MANEA & WELNEY DISTRICT DRAINAGE COMMISSIONERS

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Administered by:

13th December 2023

Dear Board Members

Upcoming meeting of the Commissioners
Wednesday 10th January 2024

Please find overleaf the agenda for the meeting of the Commissioners to be hosted at the Lamb & Flag, Welney PE14 9RB at 11.30am on Wednesday 10th January 2024, following the Finance meeting (9:45am).

Finance Committee meeting – 9.45am
Meeting of Commissioners – 11.30am
Lunch – 1pm

PLEASE NOTE THAT THIS AGENDA INCLUDES CONFIDENTIAL PAPERS. APART FROM THE COPY RETAINED WITH THE CONFIDENTIAL MINUTES THEY WILL BE DESTROYED FOLLOWING THE MEETING AND MEMBERS ARE REMINDED THAT THEY MUST NOT BE DISCUSSED WITH ANYONE OTHER THAN A BOARD MEMBER.

AFTER THE MEETING PLEASE DESTROY YOUR COPY OF THE PAPERS OR RETURN THEM TO THE OFFICE TO BE DESTROYED.

As you'll be aware, we administer thirty Boards that mostly all meet within similar date ranges. Thank you to the majority of Members who already confirm their attendance proactively.

Please help us manage your Board effectively by **proactively letting Polly know as soon as possible, by telephone or email, if you can attend the meeting, or not, or if you're uncertain.** This results in less abortive time and cost to the running of all Boards.

It is important that we have early confirmation whether or not the Board will be quorate.

Yours truly

P BURROWS, FCIWEM C.WEM CEnv

Clerk to the Board

MANEA & WELNEY DISTRICT DRAINAGE COMMISSIONERS

Wednesday 10th January 2024 – 11.30 to 13.00

Lamb & Flag, Welney PE14 9RB

Agenda:

Item No	*Topic*	*Format*	*Lead*
1	Welcome & apologies	Verbal	Chair
2	Declarations of Interest	Verbal	Chair
3	Minutes of last meeting and matters arising	Pages 3 - 10	Chair
4	Constitution & Membership • Attendance • Vacancies & appointments • Composition and amalgamations • Training	Pages 11 - 13	Clerk
5	Governance • Internal Controls • Risk Assessment • IDB1 • Exercise of Public Rights • Banking	Pages 14 - 23	Clerk
6	Clerk's Report	Pages 24 - 28	Clerk
7	Environment Officer's Report	Verbal	Clerk
8	Consulting Engineer's Reports, including: • Capital Programme & FCRM Grant-In-Aid	Enc 1	Clerk or Engineer
9	Health & Safety – Next Visit due on 15th February 2024	Verbal	Chair
10	District Superintendent's Report inc maintenance works	Pages 29 - 31	DO
11	Finance Report: looking back • Finance Officer's Review • Payments 2022/23 • Annual Account & Annual return for 2022/23 • To consider the comments of the Auditors and Internal Audit Report for the year ended 31st March 2023. • Budget Monitoring & Highland Water Contributions from the Environment Agency	Pages 32 - 33 Pages 34 - 38 Pages 39 - 49	Clerk
12	Finance Report: looking forward • Finance Officer's summary • Fees, remuneration and subscriptions • Developer contributions (Confidential) • Precept to the Environment Agency • Estimates for 2024/25 • Rate & Special Levy Requirements 2024/25	Page 50 Page 51	Clerk
13	Date of Next Meeting	Verbal	Chair
14	Any other business	Verbal	Chair

MANEA AND WELNEY DISTRICT DRAINAGE COMMISSIONERS

At a Meeting of the Manea and Welney District Drainage Commissioners
hosted at the Lamb & Flag, Welney on Thursday 8th June 2023

PRESENT

J E Heading Esq (Chairman)
R M C Sears Esq (Vice Chairman)
N Cook Esq
Cllr C J Crofts Esq
M D R Fairey Esq
J H Hawes Esq
P D Hawes Esq
M E Heading Esq
Cllr C Marks Esq
Mrs A J Morris

Mr Robert Hill (representing the Clerk to the Commissioners) and Mrs Nicola Oldfield (Chief Engineer) were in attendance.

Apologies for absence

Apologies for absence were received from, C M Barnes Esq, R Gladwin Esq, N V M Walker Esq and C W Sears Esq.

C.992 Declarations of Interest

Mr Hill reminded Members of the importance of declaring an interest in any matter included in today's agenda that involved or was likely to affect any individual on the Board.

The Chairman and Mr M Heading declared an interest in the planning applications (MLC refs. 573,579 & 594) received form A & E G heading.

Mr R Sears declared an interest in the planning application (MLC ref. 663) received from Sear's Brothers Ltd 1978 RBS.

The Chairman, Mr M Heading and Cllr Crofts declared interests (as members of Middle Level Board) in the payments made to and any matters concerning the Middle Level Commissioners.

The Chairman declared an interest (as a Director) in the payments made to and any matters concerning the Association of Drainage Authorities.

Cllr Crofts declared interests (as a member of Upwell IDB) in the payments made to and any matters concerning Upwell IDB.

C.993 Confirmation of Minutes

RESOLVED

That the Minutes of the Meeting of the Commissioners held on 8th February 2023 are recorded correctly and that they be confirmed and signed

C.994 Member Training Update

Mr Hill reported on the training undertaken by Members in the past year.

RESOLVED

> The link for training to be re-sent for those members who had not yet completed the training.

C.995 Joint Maintenance of the Old Croft River – Upwell IDB - Overhanging Trees – Copes Hill Farm

Further to minute C.965, Mr Hill referred to the works carried out last year and that the further tree clearance works and slubbing had now been completed and the final costs had been included in the year-end accounts as had been previously agreed.

The Chairman reported that there had been a long-standing arrangement to split the costs for the maintenance of the Old Croft River 50/50 with Upwell IDB and that he considered that it was important that a formal agreement be drawn up to clearly set out both parties responsibilities concerning the maintenance of the river.

Mr Hill reported that following the initial draft agreement raised, the Clerk had now refined this further and was in the process of liaising with the Chairmen of both Boards to finalise the agreement.

The Chairman reported that he also considered it important to formally agree the apportionment of development contributions for those discharging directly to the watercourse and the contribution should be payable to the Board which the development area is within.

RESOLVED

> That the Chairman be authorised to discuss these matters further with the Chairman of Upwell IDB and the Clerk to finalise a formal agreement between Manea & Welney DDC and Upwell IDB for the Joint Maintenance of the Old Croft River and to clearly define how development contributions discharging into the Old Croft River would be apportioned.

C.996 Ouse Washes - Section 10 Newsletter & Ouse Washes Update

Further to minute C.966, Mr Hill referred to the Newsletter from the Environment Agency dated March 2023.

C.997 Clerk's Report

The Clerk advised:-

i) Annual Flood & Water Conference 2023

Invitation to ADA Flood & Water Conference 2023

Tuesday 21 November 2023 | 11:00 – 17:00 | One Great George Street, London, SW1P 3AA

ADA is delighted to invite you to join them for the ADA Flood & Water Conference on Tuesday 21 November 2023, as the conference returns to the magnificent venue of One Great George Street, Westminster, London. ADA will bring together a leading line-up of prominent political, policy, and technical speakers from across the United Kingdom to discuss key policy topics of the moment during the main conference session.

Following feedback from members, the format of this year's Conference has been developed to:

• maximise the time available for networking between delegates and suppliers to the sector,

• invite a greater variety of guest speakers, and

• provide more convenient timing for those travelling to and from London.

The Conference will open at 11.00 for networking with delegates and an expanded Exhibition of ADA's Associate Members in the Great Hall. A buffet lunch will be served from 12.00 before the conference presentations commence at 13.20 in the Thomas Telford Theatre. The Conference will close at 17.00.

Discussion forum

A discussion forum will form part of the day where delegates will be able to pose topical questions to the speakers/panellists via the conference chair. ADA wish to receive delegates questions in advance, which can be submitted as part of the ticket booking process on Eventbrite. Their aim is to consolidating key subjects for discussion and questioning and to maximise the value of this session.

Book your place

ADA has launched bookings for this year's conference early to give everyone plenty of advance notice of the revised date of Tuesday 21 November 2023 to make travel arrangements. They invite you to secure your place now via Eventbrite, via the link below. Tickets are non-refundable but can be transferred.

ADA Flood & Water Conference 2023 Tickets, Tue 21 Nov 2023 at 11:00 | Eventbrite

ii) Insurance

Historically the number of insurance companies willing to quote for the insurance requirements of the Middle Level Commissioners and administered Boards is limited.

Our insurance portfolio is complex and includes a range of policies that includes Commercial Combined (largest component), Motor Fleet, Engineering & Construction, Terrorism, Management Liability, Marine Craft and Professional Indemnity.

The overall cost of our insurance portfolio for 2023/24 will be £192,275 (£152,373 in 2022/23) a 26% increase, although increases will differ Board by Board depending on their individual insurance needs.

Key factors and changes are highlighted below:

For Commercial Combined insurance, 2022/23 was the last year in our previous five-year agreement with AXA which included a 7% price reduction woven into the deal. For 2023/24 Towergate, our brokers, approached several companies and all bar AXA were not willing to quote given the size and complexity of our portfolio. Independently we also approached the NFU who declined to quote for the same reason.

There has been an increase in fleet, property and marine assets included within our cover.

In view of rising inflation most Boards agreed to index link their insured sums from 1st April 2023. AXA have increased insured sums by 15%, which has resulted in an increase within the overall premium.

AXA have offered a 2-year stability deal, where any premium increases, subject to claims not exceeding 50% of the written premium, will be capped for 2024/25 at 2.5%. This excludes any increases in sums insured.

AXA will not extend the stability deal as they plan a review of their whole IDB scheme in 2025.

Commercial combined policy excess has increased from £350 to £2,500. None of our four 2022/23 claim values were above this new excess.

Excesses are dictated by AXA's overall scheme for all IDBs and this is apparently now standard and has been imposed due to the number of lower value claims across the whole IDB industry. As other IDB/IDB Groups come out of their previous agreement with AXA the above will apply.

For future years Boards ought to consider index linking their valuations of properties and pumping stations every 3-5 years rather than annually, to mitigate annual premium increases and balancing having suitable cover without being over-insured.

It should also be noted that personal accident and sickness cover only covers employees or members up to 80 years of age. Boards may need to consider the implications of this.

ii) <u>Delegation of signatory on consents</u>

The Board was asked to note that under the Board's scheme of delegation, the Chief Executive has delegated the authority to sign consent on behalf of the Board to the Chief Engineer. As well as the Chief Engineer being better placed to technically assure individual consents, this will enable the them to effectively take ownership over the whole planning and consenting service. This also creates a mechanism for escalation in case of any issues or complaints.

iv) <u>Service Delivery Frameworks</u>

The Board were asked to resolve that the Clerk, on their behalf, be authorised to enter into user and/or access agreements for public sector delivery frameworks (For example, Environment Agency Delivery Frameworks and SCAPE). This will open up access to the fees, terms and conditions of these Frameworks so our Consulting Engineers can compare and choose the most suitable procurement route for delivery of the Boards future needs. This does not tie the Board to using any Framework they then have a user/access agreement with, and Frameworks are not the only procurement route for delivery that will be considered. Having this resolution from all the Boards we administer is key if we are to package work across Boards to exploit economies of scale and become more efficient and effective in the delivery of services.

v) <u>Local Government Support - Special Levies</u>

Thanks to lobbying by the Association of Drainage Authorities and Local Authorities, the Department of Levelling Up, Housing & Communities announced an additional financial support package totalling £3m for 2023/24 to support the 15 Local Authorities most impacted by increases in special levies from Internal Drainage Boards driven by unprecedented increases in energy costs. We provided ADA with information to support this case and Fenland District Council have secured £177,281 and King's Lynn & West Norfolk Borough Council £205,451. The Ministerial Statement is available here. Disappointingly it is explicit that this is a one-off exceptional payment and clear that the government will not provide additional grant to Local Authorities to cover special levies on an ongoing basis.

Cllr Crofts updated that he was disappointed that these payments were a one-off exceptional payment as he considered there to be longer term implications. The Chairman referred to over 2/3 of the Manea & Welney District being funded from the agricultural sector and that the additional support had been given to that sector.

RESOLVED

i) Insurance - Members considered it important to get a range of quotes to ensure the best value for money is obtained in delivery the insurance requirements of the Commissioners.
ii) Delegation – The Commissioners noted the Chief Executive has authority to sign consent on behalf of the board.
iii) Service Delivery Frameworks – The Commissioners approved that the Clerk be authorised to enter into user and/or access agreements for public sector frameworks.

C.998 Consulting Engineers Report

a) The Board considered the Consulting Engineers Report

b) The Board considered the Supplementary Report Improving Capital Delivery

The Chairman reported that the Manea Town Lots WRC had not been upgraded and become overwhelmed in event conditions and that these problems will only become greater with increased development in the village. He considered it important for the Commissioners to raise this capacity issue at every opportunity with individual planning applications.

Cllr Marks reported that the problem was being addressed by Anglian Water to the extent of tankering from Manea to the Nightlayers WRC at Chatteris.

Mrs A Morris raised concerns over individual planning applications not being responded to concerning the Commissioners byelaws. The Chairman reported that it was an issue as drainage authorities were not statutory consultees and this was a long-standing issue being looked into by ADA.

Cllr Marks reported that FDC were looking into future changes that will allow matters being referred back to drainage authorities if they become highlighted as being a potential byelaw issue.
In response to Mr M Fairey, Mrs Nicola Oldfield reported that the proposal for studies was that if works were likely to be required at pumping stations, the study would look at the whole system to ensure that the operation of the whole system was taken into account.

Mr M Fairey considered this to be important as there were issues in getting satisfactory flows through the culvert under the railway, and the system is reliant on both pumping stations working in tandem.

RESOLVED

- i) That the reports are approved
- ii) That the planning Engineer refers to the capacity issues at Manea Town Lots WRC when responding to planning applications.
- iii) That the Engineer write to Anglian Water to raise the Commissioners concerns over capacity issues at Manea Town Lots WRC.

C.999 District Superintendent's Report

The Commissioners considered and approved the Report of the District Superintendent, and the Chairman thanked the Superintendent for the quality of his work and also of his report.

C.1000 Determination of annual value(s) for rating purposes

RESOLVED

That the Determination of annual values for rating purposes be approved.

C.1001 Rate arrears

RESOLVED

That Commissioners considered and approve the write-off of Rate Arrears.

C.1002 Health and Safety

Further to minute C.982, the Chairman reported on the visit from Cope Safety Management on 20th February 2023, and reported that most areas were now addressed but that the signage at pumping stations needed to be improve.

Cllr Marks considered it important to ensure the boards at pumping stations were large enough to accommodate any other notices that may be required.

C.1003 Review of Internal Controls

RESOLVED

The Commissioners considered that they are satisfied with the current internal controls.

C.1004 Risk Management Assessment

RESOLVED

a) The Commissioners gave consideration & approved the Board's Risk Management Policy.

b) The Commissioners reviewed and approved the insured value of the Board's buildings.

C.1005 Payments 2022/2023

RESOLVED

That the payments of £ 188,205.23 for the financial year 2022/2023 are approved.

NB: Messers J & M Heading and Cllr Crofts declared an interest in this item as members of the Middle Level Board.
NB: Mr J Heading declared an interest in this item as a Director of ADA.

C.1006 Annual Governance Statement – 2022/2023

The Commissioners reviewed and approved the Chairman to sign the Annual Governance Statement for 2022/2023.

C.1007 Annual Accounts of the Board – 2022/2023

The Commissioners considered and approved the Annual Accounts and bank reconciliation for the year ended on the 31st March 2023 as required in the Audit Regulations.

RESOLVED

That the Chairman be authorised to sign the Return, on behalf of the Commissioners, for the financial year ending 31st March 2023.

C.1008 Date of next Meeting

The next meeting of the Commissioners will be on Wednesday 10th January 2024 at The Lamb & Flag.

At the conclusion of the meeting, Members held an inspection:

C.1009 Inspection of Manea & Welney District.

i) Welney Bridge/ Middle Level Barrier work

Members were joined by Indu Kulasooriya from the Environment Agency's Asset Management Team.
Nicola outlined the works carried out to the Middle Level Barrier Bank following the report of the reservoir inspection in 2013 and the operation of the de-mountable barrier at the Welney bridge.
In response to queries concerning timing to get the barrier in place Indu confirmed that the trigger level for the use of the barrier is higher than for the road closure so there would be additional warning time.
Cllr Marks expressed concerns over damage to the road at Purls Bridge, caused by contractor traffic during the works.

ii) Stockdale Hide – Barrier Bank

Mike Birkdale (RSPB) joined the inspection and informed members on the current birds nesting on the washes and also on the nearby Pilot Project and how they appear to use both sites for nesting/feeding.
In response the Chairman, Indu reported on the current maintenance plan/works for the River Delph.

iii) Welches Dam Pumping Station (Environment Agency)

Nicola Oldfield reported that the current Environment Agency strategy was to utilise the pumping station for the next 20 years, at which point decisions concerning the future drainage requirements would need to be addressed, taking into account the costs associated with running plant/machinery, carbon reduction and environmental issues.

The Chairman reported that the pumping station was vitally important to the Commissioners, as was the maintenance of the Old Bedford River, which provided water intake at Salters Lode and evacuation at Welches Dam pumping station.

iv) Old Welches Dam Pumping Station (Manea & Welney DDC)

The Commissioners District Superintendent, who was carrying out reed/weed bucket work on the channel joined the inspection. He explained the benefits of the works being carried out and the overall value for money provided by the use of the weed bucket. He explained the improvement works carried out to the watercourse and the adjoining watercourses which had both improved the drainage of the adjacent field and provided a beneficial conservation feature within the watercourse.

Provided by the Middle Level Commissioners		Item No:	4
Meeting:	**MANEA & WELNEY DDC**	**Subject:**	**CONSTITUTION & MEMBERSHIP**
Date:	**Wednesday 10th January 2024**	**Officer Responsible:**	**Polly Tombleson**

RECOMMENDATIONS

The Board is asked to:

A. Note the current status of its membership and the role they each play as members serving the interests of the Board.
B. Review attendance records and identify any resolutions as necessary.
C. There are currently **2** vacancies
D. To consider previous discussions of amalgamation – SM, MWe & Up.
E. Reinforce the need for members to view all five 'Good Governance' videos.
F. Identify any topic areas for additional training, as well as any inspection/site visit requirements.
G. Annual appointment of Chair, Vice-Chair & Finance Committee.

1. Current status

1.1 The table below outline the current composition of the Board and the quorum as detailed in the standing orders.

	Elected Members	Appointed Members	Total Members	Quorum
Composition	14	N/A		5
Actual	12	3 FDC, 1 KLWN	16	
Vacancies	2		2	

1.2 The table below details the current elected members of the Board

No	Name	Status (one of four categories)	Commentary
1	Christopher Barnes	Ratepayer	
2	Neil Cook	Co-opted member to vacancy - ratepayer	Oddfellows rep
3	Michael Fairey	Nominee of Ratepayer (M Crouch)	
4	Roger Gladwin	Ratepayer	
5	James Hawes	Nominee of Ratepayer (Westfield Farms)	
6	Peter Hawes	Ratepayer	
7	John Heading	Ratepayer	Chairman
8	Marc Heading	Ratepayer	
9	Alison Morris	Ratepayer	
10	Charles Sears	Ratepayer	
11	Robert Sears	Ratepayer	Vice-Chair
12	Verden Walker	Nominee of ratepayer (M Crouch)	
13			
14			

1.3 The table below details the current appointed members of the Board.

1.4 Special levy paying District Councils appoint members to Boards and their role is to be part of the Board representing all the non-agricultural interests within the Board's district. The Council must consider appointing members who have relevant knowledge or experience that is relevant to the Board and its district.

1.5 Appointed members do not need to be councillors or employees of the Council, therefore can represent wider relevant interests within the district, eg major infrastructure, commerce, community groups, environmental interests.

No	Name	Appointing Council	Commentary (one of three categories)
1	James Carney	(FDC)	Councillor
2	Christopher Crofts	(BCKLWN)	Councillor
3	Sidney Imafidon	(FDC)	Councillor
4	Charlie Marks	(FDC)	Councillor

1.6 All Members are reminded that have equal status to each-other around the Board table and are here to serve the interests of the Board.

2. Attendance

2.1 The table below outlines the attendance record for the last four meetings of the Board.

Elected Members

No	Name	8/6/2023	8/2/2023	2/2/2022	3/2/2021
1	Christopher Barnes	apologies		attended	
2	Neil Cook	attended	attended	attended	attended
3	Michael Fairey	attended	attended	apologies	attended
4	Roger Gladwin	apologies	attended		
5	James Hawes	attended	apologies	attended	attended
6	Peter Hawes	attended	apologies	apologies	apologies
7	John Heading	attended	attended	attended	attended
8	Marc Heading	attended	attended	attended	attended
9	Alison Morris	attended	attended	attended	n/a
10	Charles Sears	apologies	attended	apologies	attended
11	Robert Sears	attended	apologies	attended	attended
12	Verden Walker	apologies	attended	attended	attended
13					
14					

Attendance at Chairs Meetings

No	Name	6/10/2023	13/12/2022	12/4/2022	2/11/2021
1	John Heading	apologies	attended		apologies

Appointed Members (current and previous)

No	Name (Council)	8/6/2023	8/2/2023	2/2/2022	3/2/2021
1	James Carney (FDC)		n/a	n/a	n/a
2	Christopher Crofts (BCKLWN)	attended	attended	attended	
3	Sidney Imafidon (FDC)		n/a	n/a	n/a
4	Charlie Marks (FDC)	attended			apologies

3. Vacancies & appointments

3.1 There are currently 2 vacancies.

3.2 Annual appointment of Chair, Vice-Chair & Finance Committee.

4. Composition and amalgamations

4.1 The Board is encouraged to continually monitor and review its membership, financial and climate resilience, along with assessing its influence locally, regionally and nationally. These are all factors that may lead the Board to consider changing its composition and/or amalgamation with (an)other Board(s).

4.2 Amalgamations and composition changes are not swift processes and can take a number of years. They require planning and additional/specialist resourcing by the MLC as your clerk, Environment Agency and Defra. Therefore, the Board is encouraged to think ahead five to ten years in its decision making, thinking about the next generation.

4.3 The Clerk to report on previous discussions regarding a possible amalgamation between – SM, MWe & Up.

5. Training

5.1 All Members are asked to digest the Good Governance Guide for Internal Drainage Boards published by the Association of Drainage Authorities and view the five accompanying videos intended to bring the guide to life. They are available via https://middlelevel.gov.uk/about/idb-governance/

5.2 To date 0 of 16 Board Members have reported viewing all five videos.
To date 6 of 16 Board Members have reported viewing 2 of the 5 videos.
To date 1 of 16 Board Members has reported viewing 3 of the 5 videos.

5.3 Members are asked to identify any topics areas they would value further training on as well as any site inspections that would help them undertake their role on the Board more effectively.

5.4 Member training is reported to Defra as part of the annual IDB1 return.

Author Name: Polly Tombleson
Role: Senior Business Support Officer

Department for Environment Food & Rural Affairs

Annual Report for the year ended
31 March 2023

The Law – the following annual report is provided in accordance with Paragraph 4 of Schedule 2 to the Land Drainage Act 1991.

No later than 31 October 2023 a copy must be provided to:

- Department for Environment, Food and Rural Affairs, Flood and Coastal Erosion Risk Management Division, Ground Floor, Seacole, 2 Marsham Street, London SW1P 4DF via flood.reports@defra.gov.uk
- Engineering & Standards - Policy Manager, Asset Management and Engineering, **Environment Agency**, Goldcrest House, Alice Holt Lodge, Farnham, Surrey. GU10 4LH via james.addicott@environment-agency.gov.uk
- The Chief Executives of:
  - all local authorities that pay special levies to the Board;
  - all County Councils or London Boroughs within which the Board is situated.

Please complete the form electronically. If you are unable to complete the form electronically, please complete in BLOCK LETTERS using **black ink**.
Please round all cash figures down to nearest whole £.

MANEA & WELNEY DISTRICT DRAINAGE COMMISSIONERS

Section A – Financial information

Preliminary information on special levies issued by the Board for 2023-24

Information requested below is essential in calculating future formula spending share. It is not covered elsewhere on this form or by the external auditor's certificate.

Special levies information for financial year 2023-24 (forecast)	
Name of local authority	**2023-24 forecast £**
1. FENLAND DISTRICT COUNCIL	40,160
2. KINGS LYNN & WEST NORFOLK DISTRICT COUNCIL	23,225
3.	
4.	
5.	
6.	
7.	
8.	
Total	**63,385**

Income and Expenditure Account for the year ending 31 March 2023

All Internal Drainage Boards must ensure that the Income and Expenditure information provided below is consistent with the Board's annual accounting statements which have been prepared in accordance with proper practices found in *Governance and Accountability for Smaller Authorities in England – A Practitioners' Guide to proper practices to be applied in the preparation of statutory annual accounts and governance statements March 2017*

	Notes	Year ending 31 March 2023 £
INCOME		
1. Drainage Rates		148,034
2. Special Levies		57,518
3. Higher Land Water Contributions from the Environment Agency		817
4. Contributions received from developers/other beneficiaries		1,617
5. Government Grants (includes capital grants from EA and levy contributions)		4,626
6. PSCAs from EA and other RMAs		
7. Loans		
8. Rechargeable Works		
9. Interest and Investment Income		1
10. Rents and Acknowledgements		
11. Other Income		6,277
Total income		**218,890**
EXPENDITURE		
12. New Works and Improvement Works		9,252
13. Total precept to the Environment Agency		76,803
14. Watercourse maintenance		82,737
15. Pumping Stations, Sluices and Water level control structures		37,376
16. Administration		15,994
17. PSCAs		
18. Rechargeable Works		
19. Finance Charges		
20. SSSIs		
21. IDB Biodiversity and conservation (other than item 20 expenditure)		468
22. Other Expenditure		278
Total expenditure		**222,908**

EXCEPTIONAL ITEMS		
23. Profits/(losses) arising from the disposal of fixed assets		
Net Operating Surplus/(Deficit) for the year		**(4,018)**
24. Developers Funds income not applied in year		54,789
25. Grant income not applied in year		7,445

Notes:

11. Include all other Income, such as absorption account surpluses (for example plant and labour absorption accounts).

12. State the gross cost of undertaking minor capital works that have not been capitalised and the annual depreciation charges of all major schemes that have been capitalised. You should also include a fair proportion of the support costs directly associated with delivery of the schemes.

13. State the total precept demanded for the year as properly issued by the Environment Agency, in accordance with section 141 of the Water Resources Act 1991. Providing that the precept has been properly issued as before stated it should always be included here, even when the Board has appealed against the amount of contribution, in accordance with section 140 of the Water Resources Act 1991. Where the Board knows with certainty the outcome of any such appeal, it should also include the appropriate accrual/prepayment.

14. State all costs associated with the maintenance of watercourses, meaning work associated with open channels, pipelines, culverts, bridges, etc. Plant, vehicle and labour charges should include a fair proportion of the overheads such as depot/workshop costs, employment on-costs, insurances and depreciation, etc. You should also include a fair proportion of the support costs directly associated with delivery of the maintenance programme.

15. State all costs associated with maintaining and operating the pumping stations, sluices and water level control structures. Plant, vehicle and labour charges should include a fair proportion of the overheads such as depot/workshop costs, employment on-costs, insurances and depreciation, etc. You should also include a fair proportion of the support costs directly associated with maintaining and operating the pumping stations, sluices and water level control structures.

16. Include the cost of non-technical staff only, office accommodation, annual depreciation of office equipment that has been capitalised, minor office equipment that has not been capitalised, postages, telecoms', stationery, printing, advertising, auditing of accounts, general insurances and all other costs associated with supporting the organisation. Please note that this does not include support costs, which are directly associated with the delivery of front line services.

17. State all costs associated with the PSCA

18. State all costs associated with undertaking work for third parties. Plant, vehicle and labour charges should include a fair proportion of the overheads such as depot/workshop costs, employment on-costs, insurances and depreciation, etc. You should also include a fair proportion of the support costs directly associated with undertaking the rechargeable work.

19. Include the cost of servicing any borrowing, in terms of bank/loan/hire purchase Interest payable.

20. State all costs associated with undertaking works – capital or maintenance – specifically for helping to achieve favourable condition on Sites of Special Scientific Interest (SSSIs). In most cases, these costs will be incurred in implementing actions set out in SSSI Water Level Management Plans or SSSI River Restoration Plans.

21. State all costs associated with undertaking works – capital or maintenance – that are likely intended to help conserve biodiversity (other than works on SSSIs). These costs are likely to be incurred in implementing actions set out in an IDB's Biodiversity Action Plan or other conservation actions on non-designated sites.

22. Include all other expenditure, such as a provision for bad/doubtful debts, write-offs, and absorption account deficits (for example plant and labour absorption accounts).

23. For the disposal of assets, state the difference between any proceeds from the sale/disposal of the asset and the cost of the asset less accumulated depreciation.

24. Total balance of developer fund year end.

25. Unspent grant at year end.

Section B –IDB Reporting

Policy Delivery Statement

Boards are required to produce a publicly available policy statement setting out their plans for delivering the Government's policy aims and objectives. It is recommended that these statements be published on Boards' websites where they have them and reviewed every three years.

Is an up to date statement in place and copy (or weblink) provided to Defra, and EA?.. Yes ☒ No ☐

Biodiversity

Please indicate whether your Board has a Biodiversity Action Plan ....Yes ☒ No ☐

If "yes" is the Biodiversity Action Plan available on your website?.. Yes ☒ No ☐

What year was your Biodiversity Action Plan last updated?)............................ 2021

Have you reported progress on BAP implementation on your web site?................................... Yes ☐ No ☒

When was biodiversity last discussed at a Board meeting (date)?............................... 25/06/2021

Do you have a biosecurity process?.. Yes ☒ No ☐

SSSI water level management plans

Please indicate whether your Board is responsible for any SSSI water level management plans?.................. .... Yes ☐ No ☒

If so, which ones:

Area of SSSI with IDB water level management plans.............................

Area of SSSI where IDB water level management activities are contributing to recovering or favourable condition?

Area of SSSI where IDB water level management actions are required to achieve recovering or favourable condition?

Access to environmental expertise

Does your IDB have access to environmental expertise? If so please tick all those options below through which environmental expertise is regularly provided to your IDB:

Appropriately skilled Board Members (e.g. Board member from an Environmental Body/Authority)	☐
Co-opted members	☐
Directly employed staff	☒
Contracted persons or consultants	☐
Environmental Partners/NGOs	☐
Other (please describe)	☐

Asset Management

What system/database does your Board use to manage the assets it is responsible for?

ADIS	☐
Paper Records	☒
Other Electronic System	☒

Has your Board continued to undertake visual inspections and update asset databases on an annual basis? Yes ☒ No ☐

What is the cumulative total of identified watercourse (in km) that the Board periodically maintains?

32.5

How many pumping stations does the Board operate?

2

What is the cumulative design capacity of the Board's pumping station(s) (enter zero if no stations are operated)?

5.12 cumecs

Health and Safety

Does the Board have a current Health and Safety policy in place?	Yes ☒	No ☐
Does the Board have a responsible officer for Health and Safety?	Yes ☒	No ☐
Have there been any reportable incidents in the past year?	Yes ☐	No ☒

If so, please summarise in the box below:

Guidance and Best Practice

Has your IDB adopted a formal Scheme of Delegation? Yes ☒ No ☐

Has your IDB provided training for board members in the last year in the any of the following areas?

Governance	☒
Finance	☒
Environment	☒
Health, safety and welfare	☐
Communications and engagement	☐
Other (please describe)	☐

Is your Board's website information current for this financial year? (Board membership, audited accounts, programmes of works, WLMPS, etc)..Yes ☒ No ☐

Has your IDB adopted computerised accounting and rating systems?......................................Yes ☒ No ☐

Has your board published all minutes of meetings on the website?.. Yes ☒ No ☐

Does the Board publish information on its website on its approach to maintenance works and provide contact details to allow for and encourage public engagement? Yes ☒ No ☐

When planning maintenance and capital works are environmental impacts taken into account and wherever possible best practice applied? Yes ☒ No ☐

Has your Board adopted the following governance documents?

Standing Orders .... Yes ☒ No ☐

Have the Standing Orders been approved by Ministers ....Yes ☒ No ☐

Byelaws ....Yes ☒ No ☐

If you have Byelaws, have you adopted the latest model byelaws published in 2012.. Yes ☒ No ☐

Have the Byelaws been approved by Ministers...Yes ☒ No ☐

Code of Conduct for Board Members..Yes ☒ No ☐

Financial Regulations...Yes ☒ No ☐

Register of Member's Interests..Yes ☒ No ☐

Anti-fraud and corruption policy.. Yes ☒ No ☐

Board membership and attendance

How many Board members (in total – elected and appointed) do you have on your IDB?	16
Seats available to appointed members under the Land Drainage Act 1991.	5
Number of elected members on the board at year end.	13
Number of appointed members on the board at year end.	3
Mean average number of elected members in attendance at each board meeting over the last financial year.	8
Mean average number of appointed members in attendance at each board meeting over the last financial year.	2

Have you held elections within the last three years?..Yes ☐ No ☐ N/A ☒

Did elections comply with the requirements specified by the Secretary of State under Regulation 28 of the Land Drainage (Election of Drainage Boards) Regulations 1938?........................... Yes ☐ No ☐ N/A ☒

Complaints procedure

Is the procedure for a member of the public to make a complaint about the IDB accessible from the front page of its website?..Yes ☒ No ☐

Number of complaints received in the financial year?	0
Number of complaints outstanding in the financial year?	0
Number of complaints referred to the Local Government Ombudsman?	0
Number of complaints upheld by the Local Government Ombudsman?	0

Public Engagement

Set out what your Board has done in this financial year to engage with the public (tick relevant box(es) below):

Press releases	☐
Newsletters	☐
Web site	☒
Meetings	☒
Shows/events (including open days/inspections)	☐
Consultations	☐
Notices	☒

Percentage (in value) of drainage rates outstanding at year end?

1.31%

Section B: NOTES

Guidance and Best Practice

Has your Board published **all** minutes of meetings on the web site? In answering this question, this should apply to all the main Board meetings held in the year and any appropriate meetings the Board has held with external stakeholders.

Board membership and attendance

When referring to **elected members** of the Board, this relates to the number of landowners/drainage rate payers that are elected to the Board.

When referring to **appointed members** of the Board, this relates to the number of members appointed by the local authorities to represent the local council taxpayers.

When referring to mean average number of elected and appointed members in attendance at meetings at each board meeting – **this should be expressed as a number of attendees** and not as a percentage attendance.

With regard to elections, under Schedule 1 of the Land Drainage Act 1991, elected members should hold office for three years, at which point a further election is held. When elections are held, they should comply with the requirements under Regulation 28 of the Land Drainage (Election of Drainage Boards) Regulations 1938 – to advertise and notify local stakeholders accordingly.

Section C – Declaration

MANEA & WELNEY DISTRICT DRAINAGE COMMISSIONERS

I confirm that the information provided in sections A-C or with this form is correct.

Signature	
Date	17/10/2023
Name in BLOCK LETTERS	MISS SAMANTHA ABLETT
Designation	ASSISTANT TREASURER
Email address	sam.ablett@middlelevel.gov.uk

Provided by the Middle Level Commissioners		Item No:	6
Meeting:	**MANEA & WELNEY DDC**	**Subject:**	**CLERK'S REPORT**
Date:	**Wednesday 10th January 2024**	**Officer Responsible:**	**Paul Burrows**

RECOMMENDATIONS

The Board is asked to:

A. Note the content of the report and feedback on items as appropriate.
B. Support the proposed approach to determining the next electricity contract.
C. In determining their valuations for insurance purposes, recognise the limitations associated with their current valuations and the risks they hold of being underinsured.
D. To consider the NEST Death in Service provision.

1. MLC Services available for IDBs

1.1 There has been significant incremental change over the last 10-20 years in terms of IDB governance standards, financial requirements, health & safety, environmental legislation and capital works delivery, along with a significant increase in the scale and nature of planning and partnership work.

1.2 However, what limited agreements and fee arrangements there are in place with IDBs about the MLC Services offered and received pre-date much of this evolution and as such there is significant ambiguity.

1.3 As an example of this, the current 'Clerkship agreements' with Boards was agreed in 2014 however there are many services provided by the MLC that all parties would consider as core 'clerkship' services that are not specified within the current agreement, including managing elections, arranging meeting, taking minutes, reviewing policies and publications.

1.4 The scale and nature of change ahead of us may well be more significant than that which has been experienced in the last decade. The services provided by the MLC to local IDBs require a review and refresh such that they become fit for the future.

1.5 The intent is to develop a service catalogue over the next 12-18 months that will clarify the full range of services that are offered by MLC staff, along with associated terms and conditions and fee arrangements.

1.6 Boards will be offered opportunity to engage in the development of the catalogue, such that if there are capacity and capability gaps between the services Boards want and what capacity and capability MLC staffing has to deliver, then the MLC Board can consider if and how they address this within a final service offer.

2. IDB Key Health Indicators

2.1 At the MLC and IDB Chairs session on 6th October 2023, Paul Burrows shared the observations from his first suite of IDB meetings and outlined the viability concerns of Conington & Holme IDB that have been escalated to Defra. Observations include that some Boards:
1. struggle for membership and attendance.
2. want to amalgamate but with no one willing to amalgamate with

3. have with no clear succession for critical roles
4. are underwritten by the hands-on inputs of a few (with costs not always passed on within rates)
5. where there's limited involvement from all members around the table
6. with limited financial reserves
7. with aging assets and limited capital reserves
8. will potentially struggle to afford to deliver their ever-increasing statutory duties, powers & governance standards

2.2 The Chairs explored the following question;
Beneath the surface, how healthy is your Board today, for tomorrow and for the next generation?

- What worries you?
- Do we have a good picture of the relative strengths and weaknesses of our Boards?
- How do we ensure risks and issues are tackled proactively?
- How can we better share success, learning and support across Boards?

2.3 The intent is to develop a suite of 'Key Health Indicators' (KHIs) and comparison metrics for the Middle Level Commissioners and administered IDBs. These will help Boards better understand and proactively address their key risks and understand their relative health. KHIs will also help the Middle Level Commissioners assure and focus their service provision for IDBs.

2.4 The picture created will provide an evidence base to inform a business case for change in terms of the IDB landscape within the Middle Level, as the Chairs reflected back to work undertaken by Geoff Beal a number of years ago. Chairs were supportive of the need to develop future options, assess costs:benefits and identify a preferred option proactively locally, rather than risk a national instruction to change. Any business case for change will need to be properly planned and resourced, with considerable engagement included within any scope. This will need to be scoped in due course.

3. Association of Drainage Authorities - Summary

3.1 ADA continues to work effectively on behalf of IDBs and following their role in influencing the additional payments to Councils to help off-set the energy cost impacts on special levies, they have been in negotiation with Defra to secure the Lowland Agricultural Peat Small Infrastructure Pilot (LAPSIP) fund for IDBs. This marks a considerable departure with a new role within government funding administration.

3.2 Flood & Water Live retuned to the ADA calendar and was held in Lincolnshire during July 2023 and the annual conference returns to the Institution of Civil Engineers on 21st November 2023 with a different approach to the day. The AGM aspects has now taken place virtually, so the morning is focussed on stalls and networking, then a buffet lunch ahead of conference session with keynote attendees.

3.3 At the AGM it was confirmed that there would be 6.5% increase in fees for 2024/25 with and in principle same increase for the following two years.

3.4 Locally, Marc Heading continues to Chair the Great Ouse branch and the clerking role of the branch is being transferred from the Middle Level Commissioners to Phil Camamile at the Water Management Alliance on behalf of the Bedford Group of Drainage Boards. John Heading's term as the Gt Ouse branch's Director on the ADA Board ended in June with a replacement still to be confirmed.

3.5 IDBs locally continue to fund an ADA Directorship place on the Board of Water Resources East. With his retirement from the Middle Level Commissioners, David Thomas vacated this role and has been replaced by Giles Bloomfield of the Water Management Alliance.

4. Fens 2100+

4.1 The Environment Agency launched Fens 2100+ with an introductory session for IDB representatives in June 2023. This programme of activity is crucial in informing the medium to long term flood management decision making across the whole Fens as well as framing and driving more tactical and short-term investments.

4.2 The governance for the programme is currently being finalised. Paul Burrows will Chair the 'Asset Managers Steering Group' and through this have a seat on the Programme Board.

4.3 Projects in Fens 2100+

Fens-wide investment framework

- Give the justification to taking a catchment-scale investment approach.
- Explains how the asset managers (and wider partners) will work together across the landscape to determine what investment is needed when.
- In contract with suppliers and scope agreed.
- Underpinning evidence being developed along with communications and engagement plan.

Catchment-scale asset investment plans

- Applies the framework set out above to each catchment to determine the likely investment requirements over the next 30 years.
- Confirms the immediate (2027-2023) asset (and other) investment requirements across each catchment.
- Planning to scope and get suppliers on board in 2024

Catchment-baseline reports

- Provides an overview of each catchment and the current FCRM operational situation and current and future flood risk.
- Explains future asset investment funding challenges.
- Currently scoping contracts with suppliers, aiming to contract in early 2024.

5. Electricity and Insurance inc death in service (NEST)

5.1 The contract for the Middle Level Commissioners and our administrated IDBs' electricity portfolio ends in September 2024. We have been impressed by the brokers of our current service (Green Energy Advice Bureau) however we and the brokers have complaints logged about the standard of service provide by our suppliers Corona Energy.

5.2 We need to plan for our next contract given that there is a notice period. The proposed approach is to bring a small group of the IDB Chairs together with our Assistant Treasurer early in 2024 to start to review options, identify a preferred option and ultimately decide on the next contract.

5.3 To clarify questions raised by Members and IDBs in response to our 2023/24 insurance renewal and personal accident cover for members over 80 years old.

5.4 With the current insurer, the age limit is 75 years of age to benefit from all the personal accident cover:

- Death - £100,000
- Permanent total disability - £100,000
- Permanent Disabling Injuries - £100,000
- Temporary Total Disablement – Weekly amount £200 for 104 weeks (Deferment period 34 weeks)
- Temporary Partial Disablement – Weekly amount £100 for 104 weeks (Deferment period 34 weeks)

5.5 The benefits, as above, will apply to persons above the age of 75 years with the exception of the temporary weekly benefits. This is no way affects the liability cover of the Board, as with all employees & board members, if they are injured as a result of the Board's negligence, then a claim can be considered by them under the main AXA liability insurance.

5.6 In previous years, the personal accident cover only applied to persons up to 75 years of age. For 2023-2024 we requested the policy be extended to persons over 80 years of age. Although we were unable to do this for all benefits, we were able to increase the age for the benefits as mentioned above. The personal accident cover has only been in place since 2017/2018 as it is part of the AXA insurance policy. It was not included in any of the previous insurers' policies.

5.7 Over the last round of board meetings a number of IDBs have asked for re-assessments of their pumping stations for insurance purposes. Having taken stock on these requests, this is not a service we are currently able to offer at the Middle Level Commissioners without procuring what would likely be considerable supplier experience that would then be an additional cost to Boards.

5.8 Appendix 1 explains the rationale with the recommendation that Boards, in determining their valuations for insurance purposes, recognise the limitations associated with their current valuations and the risks they hold of being underinsured.

5.9 In view of the disparity between the benefits attached to the Nest Pension Scheme and the Local Government Pension Scheme, the Middle Level Commissioners have considered it appropriate to provide a death in service benefit equivalent to 3 x annual salary to employees enrolled into a NEST Pension Scheme.
The Board is asked to consider whether it also wishes to provide this benefit to its employee.

6. Rating

6.1 On 7th September 2023 we were advised that South Holland IDB and the Water Management Alliance will no longer be supporting DRS operating on local area networks after 31 March 2025. This rating and election management software has been in place for 25 years. DRS is owned by South Holland IDB and was originally developed by this Board around the year 2000, primarily for its own use.

6.2 Since that time, most other IDBs have decided to use DRS under licence and it is therefore their view today that the next rating system should be controlled and developed by ADA, for use by its IDB membership should they want to, given that all but 3 IDBs and 1 IDD in England and Wales now use DRS. ADA have confirmed that they are in positive discussions on this matter.

6.3 This presents a significant risk to the Middle Level Commissioners as well as to the clerking service we provide to our administered IDBs which all rely on this system. However, it also presents an opportunity for an improved systems as we are currently unable to efficiently and optimally use the full capabilities of the system, as it doesn't cater well for dual rated areas and penalties. We have asked to be part of any team scoping any future system and/or system support.

7. Lowland Agricultural Peat

7.1 Led by Robert Caudwell, the Lowland Agricultural Task Force's report was published by Defra in June 2023. The report has a strong focus on the role Internal Drainage Boards could play in supporting and enabling landowners and land-managers. In particular, recommendation three includes:

- Government assessing the legal implications of asking responsible bodies to raise water levels in the interests of preserving peat soil carbon.
- Government considers giving IDBs new powers.

7.2 The Government's response to the Caudwell report recommendation three:
Recommendation 3: Legal protection and powers for managing water for carbon

We agree with recommendation 3 that authorities responsible for water management must have the legal protection and powers to manage water differently to play their part in peat preservation. We will undertake an assessment of the legal implications of asking responsible authorities to raise water levels in the interests of preserving peat soil carbon as we implement the Plan for Water action to streamline our water policy and legal framework. This will inform relevant new powers and any required legislation.

7.3 In response to the report Defra have set up two pilots funds, namely the Lowland Agricultural Peat Small Infrastructure Pilot (LAPSIP) specifically for IDBs and being administered by ADA and the Lowland Agricultural Peat Water Discovery Pilot (LAPWDP) available to IDBs and administered by the Environment Agency.

7.4 The bidding windows for these was in October 2023 with key criteria being project delivery within 2024. The timescales and criteria have made it very challenging for Boards to identify and submit deliverable bids. This alongside capacity constraints within the Middle Level Commissioners have meant we have unfortunately been unable to offer services to IDBs to make the most of this opportunity.

7.5 Fenland SOIL is a not for profit members organisation that aims to inform and develop 'whole farm' land use policies, aimed at achieving climate change mitigation and biodiversity enhancement in the Fens, and to help establish an agreed set of numbers for GHG emissions for deep, shallow and wasted peat soils. They have a small, dedicated team with farmers at its core to tackle climate issues relating to agriculture and peat in the Fens. They have recently undertaken opportunity mapping assessments across Manea & Welney district and have just started similar covering Upwell district.

7.6 Fenland SOIL currently offer Growers/Farmers and Corporate Membership and are keen to develop an affordable membership offer for IDB Groups. We are working with them to agree a Middle Level Commissioners and administered IDB group membership. Not only is this important to help Boards with their environmental enhancement duties, but it will be crucial if we are to maximise future funding and partnership working opportunities.

Author Name: Paul Burrows
Role: Clerk

Manea & Welney District Drainage Commissioners
Superintendent's Report

2023, ten years since I started work with the Board. I really am not sure where that time has gone, but we can’t get it back, so onward for the next ten.

As I write this report in early December, 2023 has already become the wettest year of those ten years. March 107mm, September 96mm, October 132mm and November 83mm are all the wettest for each of those months too. February was the driest month with only 10mm, which made it the fifth driest month on record.

With a dry February, and the difficulties of 2022 fresh in my mind, the pumps were switched off between February 7th and March 10th. The drain levels had risen to about 20cm short of our usual summer levels and the wetter weather in March meant the pumps could come back on to trim the level where it was, or so I thought. March 10th played a nasty hand, it rained, which quickly turned to sleet and then to wet snow, lots of wet snow. Driving through the District, visibility was down to about 50 metres and the snow, horizontal in the face of a strong wind, quickly turned the landscape white, and yet by 4pm the sun was out and the snow was gone. The main drain rose by 21cm at Glen House in the space of around two hours and by midday, all four pumps were running and pumping carried on, albeit on a much reduced scale until May 23rd, by which time summer levels had been achieved, and the drain was holding steady.
Autumn draw down prior to the 360 arriving began on August 29th, a very slow, steady draw down prevented any fish kill and the drains were down to the maintenance level in advance of the machine arriving on September 19th.

Over the course of the year 27.7km of drain has been flailed at least once, most of it four times. In addition, 8.5km were cut with the reed bucket and 5km of non District water courses were flailed for Manea PC and other ratepayers. The 360 slubbed 15km of District drain.

My preparatory work with mowing and reed cutting, allowed the 360 to make good progress, and despite having some areas with very heavy cot build ups, the contractor was through the main part of the District and finished beyond Purls Bridge by October 19th.
The evening of the 19th turned wet, and by the morning of October 22nd, rain amounting to 83.5mm had fallen. By keeping the drain at the very low maintenance level, and getting all the pumps running as required, we were able to manage the very high flows into the District accordingly. Between October 20th and 24th, 259 pumping hours were recorded between both stations, amounting to 1,312,560 tonnes of water pumped into the Old Bedford River. With Sutton & Mepal and Upwell Districts both going hammer and tongs, it is little wonder that the OBR rose to a level 1.58m from 1.16m, the highest I have ever seen it.

The District plant and machinery has been generally reliable throughout the year.

The John Deere has needed no more than servicing, and is currently averaging 10.1 litres/hour of diesel.
The Herder has only had a couple of minor hose replacements on the main part of the machine. A couple of hoses were replaced on the flail head, and it will need roller bearings replacing during the coming winter. This will be the first set of roller bearings in four years, the Bomford would get through at least two sets each season. The mowing bucket required some knives to be replaced, and again are the first replacements since purchase.
The Citroen Berlingo has suffered a couple of punctures, but at the time of writing is at LWVS to have the front suspension and wheel bearings overhauled as I am quite sure the van shouldn't sound like a tube train when driving.

Other than keeping an eye on the oil and water levels, and seasonal greasing of the gearboxes, Glen House pumps remain generally reliable. Minor niggles have caused the odd stoppage, the two remaining mains powered battery chargers have been replaced, a couple of radiator level sensors, a broken fuel feed spring, a broken wire on a tachometer feed and finally a stuck starter motor. The weedscreen cleaner has been reliable, but monitoring of the hose tension pays dividends and if possible, I switch it off when windy weather is forecast to save hose damage. All of the above repairs were dealt with by myself.

The Purls Bridge pumps have carried on giving good reliable service. There was a concern voiced by the MLC engineer about moisture levels in the windings of No1 set, and accordingly I have used that pump as the duty pump so far this year, with the intention of reducing the moisture by heat generated from more constant use. At the time of writing the MLC engineers are due to visit and replace the Tec Reel hose unit with an exchange unit, ours has suffered a return spring failure. This is not a 'nip up a ladder' for me, as it is very definitely a two man job.

In November, we attended a meeting held by the EA to review and discuss the arrangements for summer management of the Old Bedford River. As in previous years, we highlighted the need to raise the level in the river sooner, and to a higher level, rather than just relying on transfers into the river via the Old Bedford Sluice at Salters Lode. We will watch to see if there will be much change in the EA operation for 2024. Over the past summer, I was only required to carry out transfers at Salters Lode twice, a great improvement over 2022.

Later in November we were also present at a meeting organised by Charlie Marks for Manea PC, along with CCC Highways and Anglian Water, to try and address the issues causing localised flooding in the village during heavy rainfall events. While none of the issues were within the scope of the District Commissioners operations, it was felt we might be able to offer some help. In the event we were able to agree to flail and slub out a drain which runs from Station Road, behind Festival Close and round to the AW sewage plant. This was carried out and finished within a week of the meeting. How quickly CCC and AW carry out the works they promised remains to be seen.

The District has seen a good amount of the usual species of waterfowl, fish, mammals, birds and reptiles during the year.
Water Voles are present across the District as a whole, and the number of breeding species is stable with Mallard, Tufted Duck, Teal, Coot, Gadwall, Moorhen all being observed with little effort.
Roach and Rudd are present in the water courses in large numbers, attracting Heron and Cormorant. I have also seen Perch and Bream at various times, along with Pike, all in good health.
A single Mink was trapped on March 10th, the first for over a year, and no more have been seen. There are breeding Otters in the Delph opposite Glen House, so they will discourage Mink.
Hunting Barn Owls were present during most of the year, but I have not seen any since the weather turned cold and wet. These conditions are notoriously difficult for Barn Owls, which lead a fairly precarious existence if they cannot hunt on a regular basis. Kestrels have been following the flail mower all year, taking advantage of each fresh cut to expose their prey.
I never did find where the Garganey pair which were at Glen House in the spring went to breed, probably they hopped over the bank onto the Washes.

With only a few small areas left to visit with the tractor, once again I am confident the District is in good order for the year to come, with water courses and equipment ready to accept whatever the weather throws at us. As usual I must thank our Chairman for his support and encouragement over the past twelve months and look forward to some warmer, drier weather in the spring.

MANEA & WELNEY DISTRICT DRAINAGE COMMISSIONERS

Payments 2022/2023 (1st April 2022 - 31st December 2022)

Middle Level Commissioners - Fees (Production of Board report, discussion regarding Glen House pumping station works, planning and development applications)	1,240.28
Middle Level Commissioners - Pumping station maintenance	282.07
Paynes of Chatteris Ltd - Repairs to 2 cables to submersible pump	157.20
Ratatak - Pest control (April - June 2022)	88.20
Bank charges	3.00
Vodafone - Mobile telephone charges	12.15
Wave - Metered water supply	11.79
Middle Level Commissioners - Pumping station maintenance	408.00
C.J. Mason - Repairs to AU15 XHB	84.27
Environment Agency - Precept	38,401.47
Vodafone - Mobile telephone charges	13.06
Ben Burgess Coates - 1500 hour service of John Deere Tractor - AO20 NWL	1,708.27
Middle Level Commissioners - Pumping station maintenance	181.06
Vodafone - Mobile telephone charges	13.06
Ben Burgess Coates - Supply of fenders, fender pivot, grille, bolts an screws	1,435.82
Vodafone - Mobile telephone charges	13.06
Ratatak - Pest control (July - September 2022)	88.20
Wave - Metered water supply	12.03
N L Hydraulics - Hydraulic hose and cable ties	78.46
Vodafone - Mobile telephone charges	13.61
C.J. Mason - Repairs to AU15 XHB	269.16
Mr & Mrs P Hawthorne - Rates refund	25.82
Vodafone - Mobile telephone charges	13.06
Middle Level Commissioners - Renewal of insurances	2,835.30
PKF Littlejohn LLP - Audit fee (2021-2022 accounts)	480.00
Vodafone - Mobile telephone charges	13.06
Middle Level Commissioners - Pumping station maintenance	262.87
Environment Agency - Precept	38,401.47
FJS Services Ltd - 2 Hex bolts, washers and nuts	7.78
N L Hydraulics - 20 litres of hydraulioc oil	63.60
Bank charges	3.00
Vodafone - Mobile telephone charges	13.06
Mr P Jolley - Rates refunded	117.11
Middle Level Commissioners - Pumping station maintenance	750.07
Middle Level Commissioners - Internal audit fees (Whiting & Partners, 2021-2022 accounts)	930.00
Middle Level Commissioners - Pumping station maintenance	508.70
Middle Level Commissioners - Administration charge, postages and telephone charges	7,430.88
Middle Level Commissioners - Contribution (Environmental Officer)	467.50
Middle Level Commissioners - Fees (Production of Board report, planning and development applications)	754.98
Wave - Metered water supply	12.16
Ratatak - Pest control (October - December 2022)	90.40
Cambridgeshire County Council - Annual rent (Right of access)	100.00
Middle Level Commissioners - Repairs to automatic weedscreen cleaner (Purls Bridge Pumping Station)	167.24
FenFlow Ltd - Overhaul of inlet valve and repairs to automatic weedscreen cleaner (Glen House pumping station)	2,488.02
Bank charges	3.00
Vodafone - Mobile telephone charges	13.06
Fen Group - Drain maintenance	15,027.60
Anglia Farmers - Electricity Supply - (Glenhouse pumping station)	1,170.25
Anglia Farmers - Electricity Supply - (Purls Bridge pumping station)	5,820.20
Anglia Farmers - Electricity metering charges - (Purls Bridge pumping station)	209.70
Anglia Farmers - Electricity metering charges - (Glenhouse pumping station)	133.49
Anglia Farmers - Electricity data collection charges - (Purls Bridge pumping station)	146.84
Anglia Farmers - Diesel	600.55
District labour	27,910.50
NEST Pension Contributions	3,240.00
	154,725.49

(NB - Amounts shown include Value Added Tax)

MANEA & WELNEY DISTRICT DRAINAGE COMMISSIONERS

Payments 2023/2024 (1st April 2023 - 30th November 2023)

Middle Level Commissioners - Fees (Production of Board report, planning and development applications)		1,110.83
Middle Level Commissioners - Road tax for AU15 XHB		290.00
Middle Level Commissioners - IDB Health & Safety Re-charge 2022-2023 (Account from COPE Safety Management)		427.20
Middle Level Commissioners - Administration charge, postages, telephone charges, stationery and Travelling		8,817.19
Middle Level Commissioners - Installation of telemetry at pumping stations (net of 50% grant-in-aid)		6,476.16
Vodafone - Mobile telephone charges		13.06
Ratatak - Pest control (April - June 2023)		90.40
Wave - Metered water supply		33.52
Environment Agency - Precept		39,553.52
Vodafone - Mobile telephone charges		14.72
Water Resources East - Contribution to operating costs 2023-2024		150.00
LW Vehicle Services Limited - Supply, fit and balance tyre		100.44
Middle Level Commissioners - Pumping station maintenance		270.31
Vodafone - Mobile telephone charges		15.92
LW Vehicle Services Limited - Supply alternator belt		24.82
Vodafone - Mobile telephone charges		15.92
Ratatak - Pest control (July - September 2023)		90.40
Middle Level Commissioners - Expenses in connection with Board meeting		250.00
Upwell Internal Drainage Board - Shared costs of maintenance works carried out to the Old Croft River		13,884.23
Wave - Metered water supply		38.70
Ben Burgess Coates - 2250 hour service of John Deere Tractor - AO20 NWL		968.99
Vodafone - Mobile telephone charges		14.82
N L Hydraulics - Hydraulic pipe and fittings		53.66
Corona Energy - Electricity Supply - (Purls Bridge pumping station)	1,635.36	
Corona Energy - Electricity Supply - (Purls Bridge pumping station)	1,319.76	2,955.12
Corona Energy - Electricity Supply - (Glenhouse pumping station)	553.25	
Corona Energy - Electricity Supply - (Glenhouse pumping station)	206.78	760.03
N L Hydraulics - Hydraulic pipe and fittings		51.06
Vodafone - Mobile telephone charges		15.37
Mastenbroek - Knife, screws, locknuts and rivet		210.12
PKF Littlejohn LLP - Audit fee (2022-2023 accounts)		756.00
Middle Level Commissioners - Fees (Production of Board report, attendance at meeting, planning and development applications)		1,364.10
Middle Level Commissioners - Internal audit fees (Whiting & Partners, 2022-2023 accounts)		984.00
Middle Level Commissioners - Administration charge, postages and telephone charges		7,821.90
N L Hydraulics - Hydraulic pipe and fittings		64.80
Corona Energy - Electricity Supply - (Glenhouse pumping station)		212.84
Ratatak - Pest control (October - December 2023)		90.40
Middle Level Commissioners - Renewal of insurances		4,019.97
Wave - Metered water supply		21.08
Vodafone - Mobile telephone charges		15.18
Fen Group - Drain maintenance		11,694.00
FJS Services Ltd - Washers, nuts and bolts		8.96
Environment Agency - Precept		39,553.51
Borough of Kings Lynn & West Norfolk Council - Refund of overpayment of special levy		11,612.50
Anglia Farmers - Electricity Supply - (Glenhouse pumping station)		364.61
Anglia Farmers - Electricity Supply - (Purls Bridge pumping station)		156.57
Anglia Farmers - Electricity metering charges - (Purls Bridge pumping station)		210.47
Anglia Farmers - Electricity metering charges - (Glenhouse pumping station)		0.00
Anglia Farmers - Electricity data collection charges - (Purls Bridge pumping station)		0.00
Anglia Farmers - Road diesel		312.79
Anglia Farmers - Gas oil		11,904.43
Anglia Farmers - Repairs		43.47
District labour		22,552.36
NEST Pension Contributions		3,474.24
		193,934.69

(NB - Amounts shown include Value Added Tax)

Manea & Welney District Drainage Commissioners

Notice of conclusion of the audit

Annual Governance & Accountability Return for the year ended 31st March 2023

Sections 20(2) and 25 of the Local Audit and Accountability Act 2014
Accounts and Audit Regulations 2015 (SI 2015 /234)

1 The Audit of accounts for the Manea & Welney District Drainage Commissioners for the year ended 31st March 2023 has been completed and the accounts have been published.

2 The Annual Governance & Accountability Return is available for inspection by any local government elector of the area of Manea & Welney District Drainage Commissioners on application to:

The Clerk
Manea & Welney District Drainage Commissioners
85 Whittlesey Road
March
Cambridgeshire
PE15 0AH

between the hours of 9.00am and 4.00pm on Mondays to Fridays (excluding public holidays), when any local elector may make copies of the Annual Return.

3 Copies will be provided to any local elector on payment of £2.40 for each copy of the Annual Return

Announcement made by: P Burrows - Clerk to the Commissioners

Date of Announcement: 8th September 2023

Annual Internal Audit Report 2022/23

MANEA & WELNEY DISTRICT DRAINAGE COMMISSIONERS

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During the financial year ended 31 March 2023, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2022/23 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates 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, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")*			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations *(during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).*	✓		
N. The authority has complied with the publication requirements for 2021/22 AGAR *(see AGAR Page 1 Guidance Notes).*	✓		

O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken: 12/06/2023 18/06/2023 19/06/2023

Name of person who carried out the internal audit: WHITINGS LLP

Signature of person who carried out the internal audit: P. BEECH - WHITINGS LLP

Date: 19/06/2023

***If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).**

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

MANEA & WELNEY DISTRICT DRAINAGE COMMISSIONERS

our responsibility for ensuring that there is a sound system of internal control, including arrangements for 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 31 March 2023, that:

	Agreed		
	Yes	No*	'Yes' means that this authority:
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✔		*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.	✔		*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 authority to conduct its business or manage its finances.	✔		*has only done what 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 the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✔		*during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.*
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✔		*considered and documented the financial and other risks it faces and dealt with them properly.*
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✔		*arranged for a competent person, independent of the 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 reports from internal and external audit.	✔		*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 the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✔		*disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.*
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A — *has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.*

***Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.**

This Annual Governance Statement was approved at a meeting of the authority on:

08/06/2023

and recorded as minute reference:

C.1005

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

Clerk

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Section 2 – Accounting Statements 2022/23 for

MANEA & WELNEY DISTRICT DRAINAGE COMMISSIONERS

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	*Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.*
1. Balances brought forward	417,132	419,586	*Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.*
2. (+) Precept or Rates and Levies	194,563	205,552	*Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.*
3. (+) Total other receipts	3,384	13,338	*Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.*
4. (-) Staff costs	34,013	40,156	*Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.*
5. (-) Loan interest/capital repayments	0	0	*Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).*
6. (-) All other payments	161,480	151,423	*Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).*
7. (=) Balances carried forward	419,586	446,897	*Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).*
8. Total value of cash and short term investments	454,922	490,272	*The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – **To agree with bank reconciliation.***
9. Total fixed assets plus long term investments and assets	2,611,078	2,611,078	*The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.*
10. Total borrowings	0	0	*The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).*

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)				*The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.*
11b. Disclosure note re Trust funds (including charitable)				*The figures in the accounting statements above do not include any Trust transactions.*

I certify that for the year ended 31 March 2023 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

Date 27th May 2023

I confirm that these Accounting Statements were approved by this authority on this date:

8th June 2023

as recorded in minute reference:

C. 1007.

Signed by Chairman of the meeting where the Accounting Statements were approved

John E Heading

Section 3 – External Auditor's Report and Certificate 2022/23

In respect of **Manea and Welney District Drainage Comissioners – DB0046**

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2023; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor's limited assurance opinion 2022/23

On the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

Other matters not affecting our opinion which we draw to the attention of the authority:

None.

3 External auditor certificate 2022/23

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2023.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature	PKF Littlejohn LLP	Date	01/09/2023

Whitings
Chartered Accountants LLP
Fenland House, 15 B Hostmoor Avenue
March, Cambridgeshire, PE15 0AX
t: 01354 652304
e: march@whitingsllp.co.uk
w: whitingsllp.co.uk

BB/MM053
30 June 2023

Messrs. P Burrows, R Hill and S Ablett
Middle Level Offices
85 Whittlesey Road
March
Cambs.
PE15 0AH

Dear Messrs. P Burrows, R. Hill, and S Ablett,

MLC administered Internal Drainage Boards - Internal Audit 2022-2023

Having completed the internal audit work for the various Internal Drainage Boards administered by the Middle Level Commissioners officers for the year ended 31 March 2023, we are pleased to provide you with the following recommendations to be considered for implementation. We have included some general points and some points which are related to specific boards.

<u>**General points**</u>

1. **Asset Valuations and Insurances – mainly for residential properties**

   It is noted that, whilst a large proportion of boards took the option to revalue for insurance purposes their pumping station and residential assets during recent years, there are still some boards that have not followed suit. We have seen elsewhere that such revaluations have sometimes resulted in significant uplifts in value, and as such we would suggest that any remaining boards that have yet to carry out such an exercise do so at the earliest convenience. It should be noted that this is largely in relation to residential property. Should a complete rebuild following an unforeseen catastrophic event be required, current valuations may no longer be appropriate given today's prices which may lead to a shortfall in funds which would have to be drawn out of surplus funds if other financial arrangements were not available.

We would recommend that in the absence of specific information to the contrary suggesting need for earlier review, that a revaluation exercise be performed for insurance purposes at least every 5 years on all major board assets. This is especially important given the significant increase in material and labour costs seen in recent times as a result of rising inflation and global material shortages. However, we are pleased to note that boards are being asked whether they wish for insurance to be index linked going forward and would strong suggest that all boards agree to this proposal.

Client comment:

While we have put it to Boards to review pumping station valuations for insurance purposes, as separate statutory authorities it is up to each Board to review and approve what they consider to be an appropriate valuation and your point concerning possible under-insured amounts having to be funded directly by the Board following an event has been highlighted previously. We are recommending that Boards should look to index link valuations and we will be asking all Boards again to consider this at subsequent meetings, along with consideration of current valuations. Valuation of residential property is an area we have focussed on for the 2023 meetings.

A number of Boards have recognised the potential impact of increased costs on valuations and have taking steps to re-value, however, the consulting engineer is currently reviewing the methodology for valuation of pumping stations, to ensure there is a robust process, which will be then used going forward.

This is an area already programmed to be reviewed every five years and hopefully with indexing we may not require such individual valuations going forward.

2. Employee Benefits

In 2020 a high-level tax case was brought by HM Revenue & Customs against Coca-Cola European Partners Great Britain Limited relating to vehicles provided to employees of Coca Cola and whether these 'dual purpose' vehicles should be classed as a van or a car for benefit in-kind (BIK) and other taxation purposes. Typical example of such a vehicle being a double cab pickup as operated by some boards. The Court of Appeal ruled in favour of HMRC and, as a result HMRC are now reminding employers of the importance to ensure that they have classified their vehicles correctly and as a result we would advise that this matter is kept under review both now and into the future to mitigate the risk of an unexpected tax bill arising. We would advise that this is considered across all boards going forward if this is not being taken into account already.

With regards to other employee benefits, we note that where applicable these are being recognised as benefits in kind and disclosed on the P11d, we would encourage the value of these benefits to be reviewed on a regular basis to ensure that these are reflective of what the employee receives, especially where some boards providing the living accommodation to their employees.

Client comment:

We are aware of the case and potential implications to employees of classification of vehicles. Generally, we do not make changes concerning additional passenger/load capabilities to that of the original manufacturer's specification, which are relied upon alongside the HMRC guidance when designating vehicles for taxation/benefits in kind.

The benefit charge for living accommodation is calculated in accordance with HMRC recommended valuations. We are looking at payrolling any standard benefits but are currently unable to do this for accommodation and use of vehicles.

3. Provisions

We are pleased to note that, in the main; provisions for amounts owing to and owed from applicable boards, are being monitored and written back should the underlying potential asset/liability be extinguished. There are still odd cases where provisions are "brought forward and carried forward" that relate in excess of the standard life of debt, being 6 years. On review in some cases whilst the underlying rationale of these balances are reasonable, we would question whether payments could still be enforced if chased, aside from in relation to development contributions. As such we would encourage continued review of provisions as a whole, with special consideration being made to aged provisions that have existed for a number of years and ideally the rationale being documented in the accounts pack provided to us as part of the internal audit.

We would also recommend that any such old debts or provisions (apart from development contribution provisions), say over 3 years old, be presented at the board meeting annually and approved.

Client comment:
As part of the year end accounting procedures, provisions/balances are looked at on an individual basis and decisions made on relevance as to retain or to write back.

4. Budget figures

We note that budget figures are prepared annually in advance, but we note these are not updated in the late Autumn even when notable variances may have occurred for various factors. Whilst not necessary to do so for all boards, we suggest that Chairperson of each individual board be given the opportunity to request updated budgets after the half year point for the remainder of the year and distribute to board members if they feel it appropriate in light of any unforeseen significant variances arising.

The budgets that have been set for 2023/24 year may need to be increased throughout the year due to the significant cost increases that are largely as a result of the ongoing conflict between Russia and Ukraine.

Client comment:

As part of the finance regulations, we are required to carry out a budget monitoring exercise during the course of the year. For those Boards that have a relevant meeting, this is reviewed by the Board at their autumn/winter meeting. For all other Boards the monitoring exercise is completed as at the end of the calendar year, at this point the majority of the drain maintenance works have been completed, as would be any planned maintenance works at pumping stations. The expenditure to-date is then forecast to the end of the financial year and compared to the budget and initially sent to the chairman for review. Depending on the outcome of the monitoring exercise depends on whether it is considered appropriate to hold an emergency meeting. However, it is likely that if there were an extraordinary event the Board would be aware "in real time" and appropriate action taken at that point. It is not policy to update budgets depending on levels of expenditure but to use these as comparative to analyse variances of actual expenditure against.

5. Surplus Funds

It is noted a number of IDB's hold significant cash reserves, with inflation having peaked at a 40 year high within the last 12 months, all IDB's need to consider investing their surplus funds, in order to achieve greater return on public funds and to ensure value for money principles are observed and cash asset values are not eroded overtime. We appreciate that in recent years interest rates would have made such an exercise unfruitful when taking into account the associated admin cost involved in such an undertaking. We note that some of IDBs decided to switch from the business premium bank account to business current bank account, these accounts no longer earn interest but are free from bank charges and fees. However, with the Bank of England now increasing interest rates to combat rising inflation in the UK, we would advise that this is now an opportune time to conduct such an exercise.

Client comment:

A brief summary of treasury management:

There are 30 separate authorities administered through the Middle Level offices, all of which are required to maintain their own banking arrangements, we do look at bulk/group arrangements to do this and it is a requirement that all boards are treated the same. In the past it was found that there was a lot of staff time being spent in investment transfers and following discussions with the bank it was decided that for ease of operation all balances would be treated the same and the bank would offer a competitive interest rate and free banking. To do this all boards had a "client premium" account. This is the type of account operated by businesses looking after clients' money (solicitors etc). They are generally specific accounts in the name of the business but it is for "third party monies."

Our arrangement worked fine until the (first) crash around 2008 – at this time interest rates plummeted below our arrangement rate – specifically, under the terms of the arrangement we could have been required to pay the bank for looking after our money. The arrangement was changed to retain free banking, but as with all accounts interest was minimal.

During last financial year our bankers started taking more of an interest in the number of client premium accounts they had across the country and were surprised with the number held in March. The use of such accounts is for very specific purposes which we as an organisation do not qualify and alarm bells were ringing with the bank that they were operating outside of all banking standards/regulations. We were notified that as a result of this the accounts would need to be closed and other accounts opened. This would involve a basic current account and an interest bearing second account – transfers to be made between the two for cash flow purposes. We made the bank aware of our concerns about transferring accounts with regards to the payment of direct debits and the collection of rates by direct debit, payment by ratepayers etc for which our account details were with many suppliers/customers and we did not want to go down the route of having payments/receipts rejected and details having to be re-registered with all parties.

While this was being put in place we had a general increase in interest rates but as previously advised we now have started to rationalise the arrangements – there will be some fine tuning required but currently the process is a standard current account for normal payments/receipts and an interest-bearing account. Additionally, balances can be transferred for deposit/investment.

We are currently making treasury deposits for individual Boards but need to manage this with specific cash flow requirements while also making consideration to having balances available for potential event situations requiring immediate cash. We will be monitoring additional staff time required to manage this while discussing matters further with our bankers.

6. Rental of Land

It was previously noted that some IDB's were renting out land to tenants for less than market value and that this should be reviewed to ensure value for money principles were being applied.

We are happy to note that some IDB's have increased the rental values of land to market rates, although there are still some IDB's where the rental value is significantly below market value and we advise that the market values are increased for these boards to ensure value for money principles are applied going forwards.

Client comment:
Boards which have land holding for rent generally review rents in accordance with tenancy agreements and use local land agents for guidance. A number of Boards have small holdings of land which are let at reasonable rates with a view to keep the land tidy and in good order as they are not necessarily commercially viable. A number of Boards have slamp land, which cannot be considered the same as general agricultural land for rental purposes. All Boards look to get the best rents available, but these are relevant to the size and type of land being let.

7. Financial Regulations

We noted that the last update and approve of Financial Regulations for all boards was in 2013 with the next review in 2023. However due the recent retirement of Chief Executive and the joint of new Chief Executive/Clerk in February 2023, the review of Financial Regulations has not been completed by the financial year under review. We have been informed that the new Chief Executive and Treasurer are aware of these requirements and the Financial Regulations are due to be updated by the end of this year, we look forward to reviewing this in due course.

Client comments:
There is a full review of the provision of clerking services and will be, as has been mentioned looking at reviewing these regulations towards the end of 2023 with a view to then having them updated by the Boards.

Specific Points

Conington & Holme IDB

We note that the pumping station owned by the board is insured at less than the latest revaluation amount, see below;

Insured value	610,000
Latest revaluation	685,630
Underinsured	**75,630**

We understand that the board took the conscious decision not to uplift the insurance value in line with the revaluation figure suggested by the engineer. As already highlighted above, should any significant event occur, such as a major fire, resulting in the need to reinstate the asset in full, the board run the risk of the shortfall which would require the use of surplus balances to cover the resulting deficit in funds. We would therefore strongly recommend that the board consider increasing the insured value to the revaluation figure.

Client comment:
For the 2023 meeting the Board approved an insured value of £701,500 and for this to be index linked.

Waldersey IDB and Hundred of Wisbech IDB – Joint Pumping Arrangement

As in previous years it is noted that there is a discrepancy between debtor held in Waldersey IDB and the creditor held in Hundred of Wisbech IDB.

Waldersey IDB – Debtor	£52,324.26
Hundred of Wisbech IDB - Creditor	£52,436.95
Difference	**£112.69**

We are pleased to note that this difference is insignificant for the current year. The difference arises due to the accounts of Hundred of Wisbech IDB being completed before Waldersey IDB, leading to a provision being required in the former's books in the absence of more accurate information being available. The difference is adjusted in the following year's Accounts for Hundred of Wisbech.

We note that there have been discussions to potentially amalgamate the two boards, this would eradicate the anomaly. However, in the absence of this, we suggest that meetings and account preparation periods be brought into line, if possible, to eradicate this issue.

Client comment:

These costs relate to the contribution for the costs of the shared pumping facility and at the time of production of the year end accounting statements discussions were taking place concerning potential changes to the contribution as a result of changes in land use. A new proposal had been put forward which was broadly approved by both Boards.

There are no current plans to change meeting dates so as one set of accounts is finalised before the other there is likely to remain creditor/debtor position in both sets of accounts although now that all older balances have been cleared, any in-year balance should be cleared, generally a year in arrears.

March East IDB

During our review it was noted that the onsite pumping station attendant's payments were not authorised during the year, the amounts charged by the attendant are similar to the rental costs charged to the individual for occupying residential property owned by the district. We understand that this arrangement has been agreed at board level to ensure that the individual is not financially penalised in carrying out their duties for the board. However, this treatment appears to be at odds with the amount charged being disproportionate when compared to other IDB's that we have audited. We would advise that these amounts most certainly should be authorised to ensure adequate controls are maintained over the purchase function and we would also question how HMRC would interpret the arrangement should they carry out any follow up review in the future.

<u>Client comment:</u>
Following a review in the previous financial year residential property rent was re-assessed in line with current guidance from HMRC. At the same time the value of the attendant's services was re-appraised. These reviews were approved by the Board. There were no changes proposed for 2022 so the original resolution remained unchanged. However, we agree with your comments and both areas will be considered annually as separate agenda items.

Hundred of Wisbech

During the course of our audit, we noted that the 2021/22 accounts and payment list had not been published on the website, we are pleased to note that following notification of this fact the accounts and payment list were promptly uploaded. We are satisfied that this is an isolated incident but would remind all boards of their obligation to comply with the requirements in this area and to ensure that all relevant documents are published in a timely manner.

We also notice that the statement of NS & I accounts shows the name and the address of old Chief Executive who is retired in February 2023. We understand that this matter will be brought to the attention of the board on the next general meeting to approve the changes in signatory.

<u>Client comment:</u>
Every effort is made to update the relevant pages of all authorities in an efficient and timely manner and in accordance with the regulations.

Your comment is noted and procedures are being amended concerning this for the future.

Ramsey First (Hollow) IDB

During our review it was noted that the actual wages increase of the employee during the year has exceeded the increase authorised by the board during the meeting. We understand that it was an isolated error and understand that this matter will be brought to the attention of the board during the next general meeting. The overall error is equal to 0.50% of the total expenditures and will be adjusted next year. We understand that the internal process is being reviewed and address to ensure that this scenario doesn't arise again in the future.

Client comment:
This administration error was reviewed by the Board at their 2023 meeting and the relevant adjustment is being made through the 2023 payroll process. We have looked at our internal processes and made appropriate adjustments to mitigate future risk.

March 3rd IDB

Whilst the board are using the budget setting process to determine the rates set on an annual basis, we note that the rates had been the same for the last 5 years. In a view of the capital improvement program – the plans for the pumping station replacement in 2026/27, the current rate of inflation and the fact that rates have been increased across other boards under the administration of the Middle Level Commissioners, we would recommend that the rates raised be reviewed and uplifted as necessary to take account of the factors outlined above.

Client comment:
The points raised are made to the Commissioners when setting the rate but there it is the appointed members who have been against rate increases, indicating that the council will address any shortfall in the following year should this be the case. This is a situation that has occurred on other Boards for the setting of the 2023/2024 rates and levies.

We take this opportunity to thank your staff involved in our audit for their assistance and cooperation in achieving substantial completion by the stated target deadlines. We trust that the engagement team have not caused significant disruption during the execution of their procedures.

Yours sincerely,

Whitings LLP

MANEA & WELNEY DISTRICT DRAINAGE COMMISSIONERS
Rating Estimates 2024/2025

	Approved Estimates 2023/2024	Probable Actual 2023/2024	Estimated 2024/2025	Estimated 2025/2026	Estimated 2026/2027
1 CHANNEL MAINTENANCE	18,500	17,000	18,500	18,500	19,000
2 LABOUR	43,500	42,500	44,250	45,500	47,000
3 REPAIRS AND RENEWALS	10,500	10,000	10,500	10,500	10,500
Pump overhaul	15,000	15,000	15,000	15,000	15,000
4 FUEL	33,000	33,000	33,000	33,000	33,000
5 RATES, INSURANCES & TELEPHONES	3,500	4,250	4,500	4,750	5,000
6 ADMINISTRATION	17,775	17,775	18,750	19,000	19,250
7 TECHNICAL SERVICES	3,000	3,000	3,000	3,000	3,000
8 E. A. PRECEPT	79,150	79,107	81,480	83,925	86,450
9 PLANT REPLACEMENT	0	0	10,000	10,000	10,000
	223,925	**221,632**	**238,980**	**243,175**	**248,200**
INCOME	**835**	**3,132**	**3,862**	2,000	2,000
Net Expenditure	**223,090**	**218,500**	**235,118**	**241,175**	**246,200**
Rate Requirement	**0.4700**		**0.4934**	**0.5055**	**0.5160**
Increase on previous year budget			**4.98%**	**2.44%**	**2.08%**

AV 477,147

Gen. Fund balance open		260,230	265,698	
Rates raised	*Rate set - 47.00*	223,967	235,118	0.4934 p
net expenditure		218,500	235,118	
closing balance		**265,698**	**265,698**	

Manea & Welney District Drainage Commissioners

Rate and levy requirements

Under Section 37 of the Land Drainage Act 1991, the appropriate proportions in which the net expenditure of the Commissioners must be borne for 2024/2025 is:-

a) Proportion to be borne by the Agricultural Sector – 71.73%

b) Proportion to be borne by Special levy issued to:-

Fenland District Council -	17.91%	
Borough Council of Kings Lynn & West Norfolk –	10.36%	28.27%

The product of a rate of 1p in the £ on Agricultural land and buildings is £3,417.

In 2024/2025 a rate of 1p together with corresponding Special levy would raise £4,765.

Estimated revenue cash balance in hand at 31st March 2024 - £260,000

The estimated net expenditure for the Commissioners Revenue and Capital Programmes in 2024/2025 is £235,118 and equivalent to:-

a) a rate in the £ on Agricultural land and buildings of 49.34p and

b) a Special levy on Fenland District Council of £42,159
a Special levy on Borough Council of Kings Lynn & West Norfolk of £24,381

In 2023/2024 a rate of 47.00 in the £ was set, together with Special levies of £40,160 on Fenland District Council and £23,225 on Borough Council of Kings Lynn & West Norfolk to raise £205,435.

The Commissioners should give consideration to the future level of balances required when setting the rate for 2024/2025.

P BURROWS

Clerk to the Commissioners

December 2023