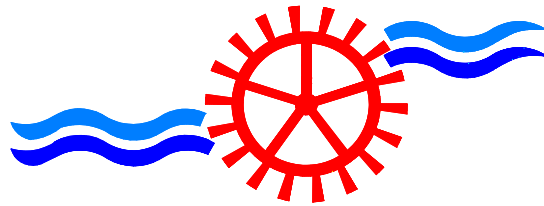


**SOUTH HOLLAND
INTERNAL DRAINAGE BOARD**



**RATE ESTIMATES
FOR THE FINANCIAL YEAR
2010/2011**

Kettlewell House
Austin Fields Industrial Estate
King's Lynn
Norfolk
PE30 1PH

**SOUTH HOLLAND IDB
RATE ESTIMATES FOR 2010/2011
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P J CAMAMILE
CHIEF EXECUTIVE

**INDICATIVE 5 YEAR CAPITAL WORKS PROGRAMME
SUMMARY OF ESTIMATED COSTS AND IMPACT ON DRAINAGE RATES**

	ORIGINAL ESTIMATE 2009/10	PROJECTED OUT-TURN 2009/10	ESTIMATED GROSS COST				
			2010/11	2011/12	2012/13	2013/14	2014/15
Tidal Sluices ¹	450,000	450,000	135,000	260,000	250,000	0	0
Telemetry ²	30,000	10,000	20,000	20,000	15,000	15,000	0
Generator Connections for Switchgear ³	45,000	120,000	0	0	0	0	0
Infrastructure Health & Safety Works ⁴	25,000	62,000	60,000	60,000	0	0	0
Hydrological Modelling ⁵	70,000	70,000	80,000	80,000	80,000	80,000	80,000
Free span bridge inspections ⁶	20,000	0	0	0	0	0	0
Pump renewals / pumping stn refurb ⁷	0	0	640,000	0	180,000	290,000	300,000
Standby pump	0	0	0	100,000	0	0	0
Water level control structures	0	0	0	0	0	0	100,000
TOTAL: (£)	640,000	712,000	935,000	520,000	525,000	385,000	480,000
CAPITAL FINANCING							
Capital Works Reserve	165,000	165,000	74,000	0	0	0	0
Grant Aid	0	270,982	175,050	27,000	0	0	0
Development Contribution	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Fixed Plant Renewals Fund	251,000	52,018	400,000	185,000	190,000	50,000	145,000
TOTAL: (£)	451,000	523,000	684,050	247,000	225,000	85,000	180,000
Drainage Rates (RCCO)	189,000	189,000	250,950	273,000	300,000	300,000	300,000

Notes:

- 45% grant aid has been obtained on this scheme and this forms part of the grant aid figures shown above for 2009/10 and 2010/11.
- The first phase of the telemetry expansion has been rolled back to 2010/11.
- 45% grant aid has been obtained on this scheme and this is part of the grant aid figure shown above. The generator connections scheme was originally intended to run over 3 years from 08/09 to 10/11. The £70,000 originally allocated in last financial year was not spent, and at the end of the financial year was put in to the Capital Works Reserve for use when the scheme started. Also, for ease of obtaining grant aid, the £30,000 spend planned for next financial year was brought forward so that the whole scheme fell in 2009/10.
- 45% grant aid has been obtained on this scheme and this forms part of the grant aid figures shown above. Initially planned as a 10 year scheme without grant aid, this was shortened to 5 years with grant aid for the purposes of the grant application. A condition of the grant being given though was that the scheme should be completed in an even shorter time given the urgent nature of Health and Safety issues. The annual spend has therefore been increased to complete the scheme in 4 years instead of 5. There was a small under spend last financial year which went in to the Capital Works Reserve and now forms part of this years expenditure.
- 45% grant aid has been obtained on the £30,000 element of this years spend relating to Clay Lake and Wisemans models, and this forms part of the grant aid figure shown above. Applications are in the process of being made for the remainder of the work this year, that being Peartree Hill, Donningtons, and Fleet Fen surveys, although modelling has currently been removed from the Environment Agency's 2010/11 sanctioned list for schemes to be considered eligible for grant.
- Free span bridge inspections have now been removed from the programme as they are to be undertaken internally, following receipt of further legal opinion.
- Fleet Fen and Peartree Hill pump replacements have been brought forward in to 10/11 from 11/12 and 12/13 as per the Board's decision made earlier this year. The Environment Agency were informed of this change in the submission of the Board's Medium Term Plan last June but unfortunately although Peartree Pumping Station refurbishment appears on the Environment Agency's sanctioned list for 2010/11, Fleet Fen has been put back to 2011/12. Grant applications will be made for these two pumping stations but at present no grant aid has been attributed to these pumps in the budgetary figures above. Little Holland and Wisemans pump replacements also form part of the 10/11 spend, for which grant aid at 45% has been agreed, and is included in the grant aid figure shown above.

K L J VINES
DISTRICT ENGINEER

NOTES	DRAINS MAINTENANCE	ACTUAL 2008/09 £	ESTIMATE 2009/10 £	PROBABLE 2009/10 £	ESTIMATE 2010/11 Units	ESTIMATE 2010/11 Unit Type	ESTIMATE 2010/11 £
	Hand Roding	11,513	10,187	12,731	6	Km	12,453
1	Mechanical Roding	404,856	436,238	426,238	980	Km	500,911
	Chemical Weed Control	9,279	15,085	13,085	5	Km	11,393
2	Mudding Channels	64,277	50,163	78,000	30	Km	57,170
3	Cleansing Culverts/Inspecting Pipelines	30,097	30,324	24,000	30	Days	46,536
4	Bushing & Tree Coppicing	67,872	70,823	62,823	255	Days	59,558
	Vermin Control	5,505	15,740	15,740	160	Incident	14,985
	New Access Works (Side Dyke Culverts)	58,893	51,365	41,365	40	Number	43,655
	Slip Repairs	126,268	165,314	143,114	3,000	Metre	154,131
5	Culvert Repairs & Renewals	60,243	62,504	95,000	100	Metre	65,040
	Fencing and Gates	7,589	10,166	16,000	30	Incident	16,200
	Rubbish Clearance	6,445	9,906	12,000	Various	Various	12,591
	Wracking	9,772	3,431	3,413	163	Labour Hour	3,990
	General duties	19,054	16,152	16,152	486	Labour Hour	11,293
		881,661	947,398	959,661			1,009,906
	PUMPING STATIONS AND STRUCTURES MAINTENANCE						
6	Pumping Stations	274,731	255,670	225,600	16	Assets	218,443
	First Line Tidal Sluices	28,273	45,000	45,000	8	Assets	40,000
	Second Line Tidal Sluices	6,636	24,000	17,000	14	Assets	17,000
7	Water Level Control Structures	439	2,262	11,500	3	Assets	2,031
8	Workshop	0	0	0	1	Assets	51,950
		310,079	326,932	299,100			329,424
	DIRECT WORKS	1,191,740	1,274,330	1,258,761			1,339,330

NOTES

- 1 Estimate 2010/11 more than estimates 2009/10 due to extra early flailmowing on extended lengths of high priority channel, following the period of high rainfall in 2009.
- 2 Probable for 2009/10 more than estimate due to extra mudding along Moulton River and Scarlett Gate.
- 3 Probable for 2009/10 less than estimate due to less pipelines in mudding programme.
- 4 Estimate for 2010/11 and probable 2009/10 less than estimate 2009/10 due to less work being carried out by tree surgeon.
- 5 2009/10 probable more than estimate due to extra work along mudding channels and new culvert on Moulton Mere as agreed by Board.
- 6 Estimate 2010/11 and probable 2009/10 less than estimate 2009/10 due to less reburishment work being carried out.
- 7 2009/10 probable more than estimate due to the removal of Decoy Sluice (weather permitting).
- 8 The Workshop will operate as a separate cost centre from 2010/11.

A D PRICE
OPERATIONS MANAGER

1. RATE REQUIREMENT

	ACTUAL 2008/09	ESTIMATE 2009/10	PROBABLE 2009/10	ESTIMATE 2010/11	PROPORTION 2010/11
	£	£	£	£	%
NEW WORKS AND IMPROVEMENT WORKS					
Tidal Sluices	18,901	450,000	450,000	135,000	4.84%
Lawyers decommissioning	45	0	0	0	0.00%
Generator/connections for switchgear	1,857	45,000	120,000	0	0.00%
Telemetry	66,281	30,000	10,000	20,000	0.72%
Health & Safety Improvements	51,387	25,000	62,000	60,000	2.15%
Freespan bridge Inspections	0	20,000	0	0	0.00%
Hydrological modelling	0	70,000	70,000	80,000	2.87%
Pump Renewals/Pumping Station Refurbishments	223,167	0	0	640,000	22.94%
	361,638	640,000	712,000	935,000	33.52%
CONTRIBUTIONS PAYABLE TO THE ENVIRONMENT AGENCY					
Annual Precept Payable to the Environment Agency	113,067	145,835	145,835	145,835	5.23%
Transfers to/(from) Precept Fluctuation Account	0	(30,500)	(30,500)	(30,500)	-1.09%
	113,067	115,335	115,335	115,335	4.14%
MAINTENANCE WORKS					
Direct Works	1,191,740	1,274,330	1,258,761	1,339,330	48.00%
Net (Surplus)/Deficit on Absorption Accounts	94,294	0	0	0	0.00%
Consortium Charges (Technical Support Costs)	59,703	86,295	88,282	100,172	3.59%
Other Technical Support Costs	39,870	55,249	55,542	56,795	2.04%
Biodiversity Actions/BAP	0	0	0	5,700	0.20%
Contingency	0	40,000	0	0	0.00%
	1,385,607	1,455,874	1,402,585	1,501,997	53.83%
ADMINISTRATION AND OTHER EXPENSES					
Consortium Charges	208,808	221,087	197,637	197,945	7.09%
Provision for Assessable Value Decreases, Bad and Doubtful Debts	1,849	44,500	10,000	30,000	1.08%
Provision for Settlement Discount at 2.5%	9,083	10,000	9,016	10,000	0.36%
	219,740	275,587	216,653	237,945	8.53%
TOTAL EXPENDITURE	£2,080,052	£2,486,796	£2,446,573	£2,790,277	100.00%
LESS:					
GOVERNMENT GRANTS AT 45%					
Tidal Sluices	0	0	175,500	22,500	0.81%
Generator/connections for switchgear	0	0	54,000	0	0.00%
Health & Safety Improvements	21,931	0	27,982	27,000	0.97%
Hydrological modelling	0	0	13,500	0	0.00%
Pump Renewals/Pumping Station Refurbishments	100,425	0	0	125,550	4.50%
	122,356	0	270,982	175,050	4.50%
CONTRIBUTIONS FROM THE ENVIRONMENT AGENCY					
Highland Water Contributions	0	0	0	0	0.00%
OTHER INCOME					
Transfer from Capital Works Reserve	0	165,000	165,000	74,000	2.65%
Transfer from Development Contributions Fund	35,000	35,000	35,000	35,000	1.25%
Transfer from Fixed Plant Renewals Fund	120,000	251,000	52,018	400,000	14.34%
Rents and Acknowledgements	7,775	7,500	6,725	6,725	0.24%
Investment Interest	126,218	33,000	34,500	24,600	0.88%
Sundry Income	7,445	0	3,750	2,700	0.10%
Profit/(Loss) on Disposal of Plant & Equipment	11,258	0	(776)	0	0.00%
Profit/(Loss) on Rechargeable Works	5,677	0	0	0	0.00%
	313,373	491,500	296,217	543,025	19.46%
TOTAL INCOME	£435,729	£491,500	£567,199	£718,075	23.96%
NET REQUIREMENT	£1,644,323	£1,995,296	£1,879,374	£2,072,202	74.27%
FINANCED BY:-					
RATE INCOME LEVIED BY THE BOARD:					
Occupiers Drainage Rates	866,981	884,550	884,439		
South Holland District Council	1,055,447	1,092,513	1,092,513		
Boston Borough Council	763	779	779		
	£1,923,191	£1,977,842	£1,977,731		
LESS NET SURPLUS/(DEFICIT) FOR THE YEAR	278,868	(17,454)	98,357		
NET REQUIREMENT	£1,644,323	£1,995,296	£1,879,374		
GENERAL RESERVE					
Balance brought forward at 1 April	819,234	492,383	492,383		
ADD: Net Surplus/(Deficit) for the year	278,868	(17,454)	98,357		
Transfers from General Reserve	(605,719)	0	0		
	£492,383	£474,929	£590,740		

On preparing the estimates for the financial year 2009/10 it was estimated that the General Reserve would amount to £500,130 as at 31 March 2009. The actual Reserve as at 31 March 2009 was £492,383 and it is estimated that this Surplus will be in the region of £590,740 as at 31 March 2010.

SOUTH HOLLAND INTERNAL DRAINAGE BOARD
SECTION 37, LAND DRAINAGE ACT 1991
2. DETERMINATION OF ANNUAL VALUES AS AT 31 DECEMBER 2009

The values at 31 December 2009 used for determining the proportion of expenses to be raised from drainage rates and special levies are as follows:-

PROPERTIES	RATED AREA HA	VALUES £	PROPORTION %	VALUE PER HECTARE £
Agricultural Land and/or Buildings	35,363.815	8,070,764	44.244	228.221
Other Land:-				
South Holland District Council	3,087.185	10,163,541	55.716	3,292.171
Boston Borough Council	2.199	7,246	0.040	3,295.134
Totals	38,453.199	£18,241,551	100.000	
Agricultural Land and/or Buildings	35,363.815	8,070,764	44.244	228.221
Billing Authorities	3,089.384	10,170,787	55.756	3,292.173
Totals	38,453.199	£18,241,551	100.000	

SECTION 40, LAND DRAINAGE ACT 1991
3. DRAINAGE RATES/SPECIAL LEVIES FOR 2010/2011

The following table shows the rate/levies for last year and 3 rate/levy options for this year based on estimated net expenditure. Option 1 shows the actual rate/levies requirement of 5.61%. Option 2 shows a rate increase of 2.10%, which equates to a 2.16% increase for SHDC - given the shift in their proportion of aggregate annual value arising from development during the course of the year. Option 3 shows a rise of 0.00%, which equates to a 0.06% increase for SHDC - given the shift in their proportion of aggregate annual value arising from development during the course of the year. Option 3 is recommended and Members attention is drawn to the 5 year indicative forecast shown overleaf.

FINANCED BY:-	REQUIREMENT			
	2009-2010 ESTIMATED £	2010-2011 OPTION 1 £	2010-2011 OPTION 2 £	2010-2011 OPTION 3 £
(Add)/Deduct for adjustment of Balances	17,454	0	68,915	110,142
RATES/LEVIES:				
Occupiers Drainage Rates	884,550	916,822	886,331	868,091
South Holland District Council (SHDC)	1,092,513	1,154,557	1,116,160	1,093,190
Boston Borough Council (BBC)	779	823	796	779
NET REQUIREMENT	£1,995,296	£2,072,202	£2,072,202	£2,072,202
Penny Rate in the Pound	10.756p	11.360p	10.982p	10.756p
INCREASES/(DECREASES):				
Drainage Rate Increase/(Decrease)	2.10%	5.61%	2.10%	0.00%
Special Levy for SHDC Increase/(Decrease)	3.51%	5.68%	2.16%	0.06%
Special Levy for BBC Increase/(Decrease)	2.10%	5.65%	2.18%	0.00%
GENERAL RESERVE:				
Probable Reserve at 31 March	£482,676	£590,740	£521,825	£480,598
Reserve expressed as a percentage of Net Expenditure	24.19%	28.51%	25.18%	23.19%
AVERAGE RATE PER ACRE:				
Agricultural Land and/or Buildings	£10.12	£10.49	£10.14	£9.93
Billing Authorities	£143.21	£151.35	£146.31	£143.30
RATE PER PERSON:				
Agricultural Drainage Ratepayers	£631.82	£654.87	£633.09	£620.07
SHDC (population taken from 2001 Census)	£14.28	£15.09	£14.59	£14.29
BBC (population taken from 2005 Census)	£0.01	£0.01	£0.01	£0.01

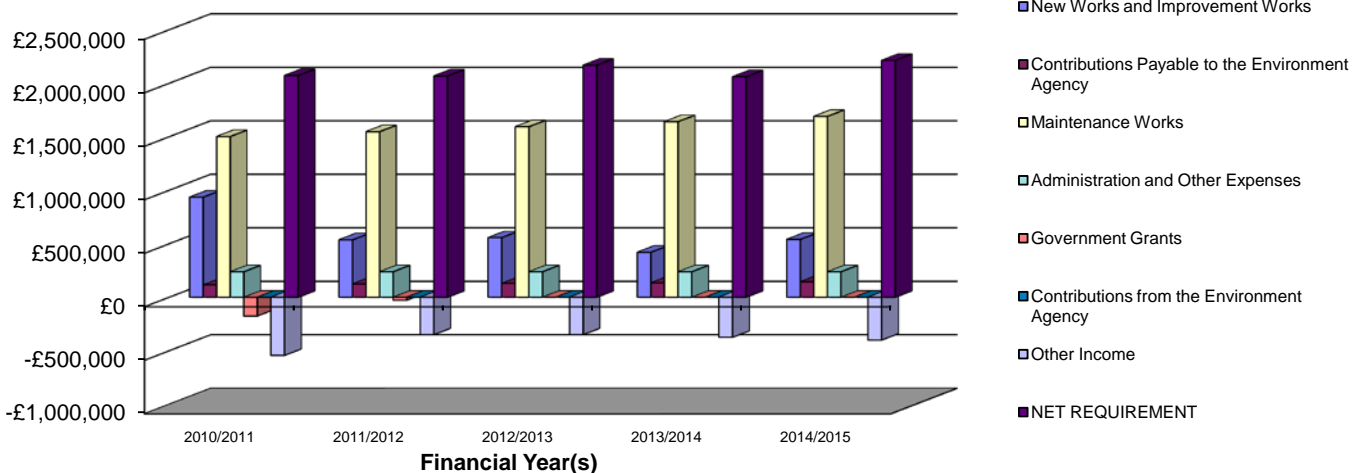
The current headline rate of inflation/(deflation) as indicated by the National Statistics Office for October 2009 is -0.08%

SOUTH HOLLAND INTERNAL DRAINAGE BOARD

4. INDICATIVE FORECAST FOR FIVE YEARS, USING TODAY'S RATEABLE VALUES (ALLOWING FOR INFLATION AT 3%)

RATE REQUIREMENT	OPTION 3 REQUIREMENT...				
	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
	£	£	£	£	£
New Works and Improvement Works	935,000	535,600	556,973	420,700	540,244
Contributions Payable to the Environment Agency	115,335	125,000	130,000	135,000	145,000
Maintenance Works	1,501,997	1,547,057	1,593,469	1,641,273	1,690,511
Administration and Other Expenses	237,945	237,945	237,945	237,945	237,945
Government Grants	-175,050	-27,810	0	0	0
Contributions from the Environment Agency	0	0	0	0	0
Other Income	-543,025	-350,000	-350,000	-375,000	-400,000
NET REQUIREMENT	£2,072,202	£2,067,792	£2,168,387	£2,059,918	£2,213,700
FINANCED BY:-					
(Add)/Deduct for adjustment of Balances	110,142	46,810	86,843	(84,012)	5,378
RATES/LEVIES:					
Occupiers Drainage Rates	868,091	894,160	920,955	948,557	977,047
South Holland District Council (SHDC)	1,093,190	1,126,019	1,159,762	1,194,521	1,230,398
Boston Borough Council (BBC)	779	803	827	852	877
	£2,072,202	£2,067,792	£2,168,387	£2,059,918	£2,213,700
INCREASES/(DECREASES):					
Penny Rate in the Pound	10.756p	11.079p	11.411p	11.753p	12.106p
Rate Increase/(Decrease)	0.00%	3.00%	3.00%	3.00%	3.00%
GENERAL RESERVE:					
Probable Reserve	£480,598	£433,788	£346,945	£430,957	£425,579
Reserve expressed as a percentage of Net Expenditure	23.19%	20.98%	16.00%	20.92%	19.22%
AVERAGE RATE PER ACRE:					
Agricultural Land and/or Buildings	£9.93	£10.23	£10.54	£10.85	£11.18
Billing Authorities	£143.30	£147.61	£152.03	£156.58	£161.29
RATE PER PERSON:					
Agricultural Drainage Ratepayers	£620.07	£638.69	£657.83	£677.54	£697.89
SHDC (population taken from 2001 Census)	£14.29	£14.72	£15.16	£15.61	£16.08
BBC (population taken from 2005 Census)	£0.01	£0.01	£0.01	£0.01	£0.02

Indicative Forecast of Rate Requirement



P J CAMAMILE
CHIEF EXECUTIVE
04 JANUARY 2010

**SOUTH HOLLAND IDB
EARMARKED BALANCES AND RESERVES POLICY FOR 2010/11**

NOTE	RESERVES	MONITORED BY BOARD COMMITTEE	B/FWD AS AT 01/04/2009	PROBABLE MOVEMENT 2009/10	PROBABLE AS AT 31/03/2010
1.	Development Contributions Unapplied Reserve	Chairman's	202,031	41,052	243,083
2.	Mobile Plant Reserve	Plant & Development	210,001	(210,001)	0
3.	Fixed Plant Reserve	Plant & Development	1,412,577	158,001	1,570,578
4.	IT Equipment Reserve	CEO/Chairman's	13,766	0	13,766
5.	Precept Stabiliser Reserve	CEO/Chairman's	143,639	(30,500)	113,139
6.	General Reserve	Chairman's	492,383	98,357	590,740
7.	Capital Works Reserve	Plant & Development	239,978	(165,001)	74,977
8.	Revaluation Reserve	Chairman's	698,000	0	698,000
	Total Reserves		£3,412,375	(£108,092)	£3,304,283

1. Development Contributions Unapplied Reserve

The purpose of this reserve is to reduce the impact on drainage rates from development that takes place in the area. The Board charges developers a standard rate per impermeable hectare for agricultural land which is developed and becomes a hard standing area, such as housing, roadways etc. The money is credited to this reserve and then used to reduce the gross cost of capital work needed to cater for the additional flows arising from such development. The income for this reserve therefore comes exclusively from developers and is used to benefit ratepayers and council tax payers by lower drainage rates/special levies. However this benefit is a double edged sword from the Councils' perspective – because they will have to pick up a greater proportion of the Board's expenditure arising from such development!

As can be noted from the above, we anticipate receiving more from developers than we applied from the reserve this year, which is unusual given the move away from direct discharge to SUDS as part of PPS25 (Sustainable Urban Drainage Systems - attenuated flows now being the preferred option). It is anticipated that this reserve will reduce substantially in coming years; however the liability in terms of improvement work which will be needed to accommodate previous development will continue way beyond the life of this reserve and far exceed its value, hence the need for SUDS in the short term and hydrological modelling of our catchments in the medium term (this liability is estimated at being between £2.5m and £50m). We will have a more accurate estimate when the hydrological modelling programme has been completed.

2. Mobile Plant Renewals Reserve

The purpose of this provision is to reduce the impact on drainage rates as and when equipment is bought and sold, in accordance with the plant renewals programme. Depreciation is its primary source of income, which largely comes from drainage rates/special levies in the form of plant charges included within the maintenance budget, together with any profits on disposal. Changes in hourly charge out rates are determined by the Operations Manager and the Plant and Development Committee. Expenditure is determined by the Board, following recommendations arising from the Plant and Development Committee, although the Committee does have delegated authority to spend up to £15,000 without the Board's approval.

3. Fixed Plant Renewals Reserve

The purpose of this provision is to reduce the impact on drainage rates as and when pumping plant and gravity sluices are replaced, refurbished or improved, in accordance with the pumping station refurbishment programme and capital works programme. Deprecation is its primary source of income, which largely comes from drainage rates/special levies and is included in the maintenance budget under 'Pumping Stations and Structures Maintenance'. Expenditure is determined by the Board, following recommendations arising from the Plant and Development Committee.

It should be noted that this provision was only established in 1996 and no provision has therefore been made for the replacement or refurbishment of the majority of the Board's assets that were established before this time. Most of the Board's Pumps and Sluices are in need of replacement/refurbishment and, as was previously stated last year, it is considered that this provision is inadequate to meet future requirements. This liability has been estimated at £12.25m (which includes Sutton Bridge Sluice).

4. IT Equipment Reserve

The purpose of this reserve is to reduce the impact on drainage rates as and when computer hardware and software is replaced periodically. Most of this money has come from net profits, which have been generated from selling licensed copies of DRS to a number of other IDBs (the Board's Rating System). Collaborating with others in this way meant that the Board has gained access to technology which it would otherwise not have been able to afford. The income for this reserve therefore largely comes from others and is used to offset the costs of IT for the benefit of the Board's ratepayers and council tax payers in the form of lower drainage rates/special levies.

As can be noted from the above, we anticipate that there will be no movement in the IT Reserve during the year. Recently this reserve has depleted to part finance the Telemetry Replacement, in accordance with the capital financing plan. Furthermore most IT equipment should be bought through the Water Management Alliance in future and it may well be the case that the remainder of this fund can be credited to the General Reserve at some stage.

5. Precept Stabiliser Reserve

The purpose of this provision is to reduce the impact on drainage rates arising from the volatility of annual EA precept charges, which is totally beyond the Board's control. We are now about to enter the sixth year after the introduction of block grant funding from the centre and the basis for precept charges to be levied on IDBs in the EA Northern Area has still not been agreed. It is therefore prudent to maintain this reserve at an appropriate level until we know where we are going and what we are expected to pay for.

6. General/Emergency Reserve

The Appointed Auditor has previously indicated that the Board's level of General Reserve should not be less than 25% of net expenditure to pay for emergencies and contingent liabilities. The Board resolved in February 2005 to maintain in real terms a General Reserve of £500k – to be reviewed annually, given the extent of its responsibilities, climate change, contingent liabilities and uncertainty in the operating environment.

We anticipate a General Reserve of around £590k as at 31 March 2010. It is also envisaged that without DEFRA grant aid loans will be needed to pay for much needed capital work in the longer term.

The Board should only ever consider reducing the General Reserve if assurances can be provided by central government or the Environment Agency that financial assistance will be forthcoming in the event of an emergency or a prolonged period of high rainfall. It is important to note that no financial assistance (Bellwin Scheme money) was received from DEFRA following the recent period of high rainfall. We also need to be quite clear as to what is meant by an 'emergency' and what the extent of the Board's role is in such an emergency. We also still need to quantify liabilities with regard to roads, bridges, urban pipelines, redundant infrastructure and sea defences.

It should also be remembered that balances can only be spent once. Any raid on our finances without a sustainable strategy of making drainage services more affordable would not be sensible. By working with other IDBs and Councils' we could collectively deliver a significant reduction in administration/support costs without compromising operational

capability. The benefits of consortia can, to some extent be demonstrated by this year's budget and the 5 year Indicative forecast – but much more is possible. We also need to gain support from council taxpayers to pay for drainage services longer term, as central government inevitably reduces its support to Councils in Revenue Support Grant.

7. Capital Works Reserve

This reserve largely represents the committed cost of capital schemes that the Board has approved in previous years, where suppliers have not actually invoiced for work either due to slippage or other issues with the contract. The advantage to the Board of committing scheme costs at the time contracts are awarded is that grant aid can be claimed in advance of incurring the expenditure and the year end balance of the General/Emergency Reserve does not fluctuate significantly.

8. Revaluation Reserve

This reserve arose following the construction of the power station at Sutton Bridge and the Board acquiring a property at 83 Bridge Road. This reserve increased last year after the property was re-valued due to the requirements of FRSSE 2007 (Financial Reporting Standard for Smaller Entities).

P J CAMAMILE
CHIEF EXECUTIVE

SOUTH HOLLAND INTERNAL DRAINAGE BOARD ("the Board")
LAND DRAINAGE ACT 1991 ("the Act")
THE INTERNAL DRAINAGE BOARDS (FINANCE) REGULATIONS 1990 (as amended) ("the Regulations")
BOOK OF DRAINAGE RATES AND SPECIAL LEVIES

On the 9th day of February 2010 the Board resolved as follows:-

1. That in respect of the financial year ending 31st March 2011 the proportions of expenditure to be raised by drainage rates with regard to agricultural land and/or buildings and by special levies on local billing authorities are 44.24% and 55.76% respectively (OPTION 3).
2. That the proportions between the local billing authorities of the amount to be raised by special levies are as set out below, against the special levy for each local billing authority.
3. To make the drainage rates and special levies set out below and that the seal of the Board be affixed to those drainage rates and special levies.

	<u>DRAINAGE RATE</u>			<u>SPECIAL LEVIES</u>	
	p	p		£	%
New Works and Improvement Works	5.126		South Holland District Council	£1,093,190	55.716%
Contributions to the Environment Agency	0.632		Booston Borough Council	£779	0.040%
Maintenance Works	8.234				
Administration and Other Expenses	1.304	15.296			
LESS:-					
Government Grants	0.960				
Contributions from the Environment Agency	0.000				
Other Income	2.977	3.936			
		11.360			
Add/(deduct) for adjustment of balances		(0.604)			
		<u>10.756</u>			

THE COMMON SEAL of the Board is affixed in the presence of:-

S A R MARKILLIE
 CHAIRMAN

P J CAMAMILE
 CHIEF EXECUTIVE OFFICER

CERTIFICATE

I certify as follows:-

1. That notice of the drainage rates and special levies was given on the 16th February 2010 as required by section 48 of the Act and regulation 8(4) of the Regulations.
2. That the special levies were issued on the 9th day of February 2010.

P J CAMAMILE
 CHIEF EXECUTIVE OFFICER

**SOUTH HOLLAND INTERNAL DRAINAGE BOARD (“the Board”)
LAND DRAINAGE ACT 1991 (“the Act”)**

DRAINAGE RATES AND SPECIAL LEVIES FOR 2010/11

AS REQUIRED by Section 48 of the Act, the Board gives notice as follows:-

1. On the 9 February 2010 the Board made:-

A Drainage Rate of 10.756p in the pound (£)

in respect of agricultural land and agricultural buildings in their district to raise £868,091 of their expenditure for the financial year ending on the 31st March 2011.

2. Also on the 9 February 2010 the Board made a special levy of £1,093,190 on South Holland District Council and a special levy of £779 on Boston Borough Council to raise the balance of their expenditure for the same year.

Dated 16th Day of February 2010

P J CAMAMILE
CHIEF EXECUTIVE

Kettlewell House, Austin Fields Industrial Estate,
KINGS LYNN, Norfolk PE30 1PH