

# MEETING OF THE RESOURCES POLICY DEVELOPMENT GROUP

THURSDAY, 8 OCTOBER 2015 2.00 PM



## 6. INTERNAL DRAINAGE BOARDS

The Chairman welcomed Steve Larter, the Finance Officer for the Upper Witham Internal Drainage Board (IDB). The Upper Witham IDB was one of 13 drainage boards operating in Lincolnshire and one of three boards to which South Kesteven District Council paid a levy. In introducing his presentation, Mr Larter explained that while they remained separate entities with separate boards, the Upper Witham, Witham First and Witham Third IDBs were jointly administered. While each IDB had separate budgets, issued separate levies and had its own plant and machinery, they shared a Chief Executive, Director of Operations, engineering function, GIS and Environmental Services, consents and enforcement and finance and administration.

The Environment Agency was responsible for maintaining main rivers while IDBs were primarily responsible for maintaining smaller dykes and watercourses that mainly ran across agricultural land.

Members were informed that when IDBs were created, their main priority was draining low-lying land so that it could be used for agriculture however the remit had since widened to include water level management, environmental duties, reducing flood risk for people and communities, water level management associated with renewable energy supply and transport and utilities, and running pumping stations.

IDBs comprised a combination of elected members who were levy-paying landowners within the drainage board area and representatives appointed by those district councils that paid levies to the IDB. While the majority of members that sat on the Witham First board were elected, appointed members held a majority on both the Witham First and the Upper Witham IDBs.

The role of members of the IDB was:

- Acting in the best interests of the Board
- Setting policy, direction and strategy
- Ensuring the smooth running of the board
- Challenging and scrutinising
- Approving the Budget, 'penny rates' accounts, annual returns, plant/machinery programme and write-offs

- Approving which watercourses to maintain

The PDG was then shown examples of the plant and equipment that was required for IDBs to carry out their work, the cost of that equipment and its life expectancy. Mr. Larter explained that where possible, the IDBs tried to 'sweat' their assets, prolonging their useful life.

While Lincolnshire County Council was the lead local flood authority, members were advised that the IDB undertook consent and enforcement work on its behalf.

There were also environmental duties under which IDBs had to operate. Specific reference was made to recent EU legislation that required eel and fish friendly provisions to provide safe passage through or bypassing pumps. Of specific concern for IDBs was the impact of the additional cost of these measures on new and replacement pumping stations.

A brief overview was given of the income and expenditure headlines of the IDBs' budgets together with an explanation of on drainage rates and the way in which they were calculated. The IDB was required to pay an annual precept to the Environment Agency, which for the Upper Witham area equated to approximately 15% of the board's outgoings.

While the different elements that made up the individual budgets for the three IDBs varied in proportionality, members were advised that the majority of funding for the Upper Witham IDB was raised through special levies with a discretionary payment for highland water forming a significant component. This payment was made to the drainage board by the Environment Agency in respect of highland water, which was water that had run off high ground and was pumped through watercourses and pumping stations that were the responsibility of the IDB. The possibility of the withdrawal of this payment was a key risk to the IDB's funding.

Members of the PDG were particularly interested in the similarities between the work undertaken by the Environment Agency and the IDBs. It was suggested that the relationship between the bodies could be confusing for members of the public and as functions were duplicated with each body using its own plant, equipment and engineers, less efficient than if all watercourses were maintained by a single body.

Having noted the savings made through the joint administration of the Upper Witham, Witham First and Witham Third IDBs, the PDG also suggested that a more streamlined system of drainage boards would lead to more efficient services. Members were mindful of the total sum of £700k which South Kesteven District Council paid through levies to the three boards within its area. Of particular concern to members were the additional levies local authorities were required to pay as land passed from agricultural land to other land. Members made specific reference to a number of recent applications for solar

farms on agricultural land, which would constitute a change of use that transferred the drainage levy on that land to the district council.

Members were interested in whether the IDB could access national funding in the case of a major emergency. IDBs were not eligible to apply for funding through the Bellwin Scheme, however they would channel their costs through the relevant district council, which would claim on their behalf.

The suggestion was made that there might be opportunities for district councils to work more closely with IDBs, with specific reference being made to the collection of levies and identifying relevant landowners for billing purposes.

IDBs could apply for Environment Agency funding for capital schemes to prevent flooding. In assessing those applications, greater weighting was placed on protecting developed land rather than agricultural land. This meant partnership-based funding models were becoming increasingly prevalent, including contributions from the drainage board and the relevant county, district and parish councils. Members were mindful of a scheme that would be coming forward for Westborough and the additional financial commitment that would be required to support such schemes in the future

Discussion progressed to the IDB's 5-year plant and machinery programme. There had been significant recent investment in equipment for the Upper Witham IDB to get it to standard but ordinarily purchases would be smoothed, with one or two major pieces of equipment being purchased each year.

The Chairman thanked Mr Larter for attending the meeting and presenting to members of the PDG.

# MEETING OF THE RESOURCES POLICY DEVELOPMENT GROUP

FRIDAY, 20 MAY 2016      2.00 PM



## 7. INTERNAL DRAINAGE BOARDS

Representatives from the Upper Witham and the Welland and Deeping Internal Drainage Board (IDB) were welcomed to the meeting. Jane Froggatt the Chief Executive of the Upper Witham IDB and its Director of Operations and Engineering, Martin Shilling began by giving a presentation. They showed the area covered by the Upper Witham, Witham First and Witham Third IDBs which all worked together and summarised some of the key work undertaken by drainage boards, including benefits provided by operational and engineering services.

Core work carried out by Upper Witham IDB included: maintenance, repair, operation of pumping stations, water level management, investigation of flood and drainage problems, the delivery of the Consents and Enforcements Service on behalf of Lincolnshire County Council, flood alleviation and environmental enhancements. The IDB also worked closely with district councils providing comments on planning applications and pre-application advice.

The presentation also included the estimated income and expenditure of the Upper Witham IDB during 2016/17, information on drainage rates and examples of the work carried out by the IDB during 2015/16. Examples were given of areas where efficiencies had been achieved, including the one team of officers supporting three IDBs and the potential for a fourth to be added from April 2017. Efficiencies had also been made in relation to procurement and adjusting working practices. There were also a number of Public Sector Co-operation Agreements in place which meant that the IDB carried out work on behalf of other public bodies without having to tender or utilising machinery whilst in an area carrying out IDB work.

A number of future pressures were highlighted including ageing infrastructure, the Environment Agency withdrawing from permissive powers to undertake maintenance of some main rivers, weather, fly-tipping, withdrawal of the highland water discretionary payment and the impact of the economic climate on funding partners.

The Chief Executive of the Welland and Deeping Internal Drainage Board, Karen Daft, followed with a brief presentation. She showed the area covered by

the Welland and Deepings IDB and those partners situated closest. The board covered 32,434 hectares including 631km of watercourse and 24km of pipeline. It was also responsible for 14 pumping stations, 3 tidal sluices and in excess of 70 water control structures. Members were then shown examples of some of the maintenance and improvement works that had been undertaken.

Challenges going forward were similar to those faced by the Upper Witham IDB.

Members were given the opportunity to ask questions of each of the internal drainage boards. Some discussion ensued which included budgeting. The boards set that it had been historically difficult for them to budget in the medium to long-term as settlements were agreed only on an annual basis. Changes were afoot that would provide for a 5-year funding announcement which would facilitate more medium term planning.

The PDG asked questions about the practicalities of running pumping stations and the amount of use plant had. Comparisons were drawn with water management and drainage provision in other European countries.

The calculation of drainage levies was mentioned and members queried, as South Kesteven District Council paid levies to three IDBs, whether there was the potential to achieve savings by them joining together. Reference was made to the importance of local knowledge and the joint working undertaken with neighbouring clusters of IDBs, which were more alike.

Members asked whether there were opportunities for the drainage boards to take on new work however anything they did undertake had to be permitted within the Land Drainage Act else Ministerial approval was required. Work undertaken under the public sector co-operation agreement had helped split overheads but had not generated any income as work had to be charged on a cost recovery basis. Members also queried the likelihood of any efficiency savings being reflected in future levy requirements.

The role of internal drainage boards in the preparation of local plans was the subject of discussion. It was noted that while, on occasion, the drainage board might object to a proposed allocation site in principle, they would work with the local authority and developers to identify ways they can reduce or mitigate the risk of flooding.

The representatives from the two drainage boards were thanked for their attendance and the time they had taken to answer members' questions.