2 3	Yes	Large catchment serves Gotts & Burgh Le Marsh. 1515 Board & 4782 Catch.	No issues	
Crown Farm PS	1 2	Yes	Croft village which serves as relief overflow for Burgh Sluice. 427 properties.	No issues	
Gibraltar Point PS	1 2	N/A	Agricultural land. 23 properties.	No issues	
Gotts PS	1 2	N/A	Part of Skegness which serves Burgh Le Marsh PS. 3103 properties.	No issues	

Asset	Pumps Available	WSC Available	At Risk	Planned Works & Owner	Completion Date
Thorpe Culvert PS	1	Yes	Agricultural land. 1039 Board & 1088 Catch.	No issues	
	2				
	3				
	4				
Wainfleet Sea Lane PS	1	N/A	Agricultural land. 136 properties.	No issues	
	2				

Robert Brown
Senior Engineering

Antony Malin
Senior Operations Manager

FOR MEMBERS' INFORMATION ONLY

LINDSEY MARSH DRAINAGE BOARD	File Ref:	Agenda Item: 15
Meeting: Board Meeting Date: 27th November 2024	Subject: ASSET RENEWAL AND REFURBISHMENT	

1. Overview of Current Focus

1:1 Projects Completed

Project and Tasks	Description of Works	Budget	Expenditure	Final Out-turn
Gibraltar Point Pumping Station - Trial Pump	New fish friendly pump (supplied by Pumpflow) to be installed and trialed at PS		*11,973.26	Y
Anderby Pumping Station Refurbishment	First major refurbishment since its construction - 3 new fish friendly pumps, new control panel and refurbishment of Bosker automatic weedscreen cleaner	2,180,334.00	2,101,285.23	N
Chapel Basin Pumping Station Refurbishment	Replacement of sole pump and minor ancillary works	20,821.50	23,943.15	N

* Pump supplied at nil cost to the Board, expenditure relates to staff time, ABB start section and associated cabling and crane hire to assist with installation – costs have been allocated to LM21307 (Gibraltar Point PS Refurbishment project).

1:2 Projects – Current Focus

Del Order	Project and Tasks	Description of Works	Budget	Expenditure	Planned Completion
1	Trusthorpe Pumping Station Refurbishment	Major refurbishment of PS	4,430,395.60	3,827,831.09	04/11/2024
2	Saltfleet Pumping Station - Replacement motors	Major pumping station refurbishment - complete - Issues with motors (1 & 2 now sorted) - Pump 3 still has a temporary motor - replacement motor being sought by pump manufacturer	4,557,133.50	4,190,824.48	02/12/2024

Del Order	Project and Tasks	Description of Works	Budget	Expenditure	Planned Completion
3	SCAPE - 13 PS Refurbishments - OBCs (Gib Point, Louth Canal PS inc Grainthorpe and Thoresby Bridge & Southern Group Burgh Sluice, Crown Farm & Thorpe Culvert PS)	Production of Outline Business Cases to support funding and delivery of 13 PS refurbishments	0.00	765,132.98	1/12/24
5	Fulbeck Pumping Station Refurbishment (Delivery through SCAPE)	Major pumping station refurbishment	2,846,728.00	290,322.53	1/7/25
6	Gibraltar Point Pumping Station Refurbishment (Delivery through SCAPE)	Full PS refurbishment - OBC and delivery of project through SCAPE consultant		28,310.93	1/11/25
7	Ingoldmells Pumping Station Refurbishment	Major PS refurbishment (final PS as part of LM Coastal PS package)	4,275,000.00	2,909,981.68	19/12/25
8	Theddlethorpe Pumping Station Refurbishment	Major PS refurbishment - Pile painting to be completed	881,308.00	925,022.04	30/5/24
8	Bleak House Doors & Concrete lining of section of Mablethorpe Lower Cut	Part of Theddlethorpe PS Refurbishment project - Automation of Bleak House Doors with new electricity supply and concrete lining of an inaccessible section of Mablethorpe Lower Cut			31/10/24
9	CCTV & Jetting - Gravity systems at Boygrift, Gib Point & Burgh Sluice PS, Syphon underneath river at Crown Farm PS, syphons underneath Louth Canal, Searbys Crown Farm Drain (46m)	CCTV and jetting works - Ongoing works to facilitate refurbishment projects	250,583.44	35,314.11	01/04/2025

1:3 Other Projects

The following projects are within the planned works programme for this year but are not being progressed due to lack of resource which has been diverted to focus on the more critical schemes, emergency works and the Flood Recovery Bids and projects.

Risk	Project and Tasks	Description of Works
	CCTV and De-silting / Jetting Works Programme	Rolling programme of jetting and cleansing culverts in Board's area (predominantly urban areas) to assess condition and maintain conveyance of flows
	Pile Repairs at Saltfleet and Trusthorpe Pumping Stations	Piles corroded at both pumping stations - surveys have been undertaken - plan for remedial repairs being progressed
	Grainthorpe Pumping Station - Replacement flap valve	Outfall flap valve and frame require replacement
	Thorpe Culvert Catchment Investigations and Culvert Inspections	Investigation into historical catchment links and culverts
	Trusthorpe Main Drain Culverting (Phase 4)	Section of watercourse requires culverting due to access issues and subsidence (towards footpath and highway) - Discussions ongoing and partnership funding is being sought.
	Burgh Village PS Refurbishment	Routine pumping station refurbishment
	Boygriff Pumping Station Refurbishment	Major PS refurbishment complete - 3 x fish friendly pumps, new control panel, refurbishment of Bosker weedscreen cleaner, building works and improvements to compound - Remaining works are to reinstate the gravity outfall

1:4 IDB Storm Recovery and Asset Improvement Scheme - Tranche 1

- 1:4:1 Members will recall that funding was awarded for the Tranche 1 bids with payment due in full during September 2024. There has been a delay in receiving payment which is due to further information being required by the EA including the issue of eel exemptions. Officers were not made aware of this until recently and a project closure report and further claim form has now been completed and submitted. The EA have confirmed payment in full can now be made.

2. Matters for Note

- 2:1 Theddlethorpe Pumping Station Refurbishment (including automation of Bleak House Doors and channel works in a section of Mablethorpe Lower Cut) – LM18306
- 2:1:1 The Board's DLO have successfully finished installing concrete canvas to a 100 metre inaccessible section of the Mablethorpe Lower Cut located between the Gas Terminal and Kent Avenue.
- 2:1:2 Additional costs have been incurred for this element of the project due to the sheer volume of silt within the watercourse which had to be removed and disposed of off-site.
- 2:1:3 As the DLO were engaged in summer maintenance activities and preparation for work as part of Tranche 2 of the IDB Storm Recovery bids, additional plant, machinery and operatives had to be hired in.
- 2:1:4 The drain bed was considerably softer than was first envisaged and additional aggregate was required to create a firm bed to enable machinery to track within the channel to aid in the silt removal. This aggregate was then further topped up prior to the concrete canvas being installed.
- 2:1:5 Works to complete the overall project are;
- (a) Pile painting at the pumping station,
 - (b) Further silt removal from within the channel of the Mablethorpe Lower Cut,
 - (c) Dam removal,
 - (d) Making good the track / ground (used for access),
 - (e) Electrical supply and automation of Bleak House Doors,
 - (f) Construction of platform, kiosk and control panel
 - (g) Fencing
- 2:1:6 It is anticipated that works to the Mablethorpe Lower Cut will be completed by the DLO prior to Christmas. Officers are currently awaiting confirmation from Northern Powergrid for the new electricity supply to enable automation of Bleak House Doors. Pile painting to complete the works at the pumping station will be carried out when weather conditions are more favourable (spring / summer 2025).
- 2:1:7 Due to high inflationary costs being experienced since the original budget was prepared and the additional works as detailed above, the scheme is overspent and will require further funding to completion.

Recommendation:

- To approve the transfer of £135,000 from the pumping station renewal reserve (LM18308) to fund the overspend and costs to complete the Theddlethorpe Pumping Station Refurbishment project (LM18306).

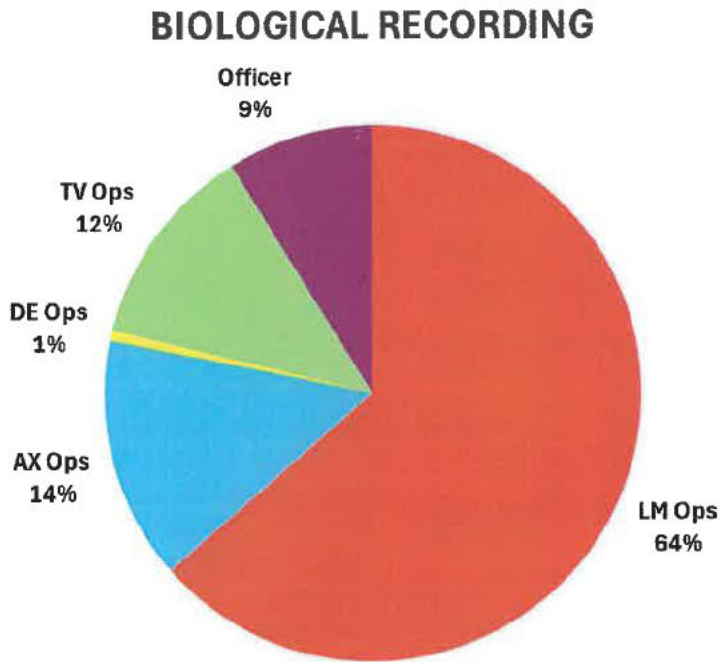
Robert Brown
Senior Engineer

FOR MEMBERS' INFORMATION ONLY

LINDSEY MARSH DRAINAGE BOARD	File Ref:	Agenda Item: 18
Meeting: Board Meeting Date: 27th November 2024	Subject: ENVIRONMENTAL MATTERS	

1. Overview (Current Focus and/or Status)

1:1 **Electronic Recording** – Over 1100 biological records have been collected across the Consortium so far this year, this already excels last year's total. The below chart indicates where the data has been collected across the Consortium (NB - DE numbers are awaiting manual entry).



1:1:1 **Top Recorders** – A mention for the top five Operational Staff collecting biological records this year to date:

1. [REDACTED] LM 213
2. [REDACTED] LM 113
3. [REDACTED] AX 98
4. [REDACTED] LM 97
5. [REDACTED] LM 70

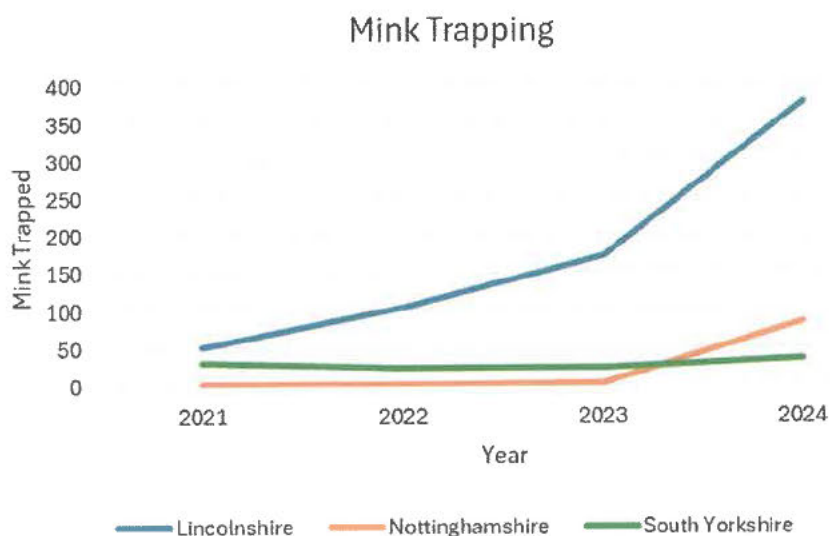
1:2 **Ecological Surveys** - The table below represents Board areas in which ecological surveys are being undertaken to enable the winter works programme and licensable monitoring of protected species.

Area of Focus	Survey Reason(s)	Status	Concerns / Mitigation
Butterbump	Winter works	Ongoing	[REDACTED]
Covenham	Winter works	Ongoing	[REDACTED]
Irby	Winter works	Ongoing	[REDACTED]
Helsey	Winter works	Ongoing	[REDACTED]
Wyche, Hogsthorpe, Hillydyke, Orby	Winter works	Ongoing	[REDACTED]
Huttoft	Winter works	Ongoing	[REDACTED]
Seven Towns	Winter works	Ongoing	[REDACTED] verges to be avoided
Steeping River, Soap Dyke	Winter works	Ongoing	[REDACTED]
Trusthorpe	Winter works	Ongoing	[REDACTED]
West Bank	Winter works	Ongoing	[REDACTED]
Anderby	Water vole monitoring	Ongoing	Hills Common, Thurlby, Hargate & Kettle Fen
Conisholme	Water vole monitoring	Complete	[REDACTED]
Bilsby	[REDACTED] monitoring	Ongoing	[REDACTED]
Austen Fen	[REDACTED] monitoring	Ongoing	East Field, America and Summer Head [REDACTED]
Saleby	[REDACTED] monitoring	Ongoing	Sewer [REDACTED]
Alvingham	[REDACTED] monitoring	Ongoing	West Field [REDACTED]
Theddlethorpe	[REDACTED] monitoring	Complete	[REDACTED]
Boothby	[REDACTED] monitoring	Complete	[REDACTED]
Tetney	[REDACTED] monitoring	Ongoing	Old Fleet [REDACTED]
North Somercotes	[REDACTED]	Near complete	Works finished, [REDACTED]
Habertoft	[REDACTED]	Near complete	Works finished, [REDACTED]

2. Matters for Note

2:1 Mink and Water Vole

- 2:1:1 There is continuing success regarding mink eradication across the UK, 1394 have been dispatched so far this year (latest data to 30th September), with a predicted 2000 by the years end. Currently, Lincolnshire has the highest number caught this year. The graph below shows the importance in continuing to support mink eradication within our Consortium.



2:2 Badgers

- 2:2:1 Following meetings between IDB Environmental Officers, ADA and Natural England There is now an improved understanding Class Licence (CL27). The licence allows vital works to continue whilst causing minimal disturbance to badgers, Officers had noted inconsistencies and grey areas within in the wording of the licence.

2:3 Birds

- 2:3:1 As previously reported, IDB Environmental Officers were discussing whether training developed by the British Trust of Ornithology (BTO) and delivered to the Environment Agency would be beneficial to IDB Operational Staff. The training had been trialled by one group of IDBs but would not be recommended to IDBs more widely given its general scope. One group of IDBs is developing more condensed and relevant guidance and is willing to share its work.

2:4 Beavers

- 2:4:1 Environmental Officers recently had a discussion around beavers and their impacts within lowland pumped catchments. The River Stour IDB in Kent hosted a field visit by the National Beaver Management Forum set up by Natural England (NE) in June to look at the impacts of their presence on lowland water management. ADA's Technical Manager has been invited to join an Infrastructure sub-group of the Beaver Management Forum set up by the Environment Agency (EA) who are looking to commission guidance on the management of beavers. ADA attended alongside representatives of EA, NE and the Canal and Rivers Trust (CRT) to discuss this challenge further.

2:4:2 IDB Environmental Officers, as well as relevant staff from the CRT will be attending a training course in November hosted by NE to be held over two days within Kent, where free living beavers are present. This training will be relevant for Officers working towards a licence to modify or remove dams, burrows and lodges (CL51).

Recommendation:

To note report of Officers

Robert Brown
Senior Engineer

Iain Turner
Environmental Officer

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LINDSEY MARSH DRAINAGE BOARD	File Ref:	Agenda Item: 19
Meeting: Board Meeting Date: 27th November 2024	Subject: FINANCE	

1. Overview – Current Position

1:1:1 Current Cash / Bank Position – as at 30th September 2024

<i>Account name</i>	<i>Balance</i>	<i>Interest Rate %</i>
Barclays Current Account	£530,648.68	0.00%
Barclays Deposit Account	£4,420,099.21	1.75%
Beverley Building Society	£396,439.54	1.75%
Monmouthshire Building Society	£523,165.95	1.30%
Santander UK Account	£794,462.22	1.04%
Petty cash	£152.00	
Total	£6,664,967.60	

1:1:2 Current Investments / holdings

<i>Account name</i>	<i>Invested Sum</i>	<i>Term End date</i>	<i>Interest on term end</i>	<i>Interest Rate</i>
Skipton B/soc Term Deposit	£250,000.00	6 th March 2025	£5,764.73	4.65%

1:2:1 Current Loan Position – as at 30th September 2024

<i>31st March 2024 Balance</i>	<i>30th September 2024 Balance</i>	<i>Capital Repayments in Period</i>	<i>Interest Charge in period</i>
£0.00	£0.00	£0.00	£0.00

The Board has no outstanding Public Works Loan Board at the 30th September 2024.

1:2:2 Future loan Position

The following loans are in the 2024/25 Estimates to be drawn before the end of this financial year.

<i>Scheme</i>	<i>Planned Loan amount</i>	<i>Term of Loan in Years</i>	<i>Interest Rate - estimated</i>
Saltfleet	£591,000	20	5.46%
Anderby	£210,000	20	5.46%
Gibraltar Point *	£255,000	20	5.46%
Ingoldmells **	£1,300,000	20	5.46%
Total	£2,356,000		

*Gibraltar Point loan reprofiled to 2025/26 in draft 25/26 estimates.

**Ingoldmells loan reprofiled to £0 in draft 25/26 estimates.

1:3:1 Management Accounts: Actual vs Budgets – as at 30th September 2024

<i>The accounts are prepared on an Accruals basis when income or expenditure is due rather than when cash is paid or received</i>	<i>Whole Year Budget for 2024/25 – As per Estimates approved Jan 2024</i>	<i>Variance – overall negative variance represents lower than expected position</i>	<i>Weighted Budgets for period</i>	<i>Actuals for period</i>
	£	£	£	£
Income	7,000,633	69,761.62	4,207,456	4,277,217.62
Own use of plant or labour on Schemes	329,750	50,452.17	168,636.00	219,088.17
Total Funds In	7,330,383	120,213.79	4,376,092.00	4,496,305.79
Maintenance costs for drains & PS etc	-1,037,367	-205,126.88	-367,232.00	-572,358.88
Supportive Costs	-4,785,292	147,017.00	-2,356,793.50	-2,209,776.50
Balance sheet costs incl Assets & Loans	-558,200	-112,498.90	-92,743.00	-205,241.90
Board funding to schemes	-797,000	0.00	-797,000.00	-797,000.00
Total Funds Out	-7,177,859	-170,608.78	-3,613,768.50	-3,784,377.28
Unplanned adjustment to / (from) Reserves to Schemes	0.00	0.00	0.00	0.00
Surplus / (Deficit) for the Year / Period	152,524	-50,394.99	762,323.50	711,928.51

A detailed version of the Budgetary Management Accounts, including notes, can be found on **Appendix 1**

1:4:1 Balance Sheet – as at 30th September 2024

A detailed version of the Balance Sheet can be found on **Appendix 2**

1:4:2 Fixed Asset Movements

<i>Additions</i> <i>Asset description</i>	<i>1</i>	<i>Asset Cost</i>	<i>Incl in Estimates</i>	<i>Funds to come from Plant Reserves</i>	<i>Variance. (Added) / Taken from General Reserves</i>
Volvo ECR145 EL Tracked Excavator PLN7064 EU24 CYP	2	£133,545.00	£0.00	£133,545.00	£ 0.00
Steelwrist X18 S60/S60 Tiltrotator with Quantum control system etc PLN7064A	3	£35,300.00	£0.00	£35,300.00	£ 0.00
72 inch ditching bucket PLN7064B	4	£1,850.00	£0.00	£1,850.00	£ 0.00
48 inch digging bucket PLN7064C	5	£2,250.00	£0.00	£2,250.00	£ 0.00
24 inch digging bucket PLN7064D	6	£1,600.00	£0.00	£1,600.00	£ 0.00
Dipper Arm for use on YN71AUH - PLN7062B	7	£5,100.00	£0.00	£5,100.00	£ 0.00
30k Ltr Fuel Storage Tanks Red Diesel PLN7545	8	£26,882.50	£0.00	£26,882.50	£ 0.00
20k Ltr Fuel Storage Tanks White Diesel PLN7546	9	£21,037.50	£0.00	£21,037.50	£ 0.00
Toolbox for workshop PLN7989	10	£1,199.95	£1,200.00	£0.00	(£ 0.05)
Stihl TS410 Saw PLN7990	11	£625.00	£625.00	£0.00	£ 0.00
Deskjet Plotter PLN7991	12	£7,347.00	£13,000.00	£0.00	(£5,653.00)
Stihl KMA 80R KombiMotor Body, Hedge Trimmer Kombi Tool & Bristle Brush Komb Tool PLN7993	13	£723.00	£723.00	£0.00	£ 0.00
*Used Massey Ferguson Dyna Tract FX24 BFO PLN7350	14	£127,271.95	£0.00	£0.00	£127,271.95
COSHH Bunded Walk-In Store PLN7992	15	£5,055.47	£0.00	£5,055.47	£ 0.00
6m Trench Sheets for Dams (x34) PLN7994	16	£18,435.00	£0.00	£18,435.00	£ 0.00
DN24 WSL Vauxhall Combo 1.5 Turbo D 2300 Prime Panel Van PLN7486	17	£18,075.00	£17,000.00	£0.00	£1,075.00
	18				
Totals	19	£406,297.37	£32,548.00	£251,055.47	£122,693.90

*MF tractor FX24BFO funded from Disposal of MF tractor FX23DBO via Insurance claim.

<i>Disposal</i> <i>Asset description</i>	<i>Asset Disposal Proceeds</i>	<i>Incl in Estimates</i>	<i>Funds to return to Plant Reserves</i>	<i>Variance. (Added) / Taken from General Reserves</i>
Volvo EW160E Excavator EU66 CWC PLN7054	(£57,500.00)	(£0.00)	(£57,500.00)	£ 0.00
MF Dyna-6 Tractor FX23 DBO	(£106,320.00)	(£0.00)	(£0.00)	(£106,320.00)
Ford Fiesta (FV18 TZX) PLN7463 – W/O	(£0.00)	(£1,000.00)	(£0.00)	£1,000.00
Totals	(£163,820.00)	(£1,000.00)	(£57,500.00)	(£105,320.00)

1:4:3 Trade Debtors – at 30th September 2024

<i>Customer</i>	<i>Notes</i>	<i>Debt risk included in Period Balance Total</i>	<i>Period Balance Total</i>	<i>31st March 2024 Balance</i>
			£227,674.18	£114,689.23
	Rates debt - Paid in instalments	£1,140.00	All debts are being chased.	
	O/s from March 2022	£459.36		
Total		£1,599.36		

1:4:4 Trade Creditors & Retentions – at 30th September 2024

<i>Supplier</i>	<i>Notes</i>	<i>Credit balances of note included in period balance</i>	<i>Period Balance Total</i>	<i>31st March 2024 Balance</i>
			£904,302.42	£875,142.97
Trade Creditors		£604,641.48		
Supplier Retentions	Relates to projects	£299,660.94		
Total		£904,302.42		

1:4:5 Reserves – Plant Reserve – at 30th September 2024

Plant Reserve Balance at 1 st April 2024	£345,159.16
Planned addition to Plant Reserve in 2024/25 Estimates	£50,000.00
Planned use of Reserve for additions of new plant	-£174,545.00
Unplanned use of Reserve for additions of new plant	-£76,510.47
Planned disposal proceeds returned to Plant Reserves	£57,500.00
Remaining Balance in Plant reserve	£201,603.69

1:4:6 Reserves – Schemes Reserve – at 30th September 2024

Scheme Reserve Balance at 1 st April 2024	£3,258,360.16
Board funding - Planned addition to Schemes from Rating Income in 2024/25 Estimates	£797,000.00
Board funding - Loan funding received into Schemes in period	£0.00
3 rd Party funding - Funding into the Schemes from External Sources – including grants & contributions	£2,964,354.00
Expenditure within Schemes in year to date	-£2,470,513.99
Unplanned Adjustments from / (to) general reserves	£0.00
Remaining Balance in Schemes Reserve at period end	£4,549,200.17

Within the Remaining Balance, the PS Renewal Reserve, used to fund future schemes, currently holds £375,000 in balances, whilst this will be reduced to £240k following the

approval of a transfer of £135k to LM18306 Theddlethorpe PS Refurbishment scheme, the remainder will be used in future schemes to ease the rate in years of high expenditure.

The funds held in the Schemes are earmarked for use by that scheme and only where there are transfers in or out of the schemes into General Reserves will it affect the Cash Surplus Reserve of the Board.

Recommendations:

- To approve the Budgetary Management Accounts, including Balance Sheet, for the Period to 30th September 2024

2. Overview – Forecast Position – Unforeseen Expenditure & Income

2:1 Forecast of Outturn affecting General Reserves at 31st March 2025

Where the Board receives income or incurs expenditure not included within the 24/25 Estimates, these sums will affect the Expected Surplus or (deficit) position for the year & in turn the funds to be met from or received into General Reserves.	1	Whole Year Budget for 2024/25 – As per Estimates approved Jan 2024	Sums forecasted to improve the Board's position. Additional income or lower expenditure	Sums forecasted to worsen the Board's position. Lower income or additional expenditure	Forecasted Position for the year to 31 st March 2025
	2	£	£	£	£
Income	3	7,000,633			
• Tranche 1 money	4		670,891		
• Agricultural Rates	5		2,123		
• Highland Water	6		13,725		
• PSCA Income inc Mink	7		23,200		
• Engineers Recharges	8		35,000		
• Consenting Income	9		14,000		
• Disbursement Income	10		19,700		
• Consortium Recharges	11			-102,000	
• Other Income incl Insurance claim	12		12,800		
• Interest	13		38,555		
Use of plant or labour on Schemes	14	329,750			
• Use of labour/plant within schemes	15		50,000		
Total Funds In	16	7,330,383	879,994	-102,000	8,108,377
Maintenance costs for drains & PS etc	17	-1,037,367			
• Drains Mntnce expenditure	18		15,000		
• PS contractor expenditure	19			-30,000	
• PS electric	20			-110,000	
• PS Insurance	21			-21,566	
• PSCA costs incl Mink	22			-1,424	
• Disbursement Costs	23			-19,700	
• Stock variances	24			-4,000	
Supportive Costs	25	-4,785,292			
• DLO Wages & Costs	26			-11,900	
• Salary Costs	27		236,500		
• Other staff costs incl training	28		10,214		
• Plant & Motor Costs	29			-5,000	
• Equipment Hire	30		10,000		
• IT costs	31		5,000		
• Employment/Professional Advice	32		15,000		
• Insurances	33		3,800		
• Loan Interest	34		44,027		
Balance sheet costs incl Assets & Loans	35	-558,200	5,326	-40,705	-593,579
Board funding to schemes	36	-797,000			-797,000
Total Funds Out	37	-7,177,859	344,867	-244,295	-7,077,287
Unplanned adjustment to / (from) Reserves to Schemes	38	0.00	0.00	-622,556	-622,556
Surplus/(Deficit) for Year/period	39	152,524	1,224,861	-968,851	408,534
Improvement in Surplus / (deficit) position	40				256,010

2:2 Unplanned Adjustments to Schemes

Included within the Unplanned adjustments to Reserves/Schemes (line 28) is a provision to transfer £600k to the Strubby Depot Improvement Scheme LM17052 to enable the

necessary works to go ahead.

2:3 Forecast of Surplus Cash Position at 31st March 2025

Surplus Cash Reserve Balance at 1 st April 2024	£1,214,003.95
Funds to be withheld for Plant Reserve at 1 st April 2024	£345,159.16
Funds to be held for Commuted Sum Reserve at 1 st April 2024	£0.00
Total Cash reserves at 1st of April 2024	£1,559,163.11
Expected Surplus position for the year to 31 st March 2025	£152,524.00
Forecasted difference to Surplus / (deficit) position at 31 st March 2025	£256,010.00
Forecasted Total Cash Reserve at 31st March 2025	£1,967,697.11
Forecasted funds held in Plant Reserve at 31 st March 2025	-£203,603.69
Forecasted funds held in Reserves / Commuted Sums at 31 st March 2025	-£0.00
Forecasted Surplus Cash Position at 31st March 2025	£1,764,093.42
Predicted net operating costs for 2024/25 (costs less rating income)	£5,213,853
<i>Forecasted Surplus Cash as a % of 24/25 forecasted net operating costs</i>	<i>33.83%</i>

2:4 Fixed Asset Future Movements

<i>Remaining Additions in the financial year as included in the estimates and or Plant reserves: Asset description</i>	<i>Asset Cost (if known)</i>	<i>Incl in Estimates</i>	<i>Funds to come from Plant Reserves</i>
Case Tracked Excavator incl 5yr warranty	£233,067.41	£215,000.00	£0.00
Case Tracked Excavator Steel Wrist	£34,000.00	£0.00	
Case Tracked Excavator pallet forks	£2,587.50	£0.00	
Case Tracked Excavator ditching bucket	£2,800.00	£0.00	
Herder 1 incl warranty (instead of tractor & Flail)	£300,250.00	£290,000.00	
Tools Allowance £5k less spent	£0.00	£2,452.00	
Totals	£572,704.91	£507,452.00	£0.00

<i>Remaining Disposals in the financial year as included in the estimates and or Plant reserves: Asset description</i>	<i>Asset Proceeds (if known)</i>	<i>Incl in Estimates</i>	<i>Funds to come from Plant Reserves</i>
Bipper Van FY12 CCX PLN7448	£0.00	£0.00	-£500.00
Weedbasket PLN7179	£0.00	£0.00	-£1,500.00
Volvo EC220EL Excavator (EU67AYW) PLN7055	-£40,000.00	-£30,000.00	£0.00
MF 7720 Tractor (YX16CWV) PLN7345	-£37,000.00	-£15,000.00	£0.00
Herder Grenadier Flail PLN7142	£0.00	-£5,000.00	£0.00
Weedbasket PLN7180	£0.00	-£1,500.00	£0.00
Weedbasket PLN7181	£0.00	-£1,500.00	
Compressor towable PLN7952	£0.00	-£500.00	
Totals	(£77,000.00)	(£53,500.00)	(£2,000.00)

Recommendations:

- To approve the Forecast of Outturn Position to 31st March 2025.

3. Matters for Note

3:1 Forecast of Outturn

The Tranche 2 funding or any associated costs for the work included in the Tranche 2 claim have been excluded from the Forecast position.

We have recently submitted a second Tranche 2 claim detailing the works that can be completed by the 31st March 2025, these were estimated at a total cost of £653,397.80 (absorbed costs £287,594.80 plus external costs £365,803).

The claim related to 14 Water Level Management sites (£156,975) plus drainage works within the Steeping River Catchment (£335,903.50), Trusthorpe Catchment (£93,014.30) and Dudick Connection Drain (£67,505).

Should the bid be unsuccessful, the drainage works would be able to proceed and costs can be met from current Operations budget and any overspend from the Partnership Fund (£106k). However, the 14 Water Level Management sites would have to wait until suitable funding is available.

3:2 Payments over £500

A schedule of payments over £500 made by the Board since the last meeting is attached for approval at **Appendix 3**.

Recommendations:

- To approve the schedule of payments.

3:3 External Audit

3:3:1 Appointment of External Audit

The Board must appoint an approved external auditor and the Board has joined the Opt-in Scheme with Public Sector Audit Appointments Limited (PSAA), however we have been informed that PSAA have been unsuccessful in appointing an auditor and the next step is to contact the Secretary of State to advise of our situation.

The Secretary of State may appoint an auditor, however due to the countrywide backlog, this appears unlikely, we will continue to advise the Board of any progress.

3:4 Internal Audit

3:4:1 Internal Audit Provision

The Lincolnshire & Bedford Drainage Boards, on behalf of the WMC Boards, have sought tenders for the provision of Internal Audit Services, with the successful tender being awarded to Lighthouse UK Consultancy Limited (LHCUK). LHCUK will provide Internal

Audit services for the WMC Boards for an initial 5-year term for the period 1st October 2024 to 31st July 2029, with a possible two-year extension to 31st July 2031.

██████████, previously an auditor with TIAA Ltd, is the lead auditor at LHCUK.

3:3:2 Internal Audit Provision for 2024/25

Due to the appointment of a new internal auditor with affect from 2024/25, Lighthouse UK Consultancy Limited have provided the audit program of the planned areas of work to be covered in the forthcoming audit. Should the Board consider any areas of concern, these can be discussed with the Auditor and the program can be agreed and adapted.

The planned 2024/25 Internal Audit Program is attached for the Board's consideration and approval at **Appendix 4**

Recommendations:

- To approve the appointment of Lighthouse UK Consultancy Limited as the Board's internal Audit firm.
- To consider and approve the 2024/25 Internal Audit Program.

Mrs N. Hind FCCA
Finance Manager

Appendix 1

Lindsey Marsh Drainage Board

Variance to Estimates Report - For the 6 months to 30th September 2024

	Whole Year Estimate	30.09.2024 Variance	30.09.2024 Estimate	30.09.2024 Actual	Notes
INCOME					
<i>Where the Income variance is negative this shows that the income received is less than estimated for</i>					
The following income is not related to Engineering Schemes					
Agricultural drainage rates	1,381,289.00	2,123.32	1,381,289.00	1,383,412.32	
Special levies	4,241,098.00	0.00	2,120,549.00	2,120,549.00	
Highland water contributions	105,084.00	13,725.89	105,084.00	118,809.89	Received 19.09.24
Stewardship Income	3,772.00	0.00	0.00	0.00	
Rental, wayleaves & grazing income	1,088.00	0.00	0.00	0.00	Winthorpe Grazing Letting due Oct 24
Income from PSCAs	32,000.00	53.26	0.00	53.26	{ Matched Income Deferred to Expenses on Steeping £53.26. yet to bill out the Mink Control Costs
Income from rechargeable works	216,749.00	36,312.98	107,268.00	143,580.98	{ Engineers time rchg £132,028.67 (est £107,268.00). Recharge works £1,360.96 (est £0)
Income from consenting	90,153.00	17,451.34	39,452.00	56,903.34	{ Consent time rch to other Boards £32,839.75 (est £34,825k); Consent fees £2,090. Surface Water Dev fee £21,973.59 (Est £2,707k)
Income from recharge of disbursements	78,116.00	19,659.50	40,488.00	60,147.50	{ Income is matched to disbursement expenditure - Lincolnshire Show costs still to be recharged to ADA
Contributions	6,110.00	1,557.72	2,357.00	3,914.72	{ OneCom phone discount receipt £2,940. Mileage reimb £730.80 Strubby Gliders interim £243.92
Deferred income & commuted sums	10,050.00	0.26	9,234.00	9,234.26	Matched Income to Phone Hardware
Consortium & management income	780,124.00	(55,241.84)	380,857.00	325,615.16	{ Lower Costs & higher engineer recharges thus lower amount recharged as a % to consortium members
Investment interest	55,000.00	21,310.23	20,878.00	42,188.23	{ Interest received from Barclays Premium A/c £31,536.91, Santander £4,160.91 & Skipton Term deposit interest BS £6,490.41
Other income	0.00	12,808.96	0.00	12,808.96	{ Incl Insurance claim for flood damage to excavator £10,139.74; Sale of dipper arm from liebherr £2.5k
TOTAL INCOME - not including absorption income	7,000,633.00	69,761.62	4,207,456.00	4,277,217.62	
Absorbion Income - offset to costs					
Own use of plant recharged (absorption) to Schemes	16,100.00	11,593.00	9,617.00	21,210.00	Use of own plant within schemes improves the General Surplus Cash Position of the Board.
Own use of labour recharged (absorption) to Schemes	17,900.00	49,484.68	9,811.00	59,295.68	Use of own DLO Labour within schemes improves the General Surplus Cash Position of the Board.
Own use of Engineers recharged (absorption) to Schemes	295,750.00	(10,625.51)	149,208.00	138,582.49	Use of own Engineers Labour within schemes & recharges improves the General Surplus Cash Position of the Board.
TOTAL INCOME - including absorption income in	7,330,383.00	120,213.79	4,376,092.00	4,496,305.79	

Lindsey Marsh Drainage Board
Variance to Estimates Report - For the 6 months to 30th September 2024

	Whole Year Estimate	30.09.2024 Variance	30.09.2024 Estimate	30.09.2024 Actual	Notes
EXPENDITURE:					
<i>Where the expenditure variance is negative this shows that the expenditure is more than estimated for</i>					
MAINTENANCE & DEVELOPMENT EXPENDITURE - EXTERNAL COSTS ONLY					
The following expenditure is not related to Engineering Schemes					
Drain maintenance expenditure	222,625.00	29,033.26	116,638.00	87,604.74	Compensation £35k & Contractors £6.3k under. Stocks £12.5k over
Pumping station expenditure	732,626.00	(199,147.88)	206,614.00	405,761.88	Electric £154k over budget - Thorpe Culvert electric issue. Stock incl fuel to PS £925 over. Insurance & Annual Inspections £24k . Contractors £20.2k over
Recharge expenditure	0.00	(5,376.11)	0.00	5,376.11	External costs only. Total costs £144,266, inc. £131,906 for engineers time
PSCA Recharge expenditure	3,200.00	(3,127.00)	1,497.00	4,624.00	External costs only. Internal & External:PSCA EA Costs £0. PSCA Steeping exp £0. PSCA Mink control costs £4,624
Consenting Costs - Consultants	0.00	(66.15)	0.00	66.15	Mileage
Disbursement Costs	78,116.00	(23,120.86)	41,683.00	64,803.86	
Stewardship Costs	800.00	750.98	800.00	49.02	Stocks used Winthorpe flood area
Cost of goods sold & stock variances	0.00	(4,073.12)	0.00	4,073.12	Stock variances £4,073.12
TOTAL MAINTENANCE & DEVELOPMENT EXPENDITURE	1,037,367.00	(205,126.88)	367,232.00	572,358.88	
SUPPORTIVE EXPENDITURE					
DLO costs	1,033,578.00	(20,506.64)	448,846.00	469,352.64	Higher salary & oncosts £22k due to 1 extra employee. Training lower by £2.7k . PPE over by £2.6k . Medical costs under by £1.5k
Other direct expenses	8,484.00	326.81	4,305.00	3,978.19	Includes Consumables
Environment Agency precept	450,451.00	0.00	225,225.50	225,225.50	
Support & establishment costs	3,246,347.00	147,117.46	1,655,731.00	1,508,613.54	Professional fees under budget by £17k . Staff Costs and Other Staff Costs £115k . Plant/veh fuel & reps £11.3k . Plant & non-motorised running costs under by £5.4k . IT costs under by £13k . Liability/Cyber/PI Insurance under by £3.8k .
Finance costs	45,947.00	20,983.78	22,313.00	1,329.22	No loans taken under by £21,168 . Bank & Credit card charges and fuel card charges over by £184 .
Depreciation costs	0.00	0.00	0.00	0.00	This is a non-cash accounting adjustment & is removed for estimate purposes
Bad debt costs	0.00	(0.23)	0.00	0.23	Rates write off
Biodiversity & environmental costs	485.00	(904.18)	373.00	1,277.18	Greater Lincs Nature Service level agreement £273 and badger gates £1,004
Pension Scheme costs	0.00	0.00	0.00		This is a non-cash accounting adjustment & is removed for estimate purposes
TOTAL SUPPORTIVE EXPENDITURE	4,785,292.00	147,017.00	2,356,793.50	2,209,776.50	
TOTAL EXPENDITURE	5,822,659.00	(58,109.88)	2,724,025.50	2,782,135.38	
	1,507,724.00	62,103.91	1,652,066.50	1,714,170.41	
EXCEPTIONAL INCOME	0.00	47,500.00	0.00	47,500.00	This is a non-cash accounting adjustment & is removed for estimate purposes. This relates to profit on disposal of fixed assets
INCOME OVER EXPENDITURE	1,507,724.00	109,603.91	1,652,066.50	1,761,670.41	

Lindsey Marsh Drainage Board
Variance to Estimates Report

INCOME OVER EXPENDITURE

**ADJUSTMENTS TO THE FINANCIAL STATEMENTS
TO ARRIVE AT THE ESTIMATES VALUES**

ADJUSTMENTS FOR NON MONETARY ITEMS

Remove the effects of Depreciation costs	0.00	0.00	0.00	0.00	This is a non-monetary accounting adjustment
Remove the effects of Profit on Disposal	0.00	(47,500.00)	0.00	(47,500.00)	This is a non-monetary accounting adjustment
Remove the effects of Pension scheme	0.00	0.00	0.00	0.00	

1,507,724.00 62,103.91 1,652,066.50 1,714,170.41

Total Income Over Expenditure

ADJUSTMENTS FOR BALANCE SHEET ENTRIES
Adjustments for Reserves Movements

Add the intended transfer from Plant Renewals Fund	0.00	0.00	0.00	0.00	
Add the intended transfer to the Plant Renewals Fund from rating	50,000.00	0.00	50,000.00	50,000.00	To add from Rating income in the year to the Plant Reserve
Plant/Vehicle net expenditure occurred in year - funded from Plant reserve	0.00	(193,555.47)	0.00	(193,555.47)	Retained budgets returned to General reserves
Plant/Vehicle planned net expenditure not occurred in year - held over to Plant reserve	0.00	0.00	0.00	0.00	

50,000.00 (193,555.47) 50,000.00 (143,555.47)

Fixed Asset Movements

Motor additions

PLN7486 DN24 WSL Vauxhall Combo 1.5 Turbo D 2300 Prime Panel Van

17,000.00 1,075.00 17,000.00 18,075.00

26/06/2024

Plant additions

Volvo ECR145 EL Tracked Excavator PLN7064 EU24 CYP

0.00 133,545.00 0.00 133,545.00

Steelwrist X18 S60/S60 Tiltrotator with Quantum control system etc PLN7064A

0.00 35,300.00 0.00 35,300.00

72 inch ditching bucket PLN7064B

0.00 1,850.00 0.00 1,850.00

48 inch digging bucket PLN7064C

0.00 2,250.00 0.00 2,250.00

24 inch digging bucket PLN7064D

0.00 1,600.00 0.00 1,600.00

Case Tracked Excavator incl 5yr warranty

215,000.00 0.00 0.00 0.00

Case Tracked Excavator Steel Wrist

0.00 0.00 0.00 0.00

Case Tracked Excavator pallet forks

0.00 0.00 0.00 0.00

Case Tracked Excavator ditching bucket

0.00 0.00 0.00 0.00

Herder 1 incl warranty (instead of tractor & Flail)

290,000.00 0.00 0.00 0.00

Dipper Arm for use on YN71AUH - PLN7062B

0.00 5,100.00 0.00 5,100.00

30k Ltr Fuel Storage Tanks Red Diesel PLN7545

0.00 26,882.50 0.00 26,882.50

20k Ltr Fuel Storage Tanks White Diesel PLN7546

0.00 21,037.50 0.00 21,037.50

COSHH Bunded Walk-In Store - HST3MT/COSH 2.15 x 2.95 x 2.25mtr PLN7992

0.00 5,055.47 0.00 5,055.47

Toolbox for workshop PLN7989

1,200.00 (0.05) 1,200.00 1,199.95

Stihl TS410 Saw PLN7990

625.00 0.00 625.00 625.00

Stihl KMA 80R KombiMotor Body, Hedge Trimmer Kombi

723.00 0.00 723.00 723.00

Tool & Bristle Brush Kombi Tool PLN7993

0.00 0.00 0.00 0.00

Tool Allowance

2,452.00 0.00 0.00 0.00

6m Trench Sheets for Dams (x34) PLN7994

0.00 18,435.00 0.00 18,435.00

Used Massey Ferguson Dyna Tract FX24 BFO PLN7350

127,271.95 0.00 127,271.95 0.00

Deskjet Plotter PLN7991

13,000.00 (5,653.00) 13,000.00 7,347.00

30/07/24 Incl In Comp Equip

523,000.00 372,674.37 15,548.00 388,222.37

Plant disposals

Volvo Excavator EU66 CWC PLN7054

0.00 (57,500.00) 0.00 (57,500.00)

Volvo EC220EL Excavator (EU67AYW)

(30,000.00) 0.00 0.00 0.00

MF 7720 Tractor (YX16CWV)

(15,000.00) 0.00 0.00 0.00

Herder Grenadier Flail

(5,000.00) 0.00 0.00 0.00

Weedbasket PLN7180

(1,500.00) 0.00 0.00 0.00

Weedbasket PLN7181

(1,500.00) 0.00 0.00 0.00

Compressor 2000/01 Towable PLN7952

(500.00) 0.00 0.00 0.00

MF Dyna-6 Tractor FX23 DBO PLN7349

0.00 0.00 0.00 0.00

Grenadier Flail PLN7192

0.00 0.00 0.00 0.00

(53,500.00) (57,500.00) 0.00 (57,500.00)

30/05/24 Budget retained in 23/24 - £40,000

Expected Nov 24. Warwick Ward PO raised for disposal £40k

Expected Dec 24. Mastenbroek PO raised for disposal £37k

Tractor burnt out - insurance £106,320 18/10/24

Burnt out - awaiting insurance settlement

BS42

Vehicle disposals

Peugeot Bipper FY12 CCX PLN7448

0.00 0.00 0.00 0.00

Ford Fiesta (FV18 TZx) PLN7463

(1,000.00) 1,000.00 (1,000.00) 0.00

0.00 0.00 0.00 0.00

(1,000.00) 1,000.00 (1,000.00) 0.00

Budget retained from 21/22 - £500

Vehicle written off last year Ins recpt £6,360

BS52

Loan Capital Adjustment

PWLB Loan repayments - Existing

0.00 0.00 0.00 0.00

PWLB Loan repayments - Future

22,700.00 (11,195.00) 11,195.00 0.00

22,700.00 (11,195.00) 11,195.00 0.00

Expected on Saltfleet £16,749 & Anderby £5,951

No loans taken out as yet

Non I&E (Costs) & Income

558,200.00 112,498.90 92,743.00 205,241.90

Variance at 30/09/2024

949,524.00 (50,394.99) 1,559,323.50 1,508,928.51

Planned Board Funding towards schemes

(797,000.00) 0.00 (797,000.00) (797,000.00)

**Surplus/(deficit) to be taken from General Reserves
as at 30th September 2024**

152,524.00 (50,394.99) 762,323.50 711,928.51

Unplanned adjustments to Reserves during period:

See Transfer of Budgets:

Additional Funds Required for Engineering Schemes to be taken from General Reserves	0.00	0.00	0.00	0.00
---	------	------	------	------

Engineering Scheme funds transferred back to General Reserves	0.00	0.00	0.00	0.00
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**Surplus/(deficit) to be taken from General Reserves
as at 30th September 2024**

152,524.00 (50,394.99) 762,323.50 711,928.51

Appendix 2

Lindsey Marsh Drainage Board Balance Sheet Report

Date 13/11/2024
Time 15:10:01

All Values are shown in Pound Sterling				Selected Period 6 ending 30/09/2024	
				Current Year	Previous Year
FIXED ASSETS					
LAND & BUILDINGS		200734.98		200734.98	
PUMPING STATIONS		6211407.36		6211407.36	
PLANT & EQUIPMENT		1677261.91		1306386.54	
MOTOR VEHICLES		315654.49		297579.49	
COMPUTER EQUIPMENT		7347.00			
TOTAL FIXED ASSETS				<u>8412405.74</u>	<u>8016108.37</u>
CURRENT ASSETS					
BANK ACCOUNT		6914967.60		6898160.96	
STOCK		82228.24		83865.08	
DEBTORS CONTROL ACCOUNT		227674.18		114689.23	
RATES DEBTORS ACCOUNT		650011.86		6701.96	
PREPAYMENTS		13227.88		18315.48	
TOTAL CURRENT ASSETS				<u>7888109.76</u>	<u>7121732.71</u>
CURRENT LIABILITIES					
TRADE CREDITORS & SUPPLIER RETENTIONS		904302.42		875142.97	
OTHER CREDITORS		26006.64		1075589.19	
ACCRUALS		200000.00		310710.52	
ACCUMULATED ABSENCES ACCRUAL		22942.00		22942.00	
VAT LIABILITY		(157676.79)		(201445.96)	
PAYE CONTROLS		56687.33		55871.36	
DEFERRED INCOME & COMMUTED SUMS		156111.84		165399.36	
TOTAL CURRENT LIABILITIES				<u>1211373.44</u>	<u>2304209.44</u>
LONG TERM LIABILITIES					
PENSION PROVISION		139000.00		139000.00	
NET ASSETS				<u>14950142.06</u>	<u>12694631.64</u>
RESERVES:					
EARMARKED					
PLANT RESERVES		201603.69		345159.16	
CAPITAL PROJECTS RESERVE		4549200.17		3258360.16	
TOTAL EARMARKED				<u>4750803.86</u>	<u>3603519.32</u>
P & L RESERVES		1871420.42		5184460.95	
CURRENT PERIOD SURPLUS / (DEFICIT)		2255510.42		(2165755.99)	
TOTAL UN-EARMARKED				<u>4126930.84</u>	<u>3018704.96</u>
NON-DISTRIBUTABLE					
REVALUATION RESERVES		6211407.36		6211407.36	
PENSION RESERVES		(139000.00)		(139000.00)	
TOTAL NON-DISTRIBUTABLE				<u>6072407.36</u>	<u>6072407.36</u>
TOTAL RESERVES				<u>14950142.06</u>	<u>12694631.64</u>

Appendix 3

Schedule of Payments over £500 submitted to the Lindsey Marsh Drainage Board on 27th November 2024

Trans Date	Account	Narrative	Payment Value £	Notes
17/09/2024	Chandlers Farm Equipment	PP/CHAN001	152,726.34	Massey Ferguson Dyna-6 tractor
18/09/2024	Redacted	Compensation	1,255.00	Compensation
18/09/2024	Vodafone	PP/ODA001	3,023.34	
19/09/2024	Net Wages	Salaries Month 6	85,170.25	
20/09/2024	Pension	Pension, Unison & BHSF	58,570.37	
20/09/2024	Woldmarsh Producers Ltd	PP/WOLD001	31,395.43	Fuel, materials etc.
20/09/2024	Total Energies Gas & Power Ltd	PP/TOTG001	69,706.08	Electricity for pumping stations
23/09/2024	Chandlers Farm Equipment	PP/CHAN001	3,748.50	Repairs to plant
23/09/2024	Inter-Lec Ltd	PP/INTL001	2,790.00	
23/09/2024	IT2 Limited	PP/IT2L001	1,093.22	
23/09/2024	Huws Gray (Buildbase)	PP/JACK001	2,058.00	
23/09/2024	Matthew Hodson Servicing & Repairs	PP/MATT001	978.80	
25/09/2024	Vodafone	PP/ODA001	3,023.71	
26/09/2024	MGF Trench Construction Systems Limited	PP/MGFT001	22,122.00	Trench sheets
27/09/2024	East Lindsey District Council	PP/ELDC001	2,354.00	
30/09/2024	AIM Electrical Services Ltd	PP/AIME001	7,062.65	
30/09/2024	Balfour Beatty	PP/BALF001	61,341.59	Pumping station compensation events and OBCs
30/09/2024	[REDACTED]	[REDACTED]	626.54	Environmental consultancy
30/09/2024	H E Services (Plant Hire) Ltd	PP/HESE001	3,756.00	Hire of long reach excavator
30/09/2024	Peter Hogarth & Sons Ltd	PP/HOGA001	1,057.13	
30/09/2024	Woldside Plant & Agri Ltd	PP/JMSE001	1,151.16	
30/09/2024	Konica Minolta Business Solutions (UK) Ltd	PP/KONM001	1,128.45	
30/09/2024	Lincolnshire Pension Fund	PP/LCCO001	1,391.97	
30/09/2024	Lincspst Ltd	PP/LINC005	1,089.60	
30/09/2024	Lincolnshire Wildlife Trust	PP/LW001	5,000.00	Contribution to mink project
30/09/2024	Mastenbroek Ltd	PP/MAST001	4,014.06	Flail repair
30/09/2024	OnSite Central Limited	PP/ONSI001	9,012.00	Hire of Portadam
30/09/2024	Pell Plant Hire Ltd	PP/PELL001	2,625.00	
30/09/2024	Right Surveyors East Midlands Limited	PP/RIGH001	2,250.00	
30/09/2024	Services Machinery & Trucks Ltd	PP/SERV001	596.70	
30/09/2024	PKF Smith Cooper Systems Ltd	PP/SMIT004	9,673.20	Annual technical support and service plan
30/09/2024	B R Smith Consultancy Ltd	PP/SMIT008	661.14	
04/10/2024	ADC (East Anglia) Limited	PP/ADCE001	21,498.00	CCTV and desilting works
04/10/2024	Amazon.co.uk	PP/AMAZ001	1,291.30	
04/10/2024	Humber Galvanizing Ltd	PP/HUMB001	1,690.21	
04/10/2024	Inter-Lec Ltd	PP/INTL001	900.00	
04/10/2024	IT2 Limited	PP/IT2L001	3,606.18	Various software licences
04/10/2024	Lincspst Ltd	PP/LINC005	1,550.40	
04/10/2024	[REDACTED]	[REDACTED]	4,733.87	
09/10/2024	P.A.Y.E.	PAYE	59,687.33	
10/10/2024	Net Wages	Wages Week 27	52,486.70	
10/10/2024	Arnold Clark Vehicle Management	PP/ARNC001	535.09	
10/10/2024	BH Construction Co. Ltd.	PP/BHCO001	181,360.19	Trusthorpe pumping station refurbishment compensation event and civils works
10/10/2024	DMJ Drainage Ltd	PP/DMJD001	17,715.00	Hire of bulldozer

10/10/2024	Haddington Contracting Ltd	PP/HADD001	1,440.00	
10/10/2024	Inter-Lec Ltd	PP/INTL001	11,460.00	Trusthorpe pumping station refurbishment & compensation event
10/10/2024	K&W Mechanical Services Ltd	PP/KWMS001	679.20	
14/10/2024	Inter-Lec Ltd	PP/INTL001	13,113.00	Trusthorpe pumping station refurbishment & compensation event
17/10/2024	Net Wages	Salaries Month 7	86,363.31	
18/10/2024	AIM Electrical Services Ltd	PP/AIME001	1,005.28	
18/10/2024	Amazon.co.uk	PP/AMAZ001	1,213.92	
18/10/2024	E Buyer	PP/EBUY001	2,205.60	
18/10/2024	Hayley Group Ltd	PP/HAYL001	2,512.56	
18/10/2024	H E Services (Plant Hire) Ltd	PP/HESE001	840.00	
18/10/2024	Innovate Solutions	PP/INNO001	6,000.00	Work on the electronic working portal
18/10/2024	Lincolnshire County Council	PP/LINC002	2,400.00	Corporate driver training courses
18/10/2024	Mastenbroek Ltd	PP/MAST001	3,754.66	
18/10/2024	North Lincs Engineering Ltd	PP/NLEN001	3,264.00	Supply of crane at Gibraltar Point PS
18/10/2024	Ollyskins	PP/OLLY001	717.00	
18/10/2024	Seacroft Ford	PP/SEAC001	1,256.66	
18/10/2024	Towergate Risk Solutions	PP/TOWE001	178,964.64	Annual insurance premiums
18/10/2024	Wildlife Conservation Partnership	PP/WILD001	4,032.00	14 Owl boxes
21/10/2024	Trent Valley IDB	Credit Card Receipts	7,646.84	
21/10/2024	Isle of Axholme & North Notts WLMB	Credit Card Receipts	14,406.73	
21/10/2024	Doncaster East IDB	Credit Card Receipts	2,761.04	
25/10/2024	Balfour Beatty	PP/BALF001	24,626.54	Design services for Fulbeck PS
25/10/2024	Beaconuk Group Ltd	PP/BEAC001	953.49	
25/10/2024	[REDACTED]	PP/BONN001	537.72	
25/10/2024	Chandlers Farm Equipment	PP/CHAN001	2,058.81	
25/10/2024	DMJ Drainage Ltd	PP/DMJD001	3,840.00	Hire of CAT bulldozer
25/10/2024	E Buyer	PP/EBUY001	665.50	
25/10/2024	East Midlands Online Ltd	PP/EMID001	1,179.00	
25/10/2024	Greenaway Green Waste Services	PP/GREE001	557.28	
25/10/2024	GRS Electrical Services Ltd	PP/GRSE001	1,675.39	
25/10/2024	Hitachi Construction Machinery UK Ltd	PP/HITA001	1,092.00	
25/10/2024	Inter-Lec Ltd	PP/INTL001	9,306.90	Installation of ABB starter at Gibraltar Point PS
25/10/2024	IT2 Limited	PP/IT2L001	744.34	
25/10/2024	KOREC	PP/KORE001	1,800.00	Annual GPS service subscription
25/10/2024	Lincolnshire Pension Fund	PP/LCCO001	1,391.97	
25/10/2024	Mastenbroek Ltd	PP/MAST001	664.72	
25/10/2024	MHD Construction Services Limited	PP/MHDC001	1,369.44	Hardcore for Theddlethorpe PS
25/10/2024	National Tracked Dumper Hire Ltd	PP/NTDH001	2,446.80	
25/10/2024	OVIVO UK Ltd	PP/OVIV001	1,271.18	
25/10/2024	G H Parker (North Cotes) Ltd	PP/PARK001	5,619.70	Compensation
25/10/2024	Pell Plant Hire Ltd	PP/PELL001	753.00	
25/10/2024	Right Surveyors East Midlands Limited	PP/RIGH001	2,250.00	Condition surveys and reports at North End Farm
25/10/2024	Russells (Kirbymoorside) Ltd	PP/RUSS001	882.30	
25/10/2024	Shoc Consultancy Ltd	PP/SHOC001	2,746.32	Overhead power lines training
25/10/2024	Sibthorpe Farming	PP/SIBT001	667.10	
25/10/2024	SLD Pumps & Power	PP/SLDP001	553.20	
25/10/2024	Water Management Alliance	PP/WMAL001	799.76	
28/10/2024	Martin Childs Limited	PP/MART001	30,134.52	Installation of two actuators for Bleak House Doors
31/10/2024	Pensions	Pension, Unison & BHSF	58,463.26	
04/11/2024	ADC (East Anglia) Limited	PP/ADCE001	4,875.60	Jetting and CCTV works - Strubby Depot & Gibraltar Point PS

04/11/2024	Arnold Clark Vehicle Management	PP/ARNC001	535.09	
04/11/2024	Redacted	PP/CASS002	1,852.65	
04/11/2024	John Cooper (Farms) Ltd	PP/COOP001	1,138.61	Compensation
04/11/2024	National World Publishing Ltd	PP/JPIM001	2,560.80	Public notices advertisement
04/11/2024	Mastenbroek Ltd	PP/MAST001	2,495.80	
04/11/2024	Mawthorpe Farms Ltd	PP/MAWT001	1,768.96	Compensation
04/11/2024	Services Machinery & Trucks Ltd	PP/SERV001	1,268.82	
04/11/2024		PP/WILL009	1,077.72	Compensation
07/11/2024	Net Wages	Week 31	50,525.85	
07/11/2024	Aggregate Industries UK Ltd	PP/AGGR001	4,280.05	
07/11/2024	R Caudwell (Produce) Limited	PP/CAUD002	1,024.16	Compensation
07/11/2024	IT2 Limited	PP/IT2L001	2,185.05	
07/11/2024	Pell Plant Hire Ltd	PP/PELL001	2,184.00	
07/11/2024	Bosman Watermanagement BV	PP/BOSM001	23,055.44	Anderby pumping station refurbishment
Total			1,505,421.78	

For data protection purposes some information may be excluded from this report, for example where payments have been made to individuals.

Drainage Board Audits – Framework for an Audit Programme

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts.

Internal audit

(1) A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

(2) Any officer or member of a relevant authority must, if required to do so for the purposes of the internal audit—

(a) make available such documents and records; and

(b) supply such information and explanations;

as are considered necessary by those conducting the internal audit.

(3) In this regulation “documents and records” includes information recorded in an electronic form.

Governance

Check a sample of Policies and Procedures and confirm these are current (in date) and have been appropriately approved. (These should all appear on the Boards web site)

Check a sample of Board and Committee meeting agendas and minutes (latest three). Confirm adequate attendance and that governance arrangements were maintained (decision items proposed, seconded and voted upon). Note penny rate approval (February meeting), approval of major items of expenditure, Health and Safety reporting, financial reporting, approving policies etc.

Web site (check)

- 1) The Board published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.
- 2) In the year covered by this AGAR, the Board correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 20xx-xx AGAR period, were public rights in relation to the 20yy-yy (previous year) AGAR evidenced by a notice on the website and/or Board approved minutes confirming the dates set).
- 3) The Board has complied with the publication requirements for 20zz/zz AGAR (see AGAR Page 1 Guidance Notes). (Sections 1 and 2 of the Annual Governance and Accountability Return; a declaration that the status of the statement of accounts is ‘unaudited’; and a statement that sets out details of how public rights can be

exercised, as set out in Regulation 15(2)(b), which includes the period for the exercise of public rights.)

(External Auditor's Review — A notice of the conclusion of the external auditor's limited assurance review of the Annual Governance and Accountability Return, together with relevant accompanying information, was published (including on the Board's website or other website) in accordance with the requirements of Regulation 16 the Accounts and Audit Regulations 2015.)

Check the website for the posting of the above AGAR requirements.

Risk

1) *Significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.*

Identifying and assessing risks — The Board needs to identify, assess and record risks associated with actions and decisions it has taken or considered taking during the year that could have financial or reputational consequences.

Addressing risks — Having identified, assessed and recorded the risks, the Board needs to address them by ensuring that appropriate measures are in place to mitigate and manage risk. This might include the introduction of internal controls and/or appropriate use of insurance cover.

Examine the risk management policy, procedures and reporting to the Board.

Examine the current risk register – to include controls and mitigations.

Examine the management and monitoring arrangements for risk management.

Financial

Appropriate financial records have been kept.

Request the following documentation at the start of the audit:

- Current trial balance;
- Latest balance sheet;
- Latest income and expenditure summary
- Latest Aged Debtors
- Latest Aged Creditors

Confirm accounting records are in order and up to date.

The Board needs to have satisfied itself that its Responsible Finance Officer (RFO) has determined a system of financial controls and discharged their duties under Regulation 4 of the Accounts and Audit Regulations 2015. The RFO needs to have put in place effective procedures to accurately and promptly record all financial transactions and maintain up to date accounting records throughout the year, together with all necessary supporting information. The accounting statements in Section 2 of the Annual Governance and Accountability Return need to agree to the underlying records.

- 2) Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.**

Check previous years accounting statement and, in particular, the brought, and carried forward totals.

- 3) Complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.**

Check creditors (to include a sample of payments for large purchases which demonstrates compliance with Financial Regulations). Sample size 3 – 5.

Obtain aged creditor listing for old invoices. Establish action being taken with these.

Confirm from the sample selected that payments were supported by invoices, expenditure was approved and VAT correctly accounted for.

- 4) The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.**

Check the penny rate approved for the year and that this has been correctly applied.

Check the procedure for the rating process – invoicing, reminders, collection of debt.

Check budget for year is in place and monitored.

Check reserves remain within the sums approved by the Board.

Check 5 or ten year financial forecast to determine that rate rises are proportionate year on year and therefore maintain a balanced budget.

- 5) Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.**

Check a sample of debtors both rates and general income. Sample size 3-5.

Request an aged debtors report (both rates and general) and establish what action is being taken regarding old debts.

- 6) Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.**

Most Boards no longer have a petty cash. For those that do confirm reconciled balance for year end purposes. Confirm accuracy of petty cash and that VAT, where appropriate, has been correctly dealt with.

- 7) Salaries to employees and allowances to members were paid in accordance with this Board's approvals, and PAYE and NI requirements were properly applied. (To include pension arrangements)**

Select a month and test the accuracy of the payroll and that HMRC and pension deductions have been correctly and timely made.

8) *Asset and investments registers were complete and accurate and properly maintained.*

Examine the asset register. Confirm it is up to date and in order.
If appropriate, sample verify that the asset exists.

9) *Periodic bank account reconciliations were properly carried out during the year.*

Check bank reconciliations and that these are undertaken on a regular basis. Also check the end of the financial year bank reconciliation.

10) Miscellaneous

To include any other governance, risk, control or financial matter that the Board/Chief Executive raise and require an audit opinion. (This might require an additional fee depending upon the request and how long it might take to audit. Such additional fee to be discussed and negotiated with the Chief Executive at the time of being requested.)

End of year work.

Obtain end of year trial balance, balance sheet and income and expenditure statement.
Obtain end of year bank reconciliation
Complete section 3 (Internal Audit) of the AGAR.

FOR MEMBERS' INFORMATION ONLY

LINDSEY MARSH DRAINAGE BOARD	File Ref:	Agenda Item: 22
Meeting: Board Meeting Date: 27th November 2024	Subject: PLANT AND EQUIPMENT ESTIMATES 2025/26	

Recommendations:

- To note the plant budgets brought forward as detailed in Appendix 1.
- To note the plant purchases and disposals to date for 2024/25 as detailed in Appendix 2.
- To make a provision of £330,850 in the 2025/26 estimates for the replacement of plant detailed in Appendix 3.
- To note predicted plant requirements up to 2030/31 as detailed in Appendix 4.
- To receive update on all major plant and equipment currently owned by the Board as detailed in Appendix 5.

1. Plant Purchased/Sold During 2024/25 Update

1:1 Net spend to date (additions less disposal proceeds) during the 2024/25 budget year amounts to £544,626.81 against an estimated spend of £485,500.00. The predominant reason for the increased expenditure is due to the replacement cost of the new Case excavator and the tractor replacement following the insurance settlement.

1:2 The plant and equipment purchased and sold during the 2024/25 budget year are detailed in appendix 2.

(a) Volvo 145EL Tracked Excavator

The new Volvo ECR145EL was delivered in May. The excavator has completed five months work without incurring any faults or major issues. The excavator has covered 505 hours to date and has been well received by the DLO.

(b) Case CX210E Tracked Excavator

The new excavator is due for delivery in late November. Delivery was originally expected at the start of November, suppliers have indicated that the reason for the delay is due to the bespoke nature of the extension boom requested at the time of tendering.

(c) Herder Self Propelled Flail Mower

The new Herder One flail mower is on schedule for delivery in December. Officers have recently received a video of the machine passing through its production stages as it nears completion.

(d) Mobile Pump Refurbishment

The refurbishment of the 12" Betsy No1 (PLN7945) mobile pump by DXB Pump Power has been completed at a cost of £32,400 against the estimated cost of

£35,000. The funds required to undertake the refurbishment have been taken from the Plant Refurbishment Budget.

2. Proposed Plant Replacement 2025/26 Programme

2:1 Officers have reviewed the performance of all the current plant and propose that the following plant items be replaced during 2025/26 as detailed in Appendix 3.

(a) New Holland 6080 Tractor / Flail Replacement.

New Holland Tractor (FX61 FYL) (PLN7343) is thirteen years old and is due for disposal in 2025/26. The tractor has covered 7,670 hours to date and is starting to show signs of wear and tear. The estimated cost of replacing the tractor is £125,000. The new purchase will be offset by the disposal of the current tractor (FX61 FYL) and Herder Flail (PLN7141) for an estimated £30,000.

(b) Herder Cavalier Flail Replacement

Herder Cavalier Flail (PLN7141) was purchased in 2015 and will have completed nine cutting seasons by the end of November. The flail is currently fitted to the New Holland 6080 Tractor (FX61 FYL) highlighted above for replacement and will be sold at the same time as a complete unit.

Officers have reviewed the current specifications of the Boards suite of tractors and believe that moving to a front and rear mounted flail mowers configuration would afford greater versatility and productivity. Moving away from a mid-mounted flail to two separate flails would represent savings of around £100,000. The cost to purchase two independent flail mowers is estimated at £45,000.

(c) Surveyors Vehicle Replacement

Citroen Nemo (FY67VGV) (PLN7462) was purchased in 2017 and will be due for disposal in line with the Boards replacement policy in 2025/26. The vehicle has covered 72,100 miles to date and has been an excellent servant to the Board during its ownership. The purchase of the new vehicle is estimated at £19,000. Officers recommend that the Board retain the vehicle to be used as a pool vehicle to cover breakdowns and servicing intervals.

(d) Senior Operation Manager Vehicle Replacement

Ford Ranger (YP19KRB) (PLN7465) was purchased in 2019 and is due for replacement in line with the Boards replacement policy having covered 81,688 to date. The estimated replacement cost is £32,000 with the purchase being offset by the disposal of the current vehicle for an estimated £3,250.

(e) Operation Manager Vehicle Replacement

Ford Ranger (YR19DWS) (PLN7464) was purchased in 2019 and is due for replacement in line with the Boards plant replacement policy having covered 63,528 miles to date. The estimated replacement cost is £32,000 with the purchase being offset by the disposal of the current vehicle for an estimated £3,250.

(f) Rovatti Pump Replacement

The 8" Rovatti mobile pump is approaching 25 years old and has been heavily utilised during its time with the Board. The pump is operated using a tractor PTO therefore requires manning during operation, this ties an employee and a tractor to site while in use. Due to the pumps current age and the difficulties in obtaining

replacement parts Officers recommend the pump be replaced. The estimated costs for purchasing a replacement is £50,000.

(g) Road Trailer Replacement

The Ifor Williams Trailer (PLN7526) is now twenty years old having been originally purchased in 2004. The trailer has been heavily utilised during the Boards ownership and has started to show signs of corrosion to its axles and undercarriage. Officers recommend replacement of the trailer for an estimated cost of £4,000

(h) Weedbasket Replacement

Officers recommend the purchase of a new heavy duty weedbasket to fit the Boards long reach excavator. Previous purchases of heavy duty weedbaskets have proven to reduce ongoing maintenance costs and reduce breakdown time. Estimated costs for purchase are £12,000.

(i) Miscellaneous Small Tool Items

Officers have reviewed current productivity outputs and have identified several small items of plant that would benefit efficiency and reduce external hire costs. Items including a fabrication table, hook loader trailer flat racks, a pile hammer, small mobile pumps and road brush for cleaning sites have been added to the proposed plant purchases for 2025/26. The estimated costs to purchase the items is £41,000.

(j) Mobile Pump Refurbishment

Following the successful refurbishment of the Boards 6" Betsy pump, one of the Boards two 12" pumps has also been refurbished. The Officers intention is to refurbish the two remaining pumps until all four pumps have been completed.

The reliability and ease of use since the pumps underwent refurbishment has significantly improved with no report of issues since their return to service.

Refurbishment costs have been estimated to be in the region of £25,000 for a six-inch pump and £35,000 for a twelve-inch pump. Costs to undertake the refurbishments will be taken from the plant repair budget.

(k) Small Tools

The provision of a small tools allowance of £10,000 pounds to allow for in year repairs and purchases of replacement items.

3. Plant Replacement Programme 2026/27 to 2030/31

3:1 The predicted plant replacement for the budget years 2026/27 to 2030/31 is detailed in Appendix 4.

4. Major Plant Items Schedule

4:1 An update on the current large plant items including current mileage, hours and general condition is detailed in Appendix 5.

FOR MEMBERS' INFORMATION ONLY

LINDSEY MARSH DRAINAGE BOARD	File Ref:	Agenda Item: 23
Meeting: Board Meeting Date: 27th November 2024	Subject: 2025/2026 DRAFT ESTIMATES	

1. Overview – Estimate Position

- 1:1 During the current estimate year of 2024/25, the Board has seen an improvement in the Reserve outturn position due to the funding from Tranche 1. Whilst we are yet to receive the monetary funds, the claim for £670,891.39 has been approved in full.

Whilst the amount of £622,556.26 is to return to schemes, the remainder, £48,335.13, will replenish the reserves of the Board. This is a welcome addition as the Board continues to face rising costs surrounding the annual costs for Pumping Stations, predicting an overspend of £110k for electricity, £30k for contractor costs & £21.5k for insurance for the current financial year.

- 1:2 The forecast of outturn for 2024/25 predicts a Surplus Cash position at the **31st March 2025** of **£1,764,093.42**, which equates to **33.83%** of the predicted 2024/25 net operating costs of the Board. This puts the Board in a healthy position when considering the potential rate increases for 2025/26 and beyond.
- 1:3 With the predicted costs and income included within the first draft estimates, the Officers recommend no increase in the rates for 2025/26 and 2026/27.
- 1:4 With a **0%** increase in the rate for 2025/26, the first draft estimates, as shown below, show that the resultant **deficit** for the year of **-£725** will reduce this surplus cash reserve to **£1,763,368**.
- 1:5 This **£1,763,368** equates to **31.25%** of the net operating costs for 2025/26, which is within the Board's policy of a 30% reserve.
- 1:6 The 5-year plan also shows that a 0% increase in 2026/27 may be maintained, followed by a potential 2.5% increase in the rate in the years 2027/28 to 2030/31, to maintain the 30% surplus cash reserves.
- 1:7 Within the current 2024/25 year there have been several Annual Land Value changes where land has moved from Agricultural rating into Special levy.

These changes are outside of the Board's control and are determined by the local council's planning department.

Where these changes have taken place, the Local Council will already be receiving domestic or business rates for the land change.

Special Levy Council	Land Value 24/25	Land Value 25/26	Increase
East Lindsey DC	£19,776,833	£19,874,965	£98,132
North East Lincolnshire Council	£59,919	£59,919	£ 0
Total Special Levy Value	£19,836,752	£19,934,884	£98,132

The land held within Special Levy relates to 75.53% of the Board's Annual Land Values.

- 1:8 A 0% increase (as shown in the draft plan) in the rate for 2025/26 would result in the following:

- The rate would be maintained at 21.38 pence
- An increase of 0.00p
- Due to the effects of the changes in Land Values only, this would result in additional income to the Board of £20,257

1:9 A 1% increase in the rate for 2025/26 would result in the following:

- The rate would increase from 21.38p to 21.59p
- An increase of 0.21 of a pence
- This would result in additional income to the Board (after land adjustments) of £75,680

1:10 A 0.5% increase in the rate for 2025/26 would result in the following:

- The rate would increase from 21.38p to 21.49p
- An increase of 0.11 of a pence
- This would result in additional income to the Board (after land adjustments) of £49,288

1:11 A 1.2% reduction in the rate for 2025/26 would result in the following:

- The rate would decrease from 21.38p to 21.12p
- A decrease of 0.26 of a pence
- This would result in a reduction of income to the Board (after land adjustments) of - £48,363
- The Board would still maintain a 30.03% cash reserve, however it would require a 2.2% increase in 2026/27 rather than maintaining a 0% increase for 26/27 also.

2. Contents of the Estimates:

2.1.1 Board funding to Schemes – direct from Rating Income

	1	Estimates 2025/26	Estimates 2026/27	Estimates 2027/28	Estimates 2028/29	Estimates 2029/30
	2	£	£	£	£	£
Board Contribution to Schemes	3	£834,000	529,000	554,000	434,000	484,000
Annual Budgets:	4					
• <i>Drainage Investigations</i>	5	10,000	10,000	10,000	10,000	10,000
• <i>Emergency Pumping Station funds</i>	6	60,000	60,000	60,000	60,000	60,000
• <i>Asset renewals & refurbishment funds</i>	7	50,000	50,000	50,000	50,000	50,000
• <i>Culvert CCTV & Desilting</i>	8	35,000	35,000	35,000	35,000	35,000
• <i>Catchment Provisions</i>	9	10,000	10,000	10,000	10,000	10,000
• <i>Small Works Provisions</i>	10	50,000	50,000	50,000	50,000	50,000
• <i>Partnership Scheme funds</i>	11	50,000	50,000	50,000	50,000	50,000
• <i>Barn Owl funds</i>	12	3,000	3,000	3,000	3,000	3,000
• <i>Mink Control Funds</i>	13	6,000	6,000	6,000	6,000	6,000
Scheme Annual Budgets	14	£274,000	£274,000	£274,000	£274,000	£274,000
Scheme Contributions from Rating:	15					
• <i>Austen Fen PS refurb</i>	16	400,000				
• <i>Biergate PS refurb</i>	17	60,000				
• <i>Burgh Sluice PS refurb</i>	18	25,000				
• <i>Thorpe Culvert PS refurb</i>	19	10,000	20,000	270,000		
• <i>Porters Sluice Pump refurb</i>	20	50,000	50,000			
• <i>Crown Farm PS refurb</i>	21		110,000			
• <i>Nursery Pump refurb</i>	22		40,000			
• <i>Boothby Pump refurb</i>	23		35,000			
• <i>Wyche PS refurb</i>	24			10,000	100,000	170,000
• <i>Wedlands Gate refurb</i>	25				10,000	20,000
• <i>Howdales Pump refurb</i>	26				50,000	
• <i>Ludney PS</i>	27					10,000
• <i>Burgh Village PS refurb</i>	28					10,000
• <i>Electronic Working</i>	29	15,000				
• <i>PS Renewal reserve</i>	30	0	0	0	0	0
Specific Scheme Funding:	31	£560,000	£255,000	£280,000	£160,000	£210,000
Total Board funding to schemes from Rating	32	£834,000	£529,000	£554,000	£434,000	£484,000

2.1.2 Board funding to Schemes – taken from Pumping Station Reserve Account

	1	Estimates 2025/26	Estimates 2026/27	Estimates 2027/28	Estimates 2028/29	Estimates 2029/30
	2	£	£	£	£	£
Balance of PS Reserve account expected at 1st April	3	240,000	240,000	240,000	140,000	40,000
<i>Additions to PS Reserve from Rating Income (line 20 above)</i>	4	0	0	0	0	0
<i>Use of the PS reserve Account for Schemes to lessen burden on the Rate</i>	5					
• <i>Thorpe Culvert PS refurb</i>	6	0	0	-100,000	0	0
• <i>Wyche PS refurb</i>	7	0	0	0	-100,000	0
Balance of reserve at end of year	8	£240,000	£240,000	£140,000	£40,000	£40,000

The current Pumping Station Renewal Reserve balance, used to fund future schemes, currently holds £240,000, following a transfer of £135k to Theddlethorpe PS scheme in the current year.

The 5-year plan does not include another contribution to the PS Reserve until 2030/31, however where schemes are closed down, any remaining funds may be transferred to the Reserve to ease future pressure on the rate.

2.1.3 Board funding to Schemes – new loans to be taken

	1	Estimates 2025/26	Estimates 2026/27	Estimates 2027/28	Estimates 2028/29	Estimates 2029/30
	2	£	£	£	£	£
<i>Capital Loan taken in year:</i>	3					
• <i>Saltfleet £591k 24/25</i>	4					
• <i>Anderby £210k 24/25</i>	5					
• <i>Gibraltar Point</i>	6	255,000				
• <i>Austen Fens</i>	7	985,000				
• <i>Biergates</i>	8		410,000			
• <i>Burgh Sluice</i>	9			185,000		
• <i>Ludney PS refurb</i>	10			200,000		
New Loan Debt taken in year:	11	£1,240,000	£410,000	£385,000	£ 0	£ 0
New Loan repayments (capital & Interest) to be met from Rating	12	118,376	187,102	211,885	219,590	219,590
Prior years rating Income - assuming increase as per line 40 a Point 3	13	5,622,387	5,642,644	5,642,644	5,782,522	5,927,678
% increase in last year's rating income needed to cover new loan repayments	14	2.11%	3.32%	3.76%	3.80%	3.70%
Note Only: Planned increase in rate:	15	0%	0%	2.5%	2.5%	2.5%

New loans expected to be drawn before the end of the current financial year are: £591k for Saltfleet & £210k for Anderby (Total £801k).

The annuity rate incorporated into the 2025/26 Estimates is calculated at 5.46%.

2.2.1 Board contribution to Plant renewals (Line 5 & 6)

	1	Estimates 2025/26	Estimates 2026/27	Estimates 2027/28	Estimates 2028/29	Estimates 2029/30
	2	£	£	£	£	£
Plant:	3					
<i>Estimated cost of new plant in the year</i>	4	286,950	603,500	390,000	335,900	285,000
<i>Estimated disposal proceeds of existing plant to be replaced</i>	5	-32,600	-81,075	-61,650	-55,550	-20,000
<i>Net funds to be met by the Board</i>	6	254,350	522,425	328,350	280,350	265,000
Vehicles:	7					
<i>Estimated cost of new vehicles in the year</i>	8	83,000	92,000	60,000	28,000	60,000
<i>Estimated disposal proceeds of existing vehicles to be replaced</i>	9	-6,500	-7,500	-5,500	-3,000	-8,000
<i>Net funds to be met by the Board</i>	10	76,500	84,500	54,500	25,000	52,000
	11					
<i>Total Net funds to be met by the Board</i>	12	330,850	606,925	382,850	305,350	317,000
<i>Funds to be met from Plant Reserve</i>	13	0	0	0	0	0
<i>Funds to be added to Plant Reserve from Rating Income</i>	14	0	0	0	0	0
<i>Net costs to be met by the Board from Rating income</i>	15	330,850	606,925	382,850	305,350	317,000
Note Only: Planned increase in rate:	16	0%	0%	2.5%	2.5%	2.5%

2.2.2 Double Cab Pick-Ups – Tax reclassification

Prior to the recent Labour Budget Autumn update, Double Cab Pick-ups were classified as vehicles predominantly designed to carry goods and therefore the tax and benefit in kind rules followed those of the VAT classification.

During the budget it was announced that Double Cab Pick-ups would now be reclassified as cars for tax and benefit in kind purposes from April 2025.

This change will result in higher tax charges (benefit in kind) for any employee using such vehicles, irrespective of whether there is any private use of the vehicle, and also any employer providing such vehicles.

Where we hold these vehicles currently there are transitional arrangements, where we can apply the old rules until April 2029.

It is not known at this time if the reclassification for Benefit In Kind will affect the classification for VAT purposes, assuming that the VAT reclassification follows suit, then the VAT on Double Cab pick-ups will no longer be reclaimable and will follow the current rules for cars.

Whilst the provision within the estimates is to replace the current 4x4 Double Cabs with similar, it will be a consideration at the point of replacement that an alternative commercial vehicle, such as a single cab 4x4, will be considered.

2.3.1 Activity costs - Pumping Stations annual costs (external costs) (Line 10)

	1	Estimates 2025/26	Estimates 2026/27	Estimates 2027/28	Estimates 2028/29	Estimates 2029/30
	2	£	£	£	£	£
Activity Expenditure:	3					
Pumping Station Costs	4	1,000,133	1,017,270	1,046,771	1,077,129	1,108,373
• Contractors/suppliers	5	62,144	63,698	65,290	66,922	68,595
• Specific PS expenses	6	31,000	19,960	20,459	20,970	21,494
• Travel & other costs	7	1,076	1,103	1,131	1,159	1,188
• Electricity incl meter chgs	8	800,318	824,275	848,950	874,364	900,538
• Insurances	9	65,201	66,831	68,502	70,214	71,969
• Ins Inspections	10	10,729	10,997	11,272	11,554	11,843
• Rates/Water	11	690	707	725	743	762
• Telemetry	12	18,445	18,906	19,379	19,863	20,360
• Stocks	13	10,530	10,793	11,063	11,340	11,624

- The above costs exclude any absorbed costs relating to Lindsey Marsh employees or use of own plant.
- The above constitutes real funds that are expected to leave the Board and therefore must be rated for.
- All the Board's Pumping Stations have moved to Total Energies for the provision of electricity.
- Insurance costs are based upon the renewal costs for 24/25 plus a 5% increase.
- The specific PS costs include:
 - Gibraltar Point PS - £1k access track repairs
 - Burgh Sluice PS - £1k access track repairs
 - Wyche PS - £1k access track repairs
 - Fulstow East PS - £1k access track repairs
 - Burgh Village PS - £5k new security door
 - Porters Sluice PS - £7k new security door
 - Grainthorpe PS - £7k new security door
 - Crown Farm PS - £2.5k replace fascia/guttering etc
 - Thoresby Bridge PS - £5.5k replace fascia/guttering etc

2.3.2 Activity costs – Drains Maintenance annual costs (Line 11)

	1	Estimates 2025/26	Estimates 2026/27	Estimates 2027/28	Estimates 2028/29	Estimates 2029/30
	2	£	£	£	£	£
Activity Expenditure:	3					
Drains Maintenance External Costs – rated for	4	213,356	0	0	0	0
• Stocks / Materials	5	108,282				
• Contractors	6	32,067				
• Compensation	7	70,257				
• Travel & other costs	8	2,750				
Note Only – Absorbed Costs	9					
• DLO labour	10	344,091				
• Plant use	11	466,792				
• Engineers labour	12	12,893				
Activity – External costs only:	13					
• Flailing	14	411	421	432	443	454
• Weedcutting	15	48,051	49,252	50,483	51,745	53,039
• Emergency Drain	16	22,334	22,893	23,465	24,051	24,653
• Other incl reforming	17	142,560	146,124	149,777	153,521	157,359
Total External	18	213,356	218,690	224,157	229,760	235,505

2.4.1 Supportive Costs – DLO Wages £1,132,082 (Line 18)

- Wages & Salary costs have been increased for the 25/26 estimates for the following:
 - Pay increase of £500 plus a 5.1% increase per employee.
 - Following the 2024 Labour budget, employers' national insurance has been increased by:
 - 1.2 % from 13.8% to 15% rate.
 - Lowering of the Threshold by £4,100 from £9,100 per employee to £5,000 per employee, equating to an increase in the NI bill of £615 per DLO employee (**£10,455 total**).
- Included within the provision is £187,486 relating to DLO overtime payments.
- The DLO wages provision is for 1 Foreman plus 16 Operatives.

2.4.2 Supportive Costs – Plant & vehicle running costs (motorised) £336,531 (Line 20)

- Motor vehicle costs (vans, cars, 4x4) including leasing £92,030 (*£90,516 for 24/25*).
- Motorised plant costs (tractors, excavators) £244,501 (*£252,183 for 24/25*).

2.4.3 Supportive Costs – Salary Staff Costs – gross costs £2,288,976 (Line 21)

- Wages & Salary costs have been increased for the 25/26 estimates for the following:
 - Pay increase of £500 plus a 5.1% increase per employee.
 - Following the 2024 Labour budget, employers' national insurance has been increased by:
 - 1.2 % from 13.8% to 15% rate.
 - Lowering of the Threshold by £4,100 from £9,100 per employee to £5,000 per employee, equating to an increase in the NI bill of £615 per head office employee (**£21,525 total**).
- Pension costs are included at 24%
- The 2025/26 Estimates provide for 1 vacant post within the Finance Department and 3.5 vacant posts within the Engineering Department.

2.4.4 Supportive Costs – Support & Establishment Costs £666,401 (Line 22)

- Other employment costs including Ex Employee Pensions, Employee insurances, Head office staff training £78,239 (*£92,733 for 24/25*).
- Office costs including electric, rates, insurances: **£39,422** (*£28,220 for 24/25*)
- Depot costs including electric, rates, insurances, health & safety: **£50,785** (*£43,323 for 24/25*)
- Travelling costs of **£2,380** (*£1,950 for 24/25*)
- Administrative costs including phone, postage, stationery of **£37,161** (*£33,465 for 24/25*)
- Advertising costs of **£750** (*£450 for 24/25*)
- Shows & Promotions costs of **£750** (*£500 for 24/25*)
- IT costs of **£90,874** (*£86,259 for 24/25*)
- Legal & professional costs **£166,700** (*£192,982 for 24/25*) – includes:
 - £40k for employment advice
 - £13k for H&S consultant costs
 - £103k for Audit fees for the 25/26 year. Whilst we still have not been appointed an auditor and have no confirmed costs we continue to provide for the advised fee.
- Board & meeting costs of **£12,325** (*£8,517 for 24/25*)

- Equipment hire costs of **£19,870** (£20,821 for 24/25)
- Small Tools costs of **£8,250** (£8,200 for 24/25)
- Non-motorised Plant repairs including the refurbishment of a 12" and 6" pump at £55k - **£125k** (£100k for 24/25)
- Board subscriptions costs of **£175** (£944 for 24/25)
- ADA membership & meeting fees of **£9,000** (£7,800 for 24/25)
- Liability Insurance **£24,265** (£26,955 for 24/25)

2.4.5 Supportive Costs – Other Costs £9,654 (Line 25)

- Stewardship costs (external) – **£820** (£800 for 24/25).
- Consumables such as gases, sprays etc **£6,250** (£6,000 for 24/25).
- Buyers' fees **£2,200** (£2,100 for 24/25).
- Abstraction fees **£384** (£384 for 24/25).

2.5 Income

2.5.1 Income – Other Income £99,660 (Line 31)

- Investment Interest **£79,000** (£55k for 24/25).
- Grazing & Wayleaves **£1,088** (£1,088 for 24/25).
- Stewardship Income **£3,772** (£3,772 for 24/25)
- Other Recharge income:
 - Recharge to [REDACTED] **£1,100** (£1,200 for 24/25)
 - Recharge private mileage **£900** (£500 for 24/25)
 - Recharge for phone discount **£7,800** (£4,410 for 24/25)
 - Recharge for phone hardware fund released **£6,000** (£10,050 for 24/25)

2.5.2 Income - Engineers' cost recharged to Consortium Boards – £284,130 (Line 33)

- Of the Head Office staff, the engineers employed on consortium schemes, charge their time to the schemes, where this is on behalf of another Consortium member, this time is charged out and equates to funds returning to the Board to offset against the cost of employment.

2.5.3 Income – Consenting Income £69,366 (Line 35)

- Consenting Application Fees **£6.5k** (£6k for 24/25).
- Surface Water fees **£10k** (£8k for 24/25).
 - The timing of surface water fee income is not certain & is very much determined if the planning goes ahead, it is therefore prudent to not include large income sums within the estimates and these will be recognised in the year of receipt and added to the reserves.
- Engineering time on consenting recharged to WMC Boards **£52,866** (£76,153 for 24/25).

2.5.4 Income - Absorbed Costs into schemes - DLO £55,877 Plant £53,577 (Line 37)

- Whilst the time of the DLO & Plant use is mainly consumed within Operations and maintenance works, where the Board's DLO/Plant are employed within the Engineering schemes, this time improves the Board's reserve position as the schemes have a dedicated budget, often funded from external sources. The estimated "income" of using the Board's DLO within schemes is £55,877 & using the Plant is £53,577.

2.5.5 Income - Absorbed Engineers' cost in schemes – £284,130 (Line 37)

- Where the engineers are employed within the Board's own schemes, this time improves the Board's reserve position as the schemes have a dedicated budget, often funded from external sources. The estimated "income" of using the Board's engineers within LMDB schemes is £284,130.

2.5.6 Income – Consortium Income £772,469 (Line 36)

- Where the salary of the head office staff is not recharged or absorbed into schemes, the remainder is recharged to the other consortium boards on a percentage basis:
 - Trent Valley 22%
 - Isle of Axholme 16.5%
 - Doncaster East 12%
 - Lindsey Marsh 49.5%
- The gross cost of head office staff working on behalf of the Consortium (salaries, national insurance, pension costs) is estimated to be £2,192,898
- The income or absorbed income relating to the costs recharged to other Boards or schemes is estimated to be £663,255
- The estimated consortium recharge income is £772,469
- Therefore, the net cost of WMC staff to Lindsey Marsh is £757,174

3. Draft detailed 5-year plan for consideration

	1	Estimates 2025/26	Estimates 2026/27	Estimates 2027/28	Estimates 2028/29	Estimates 2029/30
	2	£	£	£	£	£
Board Contribution to Schemes – see 2.1 above	3	834,000	529,000	554,000	434,000	484,000
Balance Sheet expenditure:	4					
Plant renewals (2.2.1)	5	330,850	606,925	382,850	305,350	317,000
Plant reserve funds	6	0	0	0	0	0
Loan Capital Repayment	7	40,030	65,817	77,985	85,018	89,789
B/S Expenditure Total	8	370,880	672,742	460,835	390,368	406,789
Activity Expenditure:	9					
Pumping Station (2.3.1)	10	1,000,133	1,017,270	1,046,771	1,077,129	1,108,373
Drains Maintenance (2.3.2)	11	213,356	218,690	224,157	229,760	235,505
PSCA costs	12	5,022	5,022	5,022	5,022	5,022
Recharge costs	13	0	0	0	0	0
Disbursement costs	14	84,030	84,030	84,030	84,030	84,030
Consenting Costs	15	0	0	0	0	0
Activity Expenditure Total	16	1,302,541	1,325,012	1,359,980	1,395,941	1,432,930
Supportive Expenditure:	17					
DLO Wages	18	1,132,082	1,160,384	1,189,393	1,219,128	1,249,607
DLO costs incl training	19	22,080	22,632	23,197	23,778	24,372
Plant/Vehicle running	20	336,531	344,578	352,825	361,280	369,945
Staff costs	21	2,288,976	2,346,168	2,404,788	2,464,873	2,526,460
Establishment costs	22	666,401	680,767	698,637	716,927	733,647
Finance costs	23	2,240	2,296	2,353	2,412	2,473
Loan Interest costs	24	78,346	121,285	133,900	134,572	129,801
Other costs	25	9,654	9,886	10,123	10,367	10,616
EA Precept	26	450,451	450,451	450,451	450,451	450,451
Support Expenditure Total	27	4,986,761	5,138,447	5,265,667	5,383,788	5,497,372
Total expenditure	28	7,494,182	7,665,201	7,640,482	7,604,097	7,821,091

Income:	29					
• Highland Water	30	-139,257	-142,738	-146,306	-149,963	-153,712
• Other Income	31	-99,660	-97,738	-99,716	-97,795	-99,775
• PSCA income	32	-49,000	-49,000	-49,000	-49,000	-49,000
• Engineer recharge income	33	-243,447	-249,533	-255,771	-262,165	-268,720
• Disbursement income	34	-84,030	-84,030	-84,030	-84,030	-84,030
• Consenting income	35	-69,366	-71,101	-72,878	-74,701	-76,568
• Consortium income	36	-772,469	-815,957	-839,597	-948,672	-959,231
• Absorption Income to LMDB Schemes	37	-393,584	-471,322	-329,836	-79,200	-107,900
Income Total	38	-1,850,813	-1,981,419	-1,877,134	-1,745,526	-1,798,936
Expenditure less Income – to be funded from rates/levy	39	5,643,369	5,683,782	5,763,348	5,858,571	6,022,155
Rates & Levy Income:	40					
Using a rate of:	41	21.38p	21.38p	21.91p	22.46p	23.02p
An increase on prior year of:	42	0%	0%	2.5%	2.5%	2.5%
• Agricultural Rates	43	-1,380,565	-1,380,565	-1,414,788	-1,450,303	-1,486,464
• Special Levy	44	-4,262,079	-4,262,079	-4,367,734	-4,477,375	-4,589,011
Total Rates & Levy	45	-5,642,644	-5,642,644	-5,782,522	-5,927,678	-6,075,475
Net Surplus / (Deficit)	46	- 725	-41,138	19,174	69,107	53,320
Surplus Cash Reserve:	47					
Total Cash reserves at 1 st of April 2024	48	1,559,163.11				
Expected surplus position for the year to 31 st March 2025	49	152,524.00				
Forecasted difference to Surplus / (deficit) position at 31 st March 2025	50	256,010.00				
Forecasted Total Cash Reserve at 1 st April 2025	51	1,967,697.11				
Reserved Funds:	52					
• Plant Reserve	53	-203,603.69				
• Other Reserves	54	-0.00				
Forecasted Surplus Cash Position at 1st April	55	1,764,093.42	1,763,368.42	1,722,230.42	1,741,404.42	1,810,511.42
Surplus or (Deficit) as per above	56	- 725.00	-41,138.00	19,174.00	69,107.00	53,320.00
Forecasted Surplus Cash Position at end of estimate year	57	1,763,368.42	1,722,230.42	1,741,404.42	1,810,511.42	1,863,831.42
Forecasted Surplus Cash Position as a % of Expenditure (line 37)	58	31.25%	30.30%	30.22%	30.90%	30.95%

3:2 The above 5-year plan demonstrates that with a 0% increase in the rate for the financial years 2025/26 and 2026/27 and a rate rise of 2.5% thereafter, the Board would achieve a surplus cash reserve within the Board's 30% policy.

4 Summary of 5-year Plan

4.1 0% increase in the Rate:

	1	Estimates 2025/26	Estimates 2026/27	Estimates 2027/28	Estimates 2028/29	Estimates 2029/30
	2	£	£	£	£	£
Total expenditure incl contributions to schemes	3	7,494,182	7,665,201	7,640,482	7,604,097	7,821,091
Income – excluding Rates & Levy	4	-1,850,813	-1,981,419	-1,877,134	-1,745,526	-1,798,936
Net Expenditure to be funded from Rates & Levy	5	5,643,369	5,683,782	5,763,348	5,858,571	6,022,155
Rates & Levy Income:	6					
Using a rate of:	7	21.38p	21.38p	21.91p	22.46p	23.02p
An increase on prior year of:	8	0%	0%	2.5%	2.5%	2.5%
• Agricultural Rates	9	-1,380,565	-1,380,565	-1,414,788	-1,450,303	-1,486,464
• Special Levy	10	-4,262,079	-4,262,079	-4,367,734	-4,477,375	-4,589,011
Total Rates & Levy	11	-5,642,644	-5,642,644	-5,782,522	-5,927,678	-6,075,475
Net Surplus / (Deficit)	12	- 725	-41,138	19,174	69,107	53,320
Surplus Cash Reserve:	13					
Forecasted Surplus Cash Position at 1 st April	14	1,764,093.42	1,763,368.42	1,722,230.42	1,741,404.42	1,810,511.42
Forecasted Surplus Cash Position at end of estimate year	15	1,763,368.42	1,722,230.42	1,741,404.42	1,810,511.42	1,863,831.42
Forecasted Surplus Cash Position as a % of Expenditure (line 37)	16	31.25%	30.30%	30.22%	30.90%	30.95%

4.2 0% Effects over the 5 Years:

Using the above 0% plan rising to 2.5%:

- The rate increases from 21.38pence to 23.02pence at the end of the 5 years.
- The total Agricultural rates payable over the 5 years would be £7,112,685.
- The total Special Levy payable over the 5 years would be £21,958,278.
 - ELDC £21,892,275
 - NE Lincolnshire £66,001

5 Alternative Rate Increase

5.1 -1.2% reduction in the Rate – to achieve 30% Reserves in 25/26 and future years:

	1	Estimates 2025/26	Estimates 2026/27	Estimates 2027/28	Estimates 2028/29	Estimates 2029/30
	2	£	£	£	£	£
Total expenditure incl contributions to schemes	3	7,494,182	7,665,201	7,640,482	7,604,097	7,821,091
Income – excluding Rates & Levy	4	-1,850,813	-1,981,419	-1,877,134	-1,745,526	-1,798,936
Net Expenditure to be funded from Rates & Levy	5	5,643,369	5,683,782	5,763,348	5,858,571	6,022,155
Rates & Levy Income:	6					
Using a rate of:	7	21.12p	21.58p	21.93p	22.30p	23.01p
An increase on prior year of:	8	-1.2%	2.2%	1.6%	1.7%	3.2%
• Agricultural Rates	9	-1,363,776	-1,393,479	-1,416,080	-1,439,972	-1,485,818
• Special Levy	10	-4,210,248	-4,301,948	-4,371,721	-4,445,480	-4,587,017
Total Rates & Levy	11	-5,574,024	-5,695,427	-5,787,801	-5,885,452	-6,072,835
Net Surplus / (Deficit)	12	-69,345	11,645	24,453	26,881	50,680
Surplus Cash Reserve:	13					
Forecasted Surplus Cash Position at 1 st April	14	1,764,093.42	1,694,748.42	1,706,393.42	1,730,846.42	1,757,727.42
Forecasted Surplus Cash Position at end of estimate year	15	1,694,748.42	1,706,393.42	1,730,846.42	1,757,727.42	1,808,407.42
Forecasted Surplus Cash Position as a % of Expenditure (line 37)	16	30.03%	30.02%	30.03%	30.00%	30.03%

Using the above plan to adjust the rate purely to achieve a 30% reserve:

- The rate increases from 21.38pence to 23.01pence at the end of the 5 years.
- The total Agricultural rates payable over the 5 years would be £7,099,125.
- The total Special Levy payable over the 5 years would be £21,916,414.
 - ELDC £21,850,536
 - NE Lincolnshire £65,875

5.2 To keep a steady rate increase of 0.95% in each year so to achieve a 30% at the end of the 5 years each year beforehand:

	¹	Estimates 2025/26	Estimates 2026/27	Estimates 2027/28	Estimates 2028/29	Estimates 2029/30
	²	£	£	£	£	£
Total expenditure incl contributions to schemes	³	7,494,182	7,665,201	7,640,482	7,604,097	7,821,091
Income – excluding Rates & Levy	⁴	-1,850,813	-1,981,419	-1,877,134	-1,745,526	-1,798,936
Net Expenditure to be funded from Rates & Levy	⁵	5,643,369	5,683,782	5,763,348	5,858,571	6,022,155
Rates & Levy Income:	⁶					
Using a rate of:	⁷	21.58p	21.79p	22.00p	22.21p	22.42p
An increase on prior year of:	⁸	0.95%	0.95%	0.95%	0.95%	0.95%
• Agricultural Rates	⁹	-1,393,480	-1,407,040	-1,420,600	-1,434,160	-1,447,720
• Special Levy	¹⁰	-4,301,948	-4,343,812	-4,385,675	-4,427,538	-4,469,401
Total Rates & Levy	¹¹	-5,695,428	-5,750,852	-5,806,275	-5,861,698	-5,917,121
Net Surplus / (Deficit)	¹²	52,059	67,070	42,927	3,127	-105,034
Surplus Cash Reserve:	¹³					
Forecasted Surplus Cash Position at 1 st April	¹⁴	1,764,093.42	1,816,152.42	1,883,222.42	1,926,149.42	1,929,276.42
Forecasted Surplus Cash Position at end of estimate year	¹⁵	1,816,152.42	1,883,222.42	1,926,149.42	1,929,276.42	1,824,242.42
Forecasted Surplus Cash Position as a % of Expenditure (line 37)	¹⁶	32.18%	33.13%	33.42%	32.93%	30.29%

Using the above plan to keep a steady rate increase to allow for a 30% reserve at the end of the 5 year period and each year before:

- The rate increases from 21.38pence to 22.42pence at the end of the 5 years.
- The total Agricultural rates payable over the 5 years would be £7,103,000.
- The total Special Levy payable over the 5 years would be £21,928,374.
 - ELDC £21,862,461
 - NE Lincolnshire £65,911

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Recommendations:

- To consider the above 5-year plans