10th April 2026

Dear Middle Level Board

I enclose the papers for the Board Meeting to be hosted at this Office on Thursday 23rd April 2026.

Board Meeting - 9.30am

PLEASE NOTE THAT THIS AGENDA INCLUDES CONFIDENTIAL PAPERS WHICH WILL BE AVAILABLE AT THE MEETING. 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 RETURN THEM TO THE OFFICE TO BE DESTROYED.

A Buffet Lunch will be provided at the conclusion of the Meeting.

To avoid paying for food that is not required please confirm in advance that you WILL BE STAYING for the buffet lunch.

Yours truly

P BURROWS

Chief Executive to the Commissioners

Middle Level Board Meeting

Thursday 23rd April 2026, 9:30am

Middle Level Offices, March

Agenda:

Item No	*Topic*	*Format*	*Lead*
1	Welcome & apologies	Verbal	Chairman
2	Declarations of Interest	Verbal	Chairman
3	Minutes of last meeting and matters arising	Pages 2 - 10	Chairman
4	Constitution & Membership	Pages 11 - 15	Chairman
5	CONFIDENTIAL ITEMS SUBJECT TO LEGAL PRIVILEGE Resolve to exclude the public under S1(2) Public Bodies (Admission to Meetings) act 1960.		Chief Exec
6	Financial Reserves: Policy, rationalisation and proposed health check approach	Pages 16 - 19	Chief Exec
7	Fens 2100: A Case for Change	Video	
8	Strategy & Delivery *Review of Annual Report with a specific focus on major areas of efficiency, income generation and key organisational risks.:*	Annual Report	Chief Exec/Chief Engineer
9	Finance and Governance *Review of Finance Report* and associated resolutions, i*ncluding but not limited to:* • Public Works Loan position • Payments by the Commissioners and miscellaneous receipts • Fees & Subscriptions • 2026/27 budget and rate recommendation • Determination of annual values for rating purposes and associated rate arrears • Penalties	Finance Report - Enc	Head of Finance
10	Accounts Mtg & Annual Inspection (Weds 24th June 2026) Full Meeting (Thurs 12th November 2026)	Verbal	Chairman

Middle Level Commissioners

At a meeting of the Middle Level Board held at the Middle Level Offices, March on Thursday 6th November 2025

Present

J Brown (Chair)	
H Whittome (Vice-Chair)	Dr Langslow
P Allpress	Ms D Laws
D Boughton	A Miscandlon
C Crofts	Ms A Morris
M Heading	

Paul Burrows - Chief Executive, Nicola Oldfield - Chief Engineer, Andrew Wool – Head of Finance, Sofi Lloyd – Ecology & Environmental Services Manager and Ruth Martin – Lead Clerk (minutes) were also in attendance.

Welcome and Apologies

The Chair welcomed everyone to the meeting.

Apologies were received from: R Brown, M Latta and A Lensen

B.3887 Declarations of Interest

The Chairman reminded the Commissioners of the importance of declaring an interest in any matter included in today's agenda that involved or was likely to affect any of them. Declarations to be addressed at each point.

B.3888 Minutes of the Last Meeting and Matters Arising

The minutes of the last meeting were reviewed and agreed, and no matters arising identified.

RESOLVED

> That the minutes of the Meeting held of the Board on 30th April 2025 are recorded correctly and that they be confirmed and signed.

B.3889 CONFIDENTIAL ITEM SUBJECT TO LEGAL PRIVILIDGE

This item is excluded from under S1(2) Public Bodies (Admission to Meetings) Act 1960

B.3890 Health and Safety Focus

Referring to Page 9 of the Annual Report, the Chief Engineer advised the Board that although there is a lengthy report in the paper, she wanted to draw out more detail about the work being undertaken in order to get to grips with the cultural approach to Health and Safety within the organisation, and particularly ensuring compliance with regulations. The Chief Engineer is working with another IDB on a new ADA Guide focused on good safety guidance. The draft guide is clear setting out what Drainage Boards should be doing. The Draft Guide comes with a checklist which the Chief Engineer has reviewed the Middle Level Commissioners performance against. When she joined MLC in 2023, she calculates that MLC would have scored 30%, but with the actions that have been taken that score would now be around 70%, so by the time the guide is published we should be in a good Health and Safety position.

We also need to review our approach to CDM regulations and how we apply this to what we do. There is not much more work to do but need to make sure there is clarity on the required roles and who is expected to fulfil these roles. We also need to review the communication to people working for us.

Business Continuity and Emergency Planning is also being reviewed. We are currently very reactive, but we need to formalise our approach in order to improve response and resilience.

Accidents and Near Misses have been detailed in the Report and the new Operations Manager (Health and Safety), Martyn Issacson, is doing a great job. He is working closely with the Workforce Operatives and is currently organising and reviewing training to ensure we are in the best position. The recently issued Tablets are providing very useful, with them being a quick way to report incidents, plant and vehicle checks, and so on.

Mr Whittome asked if the Smart Farmer App is being used. The Chief Engineer advised that it is in use and is constantly being updated. It is a paid service but cheaper than the previous Lone Worker app that was being used.

B.3892 Environmental Risk Management

The Ecology and Environmental Services Manager, Sofi Lloyd, gave a presentation entitled "Environmental Law and IDB Compliance". Boards must comply with the same legislation as any other organisation, and good record keeping of their actions and activities is an essential part of mitigating the risk of prosecution. These laws are being actively enforced and IDBs, the Environment Agency and Natural England must comply with these laws and have been investigated and in some cases prosecuted when they have contravened them.

Ms Lloyd briefed the Board on Biodiversity Net Gain credits and how these could be utilised by the Commissioners. She explained the intricacies of demonstrating environmental competence, and the complexities of showing improved watercourse conditions. She advised that by focusing on providing an environmental compliance baseline, the Commissioners would be in a position to register as a Responsible Body in order to deliver and maintain BNG habitat for the next 30 years. She advised that all of the information referred to in the presentation is available on the Middle Level Commissioners website.

The Chair asked Ms Lloyd if there was a definition of a BNG unit, as credits were measured in units. Ms Lloyd advised that the units relate to a length of channel of a certain condition. The condition is determined by ecologists defining the condition of habitat lost and what it is being replaced with. The figure is to fund and manage maintenance of watercourse for 30 years. This can be the creation of a new ditch or the enhancement of an old ditch. Mr Heading added that a claim cannot be made for continuing to maintain a ditch in the same condition, but that there must be an improvement.

The Chief Executive added that the intention to register as a Responsible Body will be accompanied by the registration of our land holdings. We can then offer an opportunity to developers to host BNG providing it does not affect our core role. We are looking for different sources of income using our infrastructure. Mr Heading asked if the recording of our baseline status was to support this, and Ms Lloyd confirmed it was, and that this process is being undertaken for both Middle Level and IDB assets. She stressed that the baseline is really important, and that the management of assets for biodiversity gain doesn't always have to equate to doing less maintenance work.

Ms Lloyd added that we are currently considering options from a Middle Level perspective at present, and that we would need to consider a different approach for IDBs. Enhancements from an operational perspective are what we want to be doing anyway. The Chair asked if we could seek funding for managing invasive species, but Ms Lloyd advised that we cannot source funding for managing what are our Statutory Duties.

Mr Boughton asked if IDBs delegate their Health and Safety and Environmental responsibilities to MLC. The Chief Executive advised that the IDB and MLC are each different public bodies, independent from each other. In the UK, a public body can delegate specific health and safety tasks and functions to another body, but it cannot transfer its ultimate legal accountability or liability for ensuring that those duties are carried out safely. Therefore, the IDB will retain overall responsibility for any works they carry out. The Boards make use of the MLCs arrangements with COPE who provide Health and Safety advice to the Boards, and can seek advice from MLCs Ecologists, but the accountabilities and responsibilities still remain with the Board.

Where a Board have asked MLC to deliver specific operational services, (e.g. Overseeing the maintenance programme, M&E works, ecological surveys) then MLC have responsibility to manage the Health and Safety associated with their activities and any contractors they use. However, the IDBs remain accountable for assuring themselves of MLCs competence in that regard.

Dr Langslow asked Ms Lloyd her opinion of how well IDBs are progressing with making the required cultural changes in their approach to Health and Safety. Ms Lloyd responded that this is probably the biggest challenge. There needs to be a cultural shift to get to a compliant position, helping IBDs to understand what is good for the environment is good for their pockets too. The IDBs MLC provide consulting engineer services to are further forward than those that do not have those services. Dr Langslow asked about the contractors used by the MLC, and Ms Lloyd advised that she has provided awareness training to the contractors used, and this has been provided free of charge.

Ms Lloyd was thanked by the Chair for her informative presentation.

<u>B.3893 Strategy and Delivery</u>

The Chief Executive referred to the 'Annual Report for the Middle Level Board – Quarters 1 & 2 2025/2026' and the '2024/2025 Annual Report', marked as Enclosures 1 and 2. He advised that it would be assumed that the documents would be taken as read and that the resolutions are all supported by the Board.

Referring to Page 30 of the first enclosure, and the section entitled Planning and Consenting, the Chief Executive advised that he had tried to demonstrate within the report the volume and complexity of the applications and enquiries dealt with by the team is on the up. Applications are increasingly squeezing on MLC and IDB drains, and there in are a significant amount of big infrastructure projects being considered, alongside major packages on consenting works. The large projects recently undertaken by Anglian Water have resulted in a significant amount of noncompliance, environmental damage and Health and Safety issues. In April it was decided to change the revised fee model, and this is starting to produce a fourfold increase in the value of fees. In the last few weeks, the Fens Reservoir works have seen Anglian Water billed £30k in consenting fees. In the background there are some schemes that may result in some significant fees, and the Chief Executive outlined some potential future sites plus some retrospective sites. This money should be invested in driving forward capital works to reduce reliance on ratepayers and GiA funding.

There are currently a few cost recovery agreements in place, which recover staff time in driving consents with developers picking up the tab but the amount of work is capped by capacity. Complicated sites tend to have these in place. The new Enforcement and Compliance Team started in June with approximately 45 cases currently in progress. They are getting some quick wins under their belt and have recovered some legacy debts, but Enforcement is uncovering further technical works that require addressing. There has been no increase in capacity in the team for 6 years and the Chief Executive is more confident that, following improvements in productivity, we have a greater workload than capacity at present. We need to change our view of developments and see them as risk management with financial opportunity. We also need to respond positively to the increased workload. We are still reliant on using consultants but are reducing this need, although recruitment to planning roles is difficult, which puts the team under stress. The solution seems to be that we need to grow our staff. Developments outside of our catchment impinging on our catchment is an increasing issue and we need the resources to deal with this.

Therefore, the Board is being asked to support the resolution pg. 32.

Dr Langslow added that to support this resolution would reduce the cost of consultants whilst considering the health and wellbeing of current staff. Mr Miscandlon agreed with the Chief Executive, adding that the potential for income combined with not enough staff leads to the logical solution to increase staff, and therefore totally supports the proposal.

The Chair added that he was also onboard, as this appears a win-win situation. We need to grasp the opportunity to get this money as need to look at funding sources other than ratepayers.

A vote was taken, and the resolution was unanimously agreed.

Mr Whittome added that he thought it was important that Board understands how this pans out. He would like to see a regular review of the cost of the additional Technical Services staffing against the additional money brought in. The Chief Executive thought that the increased staffing would put us in a better position regards business as usual, although this still makes the point that the Fens Reservoir requirements will outweigh the staffing we have.

Mr Heading asked about the strategy around recruitment. The Chief Executive thought that we need to grow our own staff alongside looking for people with experience, but it will be dependent on who is in the job market. Ms Lloyd added that IDB contextual knowledge is probably more important than planning knowledge. Ms Morris asked if the Commissioners could legally pursue old claims. The Chief Executive advised that we are unable to issue retrospective consents, although we know this has happened in the past. However, this does not apply to unpaid discharge consents. Consents will be issued from the date that they are agreed so they are not considered retrospective.

Referring to pages 23/24 the Chief Executive reported that there has been some amazing delivery of works as a result of the funding available from the Storm Recovery Grants, especially recognising the work of Dave Bantoft and the M&E team, Morgan Lakey, Sofi Lloyd and Abigail Leach, and the Finance team. Although this could be seen as delivering 'minor capital works', a lot of work has been undertaken for a lot of Boards, with Dave Bantoft commenting that they have completed 10 years work in 2 years. This has impacted the 'day job', demonstrating we can deliver lots of work in the capacity we have but at the expense of 'business as usual'. In the last 15 years MLC have not really delivered many big capital works. The new government funding policy, summarised in the report document, looks good on face value but will be capped by Government and EA funding available.

The Chief Engineer reported that staff are currently working to complete the Middle Level System River Management Scheme (MLSRMS). One engineer is effectively managing the delivery of this, supported by the Ecology team and Jon Fenn and the Operations team. This has had a big impact as previously the scheme was overseen by a big delivery team. At the April meeting the Chief Engineer presented her draft £175m capital investment plan for next 8 years. The works included in the programme, plus Bevills Leam and St Germans Pumping Stations refurbishments, increase this to £350m over 8 years, including IDBs. The catch is that there is a funding requirement to deliver these projects. All assets need major investment with Health and Safety plus Environmental legislation being key components of delivering projects. These take time and skill to plan, secure funding, secure suppliers and ensure delivery. Planning ahead to the Main Drain, Ashline Lock, and Wood Walton Alternative Flood Storage projects, plus IDB works and the impact across Ecology, M&E and Finance, an increase in 7.5 FTE would be needed. Looking ahead to plan to deliver next year's works would require an additional 2 FTE in Technical Services, which would kick start delivery and the management of most critical parts of these works.

The Chief Executive added that this is different to Planning and Consenting, in that the staffing needs to be loaded upfront to improve certainty of grants, with a speculate to accumulate stance, but we do not have the staffing to do this. This could then roll on and combined with the additional developer fees this could self-fulfil. Mr Wool added that within the T2b submission, an element of Project Management Staff time for delivering these works had been included in the bid although the works were ultimately managed in house. Therefore, we have £400k available. The Chief Executive added that with 2 FTE we can start to gear in right direction. Because Storm Recovery Fund works were managed internally, we can offset the cost and use this to move forward with schemes.

The Chair added that this proposal is more difficult for Board to see how this would work.

The Chief Executive reported that Tom Pollendine in the Technical Services team is capable of managing simple projects, but there is enough Middle Level work to keep him busy. IDBs have assets that also need those services, but we cannot offer this as a service as we do not currently have the capacity to do so. The Chair asked if there are people available with the experience, we need but the Chief Executive thought that they were not, and that is why it is difficult to put financial detail to this. It will also trigger office accommodation issues.

Following some further discussion around methods of recruitment, Mr Crofts added that with the District Councils being disbanded, some very capable people there could be looking for opportunities.

The Chief Engineer reported that at present they have had to make some difficult decisions on what works can be delivered. The inspection of Ashline Lock that had been planned for this autumn has been delayed. It was hoped that some enabling works done could be undertaken with regard to the ecological surveys, but this has also been reprogrammed.

Mr Whittome asked if it was still planned to let this as a design and construct contract. The Chief Engineer advised that she had been looking at an EA framework with no fee requirement. If the works were carried out internally during the winter months, and if this was accompanied by a high rainfall event, we would be stuck with an unmanned lock closure and site plus a potential delay to the navigation closure. The Chief Executive added that lessons have be learned from their experience with the Marmont Priory lock works.

With no other questions in relation to the report, the Chair asked the Board to consider the resolutions on pages 24 and 25. Both resolutions were unanimously agreed.

The Chief Executive asked the Board to consider the pump refurbishments at Bevills Leam Pumping Station. Because the Storm Recovery Fund has supported the first phase and the refurbishment of Pump 1, the Board is being asked to support moving on to the refurbishment of Pumps 2 and 3 earlier than planned. Ms Morris asked for confirmation of the costs, with it being confirmed that Pump 1 refurbishment was less than the £100k budgeted, and that by working on Pumps 2 and 3 together the efficiencies would reduce the budget for these two pumps to £120k. Subsequently the resolution detailed on page 26 was agreed unanimously.

RESOLVED

That the resolutions listed in the Annual Report are supported by the Board.

A	**Adopted the company sick-pay policy outlined and acknowledge that this will be updated within the Employee Handbook.**
B	**Delegated the approval and publication of new policies to the Chief Executive. The approval to any updated Schedule of Reserved Matters and Scheme of Delegation will remain with the Middle Level Board and/or the Commissioners.**
C	**Supported the introduction of a cost recovery approach to servicing data requests with discretion for reduced or no fees where the provision is directly beneficial to the Commissioners and delegated the development and publication of such a model to the Chief Executive.**
D	**Resolved that we do not sell land at Salter's Lode Lock House at this time.**
E	**Approved in principle the use of the property fund to cover the cost of the depot mezzanine conversion and associated storage improvements and delegate the decision on delivery to the Executive Committee.**
F	**Delegated the decision on any change to 'project boat' registration to the Chief Executive, taking advise from the Navigation Advisory Committee.**
G	**Approved that we engage external expertise to assess our base case for Heritage Lottery Funding (and/or other potential funding sources) and then develop and submit bids accordingly,**
H	**Approved the recommendation regarding the Chief Executive and Chairman's role within service provision to IDBs and associated dispute and support this being included within the next update of the Commissioners' schedule of reserved matters and scheme of delegation.**
I	**Acknowledged that a permanent increase in headcount is required to develop and deliver the MLC and IDB Asset Investment Programme.**
J	**Approved the permanent recruitment of 2FTEs to Technical Services as an initial capacity boost to better gear, manage and deliver the MLC and IDB Asset Investment Programme.**
K	**Approved the use of the Public Works Loan previously agreed for Pump 1 to be reallocated to Pumps 2 and 3 for work in spring 2026 with an agreed £20k contingency.**
L	**Supported a permanent increase in headcount associated with the core technical planning and consenting workload (3 FTEs in Technical Services) along with associated administration (0.5FTE in Finance), to ensure we are maximising income generation, reducing whole-life costs on rates and levies and mitigating risks to the MLC and IDBs.**

B.3894 CONFIDENTIAL ITEM SUBJECT TO LEGAL PRIVILIDGE

This item is excluded from under S1(2) Public Bodies (Admission to Meetings) Act 1960

The Chair asked if all other resolutions could be taken as read, with the Chief Executive asking the Board to also consider the Compliance and Enforcement policy development detailed on page 10.

B.3895 Head of Finance Report

Mr Wool directed the Board to the Internal Audit Report (Enc 3) and highlighting that nothing new had been highlighted by the auditors. The 'Carry Forwards' identified have been reviewed over the last month and outstanding debts have been written off where appropriate, noting that there were several older debtor balances. These items should therefore not appear in next year's reports.

Referring to the Head of Finance report, Mr Wool advised the Board that the results for the half year to 30th September are roughly in line with budget. He advised that electricity costs to date at St Germans and Bevill's Leam Pumping Station are lower than forecast although accruals have been made in order to minimise any impact of a wet winter. At present it appears that the full year position is likely to be in line with budget forecast, although this is dependent on the coming months.

Mr Wool referred the Board to the Risk Management Strategy, and the recently approved update to the Joint Practitioners Advisory Group (JPAG) Practitioners' Guide to Proper Practices.

Mr Wool drew the attention of the Board to some assumption that were made when setting the budget and the impact these were having on the forecast. Mr Wool reported that no allowance had been made for any potential savings that would be made following the introduction of the Salary Sacrifice scheme on Pension contributions for employees in the NEST Scheme. This came into effect in June 2025 and the resultant saving is approximately £1,000 a month.

The Board had previously given approval to seeking a loan to pay for the Improvement Works at St Germans and Bevill's Leam Pumping Station. However, these works have now been funded by the Storm Recovery Grant T2B, and subsequently the loan has not been drawn.

The replacement of Ashline Lock Gates was also included, and the cost for a feasibility study has been included in the forecast.

The claim for Highland Water at the time of preparing the forecast was estimated, with the final calculations resulting in an additional £55k being claimed. We advised the EA at the time of submitting the claim that this was not our final claim as we were awaiting the outcome of the dispute with the EA over the funding of the River Management Scheme. If the final decision were to go against us then the claim would need to be updated to reflect this.

As of 5th November 2025, the number of Rates and Special Levies outstanding was £511,219.59. This figure includes £264,412.93 which is due to the collected by Direct Debit during December to February. This leaves a further £246,806.66 to be collected.

To date 156 Unpaid Rates Penalties have been raised for 2025-2026, amounting to £11,705.23. This is an increase from the 143 penalties raised during 2024/25.

For the Storm Recovery Fund T2B works, a project progress report has been submitted to the EA and the second 40% funding for all projects has been requested. The value of this request is £1,812,429.20.

This week we received the Actuarial Triannual Valuation for the Local Government Pension Scheme Fund. We currently have 15 employees in the scheme. The fund is in surplus by £6.1m and the value has increased by £1.6m since the last valuation in 2022. We are currently paying Employer Contributions at 20.5% of the Employees Salary, although the percentage contribution for the next 3 years has been set at 16.8%. Based on current pay figures this will reduce the cost to the Commissioners by approximately £24.5k per annum.

Mr Whittome asked if there will be a point where we can buy the scheme out. The Chair thought this would depend on where we want to spend our money and asked if it would be worth holding a briefing. Mr Wool advised that he has been asked to agree valuation formulas for this, which he will endeavour to do for discussion at the December Exec meeting.

Mr Wool advised that in the past 6 weeks we have had an independent PAYE audit carried out. An initial report has been provided to us this week and has indicated some weaknesses in our processes that we will need to address. A full update will be provided at the next Board meeting where appropriate.

The Chair asked Mr Wool where we would stand financially if the summer had been wet. Mr Wool thought that the finances would have been around £150k worse off, with this be attributed to additional electricity costs. He also reported that the previous electricity contract expired at the end of September, and we have now switched from EDF to British Gas. The fees are about the same although there is a slightly higher standing charge, but the unit rates are slightly less. The Chief Executive reported that he had a call scheduled with Ofgem the following day. For him energy costs and standing charges are the one key issue that ADA should be promoting. We are also starting to see the benefits from the solar installations. Mr Heading said it was his understanding that ADA had been fighting for IDBs on this issue, but the Chief Executive thought that if that were, so they had not been communicating this.

The Chair referred to the resolutions on page 8 and these were both approved unanimously.

Mr Wool asked the Board to authorise the payments as listed on pages 35-42. The Chair reminded the Board that all payments have been reviewed by the Chair or Vice Chair prior to payment. The payments were approved.

The Confidential Papers were reviewed and were all agreed.

RESOLVED

> That the Head of Finance is authorised write-off rates over 2 years old where the occupier is unknown.
>
> That the Commissioners authorise the Chairman to approve entering into a Public Works Loan (up to a value of £500,000 repayable up to 30 years) should there be an emergency need to do so.

B.3896 Date of Next Meeting

RESOLVED

> The next meeting will be held on Thursday 23rd April 2026 at 9.30am

B.3897 Any other business

As this was the last meeting in Mr Brown's capacity as Chair, he tried to list all of the events that had happened since he took the Chair. He started in the role thinking it would be quite straightforward, but 6 weeks later we had Christmas floods which were followed by Covid, and we embraced Zoom working. David Thomas, the previous Clerk and Chief Executive, then announced he would be stepping down. We introduced the Navigation Act, were flooded again, and then there were changes to staff with the new Chief Executive/Clerk and new Chief Engineer. High electricity prices were then followed by a drought. The Bank Raising scheme started and then we became involved with the Fens Reservoir. We hope to progress amalgamations in the next 5 years, we have seen major board changes with senior Board members leaving but we now have a much more diverse Board than in the past. We had the Defra Storm Recovery Grant Tranches A and B after more floods, which was stressful for the office. The successful introduction of Enforcement will deliver money to organisation, and the term ended with an EA squabble and a drought. Mr Brown thanked for the Board for the support he has received

The Vice Chair, Mr Whittome, thanked Mr Brown on behalf of the Board, for navigating us through choppy waters, bringing calm and dedication to the role and adding that we all thank him.

Mr Crofts referred back to the District Inspection held in the summer, saying he found this immensely interesting and learned a lot from it. He asked if another trip could be organised. The Chair observed that this used to happen every year, but this was halted due to the Covid restrictions, but he assumes that going forward there will the opportunity to do this again. The Chief Executive confirmed the intention to look to earmark something for June.

With nothing further raised, the Chair closed the meeting at 12.20pm.

Provided by the Middle Level Commissioners		Item No:	4
Meeting:	**MIDDLE LEVEL COMMISSIONERS**	**Subject:**	**CONSTITUTION & MEMBERSHIP**
Date:	**Thursday 23rd April 2026**	**Officer Responsible:**	**Gemma Ashby**

RECOMMENDATIONS

The Board is asked to:

A. Note the position regarding elections and consider the Cabinet Office's Governance Code on Public Appointments within its appointment of officials.
B. Note the current status of its membership and the role they each play as members serving the interests of the Board.
C. Review attendance records and identify any resolutions as necessary.
D. Outline the training undertaken in the last year as well as future needs or plan for training.
E. Confirm if an individual is to be nominated to represent the Commissioners and put forward for membership of Nordelph IDB

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	15	N/A		5
Actual	11	2 FDC, 1 KLWN, 1HDC	15	
Vacancies	4			

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

No	Name	Status (one of four categories)	Commentary
1	Patrick Allpress	Landowner/Ratepayer	
2	Jonathan Brown	Landowner/Ratepayer	Vice-Chair
3	Robert Brown	Landowner/Ratepayer	
4	Mark Hall	Deputy	
5	Marc Heading	Landowner/Ratepayer	
6	Dr Derek Langslow	Representative of Wildlife Trust	
7	Mathew Latta	Landowner/ratepayer	
8	Andrew Lenson	Representative of A G Reserves	
9	Alison Morris	Landowner/ratepayer	
10	Hugh Whittome	Landowner/ratepayer	Chair
11	Stephen Whittome	Landowner/ratepayer	
12			
13			
14			
15			

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, e.g. major infrastructure, commerce, community groups, environmental interests.

No	Name	Appointing Council	Commentary (one of three categories)
1	Chris Crofts	BCKLWN	Councillor
2	Sally Howell	HDC	Councillor
3	Dee Laws	FDC	Councillor
4	Alex Miscandlon	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	06/11/2025	24/6/2025	30/04/2025	7/11/2024
1	Patrick Allpress	Present	Apologies	Present	Present
2	Jonathan Brown	Present	Present	Apologies	Present
3	Robert Brown	Present	Present	Present	Present
4	Mark Hall	Apologies	Present	Present	Present
5	Marc Heading	Present	Present	Present	Apologies
6	Dr Derek Langslow	Present	Apologies	Apologies	Present
7	Matthew Latta	Apologies	Apologies	Present	Present
8	Andrew Lenson	Apologies	Apologies	Present	Present
9	Alison Morris	Present	Apologies	Present	Present
10	Hugh Whittome	-	Apologies	Present	Present
11	Stephen Whittome	Present	Apologies	Present	Present
12					
13					
14					
15					

Appointed Members (current and previous)

No	Name (Council)	06/11/2025	24/6/2025	24/6/2025	30/04/2025
1	Christopher Crofts BCKLWN	Present	Present	Present	Apologies
2	Dee Laws FDC	Present	Present	Present	Apologies
3	Alex Miscandlon FDC	Present	Present	Present	
4	Sally Howell HDC	-	Present	Present	

3. Elections, vacancies & appointments

3.1 In appointing the Chairman and Vice Chairman, the Board is expected to follow the principles within the Cabinet Office's Governance Code on Public Appointments. Unless there are exceptional circumstances, there is a strong presumption that no individual should serve in any one post for more than ten years. The tenure of the current Chairman is 5 months, and the tenure of the current Vice Chairman is 5 months.

3.2 Current Commissioner Declarations of Eligibility:

Ref No	Surname	First Name	Business Name	Date of Claim	Year for Claim Review
MLCR10001	Allpress	Patrick	Allpress Farms Ltd	23/04/2025	2028
MLCR10002	Boughton	Duncan	Ransonmoor Farm Ltd	06/11/2025	2028
MLCR10003	Brown	Jonathan	E C Brown & Sons	04/04/2025	2028
MLCR10004	Brown	Robert	E C Brown & Sons	02/04/2025	2028
MLCR10005	De Ramsey	Lord	Abbots Ripton Estates	27/01/2025	2028
MLCR10006	Fountain	David	C J Fountain & Son Ltd	03/02/2025	2028
MLCR10007	Hartley	Christopher	forms posted 27/1/2025		
MLCR10008	Heading	John	A & EG Heading Ltd	01/04/2025	2028
MLCR10009	Heading	Marc	A & EG Heading Ltd	07/04/2025	2028
MLCR10010	Latta	Mathew	A & EG Heading Ltd	30/04/2025	2028
MLCR10012	Morris	Alison	E H Morris (Stonea) Ltd	13/05/2025	2028
MLCR10014	Raby	Sam	H Raby & Sons	23/04/2025	2028
MLCR10016	Whittome	Hugh	Whittome Farms	27/01/2025	2028
MLCR10017	Whittome	Stephen	Whittome Farms	30/01/2025	2028
MLCR10018	Bragg	Alex	Royal London Asset Management/Waldersey Farms Lt	11/02/2025	2028
MLCR10019	Hall	Mark	Royal London Asset Management/Waldersey Farms Lt	11/02/2025	2028
MLCR10020	Smith	Jack	Royal London Asset Management/Waldersey Farms Lt	11/02/2025	2028
MLCR10021	Mottram	Michael	Veris Ltd	16/04/2025	2028
MLCR10022	Smith	Matthew	F Smith & Sons	06/10/2025	2028

Public/Charitable Land:

Ref No	Land Ownership: Organisation Name	Organisation Type	Surname	First Name	Organisation of Appointee	Date of Appointment	Year for Appointment Review
MLCR20001	Wildlife Trust	Charity (UK Based)	Langslow	Derek	Wildlife Trust	13/04/2023	2026
MLCR20002	AgReserves Ltd	Charity (Not UK Base	Lensen	Andrew	Ag Reserves Ltd	01/09/2025	2028

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). See 'The IDB governance future within the Middle Level of the Fen' within the Clerk's Report.

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.

5. Training

5.1 IDBs are expected by Defra to support relevant externally accredited training and/or professional development of its Board Members, officers and employees (if appropriate). It is therefore recommended that the Board identifies and budgets for any such requirements.

5.2 In addition, IDBs are expected by Defra to provide in-house training and/or professional development opportunities for its Board Members, officers and employees (if appropriate).

5.3 Topics that Defra suggest are i) Governance ii) Ethics iii) Finance iv) Environment v) Health, safety & welfare and vi) Communications & engagement.

5.4 The Board are asked to outline the training undertaken in the last year as well as future needs or plan for training. 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.

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

6. Governance

6.1 Given their bank lot land holdings, the Middle level Commissioners are eligible for election to Nordelph IDB who have elections later in 2026. The Board and Commissioners are asked to confirm whether they wish to nominate an individual to represent the Commissioners to put forward for membership of Nordelph IDB.

Author Name: Gemma Ashby
Role: Senior Business Support Officer

Middle Level Commissioners		Item No:	6
Meeting:	MIDDLE LEVEL BOARD	Subject:	FINANCIAL RESERVES
Date:	23rd April 2026	Officer Responsible:	Paul Burrows

RECOMMENDATIONS

The Board is asked to:

A. Review and approve the Reserves Policy proposed within Section 2.
B. Approve the rationalisation of Funds and Provisions as recommended in Section 3.
C. Support the overview of each Fund within its Reserves as outlined in 3.2.
D. Discuss the draft Health-Check assessments with a view to adopting the approach.

1. Introduction

1.1 The Commissioners' Financial Regulations state:

8. In considering its financial health, estimates, rates, levels of reserves and investment strategy, the Middle Level Board and Commissioners will consider as a minimum:
   I. Whether it has sufficient General Fund Reserves to cater for above average annual expenditure due to, for example, excessive pumping and urgent works.
   II. Whether it is utilising and planning for use its ring-fenced funds appropriately.
   III. Whether it has sufficient Asset Improvement/Future Works budget taking account of its asset base, asset age/reliability, capital programme requirements and likely grant eligibility.
   IV. Its financial ability to secure and pay off a suitable value Public Works Loan to bridge any gap between its Asset Improvement/Future Works budget and likely value of works.

1.2 In terms of Reserves, the ADA Good Governance Guide outlines that:

"the notional view that IDBs should simply produce a balanced budget each year is not practically realistic. Retention of a sensible level of reserves is therefore prudent to enable your IDB to operate should an event occur. A reserves policy will help your IDB demonstrate where reserves are being accrued towards specific causes to meet the IDB's strategic and operational plans.

Your IDB may be considering a capital project and wish, quite sensibly, to begin to accrue funds in advance of capital expenditure. The most prudent approach to large capital expenditure is likely to be the building up of appropriate reserves that will reduce the need for further drainage rate and special levy rises or for borrowing.

Additionally, as an authority established to manage flood risk, whose expenditure will to a very large extent be weather dependent, your IDB will need to retain adequate reserves to maintain an adequate level of operations during wet years.

In practice, auditors tend to view IDBs as acting properly if proper and adequate, but not excessive, reserves are retained. As a general rule, in the absence of a specific cause, an IDB can regard this to be the retention of a normal year's expenditure, less any grant funding received. Your IDB should, however, always be prepared and able to justify any balances held to its auditors, ratepayers and the general public."

2. Reserves Policy

It is recommended that the following be adopted and published as a formal MLC Reserves Policy:

2.1 The Middle Level Commissions require a range of Funds within its Reserves to meet its strategic objectives.

2.2 The aim of these Funds is for them to be of a financial value that is considered sensible when assessed against the scale, complexity and benefits provided by the Commissioners' operations and infrastructure, without being excessive.

2.3 Each Fund will have a management approach and governance arrangements proportionate to the value and criticality of the Fund. Each Fund will be tracked with the status reported to the Middle Level Board at their April and November meetings. Within this there will be a specific health focus on the Asset Management Fund and General Reserves Fund (See 4).

2.4 Some of the Funds within its Reserves have been secured and saved for specific ringfenced purposes, for example associated with specific agreements, objectives and/or legislative commitments. Integrity will be maintained within the use of such Funds.

2.5 Discharge contributions received and invested into Reserves from developers will not be treated as a dividend and therefore obviate the need for responsible budgeting in terms of core income from drainage rates and special levies.

2.6 The Middle Level Commissioners are not a normal Internal Drainage Board, therefore our approach to Reserves needs to consider the assets, operations and associated liabilities with our Navigation and Water Resources role, in addition to our Flood Risk Management and Drainage functions.

2.7 The type, scale, value and complexity of our assets and operations, and the associated benefits and risk to communities, land and infrastructure, is also very different to a traditional Internal Drainage Board. Therefore, the general rule of having a year's expenditure (less grant funding) in hand is insufficient for our circumstances.

2.8 It is acknowledged that in the event of a reasonable worst-case scenario of i) major issues at St Germans Pumping Station and/or ii) breaches of MLC high-level carrier raised embankments, that levels of Reserves will never be sufficient or resilient to cater for the cost of response, recovery and repair. This is an inherent financial risk associated with the Middle Level of the Fens and under these circumstances an emergency would need to be declared via the Cambridge & Peterborough and Norfolk Local Resilience Forums.

3. Rationalisation of existing Reserves and Provisions

3.1 We currently have a number of funds that collectively make up our Reserves, and we also have budget provisions sat outside of these funds. It is recommended that the following rationalisation takes place within 2026/27:

Existing Fund	Recommendation
Development Contribution Account	Move monies into new Asset Management Fund and close these funds.
Channel Maintenance Future Works Account	
Discharge Consents A1 (M) Account	
Commuted Sum (Cardea)	Rename as Cardea Management Fund
Sale of Land & Buildings/Property Fund	Rename as Property Fund (Adventurers Account)

Revenue Account	Rename as General Fund Reserves
Navigation Account	Rename as Navigation Facilities Fund

Existing Provision	Recommendation
Telemetry Improvements	Move monies into new Asset Management Fund
IT Replacements	Move monies into Property Fund
MLSRMS Scheme Development	Move monies into new Asset Management Fund
Great Drove Culvert Improvements	Move monies into new Asset Management Fund
Marmont Priory Lock Replacement	Move monies into new Asset Management Fund
Reservoir Consulting Fund	Move monies into new Asset Management Fund
Publicity	Move monies into new Comms & Engagement Fund

3.2 The following Funds will therefore collectively constitute our Reserves. The Middle Level Board can raise a rate within its budget to add funds from drainage rates and special levy into any of the Funds.

Fund	Overview
Asset Management	Major reserves fund for the resourcing, development and delivery of works to MLC assets, as well as plant purchases. The fund can be used to lever grant and partnership funding and/or cater for uncertainty in grant eligibility and availability. The fund is also available for wider asset management activities, including in support of our planning, regulatory and enforcement activity, including associated legal services. The primary inputs into the fund are the Surface Water Development Contributions from developers.
Electricity Net Zero	The MLC has adopted the ambition to become 'Electricity Net Zero' by ringfencing and reinvesting savings and income from renewables into resourcing and delivering further renewables until net zero or all realistic opportunities have been exhausted. Income received via export to the grid will be saved within this Fund. The estimated savings from existing renewables from the previous year will be rated within the following year and held in the Fund.
Property (Adventurers Account)	Fund to meet clause 16 of the Middle Level Act 1862 with monies from the monthly rent of MLC properties, land rental and from the sale of land/property. To be used for MLC office, depot and MLC property works and/or improvements. This could include IT hardware.
Navigation Facilities	The commitment within the Middle Level Act (2018) was to allocate 25% of annual gross income from annual boat registration feed to the provision of facilities on the link route between Stanground and Salters Lode locks until the IWA recommendations for facilities provision has been achieved. This Fund is to meet this commitment and also for other facilities-related projects supported by the Navigation Advisory Committee.
Paddling	Minor Fund from the income received from the partnership agreement with PaddleUK (formerly British Canoeing) for reinvestment in paddling improvements (e.g. portage) within the ML.
Comms & Engagement	Minor Fund to enable public/partner/stakeholder engagement and improve the profile of the organisation.
General Fund Reserves	Major reserves fund to cater for i) cash flow management ii) wetter than budgeted years and iii) urgent and/or unexpected in-year expenditure. The Fund is currently built up from underspends from previous (drier than budgeted) years as well as considered provision within annual budgets.
Cardea Management	This is the commuted sum received from Persimmon Homes associated with the land transfer to MLC of the SUDS associated with the Cardea development in Peterborough. The monies are to manage the SUDS in perpetuity. In future there may need to be other Funds for similar arrangements.

3.3 For each fund we intend to develop a tracker to account for the source of income into each Fund and track actual expenditure and future provisions from it. As a simplistic draft example:

Asset Management Fund: Value £XXXX (Date)		
IN	**OUT**	**PROVISION**
A1M; 2025/26; £20k Development A; 1999/00; £300k Development B; 2025/26: £1m Development C; 2017/18: £50k Rate/Levy Provision: 2022/23: £10k Etc	Marmont Priory d/s gates; 2024/25; £400k 16FT bank slips; 2021/22: £25k Mobile Pumps: 2013/14; £35k Catchment modelling: 2014/15: £50k St Germans eel pass refurb: 2025/26: £40k Etc	Ashine Lock Gates: 2027/28: £500k Bevill's Pump 6 Refurb; 2028/29: £120k Etc
TOTAL: £XXXX	TOTAL: £XXXX	TOTAL: £XXXX

4. Asset Management Fund & General Fund Reserves Health-Check

The following is a simple, draft health assessment from which a traffic-light status can be determined in line with Key Health Indicator principles outlined within our Risk Management Strategy:

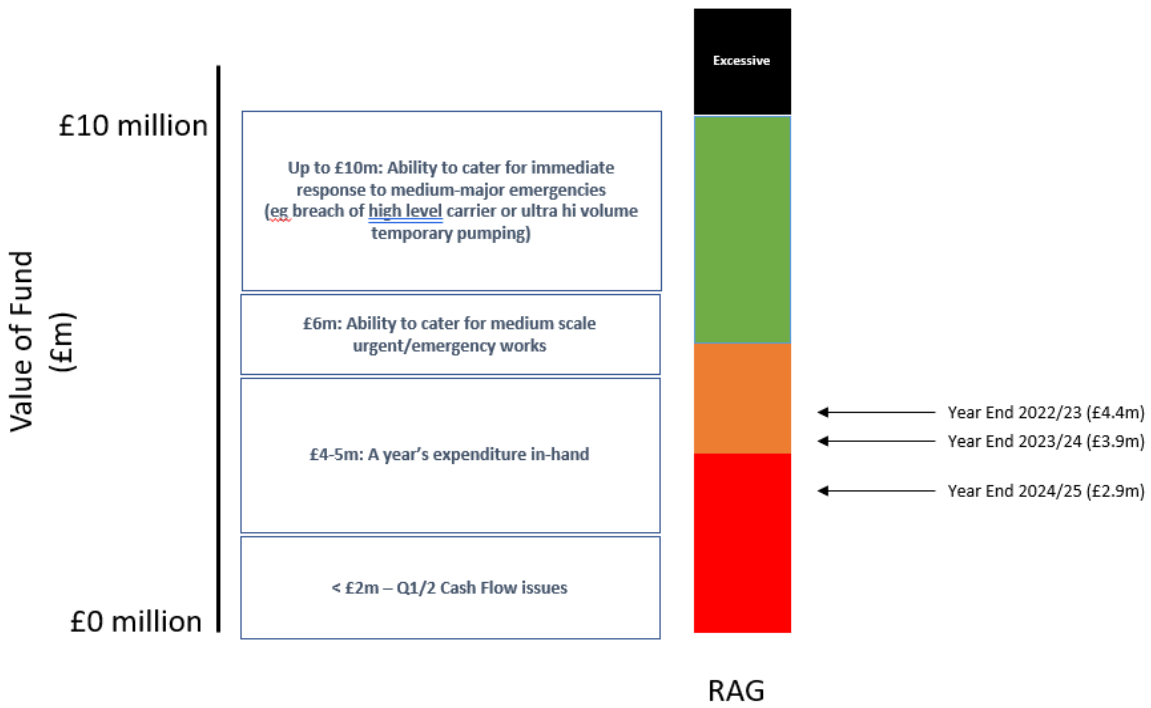
Asset Management Fund - Health

Asset Management Fund: Health Check		
Value of Fund	£500,000	**% of need**
Annual Asset Investment Profile 2026/27 – 2032/33	£169,390,000	**0.29%**

<u>% of need</u>

Red	Amber	Green	Excessive
<5%	5-10%	10-20%	>20%

General Fund Reserves - Health



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