



Broads

Drainage Board

**RATE ESTIMATES
FOR THE FINANCIAL YEAR
2013/2014**

Kettlewell House
Austin Fields Industrial Estate
Kings Lynn
Norfolk
PE30 1PH

**BROADS (2006) IDB
RATE ESTIMATES FOR 2013/2014
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**BROADS (2006) IDB
RATE ESTIMATES FOR 2013/14
EXECUTIVE SUMMARY**

The Board is asked to approve the following recommendation:

An increase of 2.5% is recommended (shown as option 3), which is below the current rate of inflation, to prevent us from having to make cuts in the work programmes this year. It is important to note that this increase is being recommended at the same time as reducing our Reserves and implementing cost reduction measures. The reduction of the General Reserve is reflected in the 5-Year Indicative Forecast.

Overview

1. Our success is inevitably measured by what does not happen rather than what does happen, which means that if flooding does not occur frequently the value of what we do is sometimes questioned (particularly the level of reserves that we hold). But it is precisely because we continually maintain, improve and watch over the drainage system that we are actually able to reduce the risk of flooding. This has been clearly demonstrated during the recent period of high rainfall, which just so happens to coincide with the 60th anniversary of the 1953 Floods. A timely reminder of the vital work that IDBs do!
2. The importance of having adequate reserves is therefore crucial; so that we can protect our ratepayers and constituent Councils - by not having to pass on huge increases in expenditure caused by periods of high rainfall and the cyclical routine refurbishment of fixed plant. The latter is distinctly different to capital works (or infrastructure improvements), which are funded from a combination of sources that include long term debt, development contributions and proactive cost reduction measures. The purpose of each of the Board's Reserves is explained in the Earmarked Balances and Reserves Policy.
3. The alternative to holding adequate reserves would mean that we have to pass on huge increases in expenditure from one year to the next or borrow money to fund maintenance work (which includes the cyclical routine refurbishment of fixed plant). To do the latter would be tantamount to an act of lunacy, given the level of crippling debt that is currently besetting the country. Furthermore Councils prefer a stable special levy charge, rather than a return to the days of volatility. If we reduced the charges significantly this year, there is no guarantee that we would not need to significantly increase the charges back to the current level in future years.

**P J CAMAMILE
CHIEF EXECUTIVE**

**BROADS (2006) INTERNAL DRAINAGE BOARD
NEW WORKS AND IMPROVEMENT WORKS FOR 2013/14**

NOTES	NEW WORKS AND IMPROVEMENT WORKS	Actual 2011/12	Estimate 2012/13	Probable 2012/13	Estimate 2013/14
	Environmental Improvement Schemes (100%)				
	Catchment Officer (delivery of PSA targets)	66,315	80,000	0	0
	Halvergate Phase 2 Study	100	20,000	25,000	20,000
11	Hickling - Stubb Road Drain	0	0	0	0
12	Upton Improvement	2,731	0	0	0
13	Calthorpe Broad	100	0	0	0
14	Sutton Ochre Improvement Scheme	0	50,000	0	50,000
19	Broad Fen (East Roston)	3,398	0	5,500	0
	Defra South Walsham GWP	5,229	0	0	0
	Burgh Common	0	0	0	0
15	Damgate Marshes	3,986	0	0	0
18	Shallam Dyke	39,961	0	0	0
	Eastfield Marshes (Upper Thurne WLMP)	0	60,000	80,000	80,000
17	Priory Meadows	120	0	0	0
	Brograve Study	33,321	0	90,000	124,000
	Hickling Marshes (Upper Thurne WLMP)	84	45,000	45,000	45,000
21	Parrots Feather Irradication	0	0	0	0
16, 20	Potter Heigham WLMP	167,392	0	5,000	0
22	Grasswrack Pondweed habitat creation scheme	0	0	500	0
23	Somerton WLMP Review	0	0	4,000	0
		£322,737	£255,000	£255,000	£319,000
	Drainage and Flood Risk Management Schemes				
10	Tunstall Pump Replacement (Emergency Works)	4,557	0	14,582	0
8	Breydon Pump Replacement (Emergency Works)	0	0	40,000	0
9	Stokesby Pump Replacement (Emergency Works)	10,000	0	15,000	0
1	Stubb Mill Pump Replacement	4,155	0	0	0
4	Thurne Pumping Station	0	0	0	0
5	Health and Safety Improvements to Pumping Stations	11,086	0	12,500	0
3	Hermitage Pump/Structure Replacement	0	0	1,500	0
2	Five Mile Pump Replacement	8,202	0	0	0
6	Repps Pumping Station Improvement	32,071	0	0	0
	Eastfield Pumping Station - auto weedscreen	0	0	0	46,750
	Tonnage Bridge Pumping Station - auto weedscreen	0	0	0	44,000
	St Benet's Pumping Station Improvements	0	90,000	76,126	0
7	Ludham Pumping Station (in lieu of St Benet's)	38,596	0	20,000	0
	Buckenham Pumping Station Improvement	0	31,667	31,667	0
	Cantley Pumping Station Improvement	0	31,666	31,666	0
	Potter Heigham Automatic Weedscreen	0	0	0	89,155
	Seven Mile Pumping Station Improvement	0	31,667	31,667	0
		£108,667	£185,000	£274,708	£179,905
	Non Grant Aided Flood Risk Management Works				
24	Mautby Pumping Station Improvements	22,127	0	61,000	0
	Stokesby Pumping Station main drain culvert	23,488	0	272	0
	Cess Lane Martham culvert	0	0	16,473	6,000
	Martham Pumping Station piling to road	0	0	0	4,000
	Horning Grove Pumping Station access track repairs	0	0	0	5,000
	Stracey Arms culvert	0	0	0	5,000
	Wayford Bridge Drain Culvert	0	0	0	5,000
	Horse Fen Pumping Station undergrounding of cables	0	0	0	4,000
	Overhaul failing flap doors at pump outfalls	0	0	0	10,000
		£45,615	£0	£77,745	£39,000
	GROSS COST OF IMPROVEMENT WORKS	£477,019	£440,000	£607,453	£537,905

**BROADS (2006) INTERNAL DRAINAGE BOARD
NEW WORKS AND IMPROVEMENT WORKS FOR 2013/14**

NOTES	NEW WORKS AND IMPROVEMENT WORKS	Actual 2011/12	Estimate 2012/13	Probable 2012/13	Estimate 2013/14
	LESS: GOVERNMENT GRANTS	£368,459	£304,050	£378,619	£399,958
	NET COST TO BOARD	£108,560	£135,950	£228,834	£137,947

NOTES

- 1 This scheme was completed in 2007, no further works required. I think this outstanding sum is an anomaly, probably as a result of the old KLCIDB accounting system – the scheme can be closed.
- 2 No further works required, the remaining sum is part of the remainder of contingencies - the scheme can be closed.
- 3 Some fencing works have been carried out, and not yet invoiced - the scheme can be closed after Mar 2013.
- 4 No further works required, the remaining sum is part of the remainder of contingencies - the scheme can be closed.
- 5 H&S work is carried out as required, and some was included in other capital schemes - the scheme can be closed after March 2013.
- 6 No further works required, the overspend is due to additional works on site and uncertainties regarding BESL adjacent works, this is still not fully resolved - the scheme can be closed.
- 7 Completion of works depending on land purchase finalisation – works delayed due to land agent delays.
- 8 Pipework ordered, works to be carried out when weather conditions are more stable and rainfall is nearer to average.
- 9 Materials in store, again works to be carried out in more stable weather conditions, and when E&S Water are building water levels in Trinity Broads, and so not requiring pumping. Works will go into 2013/14 (probably June 2013).
- 10 Invoice still awaited for some works. Minor remedial works to complete - the scheme can be closed after March 2013.
- 11 No further works required, the remaining sum is part of the remainder of contingencies - the scheme can be closed.
- 12 No further works required, the remaining sum is part of the remainder of contingencies - the scheme can be closed.
- 13 No further works required, the remaining sum is part of the remainder of contingencies - the scheme can be closed – but see (17) below.
- 14 Study costs overestimated, no further work as study is complete - the scheme can be closed.
- 15 No further works required, the remaining sum is part of the remainder of contingencies - the scheme can be closed.
- 16 No further works required, the remaining sum is part of the remainder of contingencies - the scheme can be closed.

**BROADS (2006) INTERNAL DRAINAGE BOARD
NEW WORKS AND IMPROVEMENT WORKS FOR 2013/14**

NOTES	NEW WORKS AND IMPROVEMENT WORKS	Actual 2011/12	Estimate 2012/13	Probable 2012/13	Estimate 2013/14
17	Slight overspend, underspend on (13) above can be put to this scheme as they both benefit the same SSSI and were originally a single scheme.				
18	Further works outstanding on this scheme in conjunction with landowner & NE, (works during 2013/14).				
19	Minor works remaining - the scheme can be closed after March 2013.				
20	Minor works remaining - the scheme can be closed after March 2013.				
21	Scheme has been completed.				
22	Some conservation work remaining – relocation of ‘turions’.				
23	Grant only just received, the proposal by a landowner in the catchment to revert 135ha back to arable means a reassessment of study brief.				
24	Purchase of generator to be invoiced, works to outfall by Nuttall floating plant, price to be agreed. Land purchase and agent’s fees to be finalised. Delayed by failure of land agent.				

A W GOODWIN
DISTRICT ENGINEER

G BLOOMFIELD
CATCHMENT OFFICER

**BROADS (2006) INTERNAL DRAINAGE BOARD
MAINTENANCE WORKS PROGRAMME FOR 2013/14**

NOTES DRAINS MAINTENANCE	Actual 2011/12	Estimate 2012/13	Probable 2012/13	Estimate 2013/14
Smallburgh				
Gravitational	0	0	1,358	1,200
Hickling Catchment	9,333	9,000	8,700	9,000
Stubb Mill Catchment	1,552	1,720	1,200	1,720
Heigham Holmes Catchment	179	3,000	3,000	3,000
Potter Heigham Catchment	5,896	7,000	7,000	7,000
Horsefen Ludham Catchment	2,570	3,000	3,000	3,000
Horning Catchment	5,947	6,000	6,000	6,000
Irstead Catchment	1,493	3,000	2,500	3,000
Ludham Bridge Catchment	7,463	6,000	6,328	6,000
Catfield Catchment	2,866	1,500	1,500	1,500
Sutton Catchment	2,124	5,000	3,000	5,000
Chapelfield Catchment	2,955	3,000	4,300	4,500
East Ruston Catchment	4,407	5,000	5,000	5,000
Wayford Bridge Catchment	925	2,500	2,000	1,500
St Benets Catchment	4,066	4,000	3,500	4,000
	£51,776	£59,720	£58,386	£61,420
Middle Bure				
Hermitage Catchment	2,864	4,000	3,500	4,000
Upton Dole Catchment	7,351	10,000	9,000	10,000
	£10,215	£14,000	£12,500	£14,000
Repps				
Thurne Cachment	923	1,000	1,800	2,000
Repps Catchment	3,817	2,000	2,000	2,000
Martham Catchment	5,801	5,000	5,000	5,000
	£10,541	£8,000	£8,800	£9,000
Happisburgh				
Brograve Catchment	16,198	20,000	18,000	18,000
Horsey Catchment	4,885	5,000	3,342	5,000
Somerton North Catchment	2,110	4,000	4,500	4,000
Somerton South Catchment	5,085	5,500	6,200	5,500
	£28,278	£34,500	£32,042	£32,500
Lower Bure				
Tunstall Catchment	11,946	12,000	12,500	12,000
Five Mile Catchment	3,126	4,000	1,898	4,000
Ashtree Catchment	1,798	4,000	2,656	4,000
Breydon Catchment	28,716	28,000	28,500	28,500
Sevenmile Catchment	10,366	10,500	10,000	10,500
Berney Catchment	1,840	2,500	1,558	5,000
Halvergate ESA/WM	6,647	15,000	12,500	15,000
	£64,439	£76,000	£69,612	£79,000
Muckfleet				
Mautby Catchment	14,074	6,000	9,000	17,000
Stokesby Catchment	2,970	17,000	10,000	5,000
	£17,044	£23,000	£19,000	£22,000
Lower Yare First - Buckenham				
Buckenham Catchment	0	£2,500	£0	£3,000
Lower Yare First - Postwick				
Postwick Catchment	2,060	£2,500	£2,500	£2,500
Lower Yare Fourth				
Cantley Catchment	0	£3,500	£0	£3,500
DRAINS MAINTENANCE ESTIMATE	£184,353	£223,720	£202,840	£226,920
Length Maintained (km)	226	236	240	240
Proportion of Adopted Watercourse (326 km)	69%	72%	74%	74%
Direct Cost/Kilometre	£816	£948	£845	£946

**BROADS (2006) INTERNAL DRAINAGE BOARD
MAINTENANCE WORKS PROGRAMME FOR 2013/14 (CONTINUED)**

NOTES	PUMPING STATION MAINTENANCE	Actual 2011/12	Estimate 2012/13	Probable 2012/13	Estimate 2013/14
	Smallburgh				
	Hickling Eastfield Pumping Station	4,251	7,665	7,476	7,700
	Hickling Stubb Pumping Station	4,534	7,465	8,427	7,300
	Heigham Holmes Pumping Station	3,902	9,230	8,326	4,650
	Potter Heigham Pumping Station	1,310	11,590	15,102	12,100
	Horsefen Pumping Station	1,874	9,040	5,536	5,400
	Horning Pumping Station	10,536	12,730	7,826	8,050
	Irstead Pumping Station	3,227	7,880	8,076	5,600
	Ludham Bridge Pumping Station	2,740	10,915	7,526	10,800
	Catfield Pumping Station	1,657	5,765	4,926	5,750
	Sutton Pumping Station	4,557	10,365	6,576	7,900
	Chapelfield Pumping Station	1,898	5,455	4,876	5,200
	Tonnage Bridge Pumping Station	6,222	16,065	17,427	10,700
	Wayford Bridge Pumping Station	1,125	4,580	4,826	5,000
	St Benets Pumping Station	3,768	3,980	6,876	5,200
	Horning Hall	0	0	0	1,100
		£51,601	£122,725	£113,802	£102,450
	Middle Bure				
	Hermitage Pumping Station	3,665	7,215	6,626	7,350
	Upton Dole Pumping Station	18,735	28,415	25,776	26,749
		£22,400	£35,630	£32,402	£34,099
	Repps				
	Thurne Pumping Station	1,524	6,765	6,581	6,400
	Repps Pumping Station	614	6,715	4,076	6,000
	Martham Pumping Station	8,151	7,980	7,277	8,700
		£10,289	£21,460	£17,934	£21,100
	Happisburgh				
3	Brograve Pumping Station	34,475	30,165	24,977	26,300
4	Horsey Pumping Station	3,912	9,165	8,476	9,700
	Somerton Auxiliary	2,259	3,730	3,226	3,950
	Somerton North Pumping Station	6,633	6,565	6,426	7,400
	Somerton South Pumping Station	7,745	10,815	8,976	10,000
		£55,024	£60,440	£52,081	£57,350
	Lower Bure				
	Tunstall Pumping Station	12,212	14,230	14,577	11,100
	Five Mile Pumping Station	10,766	8,765	6,126	7,050
	Ashtree Pumping Station	4,234	7,830	7,576	6,750
	Breydon Pumping Station	1,775	10,280	10,276	11,900
	Seven Mile Pumping Station	11,533	14,530	12,177	10,200
	Berney Pumping Station	343	2,580	1,926	2,200
5	Stracey Arms Intake	4,923	8,665	8,926	8,250
		£45,786	£66,880	£61,584	£57,450
	Muckfleet				
	Mautby Pumping Station	15,340	21,215	19,226	19,950
	Stokesby Pumping Station	10,014	22,065	20,876	19,100
		£25,354	£43,280	£40,102	£39,050
	Lower Yare First - Buckenham				
6	Buckenham Pumping Station	2,891	£7,830	£5,376	£8,250
	Lower Yare First - Postwick				
7	Postwick Pumping Station	917	£9,380	£10,177	£6,350
	Lower Yare Fourth				
	Cantley Pumping Station	1,725	£18,280	£4,626	£5,450
1, 2	PUMPING STATIONS ESTIMATE	£215,987	£385,905	£338,084	£331,549

**BROADS (2006) INTERNAL DRAINAGE BOARD
MAINTENANCE WORKS ESTIMATE FOR 2013/14 (CONTINUED)**

2012/13 PROJECTED OUT-TURN

1. An allowance was made to improve the access tracks to various pumping stations. However the extreme wet weather which was experienced during this summer made these works an impractical proposition, where it was felt more damage may occur rather than the required improvements. These works have been included in the District Engineer's non-grant aided capital schemes budget for 2013/14.
2. Some pumping station refurbishment was completed under budget.

2013/14 ESTIMATE

3. £5k has been allowed for repairs to the Brograve pumping station building fabric.
4. £1k has been allowed for repairs to the timber building at Horsey pumping station.
5. £3k has been allowed for the replacement of a saline level sensor (or probe) at the Halvergate Stracey Arms freshwater intake.
6. £2k has been allowed for health & safety hand railing to be fixed at the Buckenham pumping station.
7. £1.5k has been allowed for building maintenance at the Postwick pumping station.

A J GOOSE
OPERATIONS MANAGER

**BROADS (2006) INTERNAL DRAINAGE BOARD
ESTIMATES FOR THE FINANCIAL YEAR 2013/14**

21 January 2013

1. RATE REQUIREMENT

	ACTUAL 2011/12	ESTIMATE 2012/13	PROBABLE 2012/13	ESTIMATE 2013/14	PROPORTION 2013/14
	£	£	£	£	%
<u>NEW WORKS AND IMPROVEMENT WORKS</u>					
Environmental Improvement Schemes	322,737	255,000	255,000	319,000	21%
Drainage and Flood Risk Management	154,282	185,000	352,453	218,905	14%
	477,019	440,000	607,453	537,905	35%
<u>CONTRIBUTIONS PAYABLE TO THE ENVIRONMENT AGENCY</u>					
	130,013	130,013	130,013	130,013	8%
<u>MAINTENANCE WORKS</u>					
Drain Maintenance	184,353	223,720	202,840	226,920	15%
Pumping Stations	215,987	385,905	338,084	331,549	21%
Loan Interest (previously included in Upton Dole Pump)	5,226	3,100	4,608	4,500	0%
Biodiversity Actions/BAP (external costs)	4,417	4,917	4,167	4,767	0%
Net (Surplus)/Deficit on Absorption Accounts	-10,209	0	-10,000	0	0%
Consortium Charges (Technical Support Costs)	106,566	121,208	108,327	169,489	11%
Contingency	0	0	0	35,000	2%
	506,340	738,850	648,026	772,225	50%
<u>ADMINISTRATION AND OTHER EXPENSES</u>					
Consortium Charges	77,226	103,948	95,444	114,667	7%
Provision for Assessable Value Decreases and Bad Debts	0	500	0	0	0%
Other Expenses	1,029	1,500	0	0	0%
	78,255	105,948	95,444	114,667	7%
TOTAL EXPENDITURE	£1,191,627	£1,414,811	£1,480,936	£1,554,810	100%
<u>Less:</u>					
<u>GOVERNMENT GRANTS</u>					
Environmental Improvement Schemes	322,617	255,000	255,000	319,000	21%
Drainage and Flood Risk Management	45,842	49,050	123,619	80,958	5%
	368,459	304,050	378,619	399,958	26%
<u>CONTRIBUTIONS FROM THE ENVIRONMENT AGENCY</u>					
	211,878	210,892	143,084	160,000	10%
<u>OTHER INCOME</u>					
Profit/(Loss) on Rechargeable Works	12,961	0	1,000	16,000	1%
Profit/(Loss) on Disposal of Plant & Equipment	0	0	0	0	0%
Development Contributions	0	0	0	0	0%
Sundry Income	24,400	7,500	97,000	66,500	4%
	37,361	7,500	98,000	82,500	5%
TOTAL INCOME	£617,698	£522,442	£619,703	£642,458	41%
NET REQUIREMENT	£573,929	£892,369	£861,233	£912,352	59%
<u>FINANCED BY:-</u>					
<u>RATE INCOME LEVIED BY THE BOARD:</u>					
Occupiers Drainage Rates	236,692	247,346	247,403		
Broadland District Council	139,514	145,794	145,794		
Great Yarmouth Borough Council	157,542	164,633	164,633		
North Norfolk District Council	245,782	256,846	256,846		
South Norfolk District Council	2,175	2,273	2,273		
	£781,705	£816,892	£816,949		
NET SURPLUS/(DEFICIT) FOR THE YEAR	207,776	(75,477)	(44,284)		
NET REQUIREMENT	£573,929	£892,369	£861,233		
<u>GENERAL RESERVE</u>					
Balance brought forward at 1 April	212,624	290,879	290,879		
ADD: Net Surplus/(Deficit) for the year	207,776	(75,477)	(44,284)		
Movement on Reserves:					
Transfer from/(to) Development Reserve	25,561	0	61,000		
Transfer from/(to) Plant Reserve	(170,000)	0	0		
Transfer from/(to) Capital Works Reserve	14,918	0	51,543		
Balance carried forward at 31 March	£290,879	£215,402	£359,138		

On preparing the expenditure budget for the financial year 2012/13 it was estimated that the General Reserve would amount to £290,477 as at 31 March 2012. The actual General Reserve as at 31 March 2012 was £290,879 and it is estimated that the General Reserve will be in the region of £359,138 as at 31 March 2013.

**BROADS (2006) INTERNAL DRAINAGE BOARD
SECTION 37, LAND DRAINAGE ACT 1991
2. DETERMINATION OF ANNUAL VALUES AS AT 31 DECEMBER 2012**

The values at 31 December 2012 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	16,128.625	1,102,084	30.284	68.33
Other Land:-				
Broadland District Council	833.404	649,444	17.846	779.27
Great Yarmouth Borough Council	787.930	733,366	20.152	930.75
North Norfolk District Council	1,148.862	1,144,130	31.439	995.88
South Norfolk District Council	89.804	10,126	0.278	112.76
Totals	18,988.625	£3,639,150	100.000	
Agricultural Land and/or Buildings	16,128.625	1,102,084	30.284	68.331
District Councils	2,860.000	2,537,066	69.716	112.757
Totals	18,988.625	£3,639,150	100.000	

**SECTION 40, LAND DRAINAGE ACT 1991
3. DRAINAGE RATES/SPECIAL LEVIES FOR 2013/2014**

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 11.68%. Option 2 shows a rate freeze of 0.00%. Option 3 shows a small increase of 2.50%, which is currently well below the rate of inflation. Option 3 is recommended and members attention is drawn to the 5 year indicative forecast shown overleaf, which is in line with the approved 5 year plan.

FINANCED BY:-	REQUIREMENT			
	2012-2013 ESTIMATED £	2013-2014 OPTION 1 £	2013-2014 OPTION 2 £	2013-2014 OPTION 3 £
Development Reserve	0	0	0	0
Plant Reserve	0	0	0	0
Capital Works Reserve	0	0	0	0
General Reserve	75,477	0	95,399	74,983
Balances Reduction/(Increase)	75,477	0	95,399	74,983
NET REQUIREMENT	£892,369	£912,352	£912,352	£912,352
Penny Rate in the Pound	22.449p	25.070p	22.449p	23.010p
RATES/LEVIES:				
Occupiers Drainage Rates	247,346	276,297	247,407	253,590
Broadland District Council	145,794	162,819	145,794	149,437
Great Yarmouth Borough Council	164,633	183,858	164,633	168,748
North Norfolk District Council	256,846	286,839	256,846	263,264
South Norfolk District Council	2,273	2,539	2,273	2,330
INCREASES/(DECREASES):				
Drainage Rate Increase/(Decrease)	4.50%	11.68%	0.00%	2.50%
Special Levy for District Councils' Increase/(Decrease)	4.50%	11.68%	0.00%	2.50%
GENERAL RESERVE:				
Probable Reserve at 31 March	£215,000	£359,138	£263,739	£284,155
Reserve expressed as a percentage of Net Requirement	24.09%	39.36%	28.91%	31.15%
RATE PER ACRE:				
Agricultural Land and/or Buildings	£6.21	£6.93	£6.21	£6.36
District Councils	£80.59	£90.00	£80.59	£82.60

The current headline rate of inflation as indicated by the National Statistics Office in October 2012 is 3.20%.

BROADS (2006) INTERNAL DRAINAGE BOARD

4. INDICATIVE FORECAST FOR FIVE YEARS, USING TODAY'S RATEABLE VALUES (ALLOWING FOR INFLATION AT 3.00%)

<u>RATE REQUIREMENT</u>	OPTION 3 REQUIREMENT...				
	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
	£	£	£	£	£
New Works and Improvement Works	537,905	554,042	570,663	587,783	605,417
Contributions Payable to the Environment Agency	130,013	133,913	137,930	142,068	146,330
Maintenance Works	772,225	795,392	795,392	795,392	819,254
Administration and Other Expenses	114,667	114,667	114,667	114,667	114,667
Government Grants	-399,958	-411,957	-424,315	-437,045	-450,156
Contributions from the Environment Agency	-160,000	-164,800	-169,744	-174,836	-180,081
Other Income	-82,500	-84,975	-87,524	-90,150	-92,855
NET REQUIREMENT	£912,352	£936,282	£937,069	£937,879	£962,576

FINANCED BY:-

Development Reserve	0	0	0	0	0
Plant Reserve	0	0	0	0	0
Capital Works Reserve	0	0	0	0	0
General Reserve	74,983	73,803	48,715	22,887	20,145
Balances Reduction/(Increase)	74,983	73,803	48,715	22,887	20,145

RATES/LEVIES:

Occupiers Drainage Rates	253,590	261,194	269,030	277,097	285,407
Broadland District Council	149,437	153,918	158,536	163,290	168,187
Great Yarmouth Borough Council	168,748	173,808	179,022	184,390	189,920
North Norfolk District Council	263,264	271,159	279,294	287,669	296,295
South Norfolk District Council	2,330	2,400	2,472	2,546	2,622
£912,352	£936,282	£937,069	£937,879	£962,576	

Penny Rate in the Pound	23.010p	23.700p	24.411p	25.143p	25.897p
Rate Increase/(Decrease)	2.50%	3.00%	3.00%	3.00%	3.00%

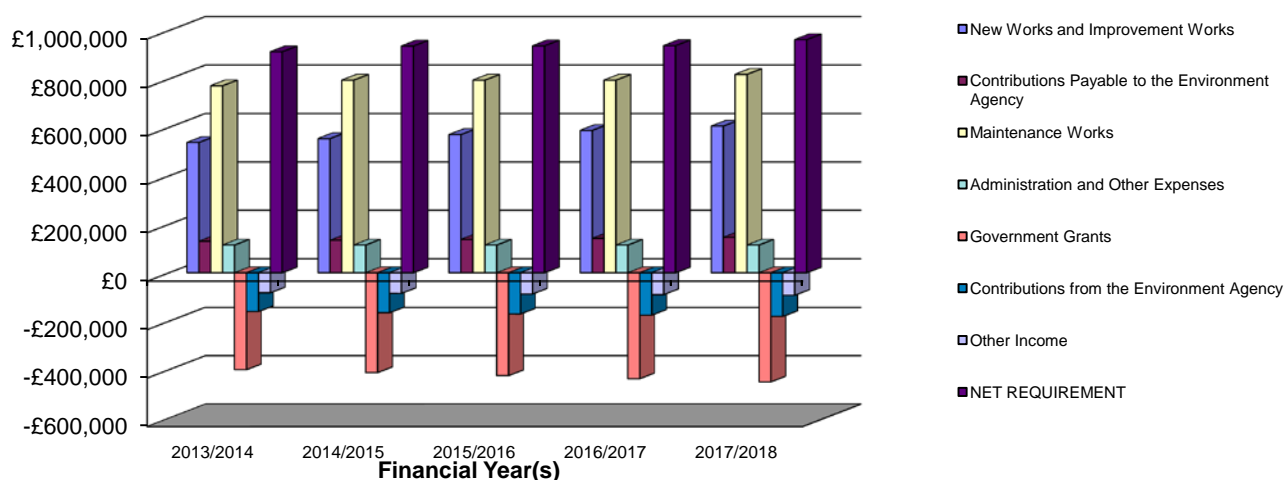
GENERAL RESERVE:

Probable Reserve at 31 March	£284,155	£210,352	£161,637	£138,750	£118,605
Reserve expressed as a percentage of Net Requirement	31.15%	22.47%	17.25%	14.79%	12.32%

RATE PER ACRE:

Agricultural Land and/or Buildings	£6.36	£6.55	£6.75	£6.95	£7.16
District Councils	£82.60	£85.08	£87.63	£90.26	£92.97

Indicative Forecast of Rate Requirement



**BROADS (2006) IDB
EARMARKED BALANCES AND RESERVES POLICY FOR 2013/14**

NOTE	RESERVES	CONTROLLED BY	B/FWD AS AT 01/04/2012	PROBABLE MOVEMENT 2012/13	PROBABLE AS AT 31/03/2013
1.	Development Reserve	Board	165,140	(61,000)	104,140
2.	Mobile Plant Reserve	Board	0	0	0
3.	Fixed Plant Reserve	Board	305,827	0	305,827
4.	General Reserve	Board	290,879	34,132	325,011
5.	Capital Works Reserve	Board	62,545	0	62,545
6.	Revaluation Reserve	Board	342,610	(31,542)	311,068
7.	Pension Reserve	Norfolk County Council	-4,000	(20,000)	-24,000
Total Reserves			£1,163,001	(78,410)	£1,084,591

1. Development 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! It should be noted that most of this Reserve has been earmarked specifically for the Muckfleet and South Flegg area and £4k has been earmarked specifically for the Middle Bure area, following abolition of differential rating in 2008.

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 Sustainable Urban Drainage Systems (SUDS) in the short term and hydrological modelling of our catchments in the medium term. We will be able to estimate this liability when a hydrological modelling programme has been completed. No provision has been made in the Board's Estimates to do this.

2. Mobile Plant 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 CEO. Expenditure is determined by the Board, following recommendations arising from the Chief Executive and Operations Manager. As can be noted from the above, the Board has no Mobile Plant Renewals Reserve.

3. Fixed Plant Reserve

The purpose of this provision is to reduce the impact on drainage rates as and when pumping plant and key water level control structures are replaced, refurbished or improved, in accordance with the pumping station refurbishment programme and capital works programme. Depreciation is its primary source of income, which would largely come from drainage rates/special levies and should be included in the maintenance budget under 'Pumping Stations Maintenance'. Capital Expenditure is determined by the Board, following recommendations arising from the Chief Executive and District Engineer.

BROADS (2006) IDB EARMARKED BALANCES AND RESERVES POLICY FOR 2013/14

It should be noted that no provision has been made for the replacement or refurbishment of the Board's assets because there has been no space in the Board's budget to do this. Most of the Board's Pumping Stations are in need of structural refurbishment. This liability has been estimated at between £3m and £5m in the Board's Asset Management Plan.

4. General Reserve

The External Auditor has previously indicated that the Board's level of General Reserve should be between 20% and 25% of net expenditure to pay for emergencies/contingent liabilities. It is important to note that no financial assistance (Bellwin Scheme money) was received from DEFRA following the periods of high rainfall during 2007, 2009 and 2012. 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, land, urban pipelines, redundant infrastructure and sea defences.

It should always be remembered that balances can only be spent once. Persistent raids on our finances without a sustainable strategy of making drainage services more affordable would not be sensible. We 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.

5. 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 in the programme 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 yearend balance of the General Reserve does not fluctuate significantly.

6. Revaluation Reserve

This reserve was created in 2008 following clarification that the Board own approximately a 10% share of Kettlewell House in King's Lynn (the WMA central office). Since then the Board has re-valued and capitalised its pumping stations as at 31 March 2010.

7. Pension Reserve

This Reserve is calculated by the Local Government Pension Scheme (LGPS) Fund Actuary at the end of every financial year, as administered by Norfolk County Council. This liability is meant to show the extent of the Board's liability if the scheme was closed down at the Balance Sheet date. However it is important to note that this sum does not represent an estimate of the exit cost of withdrawing from the LGPS, it merely represents a number of actuarial assumptions. This liability is likely to increase significantly in future.

**P J CAMAMILE
CHIEF EXECUTIVE**

BROADS (2006) 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 28th day of January 2013 the Board resolved as follows:-

1. That in respect of the financial year ending 31st March 2014 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 30.28% and 69.72% 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.

	DRAINAGE RATE			SPECIAL LEVIES	
	p	p		£	%
New Works and Improvement Works	14.781		Broadland District Council	£149,437	17.846%
Contributions to the Environment Agency	3.573		Great Yarmouth Borough Council	£168,748	20.152%
Maintenance Works	21.220		North Norfolk District Council	£263,264	31.439%
Administration and Other Expenses	3.151	42.725	South Norfolk District Council	£2,330	0.278%
LESS:-					
Government Grants	10.990				
Contributions from the Environment Agency	4.397				
Other Income	2.267	17.654			
		25.070			
Add/(deduct) for adjustment of balances		(2.060)			
		23.010		£583,779	69.72%

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

H G CATOR
 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 31st January 2013 as required by section 48 of the Act and regulation 8(4) of the Regulations
2. That the special levies were issued on the 5th day of February 2013.

P J CAMAMILE
 CHIEF EXECUTIVE OFFICER



**BROADS (2006) IDB (“the Board”)
LAND DRAINAGE ACT 1991 (“the Act”)**

DRAINAGE RATES AND SPECIAL LEVIES FOR 2013/14

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

1. On 28 January 2013 the Board made:-

A Drainage Rate of 23.010p in the pound (£)

in respect of agricultural land and agricultural buildings in their district to raise £253,590 of their expenditure for the financial year ending on the 31st March 2014.

2. Also on the 28 January 2013 the Board made a special levy of £583,779 on:-

Broadland District Council	£149,437
Great Yarmouth Borough Council	£168,748
North Norfolk District Council	£263,264
South Norfolk District Council	£2,330

to raise the balance of their expenditure for the same year.

Dated 5th Day of February 2013

**P J CAMAMILE
CHIEF EXECUTIVE**

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