

BLACK SLUICE INTERNAL DRAINAGE BOARD

MINUTES

of the proceedings of a Meeting of the Board
held at the Offices of the Board on Tuesday
25th January 2011 at 2:30pm

Members

Chairman - * Mr M J Scott

* Mr W Ash	* Cllr R Austin
* Mr J F Atkinson	* Cllr P Bedford
* Mr V A Barker	* Cllr J Blaylock
Mr K C Casswell	Cllr M Brookes
Mr J Fowler	* Cllr D Dickinson
* Mr F W C Holmes	* Cllr R Dungworth
* Mr R Leggott	Cllr A Puttick
* Mr P Robinson	* Cllr B Russell
Mr M Rollinson	* Cllr R Singleton-McGuire
* Mr J R Wray	Cllr D Witts

* Member Present

In attendance: Mr S M Hemmings (Chief Executive)
Mr D Withnall (Finance Officer)
Mr I Warsap (Operations Manager)

The Chairman welcomed Cllr Richard Dungworth on joining the Board and to his first meeting.

The Chairman presented an award to Mr Mick Johnson with thanks from the Board for his 50 years service.

911 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Mr K C Casswell, Mr J Fowler, Mr M Rollinson, Cllr M Brookes and Cllr D Witts.

912 **MINUTES OF LAST BOARD MEETING**

The Minutes of the last Meeting of the Board held on 3rd November 2010, copies of which had been circulated, were signed by the Chairman as a true record.

It was RESOLVED that the Minutes should be received and adopted.

913 **DECLARATION OF INTEREST**

There were no Declarations of Interest other than those held on record.

914 MATTERS ARISING

(a) Boston 200 Exhibition - Minute No 860(c)

Cllr R Austin expressed his thanks the Board for all their support at the Boston 200 Exhibition which was very successful.

(b) Control of Badgers – Minute No 858(b)

Mr Leggott stated that he had brought up the matter at the recent ADA Executive Meeting and the Chief Executive of ADA promised to raise the matter at the next meeting of the ADA Technical Committee.

(c) Dovehirm Drain – Minute No 864(b)

The Chief Executive reported that the carting away of soil had not been carried out due to the adverse weather conditions, and it is now due to be undertaken in April. Some complaints had been received with regard to the height of the spoil heaps, therefore it was levelled off and the residents are now happy. The Chief Executive stated that the purchase of the land from Pinchbeck Parish Council was proceeding.

(d) Culvert Wyberton West Road, Drain 5/9 – Minute No 866(a)

The Chief Executive reported that the reconstruction of the culvert has been scheduled for February and the Allotment Group were happy with the Board's proposals.

(e) Fishing Areas on North Forty Foot Drain – Minute No 866(b)

The Chief Executive stated that the work on the fishing platforms has now been completed.

(f) Frampton Towns Drain – Minute No 866(c)

The Chief Executive presented slides on the completed works at the Frampton Towns Drain. The EA are very pleased with the outcome.

(g) Spoil alongside Drain 6/20 at Wyberton Low Road – Minute 866(e)

The Chief Executive reported that he and Cllr R Austin attended a meeting with the Boston Borough Council Enforcement Officer, who explained the Council's position. Notice has now been served on [REDACTED] and the owners of the land requiring the spoil to be removed within 6 months. The Board has arrangements in place for the spoil to be carted away at no cost to the Board, except for loading, and this work is due to be carried out in April or May.

915 MINUTES OF THE EXECUTIVE COMMITTEE MEETING

The Chairman presented the minutes of a meeting held on 3rd November 2010 copies of which had been circulated. There were no matters arising.

It was RESOLVED that the Minutes should be received and adopted.

916 MINUTES OF THE EXECUTIVE COMMITTEE MEETING

The Chairman presented the minutes of the last meeting held on 11th January 2011 copies of which had been circulated.

It was RESOLVED that the Minutes should be received and adopted.

917 MATTERS ARISING

(a) Period 7 Management Accounts – Minute No 880(c)

The Chairman explained that the Executive Committee had received a report from the Finance Officer on the collection of drainage rates, which included the viability of offering the facility of payment by direct debit, and the timetable for the collection of the rates. This report was tabled at the meeting.

The Finance Officer reported that the Executive Committee had agreed with the conclusion in the report that any direct debit facility would be an expense to the Board and would be detrimental to cash flow. He reported that the Executive Committee had recommended that new terms of payment for the collection of drainage rates should be brought in from April 2012. The proposed timetable for collection and recovery of Drainage rates is as follows:

Early April	Rate Demand sent out.
End of May	Copy invoice reminder sent to outstanding rate payers
End of June	1 st Letter to chase payment
End of July	2 nd Letter informing Court date set.
End of August	Request Summons from Magistrates Court and send to Rate payer
September	Attend Court to obtain distress warrants and instruct bailiffs

It was also agreed that the matter should be explained in the next rating brochure and by a letter in Autumn 2011 to all rate payers.

The Board AGREED to the new timescale for collection of rates.

(b) Proposed Crop Loss Payments for 2011/12 – Minute No 887

The Chief Executive reported that the Executive Committee had received a report on payments for crop loss and recommended these should be approved.

A number of Members considered that the rate for Oilseed Rape and Wheat should be higher. The Board discussed this at length and it was AGREED to increase the rate to £550 for summer operations.

The following rates that would be paid for operations carried out between July 2011 and April 2012 were AGREED by the Board.

Compensation during Summer Roding operations

Wheat & Oilseed Rape	£550 per acre or £1,359 per hectare
Potatoes	£2,750 per acre or £6,800 per hectare.
Sugar Beet	£620 per acre or £1,530 per hectare.
Cabbage	£1,250 per acre or £3,089 per hectare.
Brussel Sprouts	£1,500 per acre or £3,706 per hectare.

Compensation for Winter Cleansing

All crops	£506 per acre or £1,250 per hectare
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(c) Office move to Swineshead – Minute No 889

The Chief Executive reported that Neil Dowlman Architects had completed initial plans for the provision of offices at the depot, copies of which had been placed on the tables for Members to view. Four building contractors have been asked to provide a quotation for the building works by the end of February. It is the intention to arrange a special meeting of the Board in April to discuss how the project should proceed.

A question was raised with regard to whether or not the proposal to build office accommodation for the EA was proceeding, and the Chief Executive responded that at the present time the EA were not intending to require additional facilities at Swineshead. He confirmed he would contact the EA to confirm the latest position.

(d) Solar Panels – Minute No 890(c)

The Chief Executive updated the Board with regard to the proposal to install solar panels at pumping stations. He stated that the power from the solar panels would not be sufficient to run pumps. It was AGREED that the Chief Executive should continue to look into the possibilities.

918 MINUTES OF THE AUDIT & RISK COMMITTEE

In the absence of Cllr M Brookes, Mr R Leggott presented the minutes of the last meeting held on 12th January 2011 copies of which had been circulated.

It was RESOLVED that the Minutes should be received and adopted.

919 MATTERS ARISING

(a) Insurance Policy - Board Members Insurance – Minute No 894(f)

The Chief Executive reported that Mr P Ingleby (NFU Mutual) had explained that under the Group Personal Insurance the policy covered Board Members under 65 years of age. Board Members over the age of 65 years should be named on the Policy to be covered. It was agreed that details of dates of birth would be incorporated in the next round of Declaration of Interest forms.

(b) Risk Management Strategy – Minute No 895

The Chief Executive reported that this Strategy has been reviewed by the Audit & Risk Committee and the Board. He stated that the Audit & Risk Committee had agreed to his recommendation that a Risk Register only should be reviewed at every meeting. This was tabled at the meeting and the Chief Executive stated that he would discuss this with the Internal Auditor and if the format is acceptable it should be reviewed at each meeting.

The Board APPROVED the draft Risk Management Register.

(c) Investment Policy – Minute No 897

The Finance Officer reported that Tullett Prebon had sent a copy of the rating list for companies recommended for investment, but that all were for investments of £1 million and above. He recommended that the Board's policy should be to invest in UK organisations recommended in the FSA approved register. The Board AGREED.

The Board APPROVED the Investment Policy.

(d) Number of Members of Audit & Risk Committee – Minute No 900

The recommendation of the Executive Committee to invite an additional member from each of the Southern and Northern Works Committee's to join the Audit & Risk Committee was AGREED.

920 PERIOD 9 MANAGEMENT ACCOUNTS AND FORECAST – Agenda Item 5

The Finance Officer presented the Period 9 Management accounts to the Board highlighting the following points:

- The last accounts reported to the Executive Committee were Period 7 accounts and overall the Board was £156,000 favourable against budget. This has reduced to £107,000 favourable at the end of period 9 as anticipated.
- The income profile has changed very little and collection of rates is still as expected.
- Savings continue to be made in pumping station maintenance attributable mainly to savings in electricity.
- All except four Pumping Stations are now fitted with smart meters and this has greatly assisted with more accurate billing.
- The remaining four Pumping Stations should have smart meters fitted before the end of the financial year.
- Drain Maintenance continues to be showing a large saving but these savings against budget are expected to reduce over the final quarter of the year due to an increased amount of work planned compared to 2010 as will be detailed in the engineers report.
- The Operations Manager's salary and associated costs have been re-allocated to administration costs from the wages on-cost account as instructed at the previous meeting of this committee.
- This adjustment has had a positive impact on the Wages on-cost account which is now in line with budget and should only require a small adjustment to the reserve at year end.
- The Plant recharge account is now in line with budget and expected to generate £100,000 by the year end.
- **Forecast** - If the increases in Drain Maintenance can be achieved in the final quarter it is expected that the Board will be approximately £27,000 favourable against budget at year end.

921 ENGINEERS REPORT – Agenda Item 6

The Operations Manager presented his report to the Board copies of which had been circulated.

The expenditure proposed for the period to 31st March 2011 was AGREED.

922 2011/12 BUDGET AND FIVE & TEN YEAR ESTIMATES - Agenda Item 7

The Finance Officer presented the 2011/12 budget and five year estimates copies of which had been circulated. He stated that the Executive Committee had agreed in November 2010 that the budget should be produced on the basis of not increasing the penny rate in 2011/12.

- **Penny Rate** - The rate therefore has been maintained at 12.15p in the £ with increases of 0.10p in 2012/13 and 0.25p for the following 3 years.
- **Development Reserve** - Due to the reduced movement in the development reserve it is recommended that the Administration charge should be reduced to £5,000 in 2010/11 onwards. It was set at £10,000 for 2009/10 and was £16,000 prior to this.
- **Investment interest** is not expected to increase by any exceptional amount in 2011/12 and has therefore been maintained at its current level of about £12,000.
- **Drain Asset Schemes** – proposals for next year will be considered by Works Committees in March 2011.
- **Pumping Station Schemes** – steel doors have now been fitted to Helpringham and Pinchbeck, with three further to be undertaken before year end. Installation of weedscreen cleaning machines at Kirton Marsh, Horbling Fen and Sempringham Pumping Station are proposed over the next five years.
- **Pumping Station Maintenance** overall has been included at £348,000 with £135,000 of this being allowed for Electricity.
- **Drain Maintenance** – The budget for Drain Maintenance overall has been calculated based upon the 2010/11 forecast with an adjustment for the Operations Manager's employment costs being made.
- **The Routine Machine and Hand maintenance** headings have been inflated in the final 3 months to allow for the additional work planned in the final quarter as detailed in the engineers report.
- **Spraying** has been increased to allow for inflation to a figure of £7,000.
- **Jetting** has been increased to allow for inflation to a figure of £30,000
- **Environmental Works** – has been maintained at the 2010/11 level.

- **Administration & Establishment** – A detailed breakdown of costs are included on page 26 of the papers. Items to highlight are;
 - Increase in Audit Fee's by £2,000 (there may be savings due to the demise of the Use of Resources part of the Audit)
 - Computer costs under administration increased for new Proactive support contract.
 - Equipment includes rolling computer replacement programme and phase 2 of the IT move to the depot.
 - Depot costs are all comparative to 2010/11 actuals which includes £15,000 savings compared to the previous year.
- **EA Precept** – The Regional Flood Defence Committee have approved a proposal that the EA precept will remain at the same level in 2011/12.
- **Wages On-Cost** – The Wages on-cost rate has been reduced to 240% from 250% in 2010/11. This is to allow for the Operations Manager and Foreman no longer being charged to this account. Based on Period Nine's management accounts the adjustment required at year end should withdraw less from the wages on-cost reserve leaving a higher balance to carry over to next year.
- **Revenue Reserve** - It is recommended in the Practitioners guide that a General reserve of 3 to 12 months expenditure is maintained.
 - Capital Expenditure of £120,000 has been allowed for in 2011/12 with £250,000 being allowed for the sale of Carlton Road in 2013/14.
 - In the intervening period the balances would drop as low as 18.87% (£385,000) in 2012/13.
 - The balance of the reserve at the end of 2015/16 based on these assumptions would be £561,378. (26.07%) of Expenditure.

A long discussion took place on the budgets, particularly with respect to the difficulties Boston Borough Council were experiencing following the reduction of the rate support grant. Cllr Blaylock considered that both Boston Boards should be reducing their income and expenditure in the current climate.

The Chairman responded by reminding everyone how the Black Sluice rate had over the last ten years not increased at the same rate as inflation, and therefore the Board had reduced its costs in this period. He stated that the Executive Committee had accepted the budgets, and recommended it should be accepted.

Cllr Dungworth proposed that an alternative budget should be approved with a 10% reduction in the drainage rate. This proposal did not receive a seconder.

The Chairman then asked members to vote on the proposed budget, with a rate of 12.15p in the £ for 2011/12. Ten members voted for the proposition, three voted against and there was one abstention.

922 Cont.....

Mr V Barker proposed a vote of confidence in the Board in putting forward what he believed was a decrease in the rate when inflation is taken into account. This was seconded by Mr Atkinson.

It was RESOLVED that the 2011/12 Budget and the 5 Year Estimates should be received and adopted.

923 INCOME AND EXPENDITURE ACCOUNTS – Agenda Item 8

(a) Bourne Fen Farm

The Finance Officer presented a report which had been circulated. It showed the expected income and expenditure and levels of balances of the account. It was AGREED the level of rate alleviation should remain the same at 2.4p in the £ in 2011/12.

(b) Development Consent Fee Account

The Finance Officer presented a report which had been circulated. The income continued to be low in comparison to previous years due to developers being encouraged to use sustainable urban drainage systems rather than discharge into the drainage system. In line with the proposal it was AGREED that the administration charge should be reduced to £5,000 for 2011/12.

Mr R Leggott requested that a report should be produced detailing the level of income to the development account over the last 5 years.

(c) Plant Replacement Fund

The Operations Manager presented a slide presentation along with the report which had been circulated to the Board. He outlined the difficulties of the Board's older Claas tractor (05 model) which has experienced problems with the front PTO. The recommendation was to purchase a new Energreen fitted with a front and side flailmower for approximately £150,000 .

It was RESOLVED that the Operations Manager should proceed and the Chairman and Vice Chairman were given power to approve the final purchase.

924 POLICY ITEMS – Agenda Item 9

(a) 2011/12 Business Plan

The Chief Executive presented the 2011/12 Business Plan, which had been circulated. He stated that the Executive Committee had recommended that it should be adopted with the following amendment:

Page 51 “under board main objectives,” supervision of all Board’s watercourses except main rivers”

The Chief Executive confirmed that the Plan will be placed on the Black Sluice website. It was RESOLVED that the 2011/12 Business Plan be received and adopted.

(b) Risk Register

It was RESOLVED that the Policy be received and adopted.

(c) Procurement Policy

It was RESOLVED that the Policy be received and adopted.

925 REPORT ON FINANCE, ADMINISTRATION AND RATING – Agenda Item 10

The Finance Officer presented his report to the Board. It was RESOLVED that the Report be received and adopted.

(a) Bad Debts

The Finance Officer reported that the Chief Executive has approved the following bad debts to be written off and the following actions be included in the accounts of the Board for the year ending 31st March 2011.

- (i) [REDACTED] (3298)
Bankrupt – no realisable assets

The Board AGREED to write off this account in the sum of £98.11 as a bad debt.

- (ii) [REDACTED] (3305)
Bankrupt – no realisable assets

The Board AGREED to write off this account in the sum of £36.03 as a bad debt.

- (iii) [REDACTED] (2288)
Bankrupt – no realisable assets

The Board AGREED to write off this account in the sum of £9.12 as a bad debt.

925 (a) Cont.....

(iv) [REDACTED] (2676)

The residential property has been let. An application for the large sheds has been made to BBC for “change of use” then the entire value will therefore be transferred to special levy.

The Board AGREED to write off this account in the sum of £5.59 as a bad debt.

(b) Rating Valuation

The Board AGREED to the revaluation of the following rating accounts and Determination Notices should be sent to the occupiers giving details of the proposed changes in valuation and the appeals period. The new values will be effective from 1st April 2011:

Reference Number	Occupier and Location of Revaluation	Description	Existing Valuation	Proposed Valuation
2282/24010023	[REDACTED] South Kyme	Free range poultry Site (Add x 5 Additional Units)	£36,598	£47,362
2330/19010108	[REDACTED] Heckington Fen	Poultry unit (Additional unit on 34.45 acres)	£4,350	£14,663
2330/19010029	[REDACTED] Heckington Fen	Reduce land value for new poultry Unit	£5,806	£4,435
2330/19010104	[REDACTED] Heckington Fen	Reduce land value for new poultry Unit	£356	Nil
2851/02010196	[REDACTED] Windy Ridge Veg Kirton Holme	Glasshouse, buildings & land (54.61 acres)	£4,096	£17,706
01010008	[REDACTED]	Land + 12%	£159	£178
02010294	[REDACTED]	Land + 12%	£ 86	£ 96
09010153	[REDACTED]	Land + 12%	£249	£279
3367/12010024	[REDACTED] Streetway Wyberton	Glasshouse & Nursery	£138	£914
3460/57010032	[REDACTED] White Cross Lane Scredington	Glasshouse & Nursery	£47	£805

926 CHIEF EXECUTIVE REPORT – Agenda Item 11

The Chief Executive presented an overview of the meetings attended on behalf of the Board.

Fens Waterways Lincs Workshop – the Chief Executive and Mr Barker had attended this Workshop where they had been informed that the present study to propose a preferred route from Donington to Surfleet would now not be finalised at the present time.

Total Environmental – this initiative by the current Government has requested Lincolnshire County Council to produce a report on how funds for flood management in Lincolnshire can be combined to produce greater outcomes.

927 REPORTS – Agenda Item 12

(a) Monthly Accounts – Agenda Item 12(a)

The Board's monthly accounts which included October 2010 – December 2010, copies of which had been circulated. These were AGREED.

(b) Schedule of Consents – Agenda Item 12(b)

Schedule of consents for Bye-Law Relaxations, Culvert Consents, Development Contributions and Tile Drainage Consents issued from November 2010 – December 2010 were presented, copies of which had been circulated. These were AGREED.

(c) Rainfall – Agenda Item 12(c)

The rainfall figures at Swineshead and Black Hole Drove were presented, copies of which had been circulated. The Chief Executive reported that the daily rainfall amounts were now available on the Black Sluice website.

928 AUTHORISE TO SEAL THE RATE FOR 2011/12

It was RESOLVED that the Chairman and Chief Executive be authorised to seal the Drainage Rates and Special Levies for the year 2011/12 as follows:

(a) Drainage Rates

	<u>Estimated Amount</u> <u>Drainage Rates</u> <u>Payable</u>
Sub-District No 1 being so much of the said Internal Drainage District as: Comprises the area of the Borough of Boston as constituted and in existence immediately before 1 st April 1974	6.075p
Sub-District No 2 – Being the remainder of the Internal Drainage District	12.150p
	£999,062.30 (51.10%)

925 Cont.....

(b) Special Levies

Borough of Boston	£722,448.60	
South Holland District Council	£119,669.36	
North Kesteven District Council	£58,065.82	
South Kesteven District Council	£55,946.25	
		<hr/>
		£956,130.03
		(48.90%)

929 ANY OTHER BUSINESS – Agenda Item 14

(a) ADA Executive

Mr R Leggott presented the minutes of the ADA Executive held in Peterborough in January 2011.

There being no further business the meeting closed at 4:45pm.