middle level commissioners

Middle Level Board

At a meeting of the Middle Level Board held at the Middle Level Offices, March on Thursday 23rd April 2026

Present

Hugh Whittome (Chair)
Jonathan Brown (Vice Chair)
Patrick Allpress
Robert Brown
Mark Hall
Marc Heading
Derek Langslow
Matthew Latta
Alex Miscandlon
Alison Morris
Stephen Whittome

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

Welcome and Apologies

The Chair welcomed everyone to the meeting.

Apologies were received from: Dee Laws, Christopher Crofts, Andrew Lenson and Sally Howell

The Chair welcomed Mr Matthew Smith to the meeting. Mr Smith is Vice Chair of Ramsey 4th IDB, and a local farmer involved in NFU. The Chair asked the Board if they would like to co-opt Mr Smith onto the Board. This was formally proposed by Mr J Brown, seconded by Dr Langslow and agreed by all present. Mr Smith was welcomed to the Board. Mr Mark Hall, representing Waldersey Farms was also welcomed to the meeting having been elected to the Board at the last meeting. Both Mr Smith and Mr Hall were introduced to everyone present.

The Chair then asked that all questions be addressed through the Chair and requested that members hold only 'one meeting at a time'. He reminded members that they all act on behalf of the Commissioners. Whilst in this meeting they are not farmers or councillors, but Board members. They must ensure value for money to ratepayers and the payers of the special levies.

RESOLVED

Mr Matthew Smith be co-opted onto the Board.

B.3898 Declarations of Interest

The Chairman reminded the Board Members 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, and it would be taken as read that all Commissioners have land interests. Any other declarations will be addressed at each point.

B.3899 Minutes of the Last Meeting and Matters Arising

The minutes of the last meeting were reviewed and agreed, and no matters arising other than those already addressed in the agenda were identified.

RESOLVED

That the minutes of the Meeting held of the Board on 6th November 2025 are recorded correctly and that they be confirmed and signed.

B.3900 Constitution and Membership

This item was deferred to the Commissioners meeting which followed the Board meeting.

B.3901 CONFIDENTIAL ITEM SUBJECT TO LEGAL PRIVILIDGE

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

B.3901 Financial Reserves: Policy, rationalisation and proposed health check approach

The Chief Executive introduced a threefold proposal. First that the Board adopt a formal reserves policy as shown in Section 2 of the paper, that there is a rationalisation of existing reserves and provisions, as detailed in Section 3 of the paper, and finally an overview of each fund within its Reserves, as outlined in Section 3.2 of the paper.

Mr S Whittome observed that previously the Commissioners had operated with a year funding in the reserves and questioned why this is now seen as inadequate. The Chief Executive responded that the Commissioners had always worked to year in hand in the past, albeit informally without a clear policy position. Whilst this may be good for small IDB's with a simple asset base, MLC is very different. The consequence of issues is potentially greater financially, plus we are working in an environment where dispute litigation is more likely. A Year in Hand could be seen as an 'amber' position, so we need to be considered about the general fund.

Mr Heading added that a Year in Hand can soon disappear when things go wrong. Mr Latta agreed, adding that a Year in Hand is the bare minimum, and the last year had demonstrated this. The Chief Executive thought that having more in hand creates greater resilience. However, if others looked at our accounts and thought on face value that too much funding is being retained, we have to be able to demonstrate that this level of funds are not excessive.

The Chair asked the Board to consider the report recommendations 1 to 3 and these were all approved.

The Chief Executive went on to explain Recommendation 4. He wanted to add something simple and more visual to demonstrate the health of the key reserves, and the Board reviewed the example in the report. The Chair asked the Board if they would consider the proposal, and the Board agreed unanimously. The Chief Executive thanked the Board, adding that this provides an opportunity to create a one-page summary position which can be weaved into future meeting reports.

Mr Allpress asked how the reserves would be increased. The Chair advised that this must be a long-term goal. However, at present we are in a flux position and will need to see how this develops over the next year. This can then be reviewed. How this could be reflected in financial projections will be discussed later in the meeting.

Mr Miscandlon reminded the Board of the upcoming Local Government review, which will see significant change from March 2028. At present we do not know how this will affect the apportionment or payment of council special levies, and so we will need to consider this.

The Chief Executive thought that once a model is proposed there should be a transitional process. We will still issue special levies to the new councils.

RESOLVED

> That the Reserves Policy as proposed is approved.
>
> That the rationalisation of Funds and Provisions as recommended is approved.
>
> That the overview of each Fund within its Reserves as outlined is supported.
>
> That the approach to the Health-Check assessments is agreed.

B.3902 Fens 2100: A Case for Change

The Chief Executive reported that there has been a team working within the Environment Agency for a while in partnership with IDBs and others, in order to get to a position that collectively we are doing the best we can for the Fens. The Board have been provided with a copy of the Fens 2100+ newsletter, and they were shown the Case for Change video.

After watching the video, the Chair observed that Fens 2100+ is probably the only show in town when comes to long term resilience of the area. In reality Government funding is the only way to rebuild pumping stations. Governments seem to like big schemes they can get behind, and working together like this creates an opportunity to develop large schemes. Mr R Brown observed that the video did not mention preserving water, but focussed on removing water, but that MLC need to keep water in. This problem will become bigger when the Fens Reservoir needs filling, and this will impact other areas for the future if preserving of water is not looked at. The Chair advised that Fens 2100+ does look at this.

Mr Miscandlon said that as a Councillor he thinks that it is essential this film goes out publicly as it affects everyone's lives and all councils in the area. The Chief Executive reported that it has gone to councils and is on YouTube. He asked Mr Miscandlon to take this back to Fenland District Council and to support its message. Mr Heading asked what the next steps will be. The Chief Executive thought that all Board members have an ambassadorial role. There are further Stakeholder forums planned over the next month. We want to see the Fens on the same playing field as other strategies and on the Treasury's agenda, and to get Fens 2100+ onto a national footing.

Mr Smith said that he had attended an early Fens 2100+ meeting and asked the Chief Executive if he is confident that all stakeholders are working as one. The Chief Executive replied that MLC with other Flood Management Authorities are coming together, underpinning that this issue is a broader Fens piece with many angles. It is the first thing we have done in decades that does the Fens justice, but we cannot fully rely on it in terms of our own infrastructure issues. Mr Smith asked how we manage to work with partners we have had disagreements with such as Anglian Water and the Environment Agency. The Chief Executive advised that this is an inherent issue within the sector, if you take the Environment Agency's relationship with Water Companies as a key example – a regulator on one hand and partner in another.

It is not easy, but issues and roles need to be compartmentalised as best possible. Ms Morris asked about the Westminster launch, and who attended. The Chief Executive advised that all MPs were invited, but that the launch clashed with a vote in the House and so attendance was a little disappointing, adding that none of our local MPs attended the launch. However, this has enabled the EA to publish the report on gov.uk.

Mr Miscandlon said that he will share the information with Steve Barclay MP, and also FDC in an ambassadorial capacity.

Mr J Brown asked what steps are planned next. The Chief Executive reported that he will remain on Project Board, and there will be further studies. Mr J Brown asked what the immediate gain for MLC is, and the Chief Executive responded that MLC get our assets, infrastructure and face included in important documents going to the Treasury. This will help with getting people to understand our system. The EA only have a third of the overall asset base in the Fens, with two-thirds belonging to IDBs. It is important that collective energies are showcased. The Chair concluded the discussion, commenting that this is a huge long-term topic, and there will be more information to come.

B.3903 Strategy and Delivery

The Chief Executive asked that the Annual Report generally be taken as read, and he will focus discussions on the items that frame the budget and rate decision. Referring to the report, in the last financial year MLC delivered £4.7m of work as a result of the IDB Fund T2b Grant Funding, £3m for MLC and £1.7m for administered Boards. This is effectively 30p in £ worth of investment if it had been rated. It is intended to showcase a lot of the completed work to the Board on the planned inspection day in the summer. We maximised the opportunities, with some works which were budgeted for last year but funded by grant. The result was that we did not need the Public Works Loan agreed last year.

A choice was made to deliver the works in-house, which has been beneficially financially and in terms of delivery however has put a significant strain on the team and some Business-as-Usual activity has been impacted.

Moving on to the optimisation of St German's operations, the pumping station has previously felt like a financial burden but becoming hands on in station (as detailed in the Report) and the integration of solar we are becoming significantly more efficient. A very early and limited assessment indicates a 20-30% reduction energy used. This work has largely been primed by the IDB funds and has enabled the ambition to move towards achieving Electricity net zero to be set. The report shows the early savings made by the various solar installations and predicted export income once arrangements are in place. The export to grid is not in place at present, but once this work is completed and by this time next year, we should have a better indication of the savings from solar and a better indication of future expected income. This will give us funding to then reinvest in the next phases of achieving Electricity Net Zero.

The Chair advised that all solar installations have been fully funded by Grant, which is fantastic news. Mr Hall asked if the maintenance costs will be borne by the Commissioners, which the Chief Executive replied they will be. Mr Miscandlon asked about the life of the panels. The Chief Executive advised they should last for 25 Years, and that a plan will be needed for their replacement. An asset management plan is still to be developed. The funding has also been used to improve resilience via new security measures at both St Germans and Bevill's Leam Pumping Stations.

The Chief Executive referred the Board back to the Resolution requesting the Board to identify Commissioners to act in an advisory capacity to identify and mature future delivery plans to achieve

Electricity Net Zero. These Commissioners would provide to support Dave Bantoft and Jon Fenn of MLC as they move the ambition to the next stages. Mr Latta, Mr J Brown, Mr Hall, and the Chair, all agreed to act in an advisory capacity.

The Chief Executive highlighted the next quick win which is likely to be installation of additional solar on the concrete base of the soon to be removed existing fuel tank at Bevill's Leam Pumping Station. The Board agreed that an application be made to the Glassmoor Local Environment Fund, which could fund up to 85% of the project costs.

The Chief Executive advised the Board that MLC are now starting to bare their regulatory teeth and considering development pressure in the catchment, the Board is asked to approve the adoption of a Compliance & Enforcement Policy. The Compliance & Enforcement officers have a huge caseload and are making progress, but they need a policy that is adopted by both MLC & IDBs to underpin their activity. The Board approved the policy.

The Chief Executive explained that supporting that policy is the standing advice that was issued a couple of years ago which reflected the 'at-capacity' status of the Middle Level system. We have now added Standing Advice to strengthen the position regarding protection of the MLC and IDB Byelaw strips. We need to be increasingly firm in our stance, protecting strips for waste management, maintenance and future improvement works is essential. We will probably need to develop a similar Standing Advice document for culverting in the future.

Mr S Whittome asked how we can enforce developers. The Chief Executive explained that we can influence through regulation and then enforce i.e. serving notice. We usually start by speaking to the developer and then escalate as appropriate. The recently issued stop notice, if not responded to, would probably have ended up in court action.

The Chief Engineer added that being more upfront and ensuring developers know more about our Byelaws is important. We are taking a lot of action on legacy developments. The Chair added that having extra staff in place along with the Enforcement Officers will reinforce this.

Mr Latta asked if our Byelaws come up in land searches, and that he had encountered similar Byelaw issues as an IDB Chair. The Chief Executive advised that they do not, and so we would like to get some media work done that showcases our Byelaws and consents and then target solicitors, conveyancers and estate agents.

Moving on in the report, the Chief Executive advised that the workload from developers is now being dealt with more efficiently and 80% more effectively. The Chief Executive summarised that there are three financial themes associated with strengthened regulation, namely;

1. *Consent Fees, Commuted Sums and Discharge Contributions*
2. *Cost recovery of staff time (inc. associated overheads) from i) developers and ii) IDBs*
3. *Future cost avoidance via effective regulation to protect MLC and IDB interests (strategic and* tactical)

A strengthened regulatory approach is to reduce future costs and create funds to invest proactively. The financial scale and timing of receipt is challenging to forecast. However, we can use some planning assumptions within the budget, reducing staff time and costs, and adding to reserves to them plan investment.

The Chair added that at November's meeting, the Board agreed to the recruitment of extra staff, and also the additional policies needed to bring developers contributions up to date. It is believed that this will recover costs as well as providing a better service. Mr J Brown added that it is important to also remember that our IDBs will also benefit from these changes.

The Chair added that the division of contributions is made dependent upon the number of times water is pumped i.e. £100k contribution, pumped once each by IDB/MLC £50k each, less an administration fee which is taken by MLC. Mr Hall asked about water from highland, to which he was advised that we have highland water alongside water from outside of the Middle Level catchment which we have to deal with. Mr J Brown added that water from highland tends to be flashy and high volume and is difficult to deal with.

The Chief Executive advised that recruitment to technical roles has been challenging with mixed success. Although there has been some successful recruitment to some posts, suitable Planning and Consenting Officers are hard to find, so we may need to look to training our own. We have successfully recruited a new Project Manager, but the success of the overall process depends on getting the right people.

We need to look for income from sources other than ratepayers, with consideration to the new government funding policy as explained in the report. We will need to invest in order to draw grant funding. We still need to see how the new flood funding policy fleshes out but we need to slowly develop our reserves and invest wisely. The Board were asked to acknowledge the approach to part-fund future capital projects, the amount to be agreed on a project-by-project basis. This was agreed by the Board.

Once funding becomes clearer and applications can be made and following a check of the associated Terms and Conditions, we would like to proceed with submitting bids for funding. The Board were asked that if any grant opportunities become clear, that approval is given to the general principle that these are applied for. The Board agreed with this approach.

With income being generated, and within budget setting, we will start to prioritise capital works, which will be funded through a combination of asset management funds plus reserves.

The Chief Executive also advised that in addition to the priority capital works listed in the Head of Finance's report, the Depot gate is causing increasing H&S issues, and that the time has come to replace it with a pedestrian gate and a better vehicle gate. The Board acknowledged this.

Moving on the Chief Engineer's report, before the Chief Engineer reviewed the content of her report, she reported to the Board that the previous day there had been a failure of the gravity flap door at Bevill's Leam Pumping Station. This had occurred during the water level recovery following the pump re-installation. A temporary repair has been made, and it is estimated that that the full repair costs will be up to £5k. This will need to be carried out during the summer and ahead of the winter pumping season.

The Chief Engineer went on to explain that we need to carry out catchment wide asst inspections. This will help us plan and budget for works needed and provide sound evidence for funding bids. At the moment we are reactive to issues as they arise, for example, essential works at:

- Twenty Foot Drain bathing shed previously discussed. We now have a cost estimate for approval included in the budget (£50k). This is to mothball the riskier parts of the structure leaving the safer area for continued use. We intend to carry out these works whilst Highways have a road closure in place.
- Yaxley Overspill Footbridge – proposal to install temporary structure which could eventually be replaced with a permanent structure, and the temporary bridge then used elsewhere (£15k). There is a Public Right of Way over the watercourse, and we have identified some movement in the footbridge, which has classified this as an unsafe structure.

- Recent failure of Salter's Lode Lock control panel vertical tidal gate (£30k). This is also part of the tidal defences. Maintenance has been carried out on the control panel over winter, but the panel has now failed. There are engineers on site at present and we are hopeful a temporary fix can be put in place to get us through the navigation season, with permanent repairs then carried out over winter.
- Also included is the previously approved budget for Ashline Lock inspection

All of the above have also shown the importance of holding reserves for unexpected occurrences.

The Chief Engineer explained that a programme of annual asset inspections will help us to start addressing issues proactively and ideally reduce the likelihood of this sort of thing from happening. Asset inspections may cost up to around £10k per asset depending on type of asset and inspection needed. She asked the Board for their approval of Resolution I to create a costed asset inspection programme to be budgeted for going forward and she advised that £10k has been included in this year's budget. This represents a small annual budget to start assessing the condition of our assets. The Chair added that this will not include the pumping stations, but the Chief Engineer confirmed that this will include bridges, water control structures, assets through our embankments and so on. This will help us to prioritise the structures that require urgent action. Mr Miscandlon noted his surprise that there is currently no system in place to have assets inspected regularly. The Chief Engineer replied that historically we have employed a light touch with visual inspections, but that she would like to put something better in place. The Board were directed the report which contained further detail of the proposed inspection programme and approved the creation of a costed asset inspection programme to be adopted and then budgeted for going forward.

The Chief Engineer updated the Board on the progress with Bevill's Leam Pumping Station works, reporting that pumps 1 and 2 have been refurbished and pump 3 is being lifted out on the day of the meeting. The Chair advised that these works should give the pumping station a further 10-15 years of operation, during which a replacement station can be planned. Mr S Whittome welcomed this news, and Mr Latta commented on the importance that this pumping station works effectively. The Chief Engineer reported that it is intended to refurbish pump 4 next Spring and this is reflected in the budget decisions later in the meeting.

Drawing the Boards attention to Health & Safety, The Chief Executive advised the Board that it is important that the Board consider their Health & Safety responsibilities, adding that the IDB1 return now asks for Board members with eye on H&S. He added that IDBs have a H&S rep but we have never asked MLC Board to appoint one. The MLC roles and responsibilities are different to IDBs, in that people in the office are trained but accountabilities still lie around this table.

The Chair asked the Board if any of them would like to take on the role of being the voice of H&S around table, or if the Board all take on that responsibility. Mr J Brown commented that as there were no volunteers the default is that it is a collective, which Mr Miscandlon thought that was the position it should be. Ms Morris stressed the importance of having H&S news reported to the Board. The Chief Executive asked the Board to challenge each other and added that he was pleased to see the Boards support in changing out the approach to H&S. Mr Allpress asked if H&S reports should be a higher priority in agenda. The Chief Engineer added that the upcoming ADA Good Safety Guide advises that it is good practice to have a Health, Safety and Welfare standing item in the agenda. Mr Langslow felt that H&S was primarily and executive rather than Board function. With Ms Morris suggesting that MLC follow the NFU approach that H&S is an agenda item straight after apologies, but that it is a quick and sharp item, the Chief Executive suggested a 5 minutes H&S item as point no. 3 on the agenda, reporting on live improvements or near misses. Mr Miscandlon suggested that all Board members see things in the District that will need to be brought up at the meeting, and Mr H Brown thought that some items will be captured in inspections.

The Chair then addressed the remaining resolutions.

The Chief Executive and the Chair outlined the reasoning behind the purchase of concrete blocks which can be provided at costs to landowners to provide added security to land whilst still allowing access to MLC for maintenance. This was approved by the Board.

The Chief Engineer outlined the proposals around Plant Strategy with the proposal to reduce the mowing plant 10-year replacement period. The Chair added that moving tractor replacement being based on hours and other plant on miles rather than replacement based on age is being considered. Mr R Brown reflected on observations that the mowers are very slow, which is costing the Board. The Chief Engineer reported that a new approach to cutting is being taken, which is funding efficiencies on how we do things, such as reconsidering when we need to cut. Mr J Brown asked why tractors are purchased rather than hired. The Chief Engineer thought it was previously due to availability but could also be due to the fact we also use them for other operations. Mr Hall advised that a 4 year contract hire is comparable to purchase costs. The Chief Engineer is keen to review and will look at all options.

The Chief Engineer then outlined the proposal regarding an addition 4x4 vehicle. She explained that with an increase in staff, particularly Compliance & Enforcement officers who are out an about daily, there is a growing need for suitable vehicles to access sites across the catchment. Included in the budget is a provision of £15k for an additional vehicle with off-road capabilities. This would be an ideal opportunity for us to investigate and test the suitability of electric vehicles, and she asked the Board for their approval to progress the pilot lease of an EV instead of an outright purchase of a diesel fuelled vehicle. This will also give us the opportunity to test the potential transition to EVs in the future, contributing to our Electricity Net Zero ambitions, although this will need some further investigations. Mr Hall asked about charging capability, and the Chief Engineer advised that we need to update our charging apparatus but that when in place visitors will be able to charge EVs when visiting the office but there will be a fee. The Board agreed to the proposal.

Finally, the Board were asked to consider the sale of the dump trailer, which was agreed.

RESOLVED

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

The Board agree that we change our probationary period to 3-months, with the ability to extend it in exceptional circumstances by up-to an additional 2-months.

The Health & Safety expectation set out in the IDB1 form is met by the whole Board.

The Compliance & Enforcement Policy is adopted.

The Board support our continued development and publication of Standing Advice.

The Board adopt the position that only the Chief Executive, Chief Engineer and Head of Finance declarations of interest be made available and only if requested

The Commissioners to act in an advisory capacity to identify and mature future delivery plans to achieve Electricity Net Zero are Mr Latta, Mr J Brown, Mr Hall, and the Chair. The Board delegate the decision-making regarding re-investment of the Electricity Net Zero Reserve to the Executive Committee.

The Board acknowledge the approach to part-fund future capital projects, the amount to be agreed on a project-by-project basis.

The Board support the development and submissions of applications for Lowland Peat Water Schemes and other grant/funding opportunities as they arise.

The Board support the recommendation to approve the creation of a costed asset inspection plan to be adopted and then budgeted for going forward.

The Board agreed to allocate budget for the refurbishment of Pump 4 at Bevill's Leam along with gearbox and engine starting late March 2027, estimated cost £165k.

The Board support the approach to addressing access and security issues for our maintenance access to critical land and approve associated budget. An estimated cost of £3,845 for 22 blocks has been included in the estimated budget.

The Board approve the consideration of a reduced mowing fleet replacement period in the next Plant Replacement Strategy review.

The Board agree to progressing a 'pilot lease' of an EV instead of purchasing a traditional vehicle outright

The Board approve the sale of the dump trailer.

B.3904 Finance and Governance

The Chair asked Mr Wool to take the Board through his report, commenting that the report was the fullest and most detailed report he has seen.

Mr Wool began by saying that this report follows his first full year in office, taking over from someone who had been in situ for over 20 years. He added that he is now getting to grips and is starting to evolve the reporting and thanked the Chair for his comments.

Referring to his report, Mr Wool drew the Board's attention to the fact that the financial year had led to a better conclusion than predicted, with a much bleaker picture being considered 12 months previously. He identified a number of one-off items that contributed to the favourable balance. However, this was following an overspend of £1.7m in 2024/25. Overall, the year ended in a healthier position than expected.

Mr Wool went through the summary of actuals against budget, the revenue accounts, the balance sheet – which will be simplified by the next meeting, and the navigation account which is presented in accordance with Middle Level Act 2018. He also reviewed the summary of cash balances. He advised that the outstanding drainage rates balance at 31st March was £119,974. Peterborough City Council still owe their levy of £23, but all other special levies have been paid.

Mr Wool moved to the 'looking forward' and advised that this has been challenging to compile. There has been lots of discussion, but a budget has now been reached which results in a recommended rate of 34p in the £.

Mr Wool reviewed the assumptions that had been made in order to develop the budget, all as featured in his report. He also identified where these would be funded from. He added that there had been some tidying to the asset management fund but that there had been an increase in that fund due an increase in contributions.

The Chair commented that there was a lot to consider and opened the discussion. He added that the Exec have thought long and hard about the rate and met twice before recommending 34p. They have looked at the decision MLC have made to expand the business to lever efficiency and income, by increasing capacity. The Exec felt it unfair to rate for the risk associated with this business development and organisational change. Any income would go into the reserves, and so it is felt to be fairer to fund it this way. Overall, we are hopeful for better financial outturn but without loading the rate. He asked the Board how they felt about this approach.

Mr Langslow thought it sounded like a well-managed risk, and that less than 3% increase in cost to the rate, given current inflation, is a modest figure. He agreed that we have to take the risk and take the opportunity or increase rate instead. The Chair added that it was also an intention to drive alternative funding opportunities.

Mr R Brown asked about the £120k of unpaid rates. Mr Wool advised that the figure is the total amount outstanding for all years, with £60k for the period 2025/26. Mr R Brown felt that the Board need to be sympathetic toward ratepayers now and would prefer not to raise rate the extra 0.5p.

Mr Hall voiced his surprise that he was hearing about the healthy condition of the finances and then hearing about the stresses of managing system. He congratulated the finance team and all the teams for their work and added his agreement to the proposed rate. He commented that RPI has gone up 130% since 2000, but he believed the rates have increased 209%, although Mr Wool did not agree with that assessment. The Chief Exec said the finances were not considered as healthy, but healthier than they could have been and there is a history prior to the last 5 years which needs to be taken into account alongside the degradation of asset condition. Adding that the level of financial reserves is far from healthy as outlined earlier. Mr Hall agreed that there may be more stories behind that and that there are still efficiencies we can find.

Mr Heading voiced his concern that if we don't raise the rates, we are not going to meet budgeted expenditure. The electricity rate will change in October when our current agreement ends and the war in Iran is affecting prices. If we don't increase at the rate of inflation, it would be concerning. When he was Chair, he was proud of keeping the rate the same for a number of years. He added that with hindsight this was a mistake, the rate should have increased marginally to build up funds in the reserves.

Ms Morris added that the Exec had spent 2 meetings discussing this, and that they thought it was fair to apply a minimal increase so as to avoid increasing the number of rate defaulters Mr J Brown added that if it wasn't for the war the rate could have stayed the same. Putting up 0.5p is a nod to the organisation need to go forward and bring in alternative income streams. The Exec did not want to take the risk of increasing an extra 1.5p.

Mr Latta added that everything is moving exponentially. The rate has got to go up to avoid kicking the can and then having a big jump in rate later. Mr S Whittome observed that this is the first time in 25 years we are going to generate income, and that he endorses the Exec's approach and supports the proposal. (Mr Heading left the meeting).

The Chief Executive added that the position taken to hold rate in previous decades created a cost cutting mentality that has been damaging, and that we are now turning the corner on our recovery from this.

Delivery of the new St Germans pumping station fundamentally changed the operation of the organisation. Other assets are at the end of their life, and it is taking more to keep them going, and all of these things are compounding. The right approach will bear fruit in the medium term.

Mr J Brown added that the last 12 months the Board have been concerned about the financial position, so he is pleased things have improved. Mr Hall agreed that we are now in a good place, but we need a certain amount of money to run the show. We are getting better but need to develop staff to do this. The Chair added that we were facing a position where we didn't have the cashflow to get to the rating period, so we have had a big turnaround.

Mr Wool drew the Board attention to the chart in his report comparing inflation over that period and showing that rate increases are probably behind that curve.

Ms Morris asked if the Board are still paying for the new St Germans pumping station, and Mr Wool advised that just under 7p of the rate is for the loan repayments.

Mr Chair referred back to the proposal from the Exec of a rate of 34p in £, and asked for a proposer and a seconder, or alternative proposals.

Ms Morris proposed 34p, and this was seconded by Mr J Brown. This was agreed unanimously.

Mr S Whittome noted that in the past the pension fund burden was greater than shown in the reports and asked if there were any staff still on the old scheme. Mr Wool advised that 14 employees are still members of the LGPS, and all other and new staff are enrolled in the Nest scheme.

Mr Wool asked the Board for their approval of the Determination of Annual Values for Rating purposes which was given.

Mr Wool asked the Board for their Approval of payments for the year 2025/26, all of which have been reviewed and approved by Chair before paying. Mr J Brown asked if this item was still needed within the agenda, and the Chair agreed adding that all payments have already been checked. Mr J Brown thought that the item was irrelevant. Mr S Whittome thought it would be useful to highlight larger amounts. Mr Wool advised that the Storm Recovery Fund Grants have increased the number of payments made. Ms Morris thought it was useful to see the payments, and Mr Wool agreed to check to see if reviewing the payments were required as part of the Governance requirements. If this were not the case the Chair would be happy for items over £1k only be reported on.

RESOLVED

i) That the resolutions listed in the Head of Finance Report are supported by the Board.

ii) The Board considered estimates of expenditure and proposals for special levy and drainage rates in respect of the financial year 2026/2027 and were informed by the Head of Finance that under the Land Drainage Act 1991 the proportions of their net expenditure to be met be drainage rates on agricultural hereditaments and by special levy on local billing authorities would be respectively 64.69% and 35.31%.

iii) That the following recommendations be submitted to the Commissioners, viz:-

a) That the estimates be approved.

b) That a total sum of £3,507,665 be raised by drainage rates and special levy.

c) That the amounts comprised in the sum referred to in b) above be raised by drainage rates and to be met by special levy are £2,269,042 and £1,238,623 respectively.

d) That a rate of 34.0p in the £ be recommended to the Commissioners and assessed on Agricultural hereditaments in the District.

e) That Special levies totalling £1,238,623 be made and issued as follows for the purpose of meeting such expenditure if the rate was approved, viz:-

£685,931 to Fenland District Council

£277,816 to Huntingdon District Council

£274,853 to the Borough Council of Kings Lynn and West Norfolk

£24 to Peterborough City Council

B.3905 Any Other Business

Mr J Brown said that he had seen in the ADA gazette that grants were available for turbines. The Chief Executive added that planning permission requirements are changing which it is hoped will make it easier to gain permission to install wind turbines. We are watching the position alongside our ADA colleagues.

B.3906 Annual Inspection and Date of Next Meeting

The Chair advised that the Exec were aiming for an inspection on 24th June 2026 commencing with an Accounts Approval meeting which will be followed by an inspection of the Depot, St Germans and Salters Lode.

RESOLVED

That an inspection and Middle Level Board Accounts Approval meeting will be held on 24th June 2026.

That the next full Board and Commissioners meetings will be held on Thursday 12th November 2026.

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

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Chair

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Date