

Minutes of the meeting of the Finance Committee of the Welland and Deepings Internal Drainage Board held at Deeping House, Welland Terrace, Spalding on Thursday, 6th December 2018 at 2:00 p.m.

- * Mr G R Aley
- * Mr W D Branton (Chairman)
- * Mr J F W Holdich OBE
- Mrs C J Lawton
- * Mr T C Purllant (Vice Chairman)

- * Present

- * Mrs J Smith
- * Mr B Tidswell
- * Mr J Ward
- * Mr P N Watts MBE

In Attendance:

Mrs K Daft	Chief Executive
Mr N Morris	Operations Engineer

01/18 APOLOGIES

Apologies were received from Mrs Lawton.

02/18 TO APPOINT A CHAIRMAN AND VICE CHAIRMAN OF THE COMMITTEE

Proposed by Mr Holdich and seconded by Mrs Smith, it was RESOLVED that Mr Branton be elected as Chairman of the Finance Committee.

The Chairman thanked Members for electing him as Chairman and remarked he would do his very best for the Board.

Proposed by Mr Tidswell and seconded by Mr Watts, it was RESOLVED that Mr Purllant be elected as Vice Chairman of the Finance Committee.

The Vice Chairman thanked Members for electing him as Vice Chairman and commented he believed that he and the Chairman made a good team.

03/18 TO CONFIRM THE MINUTES OF THE LAST MEETING

The minutes of the meeting held on the 7th December 2017, a copy of which had been circulated, were signed by the Chairman as a true record.

04/18 MATTERS ARISING FROM THE MINUTES

None.

05/18 TO REVIEW THE FINANCE REPORT 2019/20

The Chief Executive presented the report to Members. Matters arising:

05/18/01 Rental of Board's Land and Property

05/18/01/01 Surfleet Reservoir Plots

The Chief Executive advised that total income from the nine plots owned at the Reservoir currently stands at £27,160.

The Chief Executive recommended that an increase of 2.40% (September CPI figure) be implemented for 2019/20, and then increase the rentals by the September CPI figure on a yearly basis until further notice. The 2019/20 income would amount to £27,812 based on this increase.

It was RESOLVED that an increase of 2.40% be applied to the nine plots owned at Surfleet Reservoir.

The Chief Executive further advised that the lease agreement for Surfleet Reservoir is currently with the Board's solicitors for review.

05/18/01/02 Arable Rents

The Chief Executive advised that annual income from arable rents is £9,100.

No increase for 2019/20 is recommended.

05/18/01/03 Grazing Rents

The Chief Executive advised that annual income from grazing rents is £9,500.

No increase for 2019/20 is recommended.

05/18/01/04 Miscellaneous Rents

The Chief Executive advised that annual income from miscellaneous rents is £1,945.

No increase for 2019/20 is recommended.

05/18/01/05 Residential Properties

The Chief Executive explained that the Board owns four residential properties which are let through a residential letting agent; total annual income is £29,040.

The Chief Executive advised that any future increase to these properties' rents would be on the recommendation of the letting agent.

05/18/02 Development Reserve 2019/20

As resolved at 2017's Financial Committee meeting, the Chief Executive advised that a contribution of £30,000 for administration would be taken from the Development Reserve for 2019/20.

It was also agreed by Members that £55,000 for re-lining works at Woolram Wygate be taken from the Development Reserve for 2019/20.

05/18/03 Plant and Equipment Purchases

The Chief Executive proposed the following changes to plant and equipment be made during next year's financial year:

05/18/03/01 Tracked Excavator

One of the Board's tracked excavators (Liebherr 1, AE09 EET), has been kept an additional year for the 2018 cutting season. This machine has now worked 12,700 hours and it is proposed that it be replaced for the 2019 cutting season.

The Chief Executive advised that two machines had been considered: a Liebherr and JCB at £137,100 and £134,545 respectively. Despite considering the British-made JCB, overall it was considered that the purchase of another Liebherr would be the best option.

It was RESOLVED that a Liebherr Tracked Excavator be purchased.

05/18/03/02 Light Commercials

One of the Mitsubishi light commercial vehicles had been scrapped this year; a second Mitsubishi (AE07 EJU) is in poor condition and has 107,000 miles on its clock.

The Chief Executive proposed that one new light commercial be purchased to replace the two vehicles. Two brands of vehicle had been considered: a Mitsubishi L200 Diesel twin cab at a cost of £21,548 and an Isuzu at £22,799.

It was RESOLVED that a Mitsubishi L200 Diesel twin cab light commercial vehicle be purchased.

05/18/03/03 Trailers

It is proposed to purchase a 14 tonne dump trailer to replace a smaller tractor trailer that is in poor condition. The old trailer is to be utilised as the weed trailer at Pode Hole Pumping Station.

The Chief Executive advised that two trailers had been considered: a Bailey trailer at a cost of £13,960 and a Herbst trailer at £13,190. Members who

had first-hand experience of Bailey trailers recommended the brand and believed them to be the best in the marketplace.

It was RESOLVED that a Bailey trailer be purchased.

05/18/03/04 Liebherr 5 (AE59 JXN)

The Board's large-wheeled digger has only worked approximately 32 hours this year. Since the weedboat attachment was purchased a few years ago, this has made Liebherr 5 virtually redundant.

The Chief Executive proposed that Liebherr 5 be sold. The value is currently being sought and any future sale is likely to be by way of a tender.

It was RESOLVED that Liebherr 5 (AE59 JXN) be sold.

05/18/03/05 Plant & Equipment Prices

The Chief Executive advised Members that it has been particularly difficult to acquire prices for plant and machinery this year, and anticipated that 2019 prices could increase by up to 5%.

05/18/04 Estimates

The Chief Executive and Operations Engineer went through the proposed estimates for 2019/20 in detail. The various activities and priorities of the Board for the coming year were explained.

05/18/04/01 Current Year's Projected Close

The current year's projected close is a deficit of £25,360 compared to an estimate of a £752 surplus.

05/18/04/02 Current Year Income & Development Income

Current year income is projected at £121,713. Development income of £21,204 has been received and will be transferred to the Development Reserve.

05/18/04/03 Pumping Station Maintenance

Pumping station maintenance is projected to be £41,850 above estimate: major contributing factors to this being replacement weedscreen cleaner and control panel works at both Pode Hole Electric Pumping Station and Crowland and Cowbit, and unplanned repairs at Bourne South Fen Pumping Station and the new inverters at Riddingtons Pumping Station.

05/18/04/04 Drainage Rates

The Chief Executive advised Members that there have been only four small increases in the past ten years. It was RESOLVED to increase drainage rates by 2.4%. Proposed: Mr Watts, seconded: Mrs Smith.

05/18/04/05 Pension Deficit

The pension deficit has increased by £5,000 next year. The Employer's Pension Contribution remains at 17.7%; this will be reviewed next year by LCC Pension Fund for the following three financial years.

05/18/04/06 Administration

Administration includes an increase of 2.4% for salaries, the labour operations increase, together with legal costs of £20,100 for the Pennygate Pup byelaw infringement.

06/18 ANY OTHER BUSINESS

The Operations Engineer gave a brief screen presentation of the re-lining works that had been undertaken at Scraggs Dyke.

The Chairman then requested the Chief Executive, the Operations Engineer and the Secretary withdraw from the meeting at 3.30 p.m.

06/18/01 Confidential Item

For Members' eyes only.

07/18 DATE OF NEXT MEETING

Thursday, 5th December 2019 at 2:00 p.m.

There being no further business, the meeting was closed at 3:45 p.m.

Chairman