

# **BLACK SLUICE INTERNAL DRAINAGE BOARD**

## **MINUTES**

of the proceedings of a meeting of the Executive Committee

held at the Offices of the Board on  
4<sup>th</sup> December 2019 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)

#### 1550 APOLOGIES FOR ABSENCE - Agenda Item 1

There were no apologies for absence.

#### 1551 DECLARATIONS OF INTEREST - Agenda Item 2

There were no declarations of interest.

#### 1552 MINUTES OF THE LAST MEETING - Agenda Item 3

Minutes of the last meeting held on 18<sup>th</sup> September 2019, copies of which had been circulated, were considered and it was AGREED that they should be signed as a true record.

#### 1553 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.

#### 1554 MATTERS ARISING - Agenda Item 5

##### (a) CONTRIBUTION TO DAMAGE TO A CONCRETE FARM YARD AT CLAYDYKE, HOLLAND FEN - Minute 1507(a)

The signed agreement has been received this week from the landowner.

(b) FENCE AT B&M'S & DUNELMS - Minute 1507(g)

Cllr P Bedford reported that a new fence has been erected behind B&M.

(c) TIMETABLE FOR 2020 MEETINGS - Minute 1515(b)

The Finance Manager reminded the committee of the changes that were made to the draft timetable as follows:

- Board 7<sup>th</sup> February 2020 10:00am
- Executive 17<sup>th</sup> December 2020 2:00pm

(d) LINCOLNSHIRE IDB'S TRAINING DAY - Minute 1515(e)

The Finance Manager asked for feedback from those members that attended the training day on the 27<sup>th</sup> November 2019.

It was generally felt that the governance section was rushed and not covered in detail, with the agenda covering too many aspects that members felt weren't relevant to them.

The Finance Manager questioned whether it should be something done again in the future, noting that some Boards do it every year.

The Chairman felt that if there is governance the Board require training on, then maybe it should be organised by ourselves.

The Finance Manager suggested it be given to the Audit & Risk Committee to consider and identify what areas of governance the Board require training in.

Mr M Brookes noted that, for Councillor members, a lot of the governance is covered in their training through the council.

The Chairman concluded that it would be beneficial to pinpoint a few aspects that require more training and that a Board meeting could be started earlier to allow for this training. All AGREED for it to be explored by the Audit & Risk Committee to identify areas for further governance training.

(e) CONFIDENTIAL - 2020/21 PLANT BUDGET - Minute 1511(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.

(f) CONFIDENTIAL - TO REVIEW THE ENVIRONMENT AGENCY MAIN RIVER TRANSFER AND PRECEPT - Minute 1514

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.

1555 TO CONSIDER THE PERIOD 07 MANAGEMENT ACCOUNTS - Agenda Item 6

The Finance Manager presented the Period 07 Management Accounts, which were sent out prior to the meeting for the committee to analyse.

The Finance Manager noted that the Period 08 Management Accounts will be slightly delayed due to being away on a training course.

The Finance Manager drew attention to the extra £28,000 for emergency works and the estimated £80,000 for electricity. Overall, it will be £194,000 over spent. This is estimated to be around £300,000 over spent by the end of November.

Mr M Rollinson questioned how much the Environment Agency will be charged for work carried out by the Board on their behalf during the ongoing rainfall events?

The Chief Executive responded that it is not so much for the work we have done on their behalf, but more about having to move un-necessary water due to their assets failing. A valuation will be put together.

Mr M Rollinson felt it is important that the Board are recompensed for this and equally important that, going forward, they make the required changes and carry out the required work.

Mr M Rollinson made reference to the flooding along the Boardsides. The Chief Executive noted that it is the responsibility of Network Rail. The application has now been submitted by Network Rail's contractors to carry out two headwall reconstructions with flap valves at the failure points.

Mr M Rollinson felt that it would be a good idea to invite the landowners of this flooding at the Boardsides on the Works Tour Inspection.

The Chief Executive further noted that water was coming under and around some of the pumping stations as a result of the Environment Agency's retaining walls which could be causing damage to the foundations of the building.

1556 TO RECEIVE A REPORT ON FINANCE & BUDGETS - Agenda Item 7

The Finance Manager reminded the committee that the original £304,000 being used from the General Reserve has been reduced to £215,000 by delaying schemes etc., as agreed at the Board meeting. However, there will still be £215,000 used from the General Reserve which will put the Board in a financially weaker starting point for 2020/2021. Therefore, the Finance Manager has investigated different ways to address this.

The Finance Manager further explained the documents within the agenda as follows:

- 2020/21 Budget & Ten Year Estimates - the original budget agreed upon before the recent rainfall events
- Quarter 2 Forecast Summary & Detailed - the new forecasts following the recent rainfall events

- 2020/21 Budget & Ten Year Estimates - the original budget plan with the amended reserves figures following the recent rainfall event, which drops below 20% by 2025/26, which is not meeting the agreed objective of a reserve of 20%
- 2020/21 Budget & Ten Year Estimates - Due to the original budget plan not meeting the 20% objective with the amended reserve figures, either the outgoings need to be increased or the income increased. This budget shows an increase in income by an increase in the rate by up to 2.75% in 2024/25 and 2.5% for the following five years, keeping it at 1.9% for the next financial year, as already agreed with the council. This would meet the objective of the 20% reserve.

The Finance Manager noted that the other option is to look at ways the Board can save money and therefore keep the rate down.

The Chief Executive added that there have been six rainfall events since the beginning of September 2019 and that is why there is the need for the reserves to be at this level.

The Chief Executive referred to the possibility of reducing expenditure, noting that the priority is that the maintenance works on the Board maintained watercourses are, indeed, maintained. Other things such as major jetting works have been reduced to try and reduce expenditure.

The Chief Executive felt that the new proposed budget with the increases in rate in the pound are realistic for ratepayers and the councils, but also allows the Board to complete a good value of work.

Mr P Holmes questioned whether, following the recent rainfall events, that 20% is enough for the reserves going forward?

The Finance Manager responded that he is working to the objective that has been agreed, the Chief Executive responded that it is not enough.

The Finance Manager explained that the recent rainfall events have cost us £300,000 and working to 20% is £600,000, therefore what justification is there for wanting to increase the reserve?

Mr P Holmes responded that what if something major had failed and required replacing as a result of the event?

The Finance Manager responded that it would be paid through the insurance. He further confirmed that even if the Environment Agency aren't liable or insured themselves, the Board's insurance would still have to pay out accordingly.

The Finance Manager continued by adding that if a rainfall event was really very costly then the Belwin Scheme would be enacted anyway and so the Board would recover the money spent through that.

The Chief Executive noted that climate change will most likely increase the frequency of these events.

The Chairman noted that if it was to be increased to more than 20% then the rate would also have to increase to accommodate this which would be unacceptable to the council and ratepayers.

The Chief Executive noted that agricultural ratepayers may not be happy anyway due to them not being able to get on their land and blaming the drainage board for it.

Mr K Casswell felt that the time the summer cutting is started needs to be thought about. However, it was noted that there are environmental restrictions around this. Mr M Rollinson felt that there will be change and the environmental factors will not be so restricting.

The Chief Executive added that starting cutting of the higher consequence water courses earlier would require them to be cut more times as the vegetation would grow back, this would come at a cost.

Mr P Holmes felt that it would ease the ratepayers to paying more, as the water would have gone down a lot quicker.

The Chief Executive responded that the Board have 500 miles of drains to maintain and it has to be started somewhere and finish somewhere.

Mr P Holmes made reference to PSCA works carried out on the highland carriers that are gravity feeding into the SFFD, questioning whether if that wasn't done it would have 'held back' the water entering the SFFD for longer? Therefore, it wouldn't have fed into the Boards system and the workforce could have been working on our system rather than the highland carriers.

The Chief Executive acknowledged that it would 'slow the flow' of the water into the SFFD. However, there are still those living in the catchments of the highland carrier catchments that want protecting.

The Finance Manager stated that he is comfortable working to 20% (£600,000) based on the recent rainfall event costing £300,000.

Mr J Fowler questioned what if this carries on during future months?

The Chairman stated that if you look at the previous patterns, there could be a drought by March 2020.

A telemetry trace of the SFFD levels during the event was shown on screen. Mr M Rollinson questioned if taking the hydraulic doors off made much difference? The Chief Executive responded that it has, and they are now on free flow. Mr P Holmes noted that it maximises the potential to move the water. The Chairman also reminded that the committee that the year there was a breach, all five of the Black Sluice Pumping Station (Boston) pumps were pumping and it still breached. The Chief Executive added that he believes that if the Black Sluice Pumping Station (Boston) was working it would be a worse situation than if the pumping station wasn't running as nobody would have thought to open the navigation lock as an emergency fluvial channel. The Chairman added that the navigation lock is 1.5 times the capacity of the sluice.

Discussion turned back to the budget, with the Chief Executive noting that the council will be notified of the proposed increase for the following years. Mr M Brookes agreed that they should be notified so that they are aware as soon as it is agreed by the Board. Cllr P Bedford noted that there will be no problem with the increase in rate.

Mr M Rollinson noted that the rate has been held for the past few years, but it has to be remembered that they have been very dry years and realistically it can't continue to be kept at 0% in light of increasing costs such as salaries and fuel, for example.

Mr M Rollinson further added that he doesn't think the electricity figure should be included with pumping station maintenance. He felt that it should be separate within the budget, with an inflation also included. Therefore, rather than having a larger general reserve, the money is built into the budget and is a form of self-insuring. Therefore, if you have dry years this can be carried forward into a possibly wet year. Then, if this is built up after a dry number of years, then it may be that the rate can be held again.

Mr J Fowler agreed that there should be an electricity figure in the budget.

Cllr P Bedford felt that it shouldn't be noted to the council or ratepayers that after a dry period the rate may be held at 0%. Cllr P Bedford suggested that he would put the biggest increase of 2.75% in at 2021/22 and bring the 2.75% increase in 2024/25 down to 2.5%. This was completed on screen, however, this does not give a balanced budget. It was therefore suggested that the 2.75% is left for 2024/25 but 2021/22 is raised to 2.50%.

It was further suggested that there be a 1.9% increase next year, as agreed, followed by a 2.5% increase for the following nine years, which gives a reserve of 26%.

All AGREED with the above suggestion, the rate will be increased by 1.9% next year (2020/21), followed by an increase of 2.5% for the following nine years.

Calculations were trialled with an expenditure of £300,000 with the above amendments, which took the reserves down to 16%.

Mr M Rollinson noted that another IDB wanted to raise the rate but it was voted against by Councillor members of their Board who had the majority and so it couldn't be increased.

Mr P Holmes felt that, following the events of the past months, now is the most relevant and appropriate time to present an increase to the rate.

The Finance Manager noted that the guidance is 3 months of the expenditure and the Board has modernised and restructured over a number of years resulting in the excess reserves.

The Finance Manager also noted that none of the capital schemes have been reduced and drain maintenance has been increased by 5.5%. Mr M Rollinson noted that he thinks schemes should be increased in order to complete things such as automatic weed screens, variable speed pumps and remote control at all pumping stations by doing a few a year.

The Chairman noted that the pumps are older technology and were designed to run for an hour and stop which contributes to such a high electricity bill. The Finance Manager noted that the availability of the electricity will be a substantial cost as that availability has to be paid for a following 12 months. The Chairman noted that there may not be electricity availability on the next 2-3 years due to the rapid closure of coal fire power stations.

1557 TO RECEIVE THE DRAFT 2019 VALUATION EMPLOYER RESULTS REPORT - Agenda Item 8

The Finance Manager explained that the report was confidential because Hymans Robertson didn't give permission for it to be public, however, these minutes can be public.

The Finance Manager presented the triennial valuation of the pension fund, pointing out that the deficit has been reduced from £1,917,000 to £746,000.

The Finance Manager next directed the committee to the proposal for employer contribution rates, stating that currently, as at 2019/20, the Board is paying 16.8% of all pensionable pay paid as the employers contribution in addition to a deficit payment of £98,000 for the unfunded liabilities.

The new proposal for this is to increase the employers contribution from 16.8% to 18.2% and an additional deficit payment of £62,000 rather than the current £98,000. With the current contributions, the Board is paying 31.4% and with the new proposed contribution it is 27%. The Finance Manager suggested that the new proposed figures be adopted. All AGREED.

Mr M Rollinson noted that there are less pensions being contributed to now than there were three years ago? The Finance Manager noted that there are some that are now deceased.

1558 ANY OTHER BUSINESS - Agenda Item 9

(a) MICK JOHNSON

It was noted that the former Foreman for Black Sluice IDB, Mick Johnson, passed away on the 22<sup>nd</sup> November 2019. It was noted that his funeral is on Wednesday 18<sup>th</sup> December at Boston Crematorium. The Chairman noted that he is away, Mr M Rollinson agreed to represent on his behalf.

(b) MEETING WITH IRELANDS FARM MACHINERY

The Chief Executive noted that on the 19<sup>th</sup> December 2019 a meeting is being held with Irelands Farm Machinery regarding the Spearhead Twiga machines.

The Chief Executive would like some agricultural members of the Board to be present and put some pressure on them that there is a need for a quick turn around time like there would be with agricultural equipment in times of need.

The Chief Executive will send a calendar diary request to Mr P Holmes and Mr M Rollinson, Mr J Fowler is not available to attend.

(c) STAFF TRAINING DAY

The Chief Executive stated that there will be a staff training day on Monday 23<sup>rd</sup> December followed by lunch. The Chief Executive invited the agricultural members of the committee to attend the training day and lunch.

The Chief Executive also noted that a bottle of champagne has been purchased, from the Chairman's fund, for each member of staff to share with their families for their hard work during the recent rainfall events.

Mr P Holmes and Mr M Rollinson will attend; Mr J Fowler is not able to attend.

(d) MINISTRY OF HOUSING, COMMUNITIES AND LOCAL GOVERNMENT MEETING

The Chief Executive informed the committee that he is attending a Ministry of Housing, Communities and Local Government meeting with the SLWP and LCC on the 10<sup>th</sup> December regarding funding for smart water measurement equipment. This will enable data such as water quality, rainfall gauges, soil moisture evaluations and the such likes. As part of the application for funding it has been asked if Black Sluice IDB will accept the position of catchment system operators for the catchment as part of the SLWP. Within this role there are five targets as follows:

- Increase the fluvial flooding resilience of the SFFD catchment
- To be in a position for the revenue returns for the sale of the resource (water) to offset the costs associated with additional flood resilience enhancement works
- The implementation the SLWP would have no detrimental impact on water quality, biodiversity or environmental impacts
- The SLWP concept would enable Black Sluice IDB to become more involved with main river control, irrigation and abstraction control and upper catchment management
- Black Sluice IDB is appointed and recognised as a SLWP catchment systems operator

The Chief Executive noted that he is also interviewing a potential candidate, using the EA grant, to complete an upper catchment study, which will help with the above work. This will also link in with the Board's goal to implement remote control pump systems, CCTV cameras, gauge boards etc.

(e) NFU MEETING - 11 FEBRUARY 2020

The Chief Executive informed the committee that on the 11<sup>th</sup> February 2020, a meeting is being held with the NFU representatives and members in relation to the recent flooding events, especially concerning the decommissioning of the Black Sluice Pumping Station (Boston).

It is the Chief Executive's idea to, rather than focus on the decommissioning, focus on completing the preliminary works for the receipt of emergency pumps if the gravity doors or sluices fail. This will include work around making sure the water can get from the catchment to the pumping station quickly enough. Mr J Fowler felt that the continuation of desilting will help this.

The Chief Executive will send out diary invitations to the agricultural members.



(f) CO-OPTED MEMBERS

Mr M Rollinson noted that, following the Joint Works Committee meeting, he approached Simeon Disley about becoming a co-opted member of the Southern Works Committee, however, he is not able to join due to a conflict of interest.

Another individual has been suggested; Richard Start of Starlode Drove, or Robbie Longstaff. It was clarified that an agricultural member of the Board can nominate anybody to be a member of the Board. It was further noted that Tom McFarlane, Nick Scantlebury and David Leverton could be other possible new co-opted members of the Works Committees.

(g) DESILTING OF THE SOUTH FORTY FOOT DRAIN

The Chief Executive informed the committee that the SFFD is currently in the next stage of bushing works. The Environment Agency (EA) want to carry out further tests regarding the silt in the next section of the drain.

Mr M Rollinson noted a bank top along the SFFD, where trees have been removed and has left very deep ruts. The Chief Executive responded that it will all be redressed. The North Forty Foot works will commence within the financial year, with desilting to commence September 2020.

(h) ADDITIONAL EXECUTIVE MEETING

The Chairman noted that an additional meeting is required to discuss the budgets in more detail; this will be held at 2pm on Thursday 23<sup>rd</sup> January 2020.

1559 CONFIDENTIAL - TO REVIEW SENIOR STAFF SALARIES - Agenda Item 10

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.

There being no further business the meeting closed at 15:45.