

BLACK SLUICE INTERNAL DRAINAGE BOARD

MINUTES

of the proceedings of a meeting of the Executive Committee

held at the Offices of the Board on
12th September 2018 at 2pm

Members

Chairman - * Mr K C Casswell

* Cllr P Bedford

* Mr J Fowler

* Mr M Rollinson

* Cllr M Brookes

* Mr P Holmes

* Member Present

In attendance: Mr I Warsap (Chief Executive)
Mr D Withnall (Finance Manager)

1319 APOLOGIES FOR ABSENCE - Agenda Item 1

There were no apologies.

1320 DECLARATIONS OF INTEREST - Agenda Item 2

There were no declarations of interest.

1321 MINUTES OF THE LAST MEETING - Agenda Item 3

Minutes of the last meeting held on 9th May 2018, copies of which had been circulated, were considered and it was AGREED that they should be signed as a true record.

1322 CONFIDENTIAL MINUTES OF THE LAST MEETING - Agenda Item 4

It was agreed and thereby RESOLVED to exclude the public from the next part of the meeting due to the confidential nature of the business to be transacted, in accordance with section 2 of the Public Bodies (Admission to Meetings) Act 1960.

1323 MATTERS ARISING - Agenda Item 5

(a) BREWIN DOLPHIN BOURNE FEN FARM PORTFOLIO MANAGEMENT OPTIONS - Minute 1272

The Finance Manager reminded the Committee of the update he had sent out regarding the Brewin Dolphin Portfolio. He presented on screen the Portfolio update, explaining that it is live and so can be viewed at any point. Currently it is at £3000 in the red, however it does fluctuate. Discussion took place around the reasons for this and the effects of Brexit and exchange rates. The Chairman questioned that there was still an estimated income of £17,000?

The Finance Manager clarified, yes, suggesting that once clear of the £500,000 invested the Committee will be more pleased with it. Mr M Rollinson noted that it is still over 3% which is not what you would get elsewhere. The Finance Manager will keep the Committee updated.

(b) PERIOD 12 PROJECT SUMMARY - Minute 1276 (a)

In reference to the Q1 Development, the Chief Executive stated that Chestnut Homes have got no plans to realign the drain at the moment as they do not own that section of land. The principle of the alignment of the drain from the A16 through to, possibly, the old London Road has been agreed, but they cannot undertake the work at current because they are not the owners of the land.

(c) SOUTH FORTY FOOT SCHEME SUMMARY - Minute 1276 (c)

The Chief Executive explained that a recent meeting with the Environment Agency (EA) has been held and that all information requested has been forwarded on to them. We are now waiting for an order for £406,000 to commence work to desilt from where it stopped near Neslam Bridge through to the A52, to begin the first week of October 2018. The Chairman asked whether a dredger has been sourced for it? The Chief Executive responded that the dredger will be going in the water on the 7th October 2018 and will then take five days to change from sea to fresh water river format. The Chief Executive also noted that the lagoon at Rippingale is no longer there, it has been spread and levelled. The lagoon at Sempringham is half spread and levelled as it is thicker and wetter. Discussion took place around the compensation rates and the benefits of the hot, dry weather on the lagoons.

The Chairman questioned whether the £406,000 includes the de-bushing? The Chief Executive clarified that it includes the de-bushing of the next 3 km north of the A52. Mr M Rollinson referred to a 'big ball of weed' he had noted in the SFFD recently. The Chief Executive explained that there has been no flow in the SFFD due to the weather and so there has been nothing flushing it through. Mr P Holmes asked, if weed cutting was continued without flow, could it be possible that when there is a flow all of the weed that has gathered will end up at the pumping station? The Chief Executive responded, yes, it could. Additionally, he noted that one of the reasons for not opening the Navigation Channel for additional flood relief was because of the possibility of damage caused by floating objects. Mr P Bedford questioned if there are any more reeds to be taken out? The Chief Executive answered that it will be cut again, the biggest problem is the root growth in the two margins.

(d) 2017/18 UNAUDITED FINANCIAL STATEMENTS - Minute 1277

The Finance Manager referred to the concern raised over the plant account. He explained that it is the excavators rather than the twigga's that the problems relate to. To address this, there has been a slight increase to the excavator rate, backdated to the 1st April 2018.

(e) ACCOUNTS FOR THE BOURNE FEN FARM - Minute 1280

The Finance Manager explained that he had calculated an income of £16,000 whereas James Scott of Brewin Dolphin had calculated an income of £12,000.

He continued that the difference in these figures is the result of J Scott using the figure after Brewin Dolphin's charges had been deducted, whereas the Finance Manager had to use the full amount of income without deductions for accounting purposes.

(f) IAN RUSSELL (EA PARTNERSHIP MANAGER) RETIREMENT - Minute 1281 (a)

The Chief Executive expressed that Ian Russell was very complimentary towards the Board at the last ADA Branch meeting. The Chairman added that the letter Ian Russell responded with was very nice.

(g) RATIONALISING THE MAIN RIVER NETWORK - Minute 1281 (b)

The Chief Executive explained that it is still an ongoing process, there have been a couple of elements that have hindered it, but the rivers that are planned to be transferred will be transferred. It is due to go out for final consultation in two weeks' time.

(h) COLIN RICHARDS RETIREMENT - Minute 1281 (c)

The Chairman noted that it was a good turnout for Colin's retirement.

(i) WATER RESOURCE EAST (WRE) - Minute 1281 (f)

The Chief Executive stated he has something to introduce in relation to the South Lincs Water Partnership (SLWP) which falls under the 'umbrella' of the Water Resource East (WRE). He continued that at the last meeting of all the partners on 6th September 2018 he introduced this concept. He continued that he wanted to emphasise the enormity of the subsequent reward that this partnership, if fulfilled, will have. The main question at the moment is who owns the asset? - the asset being water. If it's Black Sluice IDB's asset then it would be our choice to determine what is done with it, it could be sold to anybody that wants to buy it.

The Chief Executive stated that Anglian Water, at current, charge approximately £1.75 per cube of water when purchased for domestic purposes. Anglian Water want to buy 150 mega litres a day, so if it was sold to them for a quarter of the price that they sell it at, it will generate two million pounds a month income. Additionally, that figure is only selling the water to Anglian Water, many others will also want the water for things such as irrigation, wetlands etc.

The Chief Executive also explained that, arguably, it is the south of the country that need the water, he outlined three options that they currently have to get water:

- Desalination – turning salt water into clean water, this can only be done on the coast, in large quantities, storage, piping and pumping will be required, it therefore coming at a high cost.
- Water purification – this can only be done where there are large quantities of water, it requires large habitation and urban areas, it is already being done in London and so there is nowhere else to do it really.

- Open Water Transfer – it is currently being done and taken out of the Thames. However, there are concerns that too much is being taken and that therefore the dock and estuary will silt up and stop navigation, hence they are not going to take any more from the Thames.

All other options, including those above, can't offer the quantities that this project, through the SLWP, could offer. If the government are to maintain the strategy that they don't want people to be switching stand pipes on in the south east in years to come, then they will have to use this SLWP project to transfer the water.

The Chief Executive continued that he has calculated some approximations and that to move the water to the south east and build the reservoirs required it would be a billion-pound contract. He further continued by referring to a 'vision' - is it possible that if organisations such as the Lincolnshire Wildlife Trust (LWT), EA, IDBs, agricultural irrigators and such like form a partnership – will a saving of 20% of our current annual expenditure be able to be made? The Chief Executive continued with this vision stating that this income could evolve into no drainage rates being paid in this district. The Chairman added that it would not just be water from Black Sluice IDB, it would also be from the River Glenn, Welland & Deepings IDB etc.

The Chief Executive added that Anglian Water have been told by the Office of Water Services (OFWAT) that they cannot own the reservoir. Therefore, the ask will be, can SLWP build this reservoir, own the system and sell the asset that's being transferred through it? The Chairman noted that it might not be one big reservoir, but actually a chain of smaller. Mr P Holmes asked if any locations had been identified? The Chief Executive responded that seven locations have been identified.

Cllr P Bedford questioned what would happen if the Government decide to class it as a national infrastructure project? He added that if that is the case, then the IDB will get nothing. The Chief Executive stated that the question has already been raised but the answer is unknown. Cllr M Brookes added that even if it was a national infrastructure project the costs would be recoverable or it would be government funded.

Mr J Fowler raised his concern over 'ownership' of the water and felt it should be avoided if possible. He continued that rather than ownership of the water, it would be providing a water transfer service and therefore not selling water as a commodity but instead providing a service to put the water in the required place. The Committee felt that it was a good point being raised and the Chief Executive acknowledged that this point had already been discussed previously. The Chief Executive continued that this would be where an agreement could be made between the landowner and the Trust, for example, reduced drainage rates in return for the water.

The Chairman added that farmers might have to farm slightly differently because of the quality of water that would be required. Mr P Holmes added that samples have already been taken from the area in order to ensure that the quality of the water is at a good enough standard currently, so the area wouldn't have been chosen if the water had been full of chemicals such as nitrates and metaldehyde.

The Chief Executive further added that Anglian Water are interested in this catchment area because the water quality is high, therefore, the higher the initial quality the less money and resource is required to bring it up to the standard required. The Chairman further noted that this is an abstraction area; one of the three / four areas that the EA have identified.

The Committee AGREED that the Board should still continue to be involved in this project. Also noting that if it does develop further we may need to employ somebody to push it forward.

(j) OFFICE ALTERATIONS - Minute 1281 (g)

The Chief Executive stated that the work has not started yet because only two quotes have been obtained so far. Once a third quote is obtained, for a fair comparison, we will go ahead with the works. The Chief Executive presented two plans on screen, one showing proposed work for the ground floor, the second showing proposed work for upstairs. Proposed alterations for the ground floor include knocking down the wall highlighted orange on the plan which will create an open plan office for the Pump Engineer, Works Manager and the GIS Technician. The door in the corner of the office leading to the Workshop, shown in orange on the plan, will be shut and the door highlighted in green will be used instead. Proposed work for the first floor includes building a central wall down the office highlighted yellow on the plan, this will create a meeting room for general use and the Operations Manager will move into that office. It is planned that the work will be carried out during out of office hours and weekends in order to cause minimal disruption to staff.

The Chairman also noted that there were no applications for the RFCC post. The Chief Executive added that at the next meeting it will be requested that the RFCC suggest to the EA that there is a post seconded from the EA to the IDBs for twelve months to undertake this work.

(k) TOUR OF THE NETHERLANDS - Minute 1281 (h)

It was felt by all that it was a very enjoyable and interesting trip. Thanks was given to all involved.

(l) BLACK SLUICE PUMPING STATION (BOSTON) - Minute 1275 (a)

It was agreed and thereby RESOLVED to exclude the public from the next part of the meeting due to the confidential nature of the business to be transacted, in accordance with section 2 of the Public Bodies (Admission to Meetings) Act 1960.

1324 TO REVIEW THE BOSTON BOROUGH COUNCIL LETTER AND CONSIDER A RESPONSE - Agenda Item 6

The Chairman introduced this item, explaining that a holding letter was sent back to Phil Drury as an initial response to the letter presented on pages 21-29 of the agenda. Welland and Deepings IDB and Witham 4th IDB then contacted to say that they wanted a joint holding letter, however, it had already been sent, as shown below, as it was felt an immediate response was required.

'Dear Phil

Internal Drainage Board special levies impacts on local authority revenue budgets pressures

Thank you for letter in relation to the above subject, I read the enclosures with interest.

Black Sluice IDB are continuously working to improve all aspects of our financial management, governance and transparency, testament to that being the achieving Substantial Assurance in our most recent Internal Audit.

I am sure that you will agree that Boston Borough Council and Black Sluice IDB work closely together through the partnership working in place in Lincolnshire and for ad-hoc for projects such as the Boston Barrier and the Q1 Development.

We do have long term financial planning in place with the aim of reducing our revenue reserves and achieving a balanced budget within a ten-year period and this is how, in negotiation with yourselves, we have been able to limit the increases in the rate over the last ten years.

It is my intention to present this letter to the Executive Committee on the 12th September 2018 and following this meeting we will draft a more comprehensive reply.

*Yours sincerely,
Keith Casswell'*

The Chairman further explained that it will no longer be confidential once the Committee has finalised the response.

Cllr P Bedford noted that he had spoken to Phil Drury who had said that he didn't want this letter to cause any conflict and that he wants to support Black Sluice IDB. Mr P Holmes felt that something could have been written in the letter to recognise that Black Sluice IDB have got a very good working relationship with Boston Borough Council. Cllr M Brookes added that he had spoken to Mike Cooper, who had said the same as Phil Drury – he acknowledged that Black Sluice IDB work well with the council. Mr P Holmes felt this was reassuring to hear but that it would have been nicer to have it included in the initial letter.

The Chairman felt that it would be beneficial to respond from only Black Sluice IDB rather than a joint response from all the IDBs as he felt Black Sluice IDB are at a different place with the Council in comparison to others. The Chief Executive added that he has sent a copy of the holding letter to Witham 4th and Welland and Deepings and have informed them that once this Committee has agreed the response letter, and with the Committee's approval, a copy of the letter will also be sent.

Mr M Rollinson wondered if anything had been received from any other councils such as South Holland or North Kesteven? The Chief Executive clarified that this enquiry has only been received from Boston Borough Council.

The Chairman voiced the concern that the main worry is the undercurrent that may be created within the drainage industry if it goes any further.

As a Drainage Board our main aim is keeping people dry which could be compromised if the money for Drainage Boards is reduced dramatically and we therefore can't do the maintenance.

Cllr M Brookes made reference to another ongoing initiative of trying to get IDB rates separate. Mr P Holmes stated that he thought this was brought up at last year's ADA Conference, the idea being that the Special Levy that goes to the IDBs would be ring-fenced and it would have no implication on council tax.

It was felt that the proposed response letter is very well written. Mr J Fowler noted that the only amendment he would make would be the addition of 'sea bank boundaries' in the comparison of IDBs. It was agreed to add '...and some border sea defences' after '...so cover great areas' in Item 2 of the letter. Thanks was given to the Finance Manager for putting together this letter.

It was AGREED that the letter, as shown below, is to be sent in response to Phil Drury and also to Witham 4th and Welland and Deepings IDB.

'Dear Phil,

Internal Drainage Board Special Levies Impacts on Local Authority Revenue Budget Pressures

As stated in my letter to you, dated 10th August 2018, I have presented and discussed your letter and enclosures and produced this reply.

The prime concerns of the East Riding of Yorkshire Council would appear to be the concerns IDB Levies are having on the ability to provide services and concerns that the Environment Agency are transferring responsibility for assets to IDBs, resulting in additional cost.

The East Riding of Yorkshire Council have sought to address this by proposing a 'Protocol' that they appear to have ambition to impose upon all IDBs in the country to address the two concerns above although they would appear to be far more wide reaching than this. The protocols that IDBs work to are those set down in law, primarily, as per the Land Drainage Act 1991.

We have worked closely with the Boston Borough Council for many years directly and as part of various country wide initiatives.

Black Sluice IDB prides itself in being transparent and ensures it is at the forefront of all policy and guidance in relation to transparency and governance.

Black Sluice IDB is pleased to include ten, of the twenty-one, Board Members on the Board with seven of these from Boston Borough Council.

The Boards finances are monitored monthly by the Executive Committee and presented at every meeting of the Board.

A ten-year budget and estimates is updated annually with the aim of reducing the General Reserves to a level of 20% whilst achieving a balanced budget at the end of the ten-year period.

Over the past few years Black Sluice IDB have been very successful in securing work from the Environment Agency under the Public Sector Cooperation Agreement which has resulted in the Board's income increasing significantly.

In turn, this has increased the surpluses deposited to the General Reserve which has allowed us to limit any increases in the Penny Rate and the amount charged in Special Levies and Agricultural Drainage Rates.

Transparency and Accountability

1. ***IDBs should ensure that every effort is made to operate at least cost/best value and that innovation and financial efficiency is encouraged. This is something that Black Sluice IDB has been making great progress in over the last ten years by:***
 - *Restructuring the Management and Administration team*
 - *Combining the Depot and Offices*
 - *Restructure of the Workforce*
 - *Investing in Solar Panel Technology*

 - *Investing in modern machinery and new ways of working*
 - *Recent investment in a low risk Stock Market Investment*

2. ***IDBs are encouraged to establish a standard local set of Key Performance Indicators and report them annually to the RFCC in order to strengthen existing audit arrangements at regional level. IDBs are all very different in what they have to undertake in their respective areas to achieve their overall objectives. Some IDBs follow the course of a river, resulting in very long but narrow Boards, where others are within marshes and fens so cover greater areas and some border sea defences. Black Sluice IDB is a combination of these and for this reason Key Performance Indicators to compare one Board with another would be pointless as you would not be comparing like with like.***

3. ***IDBs should present an annual plan of proposed revenue and capital works to RFCC for discussion to coincide with annual levy and highland water charge decisions. The annual plan for revenue and capital works is reviewed and set by the Board locally and only matters relating to Local Levy funding or Flood Defence Grant in Aid are subject to outside review. To remove this function and authority from the Board would render the Board pointless resulting in loss of local control.***

4. ***The local authority will liaise with IDBs and vice versa on the development of, and updates to, the relevant strategies and plans and on long term investment programmes in relation to flood risk and surface water management. This is something that, in Lincolnshire, the Board feels we are very good at with the partnership and collaborations at all levels between local authorities.***

5. ***IDBs should ensure the ratio between administrative spend (including all staff costs) and operational spend does not increase. This is something that the Board has been acutely aware of for many years and was one of the drivers for the Managerial and Administration review mentioned previously.***

6. ***IDBs should ensure consistency in the completion of Annual reports and Accounting Statements (clearer guidance notes) which will allow for direct comparison. We agree that this is something that would be useful to all, including IDBs. As an industry we would like to think this is progressing but we are very much in the hands of external agencies for this.***

DEFRA sets the format for the annual IDB1 return and the SAAA, formed following the abolishment of the National Audit Office, sets the format for the Annual Governance and Assurance Report.

- 7. Appointed IDB Members should provide quarterly feedback on Board activity and investment to local authority officers, and annual updates to full council.** Given that the Appointed Members attendance at Black Sluice IDB Board Meetings and Sub-Committee meeting is very good I can only assume that these Appointed Members report back to their parent Borough and District Councils? This, of course, would be a process to be driven by the Councils and Officers of Black Sluice IDB would be pleased to provide any additional information Members felt they required in order to facilitate that.

FINANCIAL

Special Levies from District and Borough Councils attributed 49.08% of Drainage Rate income, with the remainder being charged to the Agricultural Drainage Rate payers. Due to Black Sluice IDBs forward planning and willingness to identify other drainage related sources of income and other investment opportunities, the Drainage Rates of the Board only accounted for 67.15% of the Board's income in 2017/18 with other Capital Projects, of benefit to the Board, being funded from other sources.

- 8. The local authority will, if asked and resources allow, assist with financial forward planning for the IDBs.** Black Sluice IDB has a good and open relationship with Boston Borough Council and we hope this continues long into the future.
- 9. IDBs should ensure that where an increase is proposed, the percentage of the increased Special Levy demanded does not exceed the percentage Council Tax increase allowed to be raised by the local authority without the need for a referendum (subject to reasonable increases incurred from development enabling increased land values.)** It would not be helpful to the Council or the IDB to force a referendum and as we have done with the Black Sluice Pumping Station decommissioning and the Quadrant Development, we would approach the Council to discuss any potential increase in advance and work together to minimise the impact on both organisations. The developments in the Boston Borough area are substantial and are likely to lead to substantial increases in the land values and in turn the Special Levies in future years. We will work with you, as we have with the Quadrant Development, to only transfer these from agricultural drainage rates to special levies when the income is realised by the council as commercial or residential rates.
- 10. Further to point 9, the local authority will, if asked and resources allow, assist with bidding for capital grants. A briefing paper on the various sources of funding will be prepared in Summer 2018 as part of the IDB Review Process.** This would be something that Black Sluice IDB would welcome and we have also been working with the County Council with particular relation to the LEP.
- 11. IDBs should ensure that the Special Levy demanded is affordable to the local authority and that increased levies are openly discussed with the local authority at the appropriate level and with sufficient notice to influence the budget setting process.**

Increases in the levy should be accompanied by clear information about the purpose of the proposed activities and additionality. As previously referred to, Black Sluice IDB increased its income to carry out Revenue and Capital works by just over £1,000,000 from sources other than Drainage Rates in 2017/18 and whilst this was an exceptional year the Board and its Officers are constantly searching for opportunities.

In conclusion, Black Sluice IDB are constantly working to modernise the operations of the Board which leads to increased efficiency and greater accountability and governance. The Board has again received a 'Substantial Assurance' rating in its most recent Internal Audit assessment.

Black Sluice IDB looks forward to continuing to work with Boston Borough Council in the future for the benefit of both of our organisations and would welcome any dialogue or suggestions from the Council now or in the future.

*Yours sincerely
Keith Casswell'*

1325 TO RECEIVE THE EXTERNAL AUDITORS OPINION 2017/18 - Agenda Item 7

The Finance Manager reported that the Annual Return has been received. He presented on screen 'Section 2 – Accounting Statements 2017/18' and apologised for transposing the figure in box 1 incorrectly. Instead of £1,219,413 it should have been £1,129,413. Therefore, the Annual Return has been qualified based on the figure £1,219,413. He continued to explain that the amendment shown in box 7 is fine and that he can only apologise for the mistake.

1326 TO CONSIDER PERIOD 05 MANAGEMENT ACCOUNTS - Agenda Item 8

The Finance Manager referred to page 40, reporting that 93.97% of drainage rates have now been collected and the remainder have had final reminders. Court notifications will be sent out at the beginning of October 2018. Mr P Holmes questioned whether it was the usual people that haven't paid? The Finance Manager responded that there are a few new names but there are also the expected.

He further reported that Interest and Grants includes the revaluation amount of the Brewin Dolphin account, £3,268, which is the figure it was at the end of Period 05 on 26th August 2018. However, as previously discussed in Minute 1323(a), it is now the other way and in the red.

The Finance Manager continued to report that Other Income includes £7,500 for Triton Knoll consents on account.

Further to this, solar power income is up by £2,800 which is not surprising with the hot summer this year. However, one of the three invertors at the Swineshead office was not operational for approximately six weeks during the hot period. The reason for it not being dealt with sooner was that it wasn't picked up very early because it was producing so much electricity due to the exceptional weather, hence it wasn't noted that anything was wrong. Mr M Rollinson asked if there was an export meter at the Swineshead office? The Finance Manager responded, yes and explained that it also has live monitoring and so any figures going into the accounts are actual figures.

The Finance Manager continued, referring to Schemes, reporting that £20,000 of the budget hasn't been spent on the Graft Drain Improvements and £56,000 of the budget hasn't been spent on Culvert Replacements yet. However, an additional £6000 has been spent on the Kirton Meeres Culvert which was a flood defence Grant in Aid Scheme. A variation order has been submitted to try and recover the money from the Environment Agency.

The Finance Manager referred to Pumping Station Maintenance and gave an overview of this financial year as follows:

- Period 1: £40,000 over spent
- Period 2: £42,000 over spent
- Period 3: £52,000 over spent
- Period 4: £45,000 over spent
- Period 5: £36,000 over spent

He continued by stating that he is hoping with the good weather over summer, the raising of some of the levels within the drains and the duty pump levels that some of that will come back over the year and we'll hopefully be on a par by the end of the year. The Chief Executive added that regular conversations have been taking place with the Pump Engineer and Operations Manager regarding gradually lifting the majority of the larger pump catchments by around 200mm. Mr M Rollinson questioned whether these higher retention levels would be at the higher level during the summer only or all year round? The Chief Executive confirmed all year round. Mr P Holmes questioned whether the pumps are run during prolonged periods of not needing to run to ensure they are working? The Chief Executive replied that the Pump Engineer carries out maintenance runs.

The Finance Manager detailed an exercise carried out on electricity costs over the past five years, reporting the cost of electricity each year as follows:

- 2018/19: £53,000 (to date)
- 2017/18: -£941 (due to lots of refunds)
- 2016/17: £42,000
- 2015/16: £36,000
- 2014/15: £36,000
- 2013/14: £26,000

Therefore, based on five years ago, the price of electricity this year has doubled. This is due to such wet weather during Spring 2018. It was further acknowledged that a saving of 26% was made two years ago through Woldmarsh and that actually Black Sluice IDB are probably paying the same price for electricity as we were five years ago.

The Chief Executive referred to Drain Maintenance, stating that both Drain Maintenance (3006) and Summer Cutting (3002) are overspent. The Finance Manager presented on screen an email from the Operations Manager identifying what the money had been spent on. The Chief Executive referred back to summer cutting (3002) explaining that the work needs to be done even if it is costing a bit more and so it may be that the budgets need addressing. The Finance Manager continued by stating that around £54,000 of the overspend is with drain maintenance (3006) and £27,000 with summer cutting (3002). The Finance Manager will look further into the additional costs and send the findings to all Committee members via email.

The Finance Manager reported on the Administration salary that it is £4000 overspent. This is due to the temporary uplifts for Amy Chamberlain and Jessica Baxter whilst 'acting up' for Sue Knox. It was also not budgeted for any of Dennis Bambridge's costs (Solicitor to the Board) and some overtime for Andrew Scott for Heckington Show. He further added, in reference to the cost associated with Dennis Bambridge, that the cost accompanying the South Forty Foot works will be moved onto the rechargeable code and so the Environment Agency will pay for that.

The Finance Manager made the final observation that the Plant Reserve is currently positive by £26,000 after all the adjustments have been made. He also noted that the years on the top of the pages will be changed to 'This Year' and 'Last Year' so that they always reflect the correct year.

The Chairman invited any questions.

1327 DIRECTON ON 2018/19 BUDGETS - Agenda Item 9

(a) REVIEW OF 2018/19 CAPITAL SCHEMES BUDGETS - Agenda Item 9(a)

The Finance Manager explained that he is working on the assumption that the Committee want to hold the rate again this year, he will put the budget together if that's what the Committee agree today.

The Chairman felt it would be beneficial to hold the rate again and invited opinions of the Committee. All AGREED that the rate is held for this year.

(b) 8 YEAR PLANT BUDGET - Agenda Item 9(b)

The Chief Executive referred to the Eight Year Plant Replacement Budgets, presented on page 46, and explained that he has spoken to the Operations Manager and put this together as if the 'brought forward' balance was non-existent. He continued that there are problems with two machines currently. These being the first excavator on the list, the JCB 130 Telescopic Long Reach 2009/10 and the JCB 160 Telescopic Long Reach 2010/11.

The JCB 130 has just come back from T C Harrison following a head gasket repair as water was getting in and then overheating. The day we received the machine back it overheated again and so the simple solution to this is that it now has a fan on running permanently. The Black Sluice IDB Workshop is happy that it will run until the end of the year. These repairs will cost £7000, and the machine is believed to be valued at between £12,000 and £15,000 and not £18,000 as identified in the budget. The machine does need replacing, however, it is felt that it will make it through to the end of the summer cutting season and has therefore been brought forward into next years (19/20) budget.

The Chief Executive referred to the problems with the JCB 160 Telescopic Long Reach 2010/11, explaining that it is also nearing 'the end of its life'. The Operations Manager has identified that this machine completes a lot of the Environment Agency PSCA work, so therefore it doesn't actually require the telescopic element. It will come with two conventional arms – a long reach arm and short reach arm.

The Chief Executive explained that because we've got the two JCB Excavators for replacement in 2019/20 it puts the carried forward balance as a negative figure. Therefore, it has been assessed whether we could afford to replace the Unimog and has been identified that, no, we can't afford it. Suggestions for replacing the Unimog with a JCB Fastrac 4220 have been put forward, however, investigations will be taken to ensure it is the exact machine required and ensure it is suitable for the job.

The Chief Executive continued by putting two proposals to the Committee as follows:

1. The Chief Executive expressed that he would like to request that this Committee approve the budget to bring the JCB 130 Excavator into the year 2019/20. This will mean that the year's brought forward balance will be minus £45,000. All other machines will be retained where they are.
2. The Chief Executive continued stating that this proposal is not a priority, suggesting that the JCB 130 Excavator is replaced in this calendar year rather than waiting until April 2019 whilst it still holds some value.

The Chairman felt that there is no point in keeping costly machines. He further asked if quotes are being sought for replacement from JCB, Hitachi etc.? The Chief Executive responded by explaining that Hitachi don't do the telescopic arm which we need on the JCB 130 Excavator machine.

The Chairman asked whether a straight purchase or buying over a period of time is being considered? The Chief Executive responded that Black Sluice IDB have always straight purchased in the past. The Finance Manager felt that the capital is available, which is looking to be invested and get returns on, so therefore it may as well be used to purchase the machine rather than pay the premium you would pay on a lease.

Mr P Holmes referred to the Unimog replacement, asking if the replacement date of 2020/21 is the extended replacement date after the new engine was fitted? The Chief Executive clarified yes.

The Chairman added that he knows a good JCB dealer of the name Richard Sedgefield, he recommended his service and suggested that a quote is obtained from him as well as others such as T C Harrison and Pecks.

The Chief Executive drew the Committee back to the two problematic excavators. It was felt that there wasn't a lot of option with the JCB 130. The Finance Manager reminded the Committee that they aren't authorised to make the final decision on this, but that their recommendation will go to the Board for approval.

Mr P Holmes raised the point that if the JCB 130 Excavator lasted through to November 2018, then after this time the work load would drop, it could be parked up until April 2019 and another machine do the work? The Chief Executive replied that, yes, it could be parked at November 2018 but he would like to try replacing it at a different time to April/May/June as this is when all IDBs, including Black Sluice IDB, purchase these machines.

All of the suppliers are aware of this and so the prices are high, hence we are interested to see where the prices would be at November/December in relation to April/May and then perhaps change the procurement plan according to the findings. If there are not many being sold at that time of year then there may be better discounts.

Mr P Holmes questioned if there were any other machines that's replacement could be delayed? The Chief Executive responded that reassessments and readjustments have been made stating that the fitter's van has been delayed by a year, and if you start delaying things such as the Nissans then they will end up needing more spent on them. The dump trailer and vibrating piling hammer have been taken out completely.

Mr M Rollinson raised one final question regarding the Unimog; what would the price be of a new Unimog? The Chief Executive responded that it would be around £250,000.

It was AGREED to recommend to the Board to bring forward the replacement of the JCB 130 Telescopic Long Reach 2009/10. Quotes for its replacement will be presented to the Board on 7th November 2018 to be implemented immediately subject to Board approval.

It was also noted that the date of the Board meeting has been swapped with the Joint Works Committee Meeting and so the Board is now to be held on the 7th November 2018 and the Joint Works on the 28th November 2018.

(c) CONFIDENTIAL SALARY REVIEWS - Agenda Item 9(c)

It was agreed and thereby RESOLVED to exclude the public from the next part of the meeting due to the confidential nature of the business to be transacted, in accordance with section 2 of the Public Bodies (Admission to Meetings) Act 1960.

1328 TO CONSIDER THE REFURBISHMENT OF PUMP No 3 AT EWERBY PUMPING STATION - Agenda Item 10

The Chief Executive referred to page 50, the refurbishment of Pump No.3 at Ewerby Pumping Station. He stated that this pump does not work, has been assessed by multiple people who have said that it needs lifting, removing, taking to the workshop and stripping down. The Chief Executive explained that the Operations Manager and Pump Engineer have assessed whether the pump is required and it was felt it is required based on the number of hours it has previously run. The Chief Executive stated that the best quote is from a company Black Sluice IDB have used before, Perry Pumps, at a price of £12,500 + parts + VAT. However, this has not been identified in future capital or maintenance schemes, therefore it is requested to find the funding to refurbish the pump.

The Chairman questioned what would happen if stripping it down etc. doesn't work? The Chief Executive responded that we will attend their workshop, it will be explained to us what parts are required, and the parts will be offered competitively.

Mr P Holmes questioned why pump one has carried out nearly ten times more hours than pump three? The Chief Executive explained that it is made up of two 'sub-catchments' within the one catchment and so pump three caters for a different area to pump one.

Mr P Holmes further questioned the difference in pump hours between pumps one and two if they cater for the same area? The Chief Executive stated that there is a duty pump, which is predominately run, to avoid both pumps wearing at the same time. However, it was felt the difference in the hours was quite excessive.

It was AGREED that the funding for the refurbishment of Pump No.3 at Ewerby Pumping Station should be allocated.

1329 ANY OTHER BUSINESS - Agenda Item 11

(a) ATTENDEES FOR THE NATIONAL ADA CONFERENCE - Agenda Item 11(a)

It was generally felt that the Chairman and Vice Chairman should attend every year and that other Committee Members should rotate. It was therefore AGREED that the following would attend this year's ADA Conference to be held on Wednesday 14th November 2018.

To attend: Mr K C Casswell, Mr P Holmes, Mr I Warsap, Mr J Fowler, Cllr M Cooper, Cllr M Brookes, Cllr P Bedford.

(b) ENVIRONMENT AGENCY BOARD VISIT - Agenda Item 11(b)

The Chief Executive stated that there will be an Environment Agency Full Board Visit on the 26th and 27th September 2018. Initially, it was requested that both days were fully booked out for the visit, it has now been reduced. The Chief Executive continued that the only two invitations that he is currently aware of are for himself to attend an evening event at the Guild Hall after a tour of the Boston Stump and an invitation for himself and the Chairman to attend and have an input in the visit to the Black Sluice Pumping Station (Boston). The Chief Executive added that he is currently trying to encourage an invitation for Steve Moncaster to also attend the pumping station from a SLWP perspective.

(c) SOUTH FORTY FOOT UPPER CATCHMENT UPDATE - Agenda Item 11(c)

The Chief Executive gave an update on the South Forty Foot Upper Catchment, referring to the Local Choice Request, stating that a request has been formulated for £100,000 from the Research and Development Fund of the RFCC. This is to employ one graduate Flood Risk Specialist and one Farm Engagement Advisor for twelve months. It is yet to be approved, but the Chief Executive has received a response stating that they are mostly supportive with just the one question - will the information already have been obtained by other similar projects - are we just repeating that or filling in data gaps? The Chief Executive responded to this, stating that the data gap is a uniqueness of each upper sub catchment where different approaches and outcomes will be determined by the Research and Development Project. The RFCC have also asked whether the IDB would mind not controlling these two employees, but instead be controlled by other ongoing projects. The Chief Executive reported that he has responded we wouldn't mind if they were controlled by ongoing teams, he felt it was looking quite promising.

(d) IDENTIFYING CONSENTED WORK OBSTRUCTIONS - Agenda Item 11(d)

The Chief Executive stated that he will be bringing this matter to the Joint Works Committee. He explained that during November 2017, Black Sluice IDB have accidentally struck a terminal hydrant at the Thorpe and Asgarby Estate.

Photographs showing this matter were shown on screen. He continued that a wheel and tyre were over the top of it, it was hit, which subsequently blew out the bank. The Estate have challenged why this is the first year it has been hit? The Chief Executive has responded that it is unconsented work, so we have no previous knowledge apart from the local information of the, now retired, operative. Therefore, Black Sluice IDB have repaired the bank and charged the Estate for it because it is unconsented. The Estate have invoiced Black Sluice IDB to bore under the watercourse and for the repair work, totalling £5,500. The Operations Manager is meeting with the Estate Manager later in the week to explain the process of applying for consent. There is also now a questionnaire being distributed to all Black Sluice IDB operatives to establish how they would have identified the obstruction. The Chief Executive suggested that with every byelaw consent, as part of the consent, wherever there is an obstruction it should be clearly marked with a bright coloured concrete post with the agreement that the applicant annually sprays off the vegetation around that obstruction.

Mr P Holmes questioned whether Black Sluice IDB are supported by the Land Drainage Act in this matter? The Chief Executive responded yes. Mr M Rollinson pointed out that it is a huge Estate and so it is likely that there will be more than this one unconsented. The Chief Executive acknowledged that the Operations Manager will be looking at any other unconsented work when he meets them later in the week.

Mr P Holmes felt that in the future it should be part of the consent to clearly mark the obstruction. The Chief Executive agreed, acknowledging that it will be a condition of the consent.

The Chief Executive also noted that if it is a large estate that only provides conveyance for one farm then Black Sluice IDB could give it up and no longer maintain it. He concluded that it is an ongoing matter and that a proposal for the identification of obstructions will be put forward to the Joint Works Committee.

(e) ABSTRACTION INITIAL PRIORITY CATCHMENTS - Agenda Item 11(e)

The Chief Executive reported that there is now going to be regular Abstraction Reform Updates, he referred to the August 2018 update, inviting the Committee to take a copy. The Chief Executive stated that he will also email these updates to all Board Members and post them on the website.

The Chief Executive continued that on Tuesday 18th September, Darren Smith of the EA will be attending the office to start to implement the Abstraction Reform and how Black Sluice IDB want to be involved. A local landowner will also be attending to address cooperation between landowners.

The Chairman suggested whether, as this develops, it may be worth Darren Smith coming to talk to either the Executive Committee or Board.

(f) SOUTHERN WORKS COMMITTEE MEMBER - Agenda Item 11(f)

Mr M Rollinson raised the point that he is one member down on the Southern Works Committee. He asked whether anybody had any ideas on suitable people who could fill this? He continued that he had thought about Nick who is Farm Manager for the Duchy of Lancaster Farm in Donington.

Mr M Rollinson suggested inviting him to the Works Tour in Spring 2019 which Committee members felt was a good idea. The Finance Manager reminded the Committee that there will be the election at the AGM in November 2018 and so it could be that he is co-opted onto the Joint Works Committee then. Mr M Rollinson will approach him about it.

(g) TRITON KNOLL COMMUNITY SCHEMES - Agenda Item 11(g)

Mr M Rollinson wanted to make the Committee aware of a 'pot of money' available through Triton Knoll for projects in Donington, Bicker and Swineshead. He continued that private individuals can't approach it, but public bodies can. The Chief Executive stated that he has previously made an application and will make further enquires.

The Chairman thanked the Committee for their work over the last three years.

There being no further business the meeting closed at 4:26pm.