

BLACK SLUICE

INTERNAL DRAINAGE BOARD



Executive Meeting

Tuesday 17th May 2016 at 2pm

Station Road, Swineshead, Lincolnshire PE20 3PW

BLACK SLUICE INTERNAL DRAINAGE BOARD

I M Warsap
Chief Executive

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Our Ref: IMW/DPW/B10_1

Your Ref:

Date: 10th May 2016

To the Chairman and Members of the Executive Committee

Notice is hereby given that a Meeting of the Executive Committee will be held at the Offices of the Board on Tuesday, 17th May 2016 at 2pm at which your attendance is requested.



Chief Executive

AGENDA

1. Apologies for absence
2. Declarations of Interest
3. To receive and if correct sign the Minutes of the Executive Meeting held on 27th January 2016 (pages 1 -7)
4. Matters Arising.
5. To consider Period 12 Management Accounts (pages 8 - 10)
6. To receive 2015/16 Unaudited Financial Statements (seperate)
7. To receive the 2015/16 Internal Audit Report (pages 11 - 16)
8. To review and approve accounts of Bourne Fen Farm Account (pages 17 - 18)
 - a. Presentation from James Scott of Brewin Dolphin on Portfolio Management Options.
9. To consider the compensation claim of Wyberton Charities (pages 19 - 21)
10. To consider 9 day fortnight proposals (pages 22-25).
11. Any Other Business.

BLACK SLUICE INTERNAL DRAINAGE BOARD

MINUTES

of the proceedings of a meeting of the Executive Committee

held at the Offices of the Board on
27th January 2016 at 2pm

Members

Chairman - * Mr K C Casswell

* Cllr P Bedford	* Cllr M Brookes
* Mr J Fowler	* Mr P Holmes
* Mr M Rollinson	

* Member Present

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

876 APOLOGIES FOR ABSENCE

There were no apologies.

877 MINUTES OF THE LAST MEETING

Minutes of the last meeting held on 15th December 2015, copies of which had been circulated, were considered and it was agreed that they should be signed as a true record.

878 MATTERS ARISING

(a) Solar Panels - Minute No 870(c)

The Finance Manager reported that all the solar panels have been installed except Great Hale which will be installed once the new roof has been completed.

The solar panel budget forecast is detailed in the agenda papers. Mr Holmes asked if these figures were using the government's calculator. The Finance Manager responded that the forecast figures were using the government's calculator with an adjustment for actual income and maintenance to date for Swineshead pumping station and the office.

(b) Workforce - Minute No 875(f)

The Chief Executive stated that this report will be brought to the Executive meeting on 18th May 2016.

879 TO CONSIDER THE PERIOD 9 MANAGEMENT ACCOUNTS & FORECAST
- Agenda Item 4

The Finance Manager presented the period 9 management accounts and highlighted the following items:

- Debtors on the balance sheet refer to EA FDGiA £93,000 for Wyberton flood defence (£27,000 bought forward from 2014/15) and South Kesteven District Council (SKDC) maintenance £17,500.
- Investment of cash, the Finance Manager looked into alternative avenues all on the FCA register;
 - Aldermore Building Society 1.10% instant access, 1.25% 6 months, 1.90% 12 months
 - Nationwide Building Society 1.2% 12 months
 - Cooperative Bank 1.12% 12 months
- On track to collect all rates due, one case remaining at court on 7th March 2016 as reported at the Board meeting on 4th November 2015.
- Drain maintenance grant income will be spent before 31st March 2016 on graft drain scheme.
- Once tools and plant have been purchased rechargeable profit expected to reduce.
- Solar panel income and expenses are detailed in a spreadsheet as agreed. Great Hale due to delay will not be included in the higher FIT tariff.
- Included in the Administration and Establishment are the business rates arrears of £23,500.

The Executive Committee discussed the investment of surpluses to maximise any available interest income and RESOLVED to continue with the Monmouthshire Building Society on a 30 day access account and a further deposit of £300,000 with Cooperative Bank at 1.12% for 12 months. Aldermore was discounted as other companies in the group were not FCA regulated and we had tried investing with Nationwide in the past but they required 13 board members proof of ID.

The Finance Manager reported that he was still accruing electricity charges in pumping station maintenance due to the change over from Opus Energy to British Gas. Opus had installed smart meters at all of the pumping stations and British Gas had been experiencing problems transferring the meters to them. It has taken some time to sort out these bills and a further four pumping stations are still not receiving correct bills. This has caused a large amount of administrative time in processing hundreds of bills and credit notes. It was also highlighted that if an event had occurred at which higher energy use was required it would have been impossible to estimate the bills for inclusion in the Boards accounts.

The Executive Committee requested that the Finance Manager make a complaint to British Gas detailing the problems encountered.

880 TO CONSIDER THE 2016/17 BUDGET AND TEN YEAR ESTIMATES - Agenda Item 5

The Finance Manager explained that the recommendations for the budget have been produced based on the decision from the Executive Committee meeting on the 15th December 2015 that the penny rate be increased to 12.60p.

- **Penny Rate** - At a rate of 12.60p in the £ the projected estimated drainage rate income is £1,040,880 in 2016/17. The special levies for the councils are detailed below, all councils will be informed after the rate has been sealed at the Board meeting on 12th February 2016;

	<u>2015/16</u>	<u>2016/17</u>	<u>Increase</u>	
Boston Borough Council	£747,294	£754,591	£7,297	0.98%
South Holland District Council	£123,837	£125,930	£2,093	1.69%
South Kesteven District Council	£57,466	£58,018	£552	0.96%
North Kesteven District Council	£59,643	£60,514	£871	1.46%
	<u>£988,240</u>	<u>£999,053</u>	<u>£10,813</u>	<u>1.09%</u>

- **Investment interest** - Interest has been estimated at £5,000 for the year based on previous years.
- **Grants** - £204,000 Flood Defence Grant in Aid has been included and offset against capital works in 2016/17.
- **Development Fund** – No planned expenditure and a £5,000 administrative charge has been included.
- **Rental Income** - The Finance Manager stated that the EA have now moved out of the depot. Mr Holmes asked if the space could be utilised by another tenant. The Chief Executive responded that the proposal, in the future, was to add an additional gate and driveway enabling HGVs to exit through a one way system as turning around in the yard could be challenging.
- **Pumping Station Maintenance** - The budget has been maintained at £370,000 with 2% inflationary increases in the remaining estimates.
- **Drain Maintenance** - £700,000 has been included in the 2016/17 budget £400,000 for the summer cutting operations and £300,000 for the rest of the year on cleansing works.

The Chief Executive stated that they are looking at a structured programme of works for jetting and CCTV by a specialist firm which has been included at £15,000 per year in 2016/17 and 2017/18 with a rolling programme package secured for a number of weeks between both years.

- **Environmental Works** - The budget has been maintained at £30,000 for 2016/17.
- **EA Precept** – The Chief Executive attended the Regional Flood and Coastal Committee meeting. The Committee agreed to a zero per cent increase for 2016/17 (the rate has not been increased since 2009/10) but there may be a possibility of an increase in 2017/18.

- **Administration & Establishment**

- The Finance Manager stated that there is an increased cost in the admin budget of £6,000 for the additional payment of the superannuation deficit. The tri- annual valuation of the pension fund is due this year to set rates from 1st April 2017.
- Due to changes in the State Pension the “contracted out” rate will cease from 6th April 2016. The employers NI rate will increase from 10.4% to 13.8% which will result in an additional cost of £16,000.
- The Lincolnshire ADA Pay Advisory Committee has not yet confirmed the 2015/16 pay award. The Union believes that IDBs are not public sector funded and therefore are not restricted by the imposed 1%.
- The Finance Manager highlighted the change of collection times by Royal Mail which has resulted in having to pay for a collection service which costs approximately £800pa.
- The new virtual server back ups are encrypted with a 256 bit encryption. The Finance Manager informed the Committee that the main server due to its type cannot be encrypted therefore the main server will be retired with the email function moved to the cloud and the remaining services and data being moved to the virtual servers.
- The mapping system has not been upgraded or supported for approximately 6 years. Mapping is essential and integral to how we operate as a Board. A half price offer on the new version of Arc Map to include 7 licences will cost £5,768 with any new upgrades and support included for an annual fee of £2,408.
- **Wages On-Cost** - recharge rate maintained at 230% to maintain the reserve as low a positive balance as possible. The training budget has been inflated to levels in previous years as the low figure this year is falsely low due to time constraints.

The Finance Manager presented the Solar Panel Budget 2016/17 using the FIT tariffs and government calculator. This shows a long term return of 14.68%.

The Committee RESOLVED to recommend the 2016/17 budget to the Board.

881 TO CONSIDER THE PROPOSALS FOR THE PLANT ACCOUNT 2016/17 & EIGHT YEAR ESTIMATES AMENDMENTS - Agenda Item 6

The Chief Executive presented to the Committee proposals for the Plant account;

Twiga SPV2 - Witham Oil are producing biodegradable oil for a lower cost, this oil will be phased into all new and existing machines.

Mr Holmes asked could the environmental biodegradable oil be purchased using the environmental funds?

Hitachi ZX 210LC-5B v JCB JS-220LR - The two machines are comparable in dimensions and weights with a slightly larger fuel tank on the Hitachi. However there is a significant difference in the bucket digging force with the Hitachi being 46% greater than the JCB. The total cost difference is £7,650 with the Hitachi being the greater but due to the lower parts costs, lower servicing costs (once out of the 3 year warranty) and the significant difference in the higher residual value the Hitachi machine is being proposed to be purchased. The previous Hitachi machine the Board operated is testament to the above.

Disposal John Deere and JCB 220 – These machines have been kept one year longer than planned and it is recommended that they are sold as soon as possible or part exchanged with their respective dealers.

The Chief Executive recommends the balance is taken from the General Reserve at the end of the year and this is a worst case scenario if the plant is not recovered through recharges.

The Committee AGREED to the recommendation presented for the plant purchases 2016/17 in conjunction with the Eight Year Plant Plan agreed by the Executive Committee on 21st October 2015.

882 TO CONSIDER THE DEVELOPMENT CONSENT FEE ACCOUNT - Agenda Item 7

The Chief Executive asked the Committee for any suggestions for improving areas where developments have paid into this account. The Committee agreed to recommend that the £5,000 administration fund be maintained.

883 TO CONSIDER ESTIMATES FOR BOURNE FEN FARM ACCOUNT - Agenda Item 8

The Finance Manager presented his report which included an estimated value of the investments and cash for 2016/17. Brewin Dolphin valuation is very conservative and they try to maintain the investment at a similar level with a wide spread of shares and bonds.

The Committee RESOLVED that the rate alleviation for 2016/17 should be the same rate as 2015/16, which is 2.4p in the £.

884 TO RECEIVE A VERBAL UPDATE ON EA BLACK SLUICE PUBLIC CONSULTATION - Agenda Item 9

The Chief Executive stated that he had recently attended the Anglian Regional Flood & Coastal Committee (RFCC) at which the Environment Agency presented their consultation document which was well received.

884 Contd.....

The EA have sent a letter to land owners who attended the consultation process and he recommended that this letter be included with the rating brochure due to go out in April 2016. 884 Cont.....

The EA consultation document which arrived today is extensive and a full review has yet to be made. From his initial reading of the document,

- Full survey to identify raised bank low points, slit levels and defects on South Forty Foot Drain
- Funding available to raise low banks along the South Forty Foot Drain
- Historically maintenance has not been carried out, and they plan to catch up with this work
- Four employees are due to be trained to operate the Black Sluice pumping station pumps in conjunction with the Environment Agency

885 TO RECEIVE A VERBAL UPDATE ON BLACK SLUICE CATCHMENT STEERING GROUP - Agenda Item 10

The steering group has now been set up and Cllr Bedford has agreed to join as the representative from the Boston Borough Council. The first meeting is next week here at the Black Sluice offices. In the future the group could extend to incorporate other bodies ie Anglian Water, Network Rail.

This is a pilot scheme with a 2 year target to raise funds for the catchment. ADA, and the rest of the IDB community are watching with interest to see how it progresses.

886 REVIEW OF 2016 SALARIES - Agenda Item 11

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.

887 ANY OTHER BUSINESS - Agenda Item 12

(a) Boston Barrier

The Chief Executive reported that the Boston Barrier tidal project non – technical summary, environmental statement and technical reports have been released for consultation with any comments to be returned by 24th February 2016.

(b) Rating Brochure

The Chief Executive handed out a copy of last year's rating brochure asking the Committee for their ideas on what should be included this year. The Committee stated that it was a very good public relations forum for the Board. Suggestions included; screen shot of payment page from the website, EA consultation.

The Chief Executive left the meeting at this point.

(c) Chief Executive – Essential User Allowance

The Chief Executive has requested a review of his essential user allowance level that he is paid currently £2,147.

The Finance Manager outlined the historical essential user allowance system which was reviewed by the Pay and Advisory Committee and the rate was re-negotiated and divided into four bands and measures put in place to reduce the workforce's payments until the required band was reached.

The Committee discussed the request including that;

- The Chief Executive visits sites and pumping stations with access not suitable for cars. A vehicle with higher clearance and 4x4 capabilities is required.
- The Chief Executive job is largely relating to the operational side of the Board.

The Executive Committee RESOLVED to increase the Chief Executive's essential user allowance to the top of band D currently £3,900.

(d) Works Committee Inspections

The Chairman and Vice Chairman are invited to attend both of the Works Committee Inspections and the Chairman stated that it would be beneficial if all the Executive Committee members attended these inspections.

The Executive Committee AGREED and asked the Officer's to organise invitations.

There being no further business the meeting closed at 4:25pm.

Black Sluice Internal Drainage Board

Project Summary

2015/16

Period 12 - March 2016

	2015/16 Current Period	2015/16 Actual YTD	2015/16 Budget	Actual / Budget Variance	2015/16 Forecast	Actual / Forecast Variance	2014/15 Actual YTD	2014/15 Variance
Rates & Levies	1,257	2,022,498	2,031,497	(8,999)	2,022,727	(229)	1,994,799	27,699
Interest & Grants	288,937	294,608	5,004	289,604	5,948	288,660	578,525	(283,917)
Development Fund	75,941	75,940	5,000	70,940	5,000	70,940	5,000	70,940
Other Income	(13,011)	13,425	24,846	(11,421)	25,768	(12,343)	237,414	(223,989)
Rechargeable Profit	1,342	54,906	0	54,906	0	54,906	22,187	32,718
Solar Panel Income	14,140	15,697	0	15,697	0	15,697	0	15,697
Total Income	368,605	2,477,074	2,066,347	410,727	2,059,443	417,631	2,837,925	(360,851)
Schemes	278,181	372,986	115,000	(257,986)	98,974	(274,012)	566,319	193,333
Pumping Station Schemes	39,214	95,220	100,000	4,780	101,934	6,714	188,046	92,826
Pumping Station Maintenance	31,911	210,464	369,995	58,973	363,273	52,251	206,142	12,667
Electricity	17,509	100,558					117,547	18,636
Drain Maintenance	47,247	588,154	687,998	99,844	677,630	89,476	623,522	35,368
Environmental Schemes	24,500	36,904	30,006	(6,898)	29,921	(6,983)	15,797	(21,106)
Administration & Establishment	49,012	472,769	465,203	(7,566)	484,091	11,322	518,835	46,066
EA Precept	0	276,552	276,552	0	276,552	0	276,552	0
Solar Panel Expenses	9,245	112,930	0	(112,930)	0	(112,930)	0	(112,930)
Total Expenditure	496,819	2,266,537	2,044,754	(221,783)	2,032,375	(234,162)	2,512,760	264,859
Surplus / (Deficit)	(128,214)	210,536.85	21,593	188,944	27,068	183,469	325,165	(114,629)
Movement on reserves								
Development Reserve	(0)	0	0	0	0	0	0	0
Plant Reserve	146,244	0	0	(0)	0	(0)	0	(0)
Wages oncost Reserve	(42,148)	0	0	0	0	0	0	0
Surplus / (Deficit)	(232,309)	210,536	21,593	188,944	27,068	183,469	325,165	(114,628)

Black Sluice Internal Drainage Board
Income & Expenditure Summary
2015/16
Period 12 - March 2016

	2015/16	2014/15	Variance
Drainage Rates	1,034,258	1,023,319	10,939
Special Levies	988,240	971,479	16,760
Recoverable	227,207	186,956	40,251
Misc Income	386,095	821,877	(435,781)
Solar Panel Income	15,697	0	15,697
	2,651,498	3,003,631	(352,134)
Employment Costs	984,498	966,511	(17,987)
Property	222,479	257,480	35,001
General Expenses	204,215	195,945	(8,269)
Materials / Stock	133,514	101,212	(32,302)
Motor & Plant	177,752	204,172	26,420
Miscellaneous	957,991	562,396	(395,595)
Recharges	(652,923)	28,285	681,209
Plant	413,435	362,464	(50,971)
Total Expenditure	2,440,961	2,678,466	237,505
Net Surplus / (Deficit)	210,537	325,165	(114,629)

Black Sluice Internal Drainage Board

Balance Sheet at Period End

2015/16

Period 12 - March 2016

	<u>2015/16</u>		<u>2014/15</u>	
	£	£	£	£
Operational Land & Buildings Cost	739,350		737,739	
Pumping Stations Cost	3,861,354		3,861,354	
Non-operational Property Cost	130,000		90,000	
Vehicles, Plant & Machinery Cost	485,326		391,443	
Fixed Assets		5,216,030		5,080,536
Stock	35,899		38,027	
Debtors Cont	56,235		20,323	
VAT	15,214		81,953	
Grants Debtor	78,775		239,085	
Car Loans	21,000		8,000	
Prepayments	38,474		41,515	
Draw Acc	8,512		9,950	
Call Acc	314,219		314,242	
Petty Cash	128		211	
Rechargeable Work in Progress	1,663		17,257	
Natwest Government Procurement C	(307)		(694)	
Reserve Account	800,857		840,724	
Total Current Assets		1,367,988		1,610,642
Trade Creditors	(209,835)		(207,399)	
PAYE & NI Control Account	(14,325)		0	
Superannuation Contrl Account	(14,291)		(0)	
Union Subs Control Account	(124)		0	
AVC Control Account	0		0	
Accruals	0		(389,015)	
Attachment Orders Control Account	0		0	
Suspense	0		0	
Total Liabilities		(238,575)		(596,414)
Pension Liability		(2,973,000)		(3,264,000)
		3,372,443		2,830,764
Capital Outlay	5,216,031		5,080,536	
Pension Reserve	(2,973,000)		(3,264,000)	
Total Capital		2,243,031		1,816,536
General Reserve	669,501		344,335	
Development Reserve	92,405		142,316	
Plant Reserve	148,322		154,085	
Wage On-Cost Reserve	8,647		48,327	
Surplus/Deficit in Period	210,537		325,165	
Total Reserves		1,129,412		1,014,228
		3,372,443	0	2,830,764
<u>Cash & Bank Balances</u>				
Drawings Account		8,512		
Call Account		14,219	314,219	
Natwest Reserve Account @ 0.15%		800,857		
Petty Cash		128		
Chargecard		(307)		
Monmouthshire BS @ 1.10%		300,000	30 Day Notice	
		1,123,410		

GOWING INTERNAL AUDIT SERVICES LTD

ANNUAL INTERNAL AUDIT REPORT

**Black Sluice
Internal Drainage Board
April 2016**

INTERNAL AUDIT REPORT

1 EXECUTIVE SUMMARY

- 1.1 I have completed the 2015/16 internal audit of the Black Sluice Internal Drainage Board in accordance with the Public Sector Internal Audit Standards and with regard to the ADA Practitioners guide.
- 1.2 The statutory basis for internal audit in local authorities in England (which includes Drainage boards) is a specific requirement in the Accounts and Audit regulations which requires that the organisation must maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control.
- 1.3 The internal audit service is an assurance function that provides an independent and objective opinion to the organisation on the control environment by evaluating its effectiveness in achieving the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper economic, efficient and effective use of resources.
- 1.4 This audit included an implementation review of previous audit recommendations, review of any system changes, sample testing of 2015/16 transactions and provision of best practice advice gained through my audit of other IDBs. An audit of the Bourne Fen Farm Trust Fund has also been completed.
- 1.5 The main findings were:-
- all previously agreed recommendations have been implemented
 - well maintained and accurate records and transactions
 - in accordance with the code of conduct and to demonstrate good governance Board members are required to complete a registry of interests form and these are now fully up-to-date.
 - IT back-up has been reviewed and improved and will be further enhanced during the year
 - the Bourne Fen Farm Trust Fund recorded a surplus of £1,078 for the year ended 31 March 2015 with reserves of £231,029. The entries in the revenue account and balance sheet provided were supported by appropriate evidence.
 - there is a governance concern in respect of reports and if this continues the overall assurance level could reduce. There has been an internal review of staff pay by the Executive in each of the last two years but this is undertaken and reported by the Chief Executive and includes his own position, there is no independent check. For good governance the Chief Executive (and Finance Manager) withdraw from the meeting when this is discussed but there is no record in the Chief Executive's report or on file of his interest. Once discussed the meeting minute only records the decision. In the last two years the decisions have been contrary to the

recommendations but no justification or reasoning for this is recorded which is particularly important when one pay increase is agreed but others are rejected. A similar issue arose when the Chief Executive presented a report to the Executive on notice periods. The report quoted from statements made at the Audit and Risk Committee but these were not fully accurate although the recommendation was rejected

A detailed control test programme and results is available upon request.

- 1.6 Recommendations have been proposed, discussed and agreed with the Chairman, Chief Executive and Finance Manager. A management action plan is in Section 3.
- 1.7 An interim audit will be undertaken to ensure continued implementation of good controls.
- 1.8 It is my opinion that, in respect of the areas covered by this report I am pleased to provide **substantial assurance** on the system of controls.
- 1.9 I would like to place on record my thanks for the co-operation and assistance given by all staff during this audit.

David Gowing
Gowing Internal Audit Services Ltd.
May 2016

EVALUATION CRITERIA

Substantial Assurance	There is a sound system of control designed to achieve the system objectives and the controls are being consistently applied.
Adequate Assurance	While there is a basically sound system, there are weaknesses that put a minority of the system objectives at risk and/or there is evidence that the level of non-compliance with some of the controls may put a minority of the system objectives at risk.
Limited Assurance	Weaknesses in the system of controls are such as to put most or all of the system objectives at risk and/or the level of non-compliance puts most or all of the system objectives at risk.
No Assurance	Control is poor, leaving the system open to significant error or abuse and/or significant non-compliance with basic controls.

2 FINDINGS

2.1 The annual return for boards with annual income or expenditure under £6.5million requires internal audit to provide certification on the following ten key control objectives. Any comment or issue on an objective is noted below otherwise the objective can be considered to be fully met:-

a) Appropriate books of account have been properly kept throughout the year.

b) Financial Regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.

c) The Board assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

d) The annual rating requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

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

f) Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.

g) Salaries to employees and allowances to Board members were paid in accordance with Board approvals and PAYE and NI requirements were properly applied.

h) Asset and investment registers were complete and accurate and properly maintained.

i) Periodic and year-end bank reconciliations were properly carried out.

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

3 MANAGEMENT ACTION PLAN

This action plan has been fully discussed and agreed with management.

The priority is based on the following:-

Critical

A control failure that is critical to the organisation's aims and objectives. This will require immediate action by management.

High

A significant control weakness which is a significant risk to the service or organisation and is likely to lead to material loss or significant public criticism. This will require immediate action by management.

Medium

A control that undermines the effectiveness of internal control and may lead to some loss or some public criticism but does not represent a significant risk to the organisation. This will require prompt action by management.

Low

This might be important to the service but does not represent a significant risk for the service or organisation. This will require action by management but not necessarily immediate.

Recommendation	Priority	Management Comments	Responsibility for implementation and date
The Audit and Risk Committee to review and recommend to the Executive / Board how reports with quotes from other staff, members or external persons be approved.	H	The Chairman to arrange for the minute to be recorded if the officers have left the meeting. Matters to be discussed with the Chairman prior to the management being involved. Any quoted person should confirm any minute or report that they are quoted in before being published.	Chairman, immediately
The Board to consider an independent senior staff pay review rather than the current system.	H	Consider if we could work in partnership with Boston Borough Council to utilise their independent person paying them expenses to attend an annual Executive meeting.	Chairman, immediately
The reasoning for acceptance or rejection of report recommendations to be included in meeting minutes.	H	To ensure that in conjunction with the independent person the minutes are concise and accurate.	Chairman, immediately

Bourne Fen Farm Trust Fund

Revenue Account for Year Ended 31st March 2016

<i>Income</i>	2016	2015
	£	£
Investment Income	13,543	14,676
 <i>Expenditure</i>		
Contribution to Rates	9,242	9,242
Bank Charges	74	72
Contribution to Administration	4,307	4,284
	13,623	13,598
Surplus	(80)	1,078

Balance Sheet as at 31st March 2016

<i>Capital Assets</i>	<i>Note</i>	2016	2015
Investments	A	312,100	324,373
 <i>Current Assets</i>			
Bank Account		8,899	9,007
Debtors		1,797	1,769
		10,696	10,776
 <i>Current Assets</i>			
Creditors		0	0
Net Current Assets		322,796	335,149
 <i>Fund Balances & Reserves</i>			
Revaluation Reserve		213,037	225,310
Capital Fund		104,120	104,120
Revenue Reserve		5,639	5,719
		322,796	335,149
Reserves		322,796	335,149

The above represents a trust fund which was vested in the Black Sluice IDB to fund rate alleviations to the rate payers in the area of Bourne North Fen.

Bourne Fen Farm Trust Fund

Valuation By Brewin Dolphin Stockbrokers

NOTE A

	2016	2016	2015	2015
	% of	% of		
Analysis By Sector	Value	Value	Value £	Value £
UK Equities	35.02	35.67	109,306	115,700
Overseas Equities	23.74	22.28	74,103	72,258
Qualifying Corporate Bonds	18.98	19.12	59,251	62,019
UK Government Securities	9.16	8.90	28,580	28,877
Fixed Interest	7.78	8.08	24,290	26,213
Private Equity	3.68	3.20	11,491	10,382
Property	1.63	1.64	5,079	5,313
Cash	0.00	1.11	0	3,611
TOTALS	100.00	100.00	312,100	324,373

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE – 17th May 2016

AGENDA ITEM No 9

Compensation Claim by Wyberton United Charities

Following the construction of the Princess Royal Sports Arena in Wyberton Fen the Board recognised the need to offer improved land drainage to the area. Through 2004 the Board negotiated with Wyberton United Charities regarding maintenance adoption of the watercourse, and from the Board minutes of 7th July 2004 *“the Trust are not in favour of the Board taking over responsibility for this stretch of drain”* The Trust were concerned about the future problems a 9.0 metre Bye-Law could affect future land sales. The Trustees were informed, by letter dated 26th January 2005, that the Board had taken over future maintenance of the watercourse and the powers of The Land Drainage Act 1991 will apply.

The Trustees are now negotiating the sale of the land and have approached the Board referring to a letter dated 5th April 2004 from Stuart Hemmings where amongst other items it states; *“Would it be possible for the Board to buy a 9.0 metre strip from the Trustees to ensure that if the land is developed at any time in the future there is no conflict. The Board would allow your tenant to continue to farm this land along with the rest of the field.”* The Trustees are stating the developers requirement to secure the entire site would mean applying for consent to fence up to the drain top (which the Board would refuse) or to their boundary 9 metres away from the bank top.

A meeting was convened between two of the trustees of the charities and four members of the executive committee and it was agreed to relax the 9 metre byelaw to 6 metres using the powers delegated to the Northern Works Chairman. This was confirmed in writing to Wyberton United Charities including details of the Land Loss payment claimed by the occupier of the land at the time in relation to the widening of the drain and confirming that no agreement could be found in relation to buying the land.

Following receipt of this letter Mr Chester, on behalf of Wyberton United Charities, requested a further meeting with the Board Chairman and vice-chairman, who were unable to attend the first meeting. At this meeting Mr Chester presented a letter from Wyberton United Charities to the Board requesting that we did not pay any compensation to them. A reply referencing this letter, some months later, stated that as per Section 14 Paragraph 5 of the Land Drainage Act 1991;

Where injury is sustained by any person by reason of the exercise by a drainage board or local authority of any of their powers under this section, the board or authority shall be liable to make full compensation to the injured person.

The letter went on to say;

At the present time the Charities have not lost any income as a result of the Board's actions. If the Charities at some time in the future gain permission to develop this area of land then I accept that the Act does not preclude them from making a claim if they consider that the Board's actions have reduced the value of the land.

A Land Loss claim form was sent to the occupier of the land as is standard practice requesting details of the person that owned the land so that a payment could be made for the area lost due to the widening of the drain and this was returned and claimed by the occupier.

Mr Chester, on behalf of the Wyberton United Charities, is requesting that in light of the land loss being paid in March 2008, all be it to the occupier, after the Charities had requested it not to be that the Board re-visit the amount paid in light of the increased value the land is potentially going to be sold at. It is the charities opinion that due to the Board's adoption of this drain there is an increased injury to the charities. £247.07 was paid in March 2008 at a rate of £8,154 per Hectare. Mr Chester believes that the rate should be at £30,000 per Acre and the Board should pay the difference now.

0.749 Acres at £30,000	= £2,247.00
Less amount paid	= £ 247.07
Additional Claim	= £1,999.93

Board Minutes for reference

Northern Works Committee Meeting – 11th March 2004

1104 DRAIN 12/5 BETWEEN FEN ROAD AND THE ENDEAVOUR PARK

The Chief Executive reported that a letter had been sent to Larrington Trailers stating that the Board proposed to take over a length of drain north of their factory site.

Larrington's had stated that they had no objections providing that if in the future they wish to erect further buildings they could place these to the current building line. It was agreed that this was acceptable.

It was RESOLVED to recommend that the Board should take over responsibility for this stretch of the drain.

Board Meeting – 7th July 2004

7 MATTERS ARISING

a) Drain 12/5 between Fen Road and the Endeavour Park – Minute No. 1104

Negotiations had taken place with the Trust that owns Mr Emerson's land alongside this drain, and they were not in favour of the Board taking over responsibility for this stretch of drain at the present time.

Northern Works Committee – 10th March 2005

97 MATTERS ARISING

d) Drain 12/5 – Endeavour Park, Boardsides – Minute No. 21k

The Chief Executive reported that he had had discussions with the Chairman and Secretary of Wyberton United Charities about the Board taking over future maintenance of the above drain, and the issue of the possible future development alongside the drain.

Northern Works Committee – 9th March 2006

198 MATTERS ARISING

c) Drain 12/5 – Endeavour Park, Boardsides – Minute No. 97(d)

The Chief Executive informed members that the tenant of the field alongside the length of drain that had been adopted had informed him that the watercourse had been included in his farms ELS scheme. Therefore the Board would be restricted on the timing of the cutting of this section of drain until the ELS scheme was reviewed.

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE – 17th May 2016

AGENDA ITEM No 10

Nine Day Fortnight Proposals

Introduction

In many industries, a more flexible approach to working hours has been developed, including government and the local authority sector within which the Board lies. Following the recent change from weekly pay to monthly pay for the operational workforce, a request to consider a 9 day fortnight was received. A straw poll verdict amongst the workforce was positive, finding that in principle it was a good idea and any such proposal should be considered by the Board. The proposal being investigated is that the Board should consider adoption of a 9 day working fortnight, having every second Friday, (the 10th day), off.

Present situation

Currently all fulltime employees of the Board work 10 days per fortnight consisting of 5 days working Monday to Friday, with regular working hours during these 10 days. The operational workforce work a 38 hour week, consisting of 76 hours during the current 10 day period as follows;

Current Workforce Hours

	Start	Finish	Lunch	Hours Worked
Mon	07:30	15:45	00:30	07:45
Tue	07:30	15:45	00:30	07:45
Wed	07:30	15:45	00:30	07:45
Thu	07:30	15:45	00:30	07:45
Fri	07:30	15:00	00:30	07:00
Mon	07:30	15:45	00:30	07:45
Tue	07:30	15:45	00:30	07:45
Wed	07:30	15:45	00:30	07:45
Thu	07:30	15:45	00:30	07:45
Fri	07:30	15:00	00:30	07:00
Total			76 hours	

The office staff work a 37 hour week, consisting of 74 hours during the current 10 day period as follows:

Current Office Hours

	Start	Finish	Lunch	Hours Worked
Mon	08:45	17:15	01:00	07:30
Tue	08:45	17:15	01:00	07:30
Wed	08:45	17:15	01:00	07:30
Thu	08:45	17:00	01:00	07:15
Fri	08:45	17:00	01:00	07:15
Mon	08:45	17:15	01:00	07:30
Tue	08:45	17:15	01:00	07:30
Wed	08:45	17:15	01:00	07:30
Thu	08:45	17:00	01:00	07:15
Fri	08:45	17:00	01:00	07:15
Total			74 hours	

What the management team want to achieve

To increase the working hours over the 9 day period to account for the hours normally worked on the second Friday (10th day). The operational workforce and office staff have different working hours and therefore there are different proposals to achieve the working hours within the 9 days.

Operational workforce 76 hours/9 days proposal

	Start	Finish	Lunch	Hours Worked
Mon	07:15	16:15	00:30	08:30
Tue	07:15	16:15	00:30	08:30
Wed	07:15	16:15	00:30	08:30
Thu	07:15	16:15	00:30	08:30
Fri	07:15	15:45	00:30	08:00
Mon	07:15	16:15	00:30	08:30
Tue	07:15	16:15	00:30	08:30
Wed	07:15	16:15	00:30	08:30
Thu	07:15	16:15	00:30	08:30
Fri				
Total			76 hours	

Office staff 74 hours/9 days proposal

Flexible working hours agreed and controlled by line manager with 50:50 split on Friday's off. Should a member of staff decide not to adopt the new working hours then they will remain on their current working hours with a consistent 37 hours per week.

If all the office staff wished to switch to the new working hours then the overall picture could have the following people working on Friday's each week;

Friday Week 1	Friday Week 2
Workmen (inc. fitter)	Kev (Assistant Pump Engineer)
Sean (Operations Supervisor)	Paul (Operations Manager)
Ian (Chief Executive)	Daniel (Finance Manager)
Sue (Finance Supervisor)	Amy (Finance Assistant)
Joe (Technical Engineer)	Andy (Planning & Enforcement)
Jill (Admin Assistant)	Jill (Admin Assistant)

Colin (Pump Engineer) and Diana (Admin Assistant) do not work Fridays.

Benefits and Detriments to the Board

The 9 day fortnight is a subject which has been discussed, but the merits of which have not been investigated or proposed. A 9 day fortnight would mean a change in the working patterns for staff and workforce of Black Sluice IDB from 10 days to 9 days per fortnight having every other Friday off. The additional hours being spread over the 9 days to accommodate this, therefore being no reduction in hours or working time during the period.

Benefits	Detriments
A fit, motivated and productive workforce who do their jobs well.	Only half the staff in each Friday.
The concept of work life balance is that if people could improve the balance between the demands of their work and the demands of their home life they would be more satisfied at work and therefore be more productive. For example when British Telecom chose to allow their staff to have flexible hours, their productivity increased by 30%.	No workforce in alternate Fridays but opportunities for overtime.
Will facilitate medical appointments being undertaken on the alternate Friday they are off, rather than during what would normally be work time. Less time lost during working hours.	
Helps to reduce stress and anxiety for staff, giving them time to carry out domestic tasks without having to seek permission for leave.	
Makes staff feel valued because it shows that managers are considering their needs.	
Helps promote diversity by taking into account people's differing lifestyles and commitments	
Saving in travelling to and from site on alternate Fridays.	
Shorter unproductive Friday afternoons will be abolished.	
Machines can be serviced on the Friday's the workmen are not in increasing productivity.	

The following comments have been received from other people on operating a nine day fortnight;

"I understand that, initially, the workforce was split in 2 to ensure there was always a presence on site, but this proved un-workable as the Supervisor never got the day off so the decision was taken to put everyone on the same work pattern.

It has been in operation a number of years now with no adverse operational affects. During the busy part of the summer works season [July – October] the 'Friday off' and Saturday mornings are worked as required and this time is paid as overtime. The effect is 'cost neutral' as the basic day is longer [07:00 – 16:00] so less overtime is worked with a 06:00 start and 18:00 cut-off time. The number of basic hours and overtime hours worked, works out the same as a 10 day fortnight; it is just the pattern of these hours that alters. The day off is no different to a Saturday or Sunday and should we need someone in, we ring around those available and call someone in, although thankfully this has been on rare occasions recently; we don't have anyone on 'standby'.

To introduce such a working pattern we would discuss any changes with the workforce and propose working hours that met the business needs [that's a given!] and then promote the benefits of alternative 3 day weekends compared with having to get up earlier, or work a little later, on the other 9 days." (Martin Shilling Witham 3rd IDB)

Originally the Office staff at Manby started with the 9 day fortnight of which I did not have any involvement in implementing. The way the Direct Labour Operatives, (DLO) work is as follows:

76 hours are worked over a two week period, of which 8.5 hours are worked each day except the Friday of the 1st week in which 8 hours are worked. The Friday of the second week is deemed as the tenth day in which no one is in work. If the need arose where men were required to work or were on a training course on the tenth day then they would have to take the hours off sometime the following week by mutual agreement. Neither Standby nor Call Out is paid on the 10th day in normal working hours. In weedcutting season the Friday, (Original 10th day), is worked at time and half and the Saturday is not worked. The only difference in working arrangements between the DLO and the office staff at Manby is that the office staff are split into two teams i.e half in work one Friday and the other half in work the following Friday. (Neville Campling Lindsey Marsh IDB)

"The 9 day fortnight reduces the 'odd days' off sick, helps to create a better work life balance and also lifts the morale of the workforce."(Tony May Cope Health and Safety Consultant)

Recommendations of the officers

It is the recommendation of the officers that the proposals for the 9 day fortnight be pursued, following the approval of the Executive Committee, with the following actions being undertaken;

1. Send this report to all employee's for consultation for four weeks starting 18th May 2016. Request all responses, to be kept confidential, by the latest 14th June 2016 indicating whether they are in favour or otherwise with any comments they wish to make.
2. All comments and vote count will be presented to the Board at the meeting on 15th June for a final decision.
3. Assuming a positive decision this will be implemented from the commencement of the cutting season on Monday 18th July allowing a 4 week notice of a change in working hours to be issued to employees.

Black Sluice Internal Drainage Board

Unaudited Financial Statements

For The Year Ended 31st March 2016

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Black Sluice Internal Drainage Board - Members

Elected Members		Electoral District
Mr K C Casswell	Chairman - Board	E
	Chairman - Executive Committee	
Mr P Holmes	Vice Chairman - Board	G
	Chairman - Northern Works	
	Chairman - Environment Committee	
Mr M Rollinson	Chairman - Southern Works	F
Mr J Fowler	Chairman - Bridges & Culverts	G
Mr W Ash		D
Mr J F Atkinson		D
Mr V A Barker		C
Mr R Leggott		A
Mr P Robinson		B
Mr N Scott		B
Mr J R Wray		E

Members Appointed by District Councils

Boston Borough Council	
Mr M Brookes	Chairman - Audit & Risk Committee
Mr R Austin	
Mr P Bedford	
Mr C Brotherton	
Mrs C Rylott	
Mr P Skinner	
Mr N Welton	

South Holland District Council	
Mr R Clark	

South Kesteven District Council	
Mr R Russell	

North Kesteven District Council	
Mrs J Harrison	

Senior Officers	
Mr Ian Warsap Bsc. C Eng	Chief Executive Officer
Mr Daniel Withnall MCGI MInstLM FMAAT	Finance Manager

ANNUAL REPORT

Introduction

The Black Sluice Internal Drainage Board is an independent body created under land drainage statutes responsible for flood risk, land drainage and water level management works, other than on main rivers, in the Black Sluice IDB area. Board Members are either elected by and represent the occupiers of land in the area or are nominated by the District Councils in the Board's area. The Board consists of 11 elected members and 10 nominated members. Further details are on page 3.

The Board secures income mainly from drainage levies on farmers and other occupiers and from special levies on local authorities. The Board also pays levies to the Environment Agency to fund works on main rivers that protect the drainage district.

This document is the statement of Accounts of Black Sluice IDB for the financial year ending 31st March 2016, set out on pages 6 to 14. The accounts consist of:

The Annual Governance Statement

The system of internal control is designed to manage the risk to a reasonable level, the IDB's statement details how this is achieved.

The Statement of Responsibilities

This statement identifies the officer who is responsible for the proper administration of the Board's financial affairs.

The Statement of Accounting Policies

This statement details the legislation and source of accounting principles on which the financial statements are prepared.

The Income and Expenditure Account

This statement summarises the resources that have been generated and consumed in providing services and managing the IDB during the last year.

The Balance Sheet

This statement is fundamental to the understanding of the Board's financial position at the year end. It shows the balances and reserves at the Board's disposal and the fixed and net current assets employed in its operation, together with summarised information on the fixed assets held. The statement also includes assets and liabilities of the Board.

Notes to the Accounts

The notes relating to the statements above are detailed after the core statements.

THE ANNUAL GOVERNANCE STATEMENT

We acknowledge as the Members of the Black Sluice Internal Drainage Board our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31st March 2016, that:

	Agreed - Yes or No	Yes' means that the board:
1 We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting systems.	Yes	prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	Yes	made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3 We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and proper practices that could have a significant financial effect on the ability of this smaller authority to conduct its business or on its finances.	Yes	has only done things that it has the legal power to do and has complied with proper practices in doing so.
4 We provided proper opportunity during the year for exercise of electors rights in accordance with the requirements of the Accounts and Audit Regulations.	Yes	during the year has given all persons interested the opportunity to inspect and ask questions about the authority's accounts.
5 We carried out an assessment of the risks facing the Board and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	Yes	considered the financial and other risks it faces and has dealt with them properly.
6 We maintained throughout the year an adequate and effective system of internal audit of the board's accounting records and control systems.	Yes	arranged for a competent person, independent of the board's financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7 We took appropriate action on all matters raised in the reports from internal and external audit.	Yes	responded to matters brought to its attention by internal and external audit.
8 We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after year-end, have a financial impact on this smaller authority and, where appropriate have included them in the accounting statements.	Yes	disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.

This annual governance statement is approved by the body and recorded as minute reference dated 15th June 2016.

Signed on behalf of Black Sluice Internal Drainage Board.

.....
Mr Keith Casswell
Chairman
15th June 2016

.....
Mr Daniel Withnall
Finance Manager
15th June 2016

THE STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

The Board is required:

- a) to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Board, that officer is the Finance Manager.
- b) to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The Finance Manager's Responsibilities

The Finance Manager is responsible for the preparation of the Board's Statement of Accounts which is required to present a true and fair view of the financial position of the Board at the accounting date and its income and expenditure for the year ended 31st March 2016.

In preparing this statement of accounts, the Finance Manager has:-

- a) selected suitable accounting policies and then applied them consistently,
- b) made judgement and estimates that were reasonable and prudent,
- c) compiled the accounts in accordance with UK Generally Accepted Accounting Practices,
- d) applied the accounting concept of a 'going concern' by assuming that the IDB will continue to operate for the foreseeable future.

The Finance Manager has also:-

- a) kept proper accounting records which were up to date;
- b) taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certificate of the Finance Manager

These Financial Statements present a true and fair view of the financial position of the Board at 31st March 2016 and its income and expenditure for the year then ended.

.....
Mr Daniel Withnall
15th June 2016

Certificate of the Chairman of the Board

I confirm that these accounts have been approved by the Black Sluice Internal Drainage Board at a meeting held on the 15th June 2016.

.....
Mr Keith Casswell
15th June 2016

STATEMENT OF ACCOUNTING POLICIES

1. General

These accounts have been prepared in accordance with the following accounting concepts:- Accruals, Relevance, Consistency, Reliability, Comparability, Understandability, Materiality and Going Concern.

2. Fixed Assets

Fixed assets are recognised as expenditure on acquisition, creation or enhancements with a value in excess of £5,000 and a useful life in excess of one year.

Fixed assets are valued on the following basis:-

- a) Land is included at historic cost.
- b) Operational Buildings are included in the balance sheet at valuation. The Offices and Depot were valued on 31st March 2016 by Mr Robert J Hurst FRICS FAAV, Chartered Surveyor, at market value. It is the Boards intention to value Operational Buildings at an open market value every five years and not depreciate in the intervening years.
- c) Pumping Stations were valued on 31st March 2009 by Mr JW Castley FRICS FAAV, Chartered Surveyor, at open market valuation. It is the Boards intention to value Pumping Stations at an open market value every ten years and not depreciate in the intervening years.
- d) Non - Operational Property is included in the balance sheet at market value. It was valued on 31st March 2016 by Mr Robert J Hurst FRICS FAAV, Chartered Surveyor, at market value. It is the Boards intention to value non-operational property at an open market value every five years and not depreciate in the intervening years.
- e) Vehicles, Plant & Equipment are included at cost less depreciation.

Disposals are written off at cost less depreciation. Any surplus/deficit arising is charged/credited to the appropriate reserve.

Depreciation has been provided on a straight line basis, on motor vehicles and equipment, excavators and plant, computers, office equipment with a purchase cost in excess of £5,000.

Plant & Vehicles	7 Years
Equipment	4 Years

3. Income

Income includes drainage rates on local agricultural land and buildings, special levies on district/borough councils, recharged works, government grants, rental income and interest on investments. Where applicable, this is net of Value Added Tax and is recognised when the Board has a right to receive the income.

4. Expenditure

Expenditure is included on an accruals basis.

5. Stock & Work in Progress

Stocks and work in progress are stated at the lower of cost or net realisable value.

6. Government Grants and Contributions

Government grants and contributions have been credited to the income and expenditure account on an accruals basis. Government grants used for the acquisition of fixed assets have been deducted from the purchase price of the asset.

7. Provisions

The Board sets aside provisions where there is a definite liability, but the amount and timing of settlement is not known. Details are given as notes to the accounting statements.

8. Pensions

The Board paid an employers contribution of £193,851 on employees pensionable pay into the Lincolnshire County Council pension fund

9. Discontinued Operations

The Board had no material operations which it acquired or which were discontinued in the year and therefore no separate disclosure is required in respect of the Income and Expenditure account and balance sheet accounts.

10. Internal Interest

Interest is allocated to the Income and Expenditure Account, Development Fund, Plant Fund and Wages Oncost Fund based on the average level of their balances.

Black Sluice Internal Drainage Board Income and Expenditure Account For Year Ended 31st March 2016

	Note	2015/16	2014/15
Income		£	£
Drainage Rates		1,034,258	1,023,319
Special Levies on Councils	1	988,240	971,479
DEFRA Grants	2	290,123	574,000
Income from Rechargeable Works		227,207	186,956
Development Reserve Contribution		75,940	5,000
Sundry Income	3	18,557	224,969
Rental Income		10,565	12,445
Interest		4,485	4,525
		2,649,375	3,002,693
Expenditure			
Drain Maintenance		588,154	623,522
Asset Refurbishments	4	468,206	801,120
Administration Costs		324,740	305,718
Pumping Stations		311,022	323,689
Environment Agency Precept		276,552	276,552
Cost of Rechargeable Works		172,302	164,769
Establishment Charges		167,729	60,477
Depot Costs		59,871	70,405
Environmental Schemes		36,904	15,797
Miscellaneous Charges		33,359	35,479
		2,438,839	2,677,528
Surplus / (Deficit)		210,536	325,165

Black Sluice Internal Drainage Board Balance Sheet as at 31st March 2016

	Note	2015/16	2014/15
Fixed Assets			
Pumping Stations		3,861,354	3,861,354
Land & Buildings		739,350	737,739
Vehicles, Plant & Equipment		485,326	391,443
Non Operational Assets		130,000	90,000
	8	5,216,030	5,080,536
Current Assets			
Stock		35,898	38,027
Debtors & Prepayments	9	208,680	408,182
Cash at bank & in hand	10	1,123,410	1,164,433
		1,367,988	1,610,642
Current Liabilities			
Creditors	11	(238,575)	(596,414)
Net Current Assets		1,129,413	1,014,228
Liability related to defined pension scheme		(2,973,000)	(3,264,000)
Total Assets less Liabilities		3,372,443	2,830,764
Capital Reserve		5,216,031	5,080,536
Pension Reserve		(2,973,000)	(3,264,000)
		2,243,031	1,816,536
Revenue Reserve		880,038	669,500
Development Reserve		92,405	142,316
Plant Reserve		148,322	154,085
Wages Oncost Reserve		8,647	48,327
		1,129,412	1,014,228
	12	3,372,443	2,830,764

Mr K Casswell
Chairman
15th June 2016

Mr DJ Withnall
Finance Manager
15th June 2016

Black Sluice Internal Drainage Board

Notes to the Accounts

	2015/16	2014/15
	£	£
1 Special Levies		
Boston Borough Council	747,294	734,008
South Holland District Council	123,837	122,051
North Kesteven District Council	59,643	56,637
South Kesteven District Council	57,466	58,783
	988,240	971,479

	2015/16	2014/15
	£	£
2 Government Grants received from Defra		
<i>Horbling Fen Weedscreen Cleaner</i>	17,050	
<i>Graft Drain Improvements</i>	182,298	
<i>Maltings Lane Pipework</i>	9,000	
<i>NFF Drain revetments</i>	3,000	
<i>Wyberton Catchment Works</i>	78,775	
Graft Drain Improvements		22,000
Swineshead Culverts - Phase 1		10,000
Wyberton Catchment Improvements		459,000
Sempringham Fen PS - Weedscreen Cleaner		8,000
Kirton Meeres Long Culvert		2,000
Eel Passes - Chain Bridge & Cooks Lock		73,000
	290,123	574,000

	2015/16	2014/15
	£	£
3 Sundry Income		
Sundry Income	2,860	24,969
Solar Income	15,697	0
Sale of Carlton Road Offices	0	200,000
	18,557	224,969

	2015/16	2014/15
	£	£
4 Asset Refurbishments		
Drain Asset Improvements	372,986	613,074
Pumping Station Refurbishments	95,220	188,046
	468,206	801,120

5 Remuneration

The table below shows the number of employees whose remuneration was greater than £50,000:

	2015/16	2014/15
Band £		
60,000 to 69,999	1	1
	1	1

6 Audit Fees

	2015/16	2014/15
	£	Restated £
Fees paid to the Board's External Auditor	2,400	2,800

Black Sluice Internal Drainage Board

Notes to the Accounts

8 Tangible Fixed Assets

	Land & Operational Buildings £	Pumping Stations £	Non Operational Property £	Vehicles, Plant & Equipment £	Total £
Cost					
Opening Balance	737,739	3,861,354	90,000	1,223,671	5,912,764
Additions	0	0	0	258,337	258,337
Disposals	0	0	0	(318,169)	(318,169)
Revaluation	1,611	0	40,000	0	41,611
As at 31st March 2016	739,350	3,861,354	130,000	1,163,839	5,894,543
Depreciation					
Opening Balance	0	0	0	(832,228)	(832,228)
Disposals	0	0	0	286,032	286,032
Charge for year	0	0	0	(132,317)	(132,317)
As at 31st March 2016	0	0	0	(678,513)	(678,513)
Net Book Value					
As at 31st March 2015	737,739	3,861,354	90,000	391,443	5,080,536
As at 31st March 2016	739,350	3,861,354	130,000	485,326	5,216,030

9 Debtors & Payment in Advance

	2014/15 £	2014/15 £
Grants Debtor	78,775	239,085
HM Revenue & Customs (VAT)	15,214	81,953
Prepayments	38,474	41,515
Trade Debtors	53,918	20,323
Officers Car Loans	21,000	8,000
Rechargeable Work in Progress	1,663	17,257
Drainage Rate Debtors	(364)	49
	208,680	408,182

10 Cash at Bank & in hand

	2014/15 £	2014/15 £
Bank Deposits	1,123,282	1,164,222
Petty Cash	128	211
	1,123,410	1,164,433

11 Creditors

	2014/15 £	2014/15 £
Trade Creditors	209,835	207,399
Accruals	0	389,015
PAYE & NI Control Account	14,325	0
Superannuation Control Account	14,291	0
Union Subs Control Account	124	0
	238,575	596,414

12 Reserves

	Balance 31/03/2015	Additions in Year	Withdrawals in year	Balance 31/03/2015
Capital Reserve	5,080,536	267,812	(132,317)	5,216,031
Pension Reserve	(3,264,000)	291,000		(2,973,000)
Revenue Reserve	669,500	210,538		880,038
Development Reserve	142,316	27,488	(77,399)	92,405
Plant Reserve	154,085	252,574	(258,337)	148,322
Wages Oncost Reserve	48,327	303	(39,983)	8,647
	2,830,764	1,049,715	(508,036)	3,372,443

Development Reserve- The Board makes a one off charge to developers to allow an increase in flow into the Board's drainage system. These charges are kept in the Development Fund and used to fund future improvements to the Board's drainage system to accommodate these additional flows.

Plant Reserve - The Plant Fund generates income internally throughout the year from all works carried out using the Board's plant. Offset against this income are all the expenses related to the plant and the fund is built up to replace the plant items when required. The depreciation is also charged to this account.

Wages Oncost Reserve - The Wages Oncost Fund generates income internally throughout the year from all work using the Board's Labour. Offset against this income are all the expenses related to employing the workforce.