

LINDSEY MARSH DRAINAGE BOARD

Minutes of a Meeting of the Board held at Wellington House, Manby on Wednesday, 20th March 2024, commencing at 9.30 a.m.

* Messrs	G.A. Crust (Chairman)	* Cllrs	T. Aldridge
*	S.W. Eyre (Vice-Chairman)	*	T. Ashton
*	G. Bowser	*	Mrs W. Bowkett
*	W. Cooper	*	S. Dennis
*	R. Crust	*	D. Edgington
*	M. Denby	*	D. Hobson
*	J.M. Mowbray	*	S. Kemp
*	R.H. Needham	*	D. McNally
*	D. Pridgeon	*	E. Mossop
*	D.R. Tagg	*	W. Parkinson
		*	D. Simpson

* *Present*

v	Messrs	A. McGill (Chief Executive)
*		D. Hickman (Executive Officer)
*		A. Malin (Senior Operations Manager)
*		S. Stones (Operations Manager)
*		R. Brown (Senior Engineer)
*	Mesdames	N. Hind (Finance Manager)
*		C.B. Davies (Corporate Services Manager)

* *In attendance*

1. APOLOGIES

Apologies for absence were received from Cllrs D. McNally and S. Dennis.

2. DECLARATIONS OF INTEREST

Mr M. Denby declared an interest in Agenda item 10 Compensation.

Cllr T. Ashton declared an interest in Agenda item 19 Planning as the portfolio holder for planning.

Mr G. Bowser declared an interest in Agenda item 19 Skegness Gateway.

Mr S.W. Eyre declared an interest in Agenda item 19 Planning as a member of the Planning Committee.

3. NOTIFICATION OF ITEMS OF ANY OTHER BUSINESS

None.

4. BOARD MINUTES (Pages 1807 to 1822)

Members highlighted an error on page 1820 the amount held in the Board's bank accounts was incorrect, the numbering was also incorrect on this page with 18:4 entered twice. The amount held should read £5,474,410.80.

RESOLVED

That the minutes of the Meeting of the Board held on 24th January 2024 be confirmed as a correct record subject to correction of the above.

5. MATTERS ARISING

5:1 Minute 5:1, Page 1807 - Flood Event (Emergency Volunteers)

Volunteer training was originally planned to take place in April, however, it was agreed to include a section on the annual newsletter asking for volunteers and delay training until later in the year. The Corporate Services Manager asked members to let her know if they were interested.

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5:2 Minute 5:2, Page 1808 - Wellington House

The Corporate Services Manager had contacted the new owner of Tedder Hall to enquire about development plans for the site and been informed that these were still undecided. She had expressed concern about the condition of the roads and in particular the potholes at the entrance to Manby Park and would be suggesting a meeting with them and other occupants on the site to discuss this. In response to Mr R.H. Needham she confirmed that the Board had a right of way to access Wellington House. One option, if needed, could be for the Board to install direct access onto Carlton Road.

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5:3 Minute 5:3, Page 1808 Gayton Engine Pumping Station

A geotechnical survey of the building was undertaken on behalf of the Board's insurance company on 31st January and showed the majority of movement to the rear left-hand side of the building. They suggested this may be from vegetation in this area and would be digging trial pits, boreholes and taking soil samples for testing in April. Officers were hopeful that the insurance company would pay for the repairs and once this had been clarified a further report would be made to the Board.

The potential presence of bats would mean that environmental surveys would be required before any work took place.

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5:4 Minute 5:4 (a), Page 1808 - Tour of Inspection

The Board had discussed holding a tour in April, however, there would be little accessible work to see on the ground at this time. Officers therefore suggested that a members' training day be held on the 24th April and that the tour be postponed until 14th August. Members training was essential to demonstrate good governance.

Mr R.H. Needham stated that August was a bad time of year for elected members. The Chairman pointed out that Officers were trying to get others to attend.

Officers asked how many members would not be able to make the August date, seven were unavailable. Following discussion it was agreed to hold the Tour in July and the Corporate Services Manager would issue invitations.

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5:5 Minute 5:5, Page 1808 - Progress of External Audit

Officers had not received any further information regarding the external audit. It was noted that the Witham Fourth DIDB was now also above the threshold and would also be pushing for a change.

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5:6 Minute 9:3 (b), Page 1812 - Greyfleet to Gents Canal Water Transfer Structure

Following recent flood events, a list of areas badly affected had been prepared detailing actions undertaken and any further work required. This would be reviewed, prioritised and costed and then report back to the Board. The transfer structure had been included on the list.

Discussions with the Environment Agency regarding Main River Maintenance were ongoing, and a meeting was scheduled with the Environment Agency on 26th April.

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6. CONSORTIUM COMMITTEE

The minutes of a Consortium Committee meeting held on 13th February 2024 were circulated for members' approval.

RESOLVED

That the minutes of the Consortium Committee meeting held on 13th February 2024 be approved and adopted by the Board.

7. CONSORTIUM CONSERVATION ADVISORY GROUP

The minutes of a Consortium Conservation Advisory Group meeting held on 5th March 2024 were circulated for members' approval.

Members commented on mink stating that if the Board was able to claim the DEFRA payment of £100 per 100m it should, however, it was unclear if the Board would be eligible.

The Finance Manager highlighted that the Board recharged the cost of some of the mink control work.

RESOLVED

That the minutes of the Consortium Conservation Advisory Committee meeting held on 5th March 2024 be approved and adopted by the Board.

8. HEALTH, SAFETY AND WELFARE

The Senior Operations Manager reported that there had been no changes to legislation since the last meeting.

There had been six incidents across the Consortium since the last meeting, one of which was in the Lindsey Marsh area. He highlighted an incident in the Isle of Axholme area where pump parts had fallen off a low loader whilst being transported, by a contractor, for repair. Officers were reviewing the use of a chocking system or cradle for future moves.

Safe Systems of Work for Working with Concrete, Refuelling using a Towable Bowser, Working within the Operating Radius of Plant and Machinery and River Abstraction Recording Process had been introduced and issued.

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9. OPERATIONS REPORT

(a) Maintenance

The Senior Operations Manager reported that work on the 25,954m of the winter programme had commenced and was progressing well. Reforming work on Bilsby Tank Trap drain had commenced with 1km of the 3.2 km already complete. There were four machines on site to complete the work before the pumps at Trusthorpe were removed.

Additional work including slip repairs, piling and collapsed headwalls had been identified on 13 additional watercourses and the majority of those repairs were already complete. In response to Cllr E. Mossop, the Operations Manager confirmed that the repairs were usually small lengths of around 15-20m. The mitigation window had commenced on the 15th February and would close on the 15th April. Mitigation work was being completed to prepare for upcoming work.

Officers continued to monitor conveyance on Strategic Ordinary Watercourses and where necessary an early weedcut would be undertaken in consultation with the Board's Environmental Officer.

Concreting and fencing work had been completed at Theddlethorpe Pumping Station along with replacement of several gates along Board maintained watercourses. Some rechargeable work had been completed at Hogsthorpe and a request for work with the weedboat had also been received.

(b) Plant and Equipment

Following award of delegated authority to the Chairman, Vice-Chairman and Chief Executive, a used Toyota Hilux 4x4 Pickup had been purchased at a cost of £25,961 which came with 10 year /100,000 mile warranty.

Officers were in discussions with manufacturers regarding the supply of a new tracked excavator to replace the Board's existing Volvo 220EL. Tenders would be sought and a recommendation brought to the June Board meeting for consideration. There was stock availability for many machines so it was expected that delivery would be quick and there may be cost savings against the original budget.

(c) Rainfall

Rainfall and pump run hours were presented for information. Mr J.M. Mowbray pointed out that the February rainfall was as much as December, so a large electricity bill was likely. Mr W. Cooper queried the low record for Strubby stating that averaging the

readings distorted the figures. The Senior Operations Manager commented that rain had been very localised and agreed to check the rain gauge to ensure it was functioning correctly. Mr Cooper suggested that figures be shown separately in future rather than as an average.

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10. COMPENSATION

10:1 Compensation Claims

A schedule of compensation payments totalling £4,663.90 was presented for approval; these had been paid in accordance with the Board's policy.

10:2 Compensation Rates

The proposed 2024/25 compensation rates were presented for members consideration and approval, these had been calculated in line with the Board's policy. Some root crops which were included in 2023/24 had been removed as determining a value was problematic and would be paid on negotiation.

RESOLVED

- (a) That the compensation payments totalling £4663.90 be approved.
- (b) That the attached rates of compensation for 2024/25 be approved.

11. ASSET RENEWAL AND REFURBISHMENT PROJECTS

11:1 Coastal Pumping Stations Refurbishment - Trusthorpe, Anderby, Ingoldmells and Saltfleet (LM19351, LM19304, LM20305 and LM20306)

(a) Trusthorpe Pumping Station

The known asbestos within the pumping station had been removed and a clean air certificate issued for the building. Trial holes to enable temporary works designs were completed in early February 2024 and designs were progressing.

BH Construction Co. had commenced work including installation of a crane pad and discharge manhole. The station would be out of service from early April.

The Business Case Update Report required to support additional funding had been submitted and approval was expected in April. Additional funding of £2,035,000 had been requested together with a contingency of £500,000. The revised estimated cost of the scheme was £4,430,395.

A review of budgets had been undertaken and to support funding of new security doors, the Board was recommended to transfer the residual balances of £1,460.87 from the pumping station door project (LM21309) and £24,242.73 from pumping station resilience project (LM22301).

Concerns had been raised by a local farmer about issues with the EA watercourse not flowing and causing flooding to land which he believed occurred when there was heavy rain and the Board operated Trusthorpe pumping station. He had suggested that there could be an increased flood risk from work. Queries

had been raised regarding the outfall chamber/culvert which may be preventing the watercourse from discharging water. The Senior Engineer confirmed that Officers were reviewing the information and would take this into account when looking at any work needed.

RESOLVED

- (a) That the Board transfer £1,460.87 from LM21309 (pumping station door project) to Trusthorpe Pumping Station (LM19304) and,
- (b) That the Board transfer £24,242.73 from LM22301 (Pumping Station Resilience) to Trusthorpe Pumping Station (LM19304).

(b) Saltfleet Pumping Station including Greyfleet to Gents Canal Water Transfer Structure

The motor on pump three had suffered a significant fault rendering it unusable. This had been investigated and subsequently extracted by Bosman Watermanagement BV (BWMBV) on the 23rd January 2024. The motor was transported to a specialist contractor in the UK. The cause of the failure was not yet known and BWMBV whilst continuing to examine the root cause, proposed a complete replacement of the motor which could take 20 weeks to manufacture with the anticipated return to service being June. BWMBV was aware of the urgency and trying to negotiate a more favourable delivery timescale.

Further electrical checks on motors one and two had revealed that common mode currents were present at the motor end of the drive cables which could potentially reduce the bearing life of the motors. To eliminate this, common mode filters had been procured and would be installed imminently. The cause of the failure of motor three was unrelated to the common mode issues and was believed to be a manufacturing defect.

During investigations it was noted that bearing noise was evident on the motor of pump two. To try and resolve this, the non-drive end bearing was changed in February, however, the motor remained unsatisfactorily noisy. Discussions were focused on the immediate removal and replacement. Whilst the pump could still be used at a lower rate, this would leave the station below its designed pumping capacity and a temporary pumping plan which could be installed within 24 hours had been put in place with BWMBV meeting all costs.

The Board was recommended to approve the transfer of the residual balance of £88,107.96 within the Direct Labour Organisation's Gents Canal to Mardyke (LM22351) element of the works back to the main project budget (LM19351).

Mr R.H. Needham stated the issues with the equipment were concerning and queried the guarantee. The Senior Engineer confirmed there was a 12-year warranty stating that engagement with the supplier was positive and they were keen to rectify any issues.

Mr R. Crust asked if the roof would need to be removed. In response to Mr R. Crust, the Senior Engineer confirmed that removal of the roof was not necessary as only the motor needed to be removed which could be done using the internal overhead crane. There was nothing wrong with the pumps, just the motors.

Cllr E. Mossop asked if the same motor was being used at the other stations. The Senior Engineer confirmed that there were five different motors being used at the four Costal stations.

RESOLVED

That the Board transfers the residual balance of £88,107.96 within the Gents Canal to Mardyke project (LM22351) back to the main Saltfleet Pumping Station project budget (LM19351).

(c) Anderby Pumping Station

Installation of a new air intake to improve air flow to the electrical control building and aid the cooling of the new variable speed drives had been completed. The building temperature would be monitored to ascertain if the existing air extractor fan was sufficient.

Some minor snagging items remained and would be completed by BH Construction Co.

Common mode filters had been procured and installed onto the variable speed drives.

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(d) Ingoldmells Pumping Station

Officers were reviewing the draft tender documents for civils works. A compensation event had been raised with Inter-Lec Limited for installation of common mode filters within the new control panel.

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(e) Expenditure to date

Committed costs to date were reported as follows:

<i>Pumping Station</i>	<i>Committed Expenditure</i>	<i>Estimated scheme costs (Total)</i>
Saltfleet (LM19351)	£4,161,179	£4,229,388
Gents Canal to Mardyke (LM22351)	£239,638	£327,746
TOTAL	£4,400,817	£4,557,134
Trusthorpe (LM19304)	£3,690,477	£4,430,395
Ingoldmells (LM20305)	£1,256,134	£2,187,750
Anderby (LM20306)	£2,053,271	£2,187,750

11:2 Safety Platforms for stoplogs at Burgh Village and Gotts Pumping Stations (LM22311 and (LM21305)

Safety platforms had been manufactured and installed at Burgh Village and Gotts Pumping Stations by the Direct Labour Organisation. This also enabled the replacement outfall flap valve to be fitted at Burgh Village Pumping Station.

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11:3 Pumping Stations – Emergency Repairs (LM23302)

Costs to date for emergency repairs were £85,570.42 against the approved budget of £136,331.

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11:4 SCAPE/Balfour Beatty/Stantec – Preparation of single Outline Business Case for 13 LMDB Pumping Station Refurbishments (LM23399)

The watercourse surveys needed for modelling the southern group of pumping stations (Thorpe Culvert, Crown Farm and Burgh Sluice) had been completed and the data passed to Stantec.

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11:5 NICEIC Electrical Installation Inspections at Pumping Stations and Depots

Inter-Lec Limited had been appointed to undertake electrical installation inspections at the Board's pumping stations and depots. Works were nearing completion and officers were due to meet with Inter-Lec Limited to discuss the findings. Costs for the inspections, including full reports and certification, were £450 per site.

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11:6 WMC Capital Works Programme Update

Across the Consortium Boards, nineteen projects had been finished and closed during financial year 2023/2024. Of these, six were in the Lindsey Marsh area. There were another three Lindsey Marsh projects in the close-down phase with five being delivered.

Cllr W. Bowkett expressed concern about closing LM20901 River Steeping Dredging as the section from Spilsby Road to A52 was not finished. The Senior Engineer confirmed that this related to the element for which the Board had funding but officers were still pressuring the Environment Agency to undertake additional work.

Scape was still progressing with the outline business cases for the pumping station refurbishments but there had been some delays due to administrative issues with the EA regarding completion of the process. Officers would discuss these delays with the Environment Agency and emphasise the burden of obtaining funding. Conversations had already been held regarding funding; nationally there were difficulties getting the funding allocation spent and it would be exacerbated should local teams continue to take an overly legalistic view on applications.

Cllr D. Simpson asked if the EA money was lost if not spent. The Executive Officer suspected that some would be lost, but was hopeful that decisions would be made in time to allow funds to be reallocated within the programme. The Senior Engineer clarified that in order to be considered for any available funding, IDB projects would

need to have projects ready to go, e.g. through the business case process, otherwise any underspends may be lost.

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12. FINANCE

12:2 Management Accounts for the Period ending 31st January 2024

The management accounts for the period showed a positive variance of £154,129.93, largely due to increased rating income from revaluations and savings interest. The 2023/24 Estimates allowed for a surplus budget of £395,460, however, the current predicted outturn position at the year-end was estimated to be a reduced surplus of £380,721.53 which was due to increased electricity costs which were £270,000 over budget which offset the additional rates income and other savings. This could be further reduced by increased electricity usage over the remaining period.

The current predicted cash reserves at 31st March 2024 were expected to be £1,359,388.26 (27.0%) of net operating costs which was a slightly worse position than originally estimated.

RESOLVED

That the attached management accounts for the period ending 31st January 2024 be approved.

12:3 Transfer of Budgets

A summary of the budget transfers approved under Item 11 was detailed for members information.

RECEIVED

12:4 Progress of Audit

The Public Sector Audit Appointments Ltd were yet to appoint an external auditor to the Board, however, there were steps being taken nationally to reduce the backlog. More IDBs were now coming under the Level 1 audit and there was a push for IDB's to be removed from the process, however, this was likely to be lengthy. The Finance Manager understood that it was within the powers of the Secretary of State to remove IDB's from the Audit process but there would need to be checks before it could be implemented. Increases in audit levels alone may not remove the Board from the category one audit process. Officers would continue to advise the Board of any progress.

Cllr T. Ashton commented that exemption from category one audit would be good but that it was also important to push for thresholds to be reviewed and increased as this would affect other organisations. The Finance Manager highlighted that Rating and Special Levy income alone was nearly 6.5M so it would be better to remove IDBs from process.

Cllr E. Mossop commented that an audit was a raincheck and that the Board needed to take on more responsibility regarding understanding finances so members were more aware of the obligations and suggested this be included on members' training. The

Finance Manager pointed out that there would still be an internal audit and an external audit but not to the same level and the fees would be £6-7,000 rather than over £100,000. The pumping stations would also need to be revalued for the category one audit and this did not add any value to the Board and was not the best use of public funds.

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12:5 Cash and Bank Reserves as at 31st January 2024

It was noted that £5,375,330.29 was held across the Board's bank accounts with no current loans.

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12:4 Payments over £500

The attached schedule of payments over £500 made since the last meeting was presented for approval.

RESOLVED

That the attached schedule of payments over £500 totalling £508,649.83 be approved.

13. INVESTMENTS

13:1 Placing Investments via BGC Brokers L.P

The Board had deposited £250,000 with Skipton Building Society on the 6th March 2024, with a maturity date of 6th September 2024 at an interest rate of 5.15%, on maturity the investment would achieve interest of £6,490.41. Officers would review options to obtain the best interest rate going forward.

13:2 Corporate Instant Access Saver Account - Nationwide Building Society

The process of opening the Instant Access Saver account direct with the Nationwide was nearly complete and it was hoped that funds would be transferred within the month. The current rate of interest was 3.40% AER (Annual Equivalent Rate).

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14. DRAINAGE RATES AND SPECIAL LEVIES

A total of £1,430,271.15 had been collected in respect of drainage rates and £4,104,093 special levies up to the 9th January 2024 giving a combined collection rate of 99.85%.

Twelve summonses were issued and nine liability orders were obtained at Boston Magistrates Court in January. Three accounts had been sent to the bailiffs and the Board's Rating Officer continued to chase the remaining six accounts. The balance outstanding at 31st March 2023 was £667.21. This was made up of arrears of £1,581.28 and credits of £913.07. Of the £667.21 there remained £186.93 outstanding.

A schedule of the proposed Rates write off, totalling £294.18 was presented for consideration and approval.

RESOLVED

That the schedule of write offs totalling £294.18 be approved.

15. ENVIRONMENTAL REPORT

A report on the following was presented:

15:1 Mink

Project officers and partners of the Waterlife Recovery Trust had caught over 200 mink in the counties that made up the project area since the project started on the 1st August 2023. Eradication of invasive American mink on a landscape scale appeared a realistic prospect, at lower cost and in a shorter period of time than has previously been estimated. Recovery of water voles, moorhens, reed buntings and other mink prey species appeared to be equally positive.

15:2 ADA Environment Day - Key Points

IDB areas, particularly in the Isle of Axholme, Doncaster East and Humberhead Levels, were subject to a range of proposals including a UNESCO Biosphere, paludiculture, rewetting of land and carbon sequestration. Incentives for farmers and landowners in the region included high per hectare payments on offer from Sustainable Farming Incentive (SFI) and Countryside Stewardship (CS) agreements.

Emphasis was placed on the need to ensure that operations would not be impeded by a greater focus from SFI-funded projects on buffer strips and similar locations. It was anticipated that greater communication would be required between landowners and IDBs to ensure compliance with schemes and continued appropriate maintenance.

Discussions brought out an interest in a renewed focus on Water Level Management Plans for protected sites. Currently these were outdated and may not reflect the current requirements of SSSIs.

Other topics explored on the day included how IDBs might contribute to lowland water quality monitoring, reflections on wildlife law and policies, a focus on the invasive floating pennywort and progress with Local Nature Recovery Strategies and Biodiversity Net Gain.

15:3 Updating of the Board's Biodiversity Action Plan (BAP)

A DRAFT BAP was presented to the Conservation Advisory Group (CAG) for review and comment. Initially, the Consortium set a target of delivering a new BAP by 1st January 2024, however, this date was only significant to local authorities that did not have a BAP/LNRS in place. The older BAP already produced meant that Board continued to comply with legislation and allowed time for considered input from the CAG in the interests of producing a thorough document.

15:4 University Visit

The visit to Bishop Burton College received positive feedback from the environment, conservation and ecology students. Discussions included how the WMC carried out its operations in line with environmental legislation and mitigation, GIS and biological recording system, conservation targets and general careers advice.

15:5 Legislation Crib Sheet

A new crib sheet had been designed for the Operations Managers to help identify key dates relating to activities requiring wildlife mitigation and licensable activities. This would ensure compliance with licence regulations and improve the yearly licence return process.

15:6 Division Drain Badgers

Gates and mesh had been removed from Division Drain in compliance with Natural England's request. Following further degradation of the culvert over the festive period, badgers were able to dig back into the sett. Ideally, works would have been completed once the badgers had been excluded but weather events meant Operations staff had to address more pressing emergency situations. The temporary exclusion had assisted in reducing the amount of water in the drain which seemed to have returned to normal levels. A new licence to close the sett would be sought.

The Senior Engineer commented that arguably once the badgers had been excluded under licence it was no longer a sett and, provided they were not let back in, work should be able to proceed.

Cllr T. Ashton stated that he was concerned by the lack of scrutiny of the activity, criteria and processes of Natural England.

15:7 Electronic Recording

Recording had been low, coinciding with the shift to the winter works programme. Sightings from walkovers of drains had been recorded by the Environment Officer, including UKBAP species, reed bunting, water vole, skylark and lapwing. Incidental sightings of barn owl, new badger setts and mink sightings had also been recorded.

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16. ENVIRONMENT AGENCY AND PARTNERSHIP MATTERS

The Executive Officer reported that officers were receiving multiple requests for information for Section 19 flood investigations from Lead Local Flood Authorities.

The government had announced £75M of flood recovery funding for IDBs, ADA had requested and supplied the Government with information regarding increased costs from the storms and longer-term asset replacement. For the Consortium, these costs had equated to around £35M. Further clarification on when and how this would be administered was awaited but it was expected that the EA would be administering the funding.

The Senior Engineer reported that Officers had been asked to provide figures for repair and replace, which for Lindsey Marsh amounted to £55,000, and for repair, replace and enhancement which amounted to £14.86M.

Officers continued to liaise with the Environment Agency regarding a proposed pilot scheme for some of the main river maintenance to be undertaken by the Board. Cllr T. Ashton stated that there were vast swathes of the country where there were no IDBs and this would allow the EA to focus efforts elsewhere. Cllr Ashton stated that he would like to see the highland drainage charge and levy increased as more money needed to come from the upland areas.

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17. RISK REGISTER

The draft Business Risk register was presented for members consideration and approval.

It covered risks and the control measures in place to mitigate the risks. Risks included:

- (a) Budget constraints
- (b) Fraud and corruption Data Protection Brach or Failure
- (c) Failure of Assets
- (d) Heavy Rainfall Events
- (e) Lack of Main River Maintenance
- (f) Lack of Resources - Staff
- (g) Lack of Resources - Plant
- (h) Health and Safety Incident
- (i) Board - inappropriate actions taken by the Board or individual members
- (j) Environmental Breach

RESOLVED

That the Business Risk Register be approved by the Board subject to removal of "if the risk rating (RR) is above 6 work will not be allowed to proceed".

18. QUERIES AND COMPLAINTS

The Corporate Services Manager presented a report detailing queries and complaints received at the Manby office between 1st April 2023 and 5th March 2024. A total of 99 queries and complaints had been received across the Consortium, of these, twenty six related to the Lindsey Marsh area and four were still outstanding. Some of these had been reviewed and were pending further action such as maintenance work or information from third parties. The Board had received one formal complaint which had been resolved.

Officers were working to improve response times and the categorisation of queries/complaints.

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19. DELEGATED MATTERS - PLANNING, BYELAWS AND SUPERVISORY ROLE

19:1 Byelaw Applications

The following byelaw application had been dealt with under delegated authority since the last Board meeting:

LMDB/LDC/2023/070 Increase in flow to the Board maintained Winthorpe Drain via an existing outfall, at land to the west of Rowland Way at National Grid Reference 554790 - 363684 in the parish of Skegness.

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19:2 Section 23 Applications

The following Section 23 applications had been dealt with since the last meeting:

LMDB/LDC/2024/009 Infill of 42 metres of watercourse, at land to the east of St Peter's Church, Main Road, between National Grid References 543137 - 389282 and 543117 - 389310, in the parish of Saltfleetby.

No Section 23 consents had been granted by the Board on behalf of the Lead Local Flood Authority since the last meeting.

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19:3 Planning Applications

Officers had consulted on 21 planning applications since the last meeting and appropriate comments relating to surface water drainage were provided.

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19:4 National Trust - Wetland Nature Reserve at Former Sandilands Golf Course

An application had been received for the site with four options for the installation of a pump to abstract water from the Board's system. These were being reviewed by Officers. Full details were still being finalised and additional elements of the application could be dealt with under delegated authority, and these would include installation of weirs on site to control water levels.

Three of the options provided the possibility of a slight reduction in pumping with two of these using existing IDB culverts. The final option to the seaward side of the station was independent of the Board's infrastructure and may result in a slight increase in capacity in the outfall channel.

A decision was needed before the June Board meeting, so Officers asked the Board to consider delegating authority to the Chairman, Vice-Chairman and Chief Executive to determine the consent application once full details had been reviewed.

The Chairman highlighted the importance of liaison with the councils' planning departments to ensure compliance with the Board's byelaws. Whilst the Board could not become statutory consultees as it was too arduous, planning could automatically consult or a note could be included on the bottom of planning decision notices to

highlight the need to apply to/consult the Board for work within nine metres of a Board maintained watercourse or for an increase in discharge rates.

The Chairman asked for a steer from the Board regarding liaison. Cllr T. Ashton stated that he would take this matter up with the new Head of Planning at East Lindsey District Council as this was an issue for all IDBs in Lincolnshire.

Mr S.W. Eyre stated if the Board came up with wording he would request it be added to planning consents.

Cllr D. Simpson stated that in the planning process there was a lack of attention to IDB byelaws and little or no mention on planning applications. It was something the District Council need to pay attention to as there were areas where IDB access was restricted because encroachment had been allowed.

RESOLVED

That the Board grant delegated authority to the Chairman, Vice-Chairman and Chief Executive to determine the consent application for Sandilands.

19:5 Skegness Gateway

The Chairman highlighted that the initial application for Skegness Gateway had been responded to by the Senior Engineer, however, a second application for a small part of the scheme had not been linked to the initial application and therefore the Board's initial comments were not transferred, and the application had been approved. Again, he was concerned about the lack of communication and liaison between the Council and Board.

The Executive Officer stated that he would extend an invitation to the new Head of Planning to meet and establish a relationship. The Chairman suggested that he be invited to join the tour in July.

The Chairman commented that in a recent Countryfile piece Internal Drainage Boards were featured and the councillor who spoke said unless IDBs cut back on precept the public would lose services and have to cut back to fund drainage boards to drain farmers land. Lincs Wildlife Trust said they bought 300 acres and objected to paying drainage rates as they wanted to turn it back to wildlife however without the work of IDBs it would be a lake and wouldn't be much use as an area for wildlife. When interviewed ADA did not mention what Boards protect focus purely on farmland not houses, infrastructure, tourism, business etc.

Cllr T. Ashton stated that it was worth considering that whilst some saw the issue of Special Levy as a problem without understanding the further complexities of how it was arrived at or what it protects, he had not heard that view at ELDC for number of years and it was not a view supported by current Chief Executive or many of the councillors. There was generally a firm understanding of the work of IDBs and he did not think increases over recent years had a detrimental impact on the relationship between ELDC and IDBs. He would attempt to assist with improvements in the planning relationship.

Cllr T. Aldridge commented that the Leader of Council had attended the last meeting between IDBs and Councillors and had issued a note on the importance of having LMDB and others.

It was agreed that it would be preferable to improve relations with local planning departments rather than push to become a statutory consultee.

RESOLVED

That Officers prepare a paragraph for inclusion on all decision notices something along the lines of 'if a site was within an IDB area, consent would be required from the Board for anything within nine metres of a watercourse and they should contact the Board directly' for consideration and approval at the next Board meeting.

20. ANY OTHER BUSINESS

None.

CHAIRMAN



Compensation Rates 2024/25

Lindsey Marsh Drainage Board, Isle of Axholme and North Nottinghamshire Water Level Management Board and Trent Valley Internal Drainage Board have agreed to pay, if requested, compensation for injury suffered as a result of the Board's works. This will be paid on the scales listed in 1 and 2 below in respect of annual Summer Maintenance and Winter Maintenance works.

These rates have not been adopted by Doncaster East Internal Drainage Board, any claims for compensation in the Doncaster East area will be considered by the Board.

1. Summer Maintenance

Where the Board travels through standing crops to undertake weedcutting operations, compensation will be paid for crop loss at the rate of 32p (**35p**) per linear metre for all cereals crops and 50p (**62p**) per linear metre for oil seed rape.

All other claims relating to crop damage will be paid at the rates shown in the table overleaf. Compensation claims relating to damage to root crops will be subject to private negotiation.

Compensation will not be payable for access through grassland for Summer Drain Maintenance.

The Board has authorised the operations department to go through standing crops where deemed necessary in the interest of efficiency and to minimise soil structure damage.

2. Winter Maintenance

(a) Crop Loss

Where the Board travels through standing crops to undertake winter maintenance works such as reforming, desilting, etc compensation will be paid for crop loss per acre of damage at the rate shown in the table overleaf.

The rate used to calculate the compensation paid will vary depending on if and when notice of entry has been served as follows:

- Rate 1 - will be paid where notice of entry **has** been served before a field has been drilled or planted.
- Rate 2 - will be paid where notice of entry **has not** been served and entry was between September and February and a field has been cultivated, drilled, and sprayed.
- Rate 3 - will be paid where notice of entry **has not** been served and entry was between March and harvest and a field has been cultivated, drilled, and sprayed.

Where the Board travels through grazing land to undertake winter maintenance compensation will be paid as follows:

- Grazing land £150 per acre.
- Grazing land, reinstatement work £200 per acre.

(b) Permanent Loss of Use of Land

Any width in excess of that which has been reprofiled to the measured width shown on the drain records of the Board, will be paid at the rate of £9,052 (**£8,428**) per acre for loss of productive land.

Compensation Table (crop loss):

Crop type	Summer Maintenance (Weedcutting/flailing) (per linear metre)	Winter Maintenance (Reforming/desilting)		
		Rate 1 (per acre)	Rate 2 (per acre)	Rate 3 (per acre)
Cereal	0.32 (0.35)	316.93 (353.60)	475.39 (530.40)	633.85 (707.20)
Rapeseed	0.50 (0.62)	253.11 (312.56)	379.67 (468.84)	506.23 (625.11)
Potatoes	1.93 (2.35)	1928.50 (2346)	2892.75 (3519)	3857.00 (3608)
Sugar Beet	0.59 (0.50)	585.00 (499.20)	877.50 (748.80)	1170.00 (998.40)
Peas	0.47 (0.45)	236.00 (228.80)	354.00 (343.20)	472.00 (457.60)
Beans	0.20 (0.17)	204.85 (174.68)	307.28 (262.01)	409.70 (349.35)
Grain Maize	0.62 (0.74)	315.00 (376.25)	472.50 (564.38)	630.00 752.50
Forage Maize	0.71 (0.71)	360.00 (360.00)	540.00 (540.00)	720.00 (720.00)

FOR MEMBERS' INFORMATION ONLY

Lindsey Marsh Drainage Board	File Ref:	Agenda Item: 12
Meeting: Board Meeting Date: 20th March 2024	Subject: FINANCE	

Recommendations:

- To review and approve the Management Variance Accounts for the period ending 31st January 2024.
- To note the transfer of budgets.
- To note the progress on the 2023 Audit.
- To note the Board's cash balances and borrowings.
- To approve the schedule of payments over £500 made since the last meeting.

1. Method of Accounting

1:1 The costs recorded within the Board's Annual Financial Statements, AGAR and IDB1 forms include both the external costs (money leaving the organisation), but also an element of Absorbed costs, which we allocate to our schemes and work programmes based upon a time mechanism and the rate we apply to an hour charge for a man or a piece of plant.

1:2 The monthly management variance reports forwarded to Officers and the Chair and Vice Chairmen, are prepared excluding these absorbed costs, so that only the external costs that represent real funds leaving the Board are reported.

1:3 To align with these monthly reports, the Board Report Management Variance Accounts, will also now only report what is actual external costs and directly relatable to the funds the Boards must raise from rating but also those costs that directly affect the Cash Surplus Reserves of the Board.

2. Management Accounts for the Period ending 31st January 2024

2:1 The Management Accounts for the 10-month period ending 31st January 2024 is shown below, summarising the variance of actual income and costs to the approved estimates. The report also shows the Annual Budget amounts for information.

Any income and expenditure relating to Engineering schemes has been removed and will be reported separately, as the movements on the Engineering schemes (expenditure and income movements) do not directly affect the General Cash Reserves, so this enables us to predict the cash funds position that will be available to the Board for any overspends or to meet any extra-ordinary expenditure that a flooding event may create.

The report is a summary of the main Income and Expenditure headings, a more detailed report of the breakdown of those headings can be found at the end of the finance report.

Lindsey Marsh Drainage Board

Variance to Estimates Report - For the 10 months to 31st January 2024

	Whole Yr Estimate	31.01.2024 Variance	31.01.2024 Estimate	31.01.2024 Actual
The following income & expenditure is not related to Engineering Schemes				
Total Income including Rates/Levy/Consenting Income	6,702,610.00	204,200.15	6,489,611.00	6,693,811.15
Absorption Income relating to costs in Schemes	238,680.00	89,647.63	192,779.00	282,426.63
Total Maintenance Costs for Drains/PS/Consenting	(1,138,703.00)	(288,089.76)	(770,514.00)	(1,058,603.76)
Total Supportive expenditure incl Salaries, Plant Running, Precept, Admin & IT costs	(4,204,431.00)	176,861.38	(3,571,325.00)	(3,394,463.62)
	1,598,156.00	182,619.40	2,340,551.00	2,523,170.40
Adjustment to Reserves				
Prior Yr Costs rated for in current year to add to reserves	(405,148.00)	0.00	0.00	0.00
Planned Funds transferred from Plant Reserve to General reserves to meet expenditure	100,000.00	0.00	0.00	0.00
Plant/Vehicle net expenditure occurred in year - funded from Plant reserve	0.00	216,270.00	0.00	216,270.00
Plant/Vehicle planned net expenditure not occurred in year - held over to Plant reserve	0.00	0.00	0.00	0.00
Adjustments for Balance Sheet Budget Entries				
Fixed Asset Adjustments				
Vehicle additions	0.00	(219,044.63)	0.00	(219,044.63)
Vehicle disposals	0.00	25,174.99	0.00	25,174.99
Plant additions	(499,000.00)	(44,389.83)	(263,766.00)	(308,155.83)
Plant disposals	81,500.00	(6,500.00)	40,000.00	33,500.00
Loan Capital Adjustment				
PWLB Loan repayments - Existing	0.00	0.00	0.00	0.00
PWLB Loan repayments - Future	(12,348.00)	0.00	0.00	0.00
	863,160.00	154,129.93	2,116,785.00	2,270,914.93
Board Funding towards schemes				
Surplus/(deficit) to be taken from General Reserves as at 31st January 2024	(467,700.00)	0.00	(467,700.00)	(467,700.00)
	395,460.00	154,129.93	1,649,085.00	1,803,214.93
Unplanned adjustments to Reserves during period:				
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
Surplus/(deficit) to be taken from General Reserves as at 31st January 2024	395,460.00	154,129.93	1,649,085.00	1,803,214.93

The above shows, that for the period to 31st January 2024, including Scheme Transfers to and from Reserves, resulted in a positive variance for the period of £154,129.93.

Notes on other overspends and underspends are included on the detailed report.

2:2 Predicted Outturn of Income and Expenditure for the financial year to 31st March 2024

The 2023/24 Estimates allowed for a surplus budget of **£395,460** where the funds would boost general reserves.

The agricultural rates and special levies for 2023/24 were increased by 27.6% to boost the levels in General Reserves rather than the reliance of the sums held in schemes to achieve a 30% General Reserve and also to allow for estimated increase in costs during 2023/24, but also to allow for the estimated 2022/23 overspends of £405,148, relating to electric, which could not be sustained within the General Reserves.

	31.03.24 Annual Approved Budget	31.03.24 Expected Outturn	Notes
Outturn Report to Increase / decrease general reserve			The Expected Outturn values include the Full year budgets PLUS any overspends (or less any underspends) that are not to be reversed by the end of the financial year
Total Income including Rates/Levy/Consenting Income	6,702,610.00	6,864,051.37	Agricultural Rates outturn additional income of £121,701 due to land revaluations. Highland Water £1,988.57 . 22/23 Mink PSCA costs recharged £3,871.80 . Deferred Income trf from Balance sheet £38k ; OneCom Phone discount income £5,880 . Investment Interest £65k . Combined Income for Engineers/consenting Income & Consortium recharge will be affected by lower salary £75k .
Absorption Income relating to costs in Schemes	238,680.00	328,327.63	The use of own DLO & Engineering labour & plant in Budgeted schemes benefits the Cash Surplus Position. (budget + variance to date)
Total Maintenance Costs for Drains/PS/Consenting	(1,138,703.00)	(1,448,925.00)	Drains Maintenance underspend re Comps £25k PS Electric overspend £270k . PS Stocks overspend £10k; PS Insurance overspend £13k . Exp on PSCA Steeping works met from Deferred Income trf from Balance sheet £44,763 . Stock positive variance £2,541
Total Supportive expenditure incl Salaries, Plant Running, Precept, Admin & IT costs	(4,204,431.00)	(4,143,895.00)	Overspend on DLO costs £25k . Underspend on head office staff costs £160k . Fuel underspend £50k. Legal & prof fees £42k . Phone Costs £6k . Motor Ins & RFL £5.1k . Audit fees £90k . Loan Interest £18,636
Adjustment to Reserves			
Prior Yr Costs rated for in current year to add to reserves	(405,148.00)	(405,148.00)	
Planned Funds transferred from Plant Reserve to General reserves to meet expenditure	100,000.00	100,000.00	Will be trf back to General reserves on Purch of excavator
Plant/Vehicle net expenditure occurred in year - funded from Plant reserve	0.00	216,270.00	<i>Plant reserve retained budgets returned to General reserves</i>
Carried over Plant Funds transferred back to General Reserves to meet expenditure	0.00	0.00	Any planned Asset additions not occurring in year, held over in Plant reserve
Adjustments for Balance Sheet Budget Entries			
Fixed Asset Adjustments	(417,500.00)	(662,259.47)	Plant additions/disposals overspend £50,890 . Vehicle net additions overspends £193,870 . Expenditure met from Plant reserves
Loan Capital Adjustment	(12,348.00)	0.00	Repayments unlikely until 24/25 £12,348
	863,160.00	848,421.53	
Board funding to schemes per estimates	(467,700.00)	(467,700.00)	
Expected Outturn - Increase / (decrease) to General Reserves before Transfer of Budgets	395,460.00	380,721.53	
See Transfer of Budgets:			
Additional Funds Required for Engineering Schemes to be taken from General Reserves	0.00	0.00	
Engineering Scheme funds transferred back to General Reserves	0.00	0.00	
Expected Outturn - Increase / (decrease) to General Reserves	395,460.00	380,721.53	

The above Outturn report indicates that, after allowing for the noted expected overspends and savings, this surplus will reduce to **£380,721.53**.

This is a reduction to the estimated surplus position by **£14,738.47**.

The outturn position on the electric is an overspend of **£270,000**. Whilst some of these additional costs have been negated by an increase in the agricultural rates of **£121,701**, lower head office salary costs net of any recharge of income **£85,000** due to unfilled positions; expected increase in investment income of **£65,000**, loan repayments **£31,000** due to untaken loans and also a positive outturn on the use of Own Resources on the Schemes is currently **£89,000**, which reduces the funds required to be earmarked for schemes and boosts the General reserves. The negative outturn positions include the potential audit fees **£90,000** and also the professional fees of **£42,000**.

Any Outturn surplus will boost the General Reserves.

2:3 Plant reserves

The following report shows the Plant Reserve and the planned movements in the 2023/24 year.

		31.01.2024	31.01.2024
			Actual
Plant Reserve			
Balance at 01/04/23			398,890.16
Trf from Plant Reserve to General Reserves - planned in estimates - on purch of excavator		0.00	0.00
Occurred & transferred			
Earlier Years Budgets - Acquisitions & Disposals made			
9 x DLO Vans	Addition	(92,000.00)	
8 Bipper vans	Disposal	4,000.00	
1 x DLO Van	Addition	(11,500.00)	
Ford Ranger YS67 MXU PLN7461 ins proceeds	Addition	(16,000.00)	
4x4 Pick Up	Addition	(25,000.00)	
4x4 Vehicle Landrover replacement	Addition	(45,000.00)	
GPS equipment Engineering	Addition	(20,000.00)	
Landrover (FY15 VGE) PLN7458 - to be disposed in Nov 23	Disposal	5,000.00	
Ford Ranger FX63OAW PLN7457	Disposal	2,500.00	
Nissan Nivara (FT13 AOD) PLN7456	Disposal	2,500.00	
2 Additional weedbaskets (3 purchased at £31,770 less £11k budget)	Addition	(20,770.00)	
Used 3D Scanner budget - Toyota Hilux D/Cab AF20 MGZ 13/02/24	Addition		
		<hr/> (216,270.00)	<hr/> (216,270.00)
			182,620.16
This Years Budgets - Acquisitions & Disposals NOT made so cfwd			
		0.00	
		0.00	
		<hr/> 0.00	<hr/> 0.00
Balance of Plant Reserve cfwd 31/01/24			182,620.16
Not yet Occurred & transferred			
Trf from Plant Reserve to General Reserves - planned in estimates - on purch of excavator - due March 24		(100,000.00)	(100,000.00)
Planned budget on Plant not yet spent in year - cfwd to cover purchases in the following period			
1 Bipper vans - will be disposed of in 24/25 on renewal for Environment officer	Disposal	500.00	
3D Survey Scanner ENG - no longer required ????	Addition	(35,000.00)	
6" Mobile Pump - no longer required as old pump to be ref	Addition	(30,000.00)	
Betsy 6" Pump - no longer going to be disposed of as going	Disposal	5,000.00	
			<hr/> (59,500.00)
Expected Plant Reserve Value at 31st March 2024 to be used in later years		<hr/> (216,270.00)	<hr/> 23,120.16
Plant fund to be used in 2024/2025			0.00
Uncommitted Plant funds			<hr/> 23,120.16

The Plant reserve holds funds of £182,620.16, of which £159,500.00 are expected to be consumed in the 2023/24 financial year, due to delays in deliveries.

The balance of the fund, £23,120.16, is factored into the 5-year plan to aid future purchases of plant. Should these funds be required elsewhere those future purchases will need to be rated for, increasing the rate in the affected year.

2:4 General Reserves – Surplus Cash

The General Reserves, as shown on the Balance Sheet, shows the equity of the Board, and these funds are made up of both cash and non-cash assets/liabilities, such as any fixed assets the Board holds in its balance sheet.

Within those General reserves we identify the cash element so that we can ensure we have sufficient funds in the form of cash to meet our everyday expenditure and keep enough in reserve to enable the Board to meet any unplanned expenditure caused by an increase in costs or a flooding event.

The Surplus Cash element of the Reserves is after we have taken account of any other Reserves the Board holds for specific future expenditure, such as Plant Reserves or Capital Receipts Unapplied Reserves.

It is this Surplus Cash reserve we aim to hold a reserve of 30% of Net Operating Costs. Whilst 30% is the Board's policy, we must also take note of the monetary amount to ensure that this is also sufficient.

The predicted outturn for the Surplus Cash at 31st March 2024 is as follows:

Cash Position at 1st April 2023	£596,638.89
Add: Funds in year to be held in the Plant Reserves for future use	
Add: Costs rated for in 23/24 occurring in 2022/23 included in Predicted outturn	£405,148.00
Add: Predicted Outturn for 23/24	£380,721.53
Predicted Cash Position at 31st March 2024	£1,382,508.42
Deduct: Predicted Plant Reserve Value at 31st March 2024	-£23,120.16
Predicted Surplus Cash Position at 31st March 2024 - for general use	£1,359,388.26
Surplus cash as a % of Net Operating Costs	27.00%
<i>Surplus Cash Position as predicted in 2023/24 Estimates</i>	£1,397,247.00
<i>Surplus Cash as a % of Operating Costs as predicted in 2023/24 Estimates</i>	30.28%

2:5 The Balance Sheet as at 31st January 2024 is also attached for information:

Lindsey Marsh Drainage Board
Balance Sheet Report

Date 22/02/2024
Time 12:00:24

All Values are shown in	Pound Sterling	Selected Period	10	ending	31/01/2024	
					Current Year	Previous Year
FIXED ASSETS						
LAND & BUILDINGS		206014.74			206014.74	
PUMPING STATIONS		6503788.80			6503788.80	
PLANT & EQUIPMENT		1582120.84			1278965.01	
MOTOR VEHICLES		323577.88			111533.25	
COMPUTER EQUIPMENT		378.08			378.08	
TOTAL FIXED ASSETS					8615880.34	8100679.88
CURRENT ASSETS						
BANK ACCOUNT		5375330.29			8687867.44	
STOCK		88269.77			103797.10	
DEBTORS CONTROL ACCOUNT		166029.37			128757.63	
RATES DEBTORS ACCOUNT		21388.85			317.21	
PREPAYMENTS		18315.48			9549.48	
TOTAL CURRENT ASSETS					5669333.76	8930288.86
CURRENT LIABILITIES						
TRADE CREDITORS & SUPPLIER RETENTIONS		788014.14			300558.56	
OTHER CREDITORS		50676.41			1063891.68	
ACCRUALS		100000.00			274254.40	
ACCUMULATED ABSENCES ACCRUAL		22942.00			22942.00	
VAT LIABILITY		(46858.64)			(28980.13)	
PAYE CONTROLS		37634.74			48959.96	
DEFERRED INCOME & COMMUTED SUMS		165399.36			186954.64	
TOTAL CURRENT LIABILITIES					1117808.01	1868581.11
LONG TERM LIABILITIES						
PENSION PROVISION		(845000.00)			(845000.00)	
NET ASSETS					14012406.09	16007387.63
RESERVES:						
EARMARKED						
PLANT RESERVES		182620.16			398890.16	
CAPITAL PROJECTS RESERVE		1961101.73			6066178.70	
TOTAL EARMARKED					2143721.89	6465068.86
P & L RESERVES		6514876.94			1600351.96	
CURRENT PERIOD SURPLUS / (DEFICIT)		(1904981.54)			593178.01	
TOTAL UN-EARMARKED					4519895.40	2193529.97
NON-DISTRIBUTABLE						
REVALUATION RESERVES		6503788.80			6503788.80	
PENSION RESERVES		845000.00			845000.00	
TOTAL NON-DISTRIBUTABLE					7348788.80	7348788.80
TOTAL RESERVES					14012406.09	16007387.63

2:6 Engineering Schemes

In addition to the income and expenditure that reduces or improves the general reserves, the Board also incurs expenditure in relation to Engineering Schemes.

Due to the nature of those schemes the life of the project can take place over a number of years and therefore any funds are held separately to those of the General Reserve to ensure that these funds are available when the expenditure is required.

A summary of the movement on the Scheme reserves is detailed below for the period to 31st January 2024.

Engineering Earmarked funds	Current Year
Balances at 1st April 2023	6,066,178.70
Board funding as agreed in the Estimates	467,700.00
Engineering Income Received	510,833.00
Funded from deferred income / Capital reserves	0.00
Engineering Expenses paid	(5,083,609.97)
Engineering Expenses paid on Recharge project	0.00
 Balances at 31st January 2024	 1,961,101.73

<u>Project</u>	<u>Remaining Budget (Incl. Rev)</u>
LM17052 - Strubby Depot Improvements	399,551.67
LM17352 - Boygrift Pumping Station Refurbishment	334,625.15
LM18306 - Theddlethorpe Pumping Station Refurbishment	436,020.50
LM18308 - Pumping Station Renewal Reserve account	375,000.00
LM18504 - Trusthorpe Main Drain Culverting Phase 4	159,317.99
LM18506 - Grove Road Drain Reform	5,340.43
LM19300 - Strategy 2025 Pumping Station Refurbishments 2019/2020 Covenham	38,399.81
LM19304 - Trusthorpe Pumping Station Refurbishment	531,667.35
LM19351 - Saltfleet Pumping Station Refurbishment	- 411,920.03
LM19453 - Jack Garth Drain Culvert Renewal	49,888.60
LM19602 - Electronic Working	33,888.89
LM20303 - Telemetry replacement	27,897.12
LM20304 - Wyche PS refurbishment	2,957.36
LM20305 - Ingoldmells PS refurbishment	147,812.77
LM20306 - Anderby PS Refurbishment	-1,181,837.83
LM20802 - Thorpe Culvert Catchment & Culverts Investigations	238,330.56
LM21305 - Burgh Village PS Refurbishment	28,821.74
LM21306 - Chapel Basin PS Refurbishment	6,626.61
LM21307 - Gibraltar Point PS	207,819.02
LM21308 - Fulbeck PS Refurbishment	90,585.39
LM21901 - River Steeping Enhanced	40,000.00
LM22310 - Gayton Engine structural works	4,632.93
LM22311 - Gotts PS Platforms for Stop Logs	13,044.59
LM22450 - CCTV & Desilting Works	255,170.25
LM22800 - Catchment Annual Provision	59,163.78
LM22801 - Drain Investigations	24,851.04
LM22900 - Partnership Scheme Contributions	56,271.34
LM23302 - Pumping Station Emergency Pump Repairs	60,413.65
LM23305 - Fulstow East & West PS Refurbishment	29,093.01
LM23306 - Austen Fen East & West PS refurbishment	25,000.00
LM23307 - Biergate East & West PS refurbishment	11,995.60
LM23399 - Single OBC for PS Refurbs	- 335,760.68
LM23451 - Asset Renewals	75,285.44
LM23452 - Small Scheme Allowance	98,848.42
LM23600 - Barn Owl Programme	- 64.90
LM23601 - Mink Control - Board costs	2,364.16
LM24305 - Crown Farm PS Refurbishment	10,000.00
LM24306 - Thoresby Bridge PS Refurbishment	10,000.00
 Engineering Projects	 <u>1,961,101.73</u>

3 Transfer of Budgets for Approval

3:1 Details regarding the specific schemes and the need for any transfers will be discussed and approved under the Asset Renewals and Refurbishments or under Operations.

3:2 For transparency, a schedule of such transfers will be provided at each Board meeting.

Lindsey Marsh Drainage Board

Movement on reserves - Engineering Projects

Year to 31st March 2024 - Approval at March 2024 Board Meeting

Below are listed the transfers occurring in the year to 31st March 2024 for the Board's consideration and approval.

<u>Engineering Projects underspent</u>	<u>Balance trf</u>
	0.00
<u>Engineering Projects requiring funds - trf from OPS/Reserves</u>	
	0.00
<u>Proposed Funding applied - previously agreed by the Board from Reserves</u>	
	0.00
	0.00
<u>Operations Projects overspent</u>	
Net funds transferred to/(from) General Reserves	0.00
<u>Other Movements to be approved</u>	
LM19304 Trusthorpe PS Refurbishment	24,242.73
The above to be transferred from:	
LM22301 PS Resilience - to close	-24,242.73
LM19304 Trusthorpe PS Refurbishment	1,460.87
The above to be transferred from:	
LM21309 PS Door Replacement - to close	-1,460.87
LM19351 Saltfleet PS Refurbishment	88,107.96
The above to be transferred from:	
LM22351 Saltfleet - Gents Canal - to close	-88,107.96

4. Progress of Audit

4:1 The Public Sector Audit Appointments Ltd are yet to appoint an external auditor to the Board. Officers will continue to advise the Board of any progress.

5. Cash Balances and Borrowings as at 31st January 2024

5:1 Schedule of Balances

	<i>Amount</i>	<i>Interest Rate</i>
Barclays Current Account	£792,001.50	0.00%
Barclays Deposit Account	£2,880,695.68	1.65%
Beverley Building Society	£396,439.54	1.75%
Monmouthshire Building Society	£517,153.52	1.30%
Santander UK Account	£788,949.20	1.04%
Petty Cash	£90.85	
Total	£5,375,330.29	

5:2 External Borrowing

The Board had no outstanding Public Work Loan Board loans at the 31st December 2023.

6. Payments over £500

6:1 A schedule of payments over £500 made by the Board since the last meeting is attached for approval.

**Schedule of Payments over £500 submitted to the Lindsey Marsh Drainage Board
on 20th March 2024**

Trans Date	Account	Narrative	Payment Value	Notes
			£	
15/01/2024	The FD Centre Limited	PP/FDCE001	4,130.40	Strategic level finance review
17/01/2024	P.A.YE.	PAYE & Pension Payments	70,872.83	
18/01/2024	Net Wages	PAYE & Pension Payments	86,122.97	
19/01/2024	AIM Electrical Services Ltd	PP/AIME001	1,747.14	Repairs to Bosker weedscreen cleaner at Porters Sluice PS
19/01/2024	DXB Pump & Power	PP/DXBP001	3,587.76	Hire of pumps at Biergate West PS
19/01/2024	Lincolnshire Motors Ltd	PP/LINM001	2,130.55	Repairs to New Holland tractor
19/01/2024	North Lincs Engineering Ltd	PP/NLEN001	9,314.55	Repair of pumps at Biergate West PS
19/01/2024	Pell Plant Hire Ltd	PP/PELL001	750.00	
19/01/2024	RJH Supplies Ltd	PP/RJHS001	715.03	
19/01/2024	Services Machinery & Trucks Ltd	PP/SERV001	1,140.00	Service for Volvo excavator
19/01/2024	Shakespeare Martineau	PP/SHAK001	1,612.00	Land registrations
19/01/2024	PKF Smith Cooper Systems Ltd	PP/SMIT004	1,908.00	Sage Power BI set up and reports
19/01/2024	Pension, Union & Health Scheme	PAYE & Pension Payments	69,757.57	
22/01/2024	Woldmarsh Producers Ltd	PP/WOLD001	5,413.22	Fuel, materials etc.
24/01/2024	Pitney Bowes Ltd	PP/PITB001	600.00	
25/01/2024	Balfour Beatty	PP/BALF001	28,253.03	Civil works in line with OBC for PS Refurbs
25/01/2024	T J Denby & Sons	PP/DENB001	1,380.24	Compensation
25/01/2024	East Lincs Rural Training	PP/ELRT001	622.50	
25/01/2024	Inter-Lec Ltd	PP/INTL001	3,108.00	New cabling for Bosker weedscreen cleaner at Anderby PS
25/01/2024	IT2 Limited	PP/IT2L001	2,610.52	
25/01/2024	Jacobs UK Limited	PP/JACB001	5,176.80	Flood Modeller software
25/01/2024	A E Lenton (Estates) Limited	PP/LENT001	890.75	
25/01/2024	Lincspest Ltd	PP/LINC005	1,795.20	
25/01/2024	Mastenbroek Ltd	PP/MAST001	2,306.26	Repairs to flail
25/01/2024	Redacted	PP/SH001	1,437.94	
25/01/2024	Vodafone	PP/VODA001	2,815.64	
29/01/2024	East Lindsey District Council	PP/ELDC001	2,179.00	Business rates
30/01/2024	Bosman Watermanagement BV	PP/BOSM001	22,605.01	Trusthorpe PS contract extension
01/02/2024	AMS Bobcat Ltd	PP/AMSB001	843.23	
01/02/2024	BESA Property Services Ltd	PP/BESA003	12,568.80	Asbestos removal works at Trusthorpe PS
01/02/2024	East Midlands Online Ltd	PP/EMID001	1,179.00	Phone line rental for pumping stations
01/02/2024	Pell Plant Hire Ltd	PP/PELL001	567.00	
01/02/2024	Schneider Electric Systems UK Ltd	PP/SCHN001	5,636.45	Telemetry support Jan-Mar 24
01/02/2024	Net Wages	PAYE & Pension Payments	33,185.30	

08/02/2024	AIM Electrical Services Ltd	PP/AIME001	Overhaul Bosker weedscreen trolley at
08/02/2024	East Lincs Rural Training	PP/ELRT001	25,709.52 Theddlethorpe PS
08/02/2024	Haddington Contracting Ltd	PP/HADD001	2,945.65 Chainsaw and forklift truck training courses
08/02/2024	Malc Firth Landscapes Ltd	PP/MALC001	840.00
14/02/2024	Listers Toyota Boston	PP/LIST002	11,994.84 Palisade fencing at Wedlands Gate
15/02/2024	Arnold Clark Vehicle Management	PP/ARNC001	31,153.20 Used Toyota Hilux double cab pickup
15/02/2024	BMT Limited	PP/BMTU001	535.09
15/02/2024	Lincolnshire Pension Fund	PP/LCC0001	840.00
15/02/2024	Pell Plant Hire Ltd	PP/PELL001	1,304.56
15/02/2024	Seacroft Ford	PP/SEAC001	1,008.00 Excavator transport
22/02/2024	Aggregate Industries UK Ltd	PP/AGGR001	588.76
22/02/2024	Arnold Clark Vehicle Management	PP/ARNC001	2,076.59 Gravel
22/02/2024	Balfour Beatty	PP/BALF001	535.09
22/02/2024	BHSF Group Limited	PP/BHSF001	26,308.14 Civil works in line with OBC for 13 PS
22/02/2024	Freedom Group of Companies Limited	PP/FREE001	1,776.00
22/02/2024	Greenaway Green Waste Services	PP/GREE001	2,460.43 NPG slide and guttering pipes at Saltfleet PS
22/02/2024	Peter Hogarth & Sons Ltd	PP/HOGA001	4,686.00 Clearance of green waster from 7 PS
22/02/2024	IT2 Limited	PP/IT2L001	571.25
22/02/2024	Huws Gray (Buildbase)	PP/JACK001	960.00
22/02/2024	B R Smith Consultancy Ltd	PP/SMIT008	1,563.42 Various building materials and stocks
22/02/2024	Welton Aggregates Limited	PP/WELT001	504.00
			1,326.60 Ready mix concrete
Total			<u>508,649.83</u>

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

7. Management Variance Accounts detailed report

Lindsey Marsh Drainage Board

Variance to Estimates Report - For the 10 months to 31st January 2024

	Whole Year Estimate	31.01.2024 Variance	31.01.2024 Estimate	31.01.2024 Actual	Notes
INCOME					
<i>Where the Income variance is negative this shows that the income received is less than estimated for The following income is not related to Engineering Schemes</i>					
Agricultural drainage rates	1,310,880.00	121,701.03	1,310,880.00	1,432,581.03	Increase in rates £117,265.36 in Nov due to revaluations
Special levies	4,104,093.00	0.00	4,104,093.00	4,104,093.00	
Highland water contributions	128,774.00	1,988.57	128,774.00	130,762.57	Rcvd October
Stewardship Income	3,772.00	(0.25)	3,772.00	3,771.75	
Rental, wayleaves & grazing income	988.00	99.68	988.00	1,087.68	Winthorpe Grazing Letting Oct
Income from PSCAs	32,000.00	59,148.51	27,317.00	86,465.51	Mink Control RCH £13,470.40. Matched Income Deferred to Expenses on Steeping £44,763.43. EA PSCA drains maintenance income £28,231.68
Income from rechargeable works	218,306.00	29,067.21	175,330.00	204,397.21	
Income from consenting	64,000.00	12,380.40	44,560.00	56,940.40	Consent time rch to other Boards £44,565.06 (est £36,647); Consent fees £4,300. Surface Water Dev fee £8,075.34
Income from recharge of disbursements	74,126.00	30,595.15	59,368.00	89,963.15	Income is matched to disbursement expenditure OneCom phone discount receipt £4,410. Mileage reimb £808.92 Strubby Gliders interim £792.84
Contributions	3,000.00	5,385.76	626.00	6,011.76	
Deferred income & commuted sums	0.00	0.00	0.00	0.00	
Consortium & management income	758,671.00	(110,925.41)	631,897.00	520,971.59	Lower Costs & higher engineer recharges thus lower amount recharged as a % to consortium members
Investment interest	4,000.00	52,583.68	2,006.00	54,589.68	
Other income	0.00	2,175.82	0.00	2,175.82	Incl disposal of ditching bucket & Drill press £500. Van insurance reclaim £1,411.75
TOTAL INCOME - not including absorption income	6,702,610.00	204,200.15	6,489,611.00	6,693,811.15	Positive Variance on Monetary Income
Absorption Income - offset to costs					
Own use of plant recharged (absorption) to Schemes	31,457.00	7,065.01	24,517.00	31,582.01	Use of own plant within schemes improves the General Surplus Cash Position of the Board.
Own use of labour recharged (absorption) to Schemes	32,332.00	33,763.03	24,239.00	58,002.03	Use of own DLO Labour within schemes improves the General Surplus Cash Position of the Board.
Own use of Engineers recharged (absorption) to Schemes	174,891.00	48,819.59	144,023.00	192,842.59	Use of own Engineers Labour within schemes & recharges improves the General Surplus Cash Position of the Board.
TOTAL INCOME - including absorption income in schemes	6,941,290.00	293,847.78	6,682,390.00	6,976,237.78	Positive Variance on Income - will increase General Cash Reserves. Mainly due to use of own labour & plant on Schemes

Lindsey Marsh Drainage Board

Variance to Estimates Report - For the 10 months to 31st January 2024

	Whole Year Estimate	31.01.2024 Variance	31.01.2024 Estimate	31.01.2024 Actual	Notes
EXPENDITURE:					
Where the expenditure variance is negative this shows that the expenditure is more than estimated for					
MAINTENANCE & DEVELOPMENT EXPENDITURE - EXTERNAL COSTS ONLY					
The following expenditure is not related to Engineering Schemes					
Drain maintenance expenditure	238,911.00	37,762.81	200,644.00	162,881.19	{ Compensation £35k under
Pumping station expenditure	819,626.00	(243,975.35)	504,655.00	748,630.35	{ Electric £217,556 over budget - expected overspend £270k. Stock incl fuel to PS £9,636. Insurances £13.7k
Recharge expenditure	1,965.00	(2,298.61)	1,965.00	4,263.61	{ Materials used by DLO for works to be recharged
PSCA Recharge expenditure	3,200.00	(52,641.31)	2,540.00	55,181.31	{ PSCA EA Costs £20,554. PSCA Steeping exp £44,763. PSCA Mink control costs £10,222
Consenting Costs - Consultants	0.00	0.00	0.00	0.00	No external consenting costs
Disbursement Costs	74,126.00	(30,353.52)	59,835.00	90,188.52	
Stewardship Costs	875.00	875.00	875.00	0.00	
Cost of goods sold & stock variances	0.00	2,541.22	0.00	(2,541.22)	Stock variances
TOTAL MAINTENANCE & DEVELOPMENT EXPENDITURE	1,138,703.00	(288,089.76)	770,514.00	1,058,603.76	
SUPPORTIVE EXPENDITURE					
DLO costs	854,198.00	(15,025.83)	685,527.00	700,552.83	{ Higher salary costs £27,714 Training lower by £11.9k
Other direct expenses	7,475.00	(467.49)	6,473.00	6,940.49	
Environment Agency precept	450,451.00	0.00	450,451.00	450,451.00	
Support & establishment costs	2,871,661.00	192,616.87	2,427,208.00	2,234,591.13	{ Professional fees over budget by £28.5k re FC Centre and Legal Fees. Staff Costs £142k Plant fuel & reps £71k.
Finance costs	20,246.00	(348.15)	1,266.00	1,614.15	{ More income being taken via the virtual card machine service
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	(5.84)	0.00	5.84	Rates credit write off 0.16. £6.00 summons costs to courts
Biodiversity & environmental costs	400.00	91.82	400.00	308.18	
Pension Scheme costs	0.00	0.00	0.00	0.00	{ This is a non-cash accounting adjustment & is removed for estimate purposes
TOTAL SUPPORTIVE EXPENDITURE	4,204,431.00	176,861.38	3,571,325.00	3,394,463.62	
TOTAL EXPENDITURE	5,343,134.00	(111,228.38)	4,341,839.00	4,453,067.38	
1,598,156.00	182,619.40	2,340,551.00	2,523,170.40		
EXCEPTIONAL INCOME	0.00	46,674.99	0.00	46,674.99	{ This is a non-cash accounting adjustment & is removed for estimate purposes. This relates to profit on disposal of fixed assets
INCOME OVER EXPENDITURE	1,598,156.00	229,294.39	2,340,551.00	2,569,845.39	

Lindsey Marsh Drainage Board
Variance to Estimates Report

	<i>Whole Year Estimate</i>	<i>31.01.2024 Variance</i>	<i>31.01.2024 Estimate</i>	<i>31.01.2024 Actual</i>	
INCOME OVER EXPENDITURE	1,598,156.00	229,294.39	2,340,551.00	2,569,845.39	
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	(46,674.99)	0.00	(46,674.99)	This is a non-monetary accounting adjustment
Remove the effects of Pension scheme	0.00	0.00	0.00	0.00	
	1,598,156.00	182,619.40	2,340,551.00	2,523,170.40	Total Income Over Expenditure
ADJUSTMENTS FOR BALANCE SHEET ENTRIES					
Adjustments for Reserves Movements					
Prior Yr Costs rated for in current year to add to reserves	405,148.00	0.00	0.00	0.00	
Add the intended transfer from Plant Renewals Fund	(100,000.00)	0.00	0.00	0.00	To Trf back to General Reserves from Plant Reserves on acquisition of Excavator. Due March 24
Plant/Vehicle net expenditure occurred in year - funded from Plant reserve	0.00	(216,270.00)	0.00	(216,270.00)	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	Budgets held in Plant Reserves
	305,148.00	(216,270.00)	0.00	(216,270.00)	
Fixed Asset Movements					
Motor additions					
Toyota Hilux - FY73 WGU	0.00	26,971.34	0.00	26,971.34	07/09/23 - Budget retained from 21/22 - £25,000
Toyota Hilux - FY73 WGP	0.00	26,971.34	0.00	26,971.34	07/09/23 - Budget retained from 21/22 - £45,000
Toyota Hilux - FY73 WGO	0.00	26,971.34	0.00	26,971.34	07/09/23 - Budget retained from 21/22 - £16,000
Toyota Hilux - FY73 WGV	0.00	26,971.34	0.00	26,971.34	07/09/2023
DLO Vans x 9 - Toyota Proace Active 1.5D	0.00	98,808.24	0.00	98,808.24	12/04/23 - Budget retained from 21/22 - £92,000
DLO Vans x 1 - Toyota Proace Active 1.5D	0.00	12,351.03	0.00	12,351.03	11/05/23 - Budget retained from 21/22 - £11,500
	0.00	0.00	0.00	0.00	
	0.00	219,044.63	0.00	219,044.63	
Plant additions					
3D Survey Scanner ENG	0.00	0.00	0.00	0.00	Budget retained - £35,000 - budget partly used £25,961 for 4x4 Feb24
6" Mobile Pump	0.00	0.00	0.00	0.00	Budget retained from 22/23 - £30,000
GPS equipment Engineering	0.00	20,600.00	0.00	20,600.00	25/10/23 - Budget retained from 22/23 - £20,000.
Wheeled Excavator	230,000.00	0.00	0.00	0.00	Due March 24
Massey Ferguson tractor FX23 DBO	108,000.00	(680.17)	108,000.00	107,319.83	11/05/2023
Herder Grenadier Mid mounted flail	132,000.00	5,900.00	132,000.00	137,900.00	26/06/2023
Addison Chop saw - Small tools allowance	4,106.00	0.00	4,106.00	4,106.00	15/05/2023
Topcon laser level - Small tools allowance	660.00	0.00	660.00	660.00	30/05/2023
Small tools allowance	5,234.00	0.00	0.00	0.00	Rivet Machine Feb 24
Herder MRZT430 heavy duty weed cutting basket x 1 & Spa	11,000.00	(410.00)	11,000.00	10,590.00	{ 21/06/2023 3 weedbaskets £31,770. 23/24 Budget £11k, remaining £20,770 from Plant reserve
Herder MRZT430 heavy duty weed cutting basket x 1 & Spa	0.00	10,590.00	0.00	10,590.00	
Herder MRZT430 heavy duty weed cutting basket x 1 & Spa	0.00	10,590.00	0.00	10,590.00	
Fuel Bowser	2,300.00	0.00	2,300.00	2,300.00	31/07/2023
Trailer for Fuel Bowser	5,700.00	(2,200.00)	5,700.00	3,500.00	29/08/2023
	499,000.00	44,389.83	263,766.00	308,155.83	
Plant disposals					
Betsy 6" Pump	0.00	0.00	0.00	0.00	Budget retained in 22/23 - £5,000
Volvo Excavator EU66 CWC PLN7054	(40,000.00)	0.00	0.00	0.00	Due March 24
MF Tractor YX15 AFY PLN7344	(25,000.00)	0.00	(25,000.00)	(25,000.00)	11/05/23 disposal
Herder Flail PLN7135	(15,000.00)	6,500.00	(15,000.00)	(8,500.00)	11/05/23 disposal
Weedbasket	(1,500.00)	0.00	0.00	0.00	
	(81,500.00)	6,500.00	(40,000.00)	(33,500.00)	BS42
Vehicle disposals					
Landrover (FY15 VGE) PLN7458	0.00	(8,333.33)	0.00	(8,333.33)	29/11/23 - Budget retained from 21/22 - £5,000
Ford Ranger PLN7457 FX63 OAW	0.00	(833.33)	0.00	(833.33)	31/10/23 - Budget retained from 20/21 - £2,500
Bipper Vans x 8	0.00	(11,633.33)	0.00	(11,633.33)	05/06/23 - Budget retained from 21/22 - £4,000
Bipper Vans x 1	0.00	0.00	0.00	0.00	Budget retained from 21/22 - £500
Nissan Navara (FT13 AOD) PLN7456	0.00	(4,375.00)	0.00	(4,375.00)	31/10/23 - Budget retained from 21/22 - £2,500
	0.00	(25,174.99)	0.00	(25,174.99)	BS52
Loan Capital Adjustment					
PWLB Loan repayments - Existing	0.00	0.00	0.00	0.00	
PWLB Loan repayments - Future	12,348.00	0.00	0.00	0.00	
	12,348.00	0.00	0.00	0.00	No loans taken out as yet
Non I&E (Costs) & Income					
Variance at 31/01/2024	734,996.00	28,489.47	223,766.00	252,255.47	
Planned Board Funding towards schemes	(467,700.00)	0.00	(467,700.00)	(467,700.00)	
Surplus/(deficit) to be taken from General Reserves as at 31st January 2024	395,460.00	154,129.93	1,649,085.00	1,803,214.93	
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	
Surplus/(deficit) to be taken from General Reserves as at 31st January 2024	395,460.00	154,129.93	1,649,085.00	1,803,214.93	

Mrs N. Hind FCCA
Finance Manager