



South Holland
Drainage Board

**STATEMENT OF ACCOUNTS
FOR THE YEAR ENDING
31 MARCH 2021**

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

NOTE ACCOUNTING POLICIES

1 FINANCIAL REPORTING STANDARDS, REGULATION AND GUIDANCE

- (i) The Board has not elected to prepare a full Statement of Accounts required by larger public bodies (Category 1 Authorities), as provided for in the Local Audit and Accountability Act 2014.
- (ii) The Board has completed this Statement of Accounts in accordance with the Financial Reporting Standard for Smaller Entities 2008 (FRSSE) issued by the Accounting Standards Board (other than in respect of the note required for the defined benefit pension scheme) and has prepared an Annual Return which all Category 2 Authorities are required to do, in accordance with Regulation 11 of the Accounts and Audit Regulations 2015, based on these Accounts. The Board is a Category 2 Authority.
- (iii) The Annual Return has been prepared in accordance with proper practices that are set out in Sections 1 to 5 of the Guidance published by the Association of Drainage Authorities in March 2021. This Statement of Accounts therefore includes the Accounting Statement reported in Section 2 of the Annual Return, which has been reconciled to the Income and Expenditure Account and Balance Sheet stated herein.

2 ACCOUNTING CONCEPTS

These accounts have been prepared in accordance with the following accounting concepts:

Going Concern
Prudence
Accruals

3 FIXED ASSETS

- (i) Fixed Assets are recognised as expenditure on the acquisition, creation or enhancement of fixed assets. Most assets with estimated useful economic lives in excess of one year and a value of £5,000 or above are capitalised on an accruals basis in the Accounts.
- (ii) All Fixed Assets are valued on the following basis:
 - Land and buildings are included in the balance sheet at lower of net current replacement cost and net realisable value, net of accumulated depreciation. Net current replacement cost is assessed as:
 - Non-specialised operational properties – existing use value
 - Specialised operational properties – depreciated replacement cost
 - Vehicles, plant and equipment are included at cost less depreciation

For the purposes of Box 9 in Section 2 of the audited Annual Return, Fixed Assets are recorded at Net Book Value.
- (iii) Disposals are written off at cost less depreciation. Any surplus/deficit arising is charged/credited to Exceptional Items in the Income and Expenditure Account.
- (iv) Depreciation has been provided for using the straight line method on all plant and equipment purchased before 31 March 2018 and using the reducing balance method thereafter.
- (v) The useful lives of the various assets held on the Fixed Assets Register are as follows:

NOTE ACCOUNTING POLICIES (CONTINUED)

Motor Vehicles and Equipment: 4 years
Excavators and Tractors: 5 years
Specialist Plant and Equipment: ≤ 10 years
Fixed Pumping Plant: 20 years
Lifting Equipment: 5 years
Land: not depreciated
Pumping Stations: 10 years
Buildings: 50 years

All plant with an engine = 22%
All plant without an engine = 18%
All vehicles = 25%

4 STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost or net realisable value.

5 GOVERNMENT GRANTS AND SUBSIDIES

Government grants and contributions have been credited to the Income and Expenditure Account on an accruals basis.

6 PENSIONS

- (i) The Board participates in the Local Government Pension Scheme, a defined benefit scheme operated by Lincolnshire County Council. The Board paid a contribution of 28.7% on employees pensionable pay into the pension fund in 2020/21.
- (ii) The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the Income and Expenditure Account in order to spread the cost over the service lives of employees in the scheme. Further costs arise in respect of certain pensions paid to retired employees on an unfunded basis.
- (iii) The Board's pension liability has been calculated by the fund actuary as set out in the accompanying report entitled: 'Actuarial Valuation as at 31 March 2021 for FRS17 Purposes' (Appendix 1).
- (iv) The Board also has a share of the pension liability which is attributable to its membership of the Water Management Alliance, a defined benefit scheme operated by Norfolk County Council.

7 TAXATION

Drainage Boards are exempt from Income, Corporation and Capital Gains Taxes. Value Added Tax is included in the Income and Expenditure Account only to the extent that it is irrecoverable.

8 EXCEPTIONAL ITEMS, EXTRAORDINARY ITEMS AND PRIOR YEAR ADJUSTMENTS

- (i) There are no material exceptional or extraordinary items to disclose in the Accounts.

NOTE ACCOUNTING POLICIES (CONTINUED)

- (ii) Profits or losses on the disposal of fixed assets are shown separately on the face of the Income and Expenditure Account prior to the Operating Net Surplus/(Deficit).

9 INCOME RECOGNITION

Income is recognised at the time of invoicing. In the case of Drainage Rates this is on the 1st April annually.

10 RESERVES

The Board holds Reserves as itemised below. The adequacy of these Reserves is reviewed by the Board annually. The purpose of the Reserves can be noted in the Board's [Capital Reserves and Financing Policy](#). This policy is reviewed by the Board every 5 years.

- (i) General Reserve
- (ii) Development Reserve
- (iii) Plant Renewals Reserve
- (v) Capital Works Reserve
- (vi) Revaluation Reserve
- (vii) Pension Reserve

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

Notes	Income and Expenditure	Y-T-D BUDGET £	Y-T-D ACTUAL £	Y-T-D VARIANCE £	ANNUAL BUDGET £	PROJECTED OUT-TURN £	PROJECTED VARIANCE £
	<u>Income</u>						
	Occupiers Drainage Rates	1,049,067	1,049,067	0	1,049,067	1,049,067	0
1.	Special Levies Issued by the Board	1,355,610	1,355,610	0	1,355,610	1,355,610	0
	Grants Applied	160,000	103,343	-56,657	160,000	103,343	-56,657
	Rental Income	680	734	54	680	734	54
	Income from Rechargeable Works	1,000	50,439	49,439	1,000	50,439	49,439
	Investment Interest	21,000	15,938	-5,062	21,000	15,938	-5,062
2i.	Other Income	95,233	200,330	105,097	95,233	200,330	105,097
2ii.	Insurance Claim Settlements	0	39,382	39,382	0	39,382	39,382
	Total Income	£2,682,590	2,814,844	£132,253	£2,682,590	£2,814,844	£132,253
	<u>Less Expenditure</u>						
4.	Capital Works	1,463,000	442,462	1,020,538	1,463,000	442,462	1,020,538
	Environment Agency Precept	145,835	145,835	0	145,835	145,835	0
5.	Maintenance Works	1,590,458	1,765,734	-175,276	1,590,458	1,765,734	-175,276
6.	Administration Charges	439,524	456,057	-16,533	439,524	456,057	-16,533
	Cost of Rechargeable Works	0	47,577	-47,577	0	47,577	-47,577
3.	Net Deficit/(Surplus) on Operating Accounts	0	-64,300	64,300	0	-64,300	64,300
	Total Expenditure	£3,638,817	£2,793,365	£845,452	£3,638,817	£2,793,365	£845,452
	Profit/(Loss) on Disposal of Fixed Assets	£0	£100,005	£100,005	£0	£100,005	£100,005
7.	Net Surplus/(Deficit)	-£956,227	£121,484	£1,077,710	-£956,227	£121,484	£1,077,710

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

Notes	Balance Sheet as at 31-3-2021	Opening Balance £	Movement This Year £	Closing Balance £
8. Fixed Assets				
	Land and Buildings	493,535	-12,904	480,631
	Plant and Equipment	508,747	215,369	724,116
	Office and RT Equipment	0	0	0
	Pumping Stations	0	0	0
	Shared Consortium Assets	0	0	0
		1,002,282	202,465	1,204,747
	Current Assets			
9.	Bank Account	136,393	508,151	644,544
	Stock	12,668	-6,603	6,065
10.	Trade Debtors	33,346	-25,552	7,795
11.	Work in Progress	0	223	223
12.	Term Deposits	3,500,000	-500,000	3,000,000
13.	Drainage Rates and Special Levies Due	-859	-13	-873
	Prepayments	6,152	-3,052	3,100
	Prepayments to WMA	-4,456	4,969	513
	Accrued Interest	0	0	0
	VAT Due	120,777	-73,331	47,446
14.	Grants Due	108,292	-108,292	0
		3,912,313	-203,500	3,708,813
	Less Current Liabilities			
	Trade Creditors	127,701	-96,716	30,986
	Accruals	72,279	-35,576	36,703
	Payroll Controls	0	0	0
	Drainage Rates Paid in Advance	8,625	14,407	23,032
		208,605	-117,884	90,721
	Net Current Assets	3,703,708	-85,616	3,618,092
	Less Long Term Liabilities			
22.	Pension Liability	5,219,000	877,000	6,096,000
	Net Assets	-£513,010	-£760,151	-£1,273,161
	Reserves			
	Earmarked			
15.	General Reserve	531,034	-32,776	498,258
16.	Development Reserve	799,493	54,255	853,748
17.	Plant Reserve	1,634,288	100,005	1,734,293
18.	Capital Works Reserve	1,151,907	0	1,151,907
20.	Grants Reserve	174,555	-4,635	169,920
		4,291,277	116,849	4,408,126
	Non-Distributable			
19.	Revaluation Reserve	414,713	0	414,713
21.	Pension Reserve	-5,219,000	-877,000	-6,096,000
		-4,804,287	-877,000	-5,681,287
	Total Reserves	-£513,010	-£760,151	-£1,273,161

S JEFFREY BSc (Hons) FCCA
FINANCE & RATING MANAGER

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

Note Notes to the Accounts

1. Special Levies collected from constituent Billing Authorities were as follows:

	Y-T-D Budget	Y-T-D Actual
South Holland District Council	1,354,656	1,354,656
Boston Borough Council	954	954
	1,355,610	1,355,610

- 2i. Other Income is made up as follows:

	Y-T-D Budget	Y-T-D Actual
Shared Income from WMA	95,233	178,722
Commuted Maintenance	0	17,541
Sundry Income	0	4,067
Summons Costs	0	0
	95,233	200,330

	Y-T-D Budget	Y-T-D Actual
Insurance Claims	0	39,382
This comprises of £8,187 for Sutton Bridge Sluice and £25,983 for Sluice Gate Motor Failure, £750 Tyre Gotts PS, £2,842 Break in at Gotts PS, £1,620		
Other Income Total	95,233	239,712

3. The Net Operating Deficit/(Surplus) for this year is made up as follows:

	Y-T-D Budget	Y-T-D Actual
Labour Operations Account	0	-66,940
Mobile Plant Operations Account	0	2,639
	0	-64,300

Detailed operating surpluses/(deficits) for the Labour Operations Account and each item of mobile plant are shown in the Labour Operations and Mobile Plant Operations Reports, which can be made available to members on request.

4. The gross cost of each capital scheme is approved by the Board annually and detailed on the schedule of capital works as managed by the Catchment Engineer, which can be made available to members on request. The Grants Due/(Unapplied) also correspond with the figures shown on the Balance Sheet. The Plant and Development Committee scrutinise this Report every year. We have been unable to close down the completed FDGiA funded schemes due to the EA being unavailable, and time restrictions due to COVID-19. We will make this a priority within 2021-22.

5. The detailed maintenance operations in each sub catchment is approved by the Board annually and shown on the schedule of maintenance works as controlled by the Operations Manager, which can be made available to members on request. Expenditure is summarised as follows:

	Y-T-D Budget	Y-T-D Actual
Labour Charges	503,605	603,711
Plant Charges	322,400	349,028
Out-sourced Work	215,700	189,577
Materials	143,050	127,852
Electricity	77,900	149,233
Telemetry	20,403	19,972
Depreciation	0	0
Insurance	32,300	34,285
Compensation	60,000	57,434
Direct Works	1,375,358	1,531,092
Technical Support Staff Costs	180,100	199,005
Other Technical Support Costs	25,000	26,446
Biodiversity Action Plan Costs	10,000	9,192
Asset Refurbishment Provision	0	0
Maintenance Works	1,590,458	1,765,734

The Direct Works has overspent this year compared to Budget by £155,734. However the surplus on Operating Accounts is £64,300 (see note 3) and so the net overspend is £91,434. We have also claimed the breakdown of Wisemans Pump which cost £30,000 from our insurers, and after excesses we have received £25,983 (see note 2ii) which is shown as Income from Insurance within Other Income. Heavy rainfall events meant the electricity costs for pumping were increased by £71,000 compared to what was budgeted for, and £13,547 additional costs for emergency works at Whaplode, Moulton Seas End and Gedney Drove End. We also had an unexpected breakdown at Holbeach Bank due to the age of the pump, which was in addition to the 4 other pump refurbishments what we had budgeted for in year, and Wisemans as detailed above.

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

Note Notes to the Accounts

- 6(i). Administration charges reflect the Board's share of consortium expenditure (excluding the technical support costs, which are included in the maintenance works expenditure). Detailed expenditure is monitored by the Consortium Management Committee and the Board every three months:

	Y-T-D Budget	Y-T-D Actual
Administration Staff Costs	116,499	118,518
Other Administration Costs	142,015	159,527
Depreciation - Marsh Reeves Refurbishment	12,904	12,904
Drainage Rates AV (Increases)/Decreases	5,000	1,059
Sundry Expenses	1,106	711
Pension Deficit Recovery Payments	150,000	150,000
Sundry Debtors Written Off	0	5
Settlement Discount Taken	12,000	13,333
	439,524	456,057

- 6(ii). Consortium Charges

	Y-T-D Budget	Y-T-D Actual
Shared Income from the WMA (note 2i)	95,233	178,722
Expenses		
Technical Support Staff (note 5)	180,100	199,005
Other Technical Support (note 5)	25,000	26,446
Administration Staff Costs (note 6i)	116,499	118,518
Other Administration Costs (Note 6i)	142,015	159,527
Net Consortium Charge	-368,381	-324,773

7. At the time of preparing the Estimates for 2020/21, the Board planned to finance the estimated net deficit as follows:

	Budget
Transfer from the Capital Works Reserve	620,000
Transfer from the Development Reserve	0
Transfer from the Plant Reserve	383,000
Transfer from the Partnership Working Reserve	0
Reducing/(Inc.) the Balance of the General Reserve	-46,773
(=) Original Estimated Net Deficit	956,227
(-) FDGiA Subsequently Awarded by EA	
(=) Estimated Net Deficit	956,227

8. TANGIBLE FIXED ASSETS

	Pumping Stations	Land and Buildings	Plant and Equipment	Office & RT Equipment	Total
Cost					
Opening Balance as at 1-4-2020	156,750	871,257	1,924,781	72,771	3,025,559
(+) Additions	0	0	406,590	0	406,590
(-) Disposals	0	0	-321,334	-48,143	-369,477
Closing Balance as at 31-3-2021	156,750	871,257	2,010,037	24,628	3,062,672
Depreciation					
Opening Balance as at 1-4-2020	156,750	377,721	1,416,034	24,628	1,975,134
(+) Depreciation Charge for Year	0	12,904	191,221	0	204,125
(-) Accumulated Depreciation Written Out on Disposal	0	0	-321,334	-48,143	-369,477
Closing Balance as at 31-3-2021	156,750	390,626	1,285,921	-23,514	1,809,782
Net Book Value at 1-4-2020	0	493,535	508,747	48,143	1,050,425
Net Book Value at 31-3-2021	0	480,631	724,116	48,143	1,252,890

Full details of all movements during this year are recorded in the Board's Fixed Asset Register. The Board also shares ownership of a proportion of the WMA Office Equipment, which is recorded in the WMA's Fixed Asset Register.

9. Additional sums are now being invested on the short term money market to maximise the return on the working balances, in accordance with the Board's Investment Policy. The Bank Current Account is reconciled as follows:

	2019/20	2020/21
Opening Balance as at 1-4-2020	829,467	136,393
Receipts	4,313,375	6,325,820
Payments	-5,006,449	-5,817,668
Closing Balance as at 31-3-2021	136,393	644,544
Balance on Statement as at 31-3-2021	153,878	706,930
Less: Unpresented Payments	-18,500	-62,386
Add: Unpresented Receipts	1,015	0
Closing Balance as at 31-3-2021	136,393	644,544

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

Note Notes to the Accounts

10. The Aged Debtor profile is currently as follows:

Debt period	Amount	Number of Debtors
<=30 days	7,771	3
>30 days and <=60 days	0	0
>60 days and <=90 days	24	1
>90 days	0	0
	7,795	4

>90 days	Amount	Inv. Date	Originator
	0		

11. Work in Progress (WIP) is currently made up of the following jobs:

Customer	Amount	
RWE0002 - Western Power - Piping & Access Crossing	223	31/03/2021 D Morris - Operations Manager
	223	

12. Term Deposits are currently as follows:

Financial Institution	Capital	Investment Date	Maturity Date	Interest Rate
National Counties Building Society	500,000	14/08/2020	15/04/2021	0.36%
Saffron Building Society	500,000	30/11/2020	01/06/2021	0.28%
Cumberland Building Society	500,000	16/12/2020	16/06/2021	0.15%
Newcastle Building Society	500,000	29/01/2021	29/07/2021	0.12%
Principality Building Society	500,000	26/02/2021	26/08/2021	0.08%
Vernon Building Society	500,000	30/03/2021	29/09/2021	0.12%
	3,000,000			

13. Special Levies are paid by Constituent Councils in two halves due on 1 May and 1 November every year. There are currently 56 Ratepayers that have not paid their Drainage Rates for 2020/21, as compared to 42 Ratepayers this time last year. Summarised transactions for Drainage Rates and Special Levies during the year are as follows:

	2019/20	2020/21
Arrears b/fwd	2,094	-859
Drainage Rates for the Year	1,008,680	1,049,082
Special Levies for the Year	1,302,787	1,355,610
New Assessments	3,177	2,868
Value Decreases	-10,285	-5,653
Value Increases	7,106	2,778
Payments Received	-2,246,184	-2,333,967
Settlement Discount	-11,786	-13,333
Returned/(Represented) Amounts	508	38
Paid Refund	339	527
Summons Collection Costs	1,125	0
Irrecoverables and Write Offs	-775	-1,068
Sundry Adjustments	25	0
Compensation	-57,672	-56,896
Arrears c/fwd	-859	-873

14. Grants Due on the following scheme

	2019/20	2020/21
SCH68 - Dawsmere Pump	91,369	0
SCH69 - Lords Pump	16,923	0
	108,292	0

15. Movements on the General Reserve are made up as follows:

	2019/20	2020/21
Opening Balance as at 1-4-2020	278,355	531,034
Net Surplus/(Deficit) for the Year	51,002	121,484
Net Transfer (to)/from Capital Works Reserve	404,156	0
Net Contributions Transferred to Development Reserve	-113,880	-54,255
Transfer Balance to Plant Reserve	-88,600	-100,005
Closing Balance as at 31-3-2021	531,034	498,258

16. Movements on the Development Reserve are made up as follows:

	2019/20	2020/21
Opening Balance as at 1-4-2020	685,614	799,493
Net Contributions Transferred from General Reserve	113,879	54,255
Closing Balance as at 31-3-2021	799,493	853,748

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

Note Notes to the Accounts

17. Movements on the Plant Reserve are made up as follows:

	2019/20	2020/21
Opening Balance as at 1-4-2020	1,545,688	1,634,288
Net Contributions Transferred from General Reserve	88,600	100,005
Closing Balance as at 31-3-2021	1,634,288	1,734,293

18. The Capital Works Reserve is currently made up as follows:

		Tfr from/(to)	
	2019/20	Gen. Reserve	2020/21
N/A	Unallocated, available for partnership working	198,611	0
SCH18	Telemetry	3,369	0
ASSORT.	Catchment Modelling	42,885	0
SCH54	Exeter Drain North Upstream of Halmergate	51,014	7,933
SCH55	Fleet Haven Pump Refurbishment	50,000	0
SCH63	Exeter Drain North Downstream of Halmergate	7,933	-7,933
SCH65	Westmere P/S and Sluice Refurbishment	573,611	0
SCH67	Fleet Haven Pump Refurbishment	19,847	112,500
SCH68	Dawsmere Pump Refurbishment	24,893	0
SCH69	Lords Pump Refurbishment	29,744	0
SCH72	Weedscreen Fleet Haven (now SCH67)	37,500	-37,500
SCH73	Weedscreen Dawsmere (now SCH68)	37,500	0
SCH75	Weedscreen Holbeach Bank	37,500	-37,500
SCH76	Weedscreen Gotts	37,500	-37,500
		1,151,907	0
			1,151,907

19. Movements on the Revaluation Reserve are made up as follows:

	2020/21
Opening Balance as at 1-4-2020	414,713
Less:	
Pumping Station Depreciation	0
Workshop Historic Cost Written Out	0
Closing Balance as at 31-3-2021	414,713

20. Movements on the Grants Reserve are made up as follows:

	2020/21
Opening Balance as at 1-4-2020	174,555
Add Grant Received	207,000
Less Grant Due (Reversal of 2019/20 End of Year Position)	-108,292
Less: Grant Applied	-103,343
Closing Balance as at 31-3-2021	169,920

	2019/20	2020/21
SCH23	Wisemans Pumping Station	2,445
SCH25	South Holland Main Drain Sluice Refurbishment	949
SCH27	Generator Connections	5,324
SCH29	Catchment Modelling Fleet Fen	9,120
SCH31	Catchment Modelling Donningtons	3,659
SCH32	Peartree Pump Replacement	9,246
SCH33	Fleet Fen Refurbishment	4,200
SCH35	Catchment Modelling Little Holland	655
SCH36	Catchment Modelling Roses	467
SCH41	Lords Sluice Refurbishment	61,285
SCH64	Donningtons Pump Refurbishment	38,443
SCH65	Westmere Pumping Station & Sluice Refurb Study	0
SCH66	Sutton St James Pump Refurbishment	31,976
SCH67	Fleet Haven Pump Refurbishment Study	6,789
SCH68	Dawsmere Pump Refurbishment Study	-91,370
SCH69	Lords Pump Refurbishment Study	-16,923
	66,263	169,920

Grants Due as at 31-3-2021

0

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

Note Notes to the Accounts

21. Pension Liability

- (i) The Pension Liability is calculated by the Local Government Pension Scheme (LGPS) Fund Actuary at the end of every financial year. It is a notional liability that is shown as a Long Term Liability on the Balance Sheet. This figure is meant to show the extent of the Board's liability at the Balance Sheet date, based on a number of actuarial assumptions. However it is important to note that this sum does not represent an estimate of the exit cost of withdrawing from the LGPS at the Balance Sheet date.
- (ii) The Board is a member of the Water Management Alliance Consortium and as such also has a proportion of the pension liability for the shared staff that are employed by King's Lynn IDB, t/a the Water Management Alliance. The Fund Actuary for Norfolk County Council has prepared a separate Report for the Water Management Alliance, which identifies a notional net pension liability of £5,182,000 as at 31 March 2021 that is shared by all 6 Member Boards. However Waveney Lower Yare and Lothingland IDB's liability is capped at £5,000 until 31st March 2022. The Board's share of this pension liability is set out every year in the WMAs Basis of Apportionment, which was approved by the Board on 09 February 2021.

22. Related Party Transactions

- (i) The Board is a full member of Anglia Farmers Ltd, an agricultural purchasing cooperative. Several members of the Board are also shareholders of this organisation. The Board paid Anglia Farmers Ltd £206,391.81 up to 31/03/21.
- (ii) The Board uses Rating Software for the collection of Drainage Rates known as DRS. The software was developed by Mr P J Camamile, the Chief Executive, and is supported by Byzantine Ltd. Mr P J Camamile is the Company Secretary of Byzantine Ltd, and his wife, Mrs P Camamile is a Director. Both are shareholders.
- (iii) The Board is a member of the Water Management Alliance Consortium, who provide administrative services to the Board. The Board has 3 representatives who serve on the Consortium Management Committee, that include the Chairman and Vice Chairman of the Board.

S JEFFREY BSc (Hons) FCCA
FINANCE & RATING MANAGER

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

Our ID	Capital Works	EA Ref.	GiA Level %	Actual 2019/20	Actual 2020/21	Annual Estimate 2020/21 £	Variance (2020/21) £	Cumulative Gross Cost C/Fwd £	Approved Cost £	Variance (adverse)/favourable £	Grant Receivable £	Grant Received B/Fwd £	Grant Received 2020/21 £	Grant Received C/Fwd £	Grant Due/ (Unapplied) £	Grant Applied £
Grant Aided Works:																
SCH14	Health and Safety works	IDB0092	45%	0	0	0	0	195,859	290,500	94,641	88,137	88,137	0	88,137	0	0
SCH22	Little Holland Pumping Station Refurbishment	IDB0093	45%	0	0	0	0	291,020	291,020	0	130,950	130,950	0	130,950	0	0
SCH23	Wisemans Pumping Station	IDB0091	45%	0	0	0	0	239,567	245,000	5,433	107,805	110,250	0	110,250	-2,445	0
SCH25	South Holland Main Drain Sluice Refurbishment	IDB0116	45%	0	0	0	0	487,892	490,000	2,108	219,551	220,500	0	220,500	-949	0
SCH26	Catchment Modelling Clay Lake/Wisemans	IDB0112	45%	0	0	0	0	26,604	31,000	4,396	11,972	11,972	0	11,972	0	0
SCH27	Generator Connections	IDB0107	45%	0	0	0	0	98,170	152,000	53,830	44,176	49,500	0	49,500	-5,324	0
SCH29	Catchment Modelling Fleet Fen	IDB0147	45%	0	0	0	0	28,734	49,000	20,266	12,930	22,050	0	22,050	-9,120	0
SCH30	Catchment Modelling Peartree Hill	IDB0124	45%	0	0	0	0	21,447	21,447	0	9,450	9,450	0	9,450	0	0
SCH31	Catchment Modelling Donningtons	IDB0125	45%	0	0	0	0	11,869	20,000	8,131	5,341	9,000	0	9,000	-3,659	0
SCH32	Peartree Pump Replacement	IDB0151	45%	0	0	0	0	109,452	130,000	20,548	49,254	58,500	0	58,500	-9,246	0
SCH33	Fleet Fen Refurbishment	IDB0152	45%	0	0	0	0	160,667	170,000	9,333	72,300	76,500	0	76,500	-4,200	0
SCH34	George Hay Preliminaries	IDB0169	45%	0	0	0	0	20,480	20,480	0	9,000	9,000	0	9,000	0	0
SCH35	Catchment Modelling Little Holland	IDB0170	45%	0	0	0	0	29,656	31,112	1,456	13,345	14,000	0	14,000	-655	0
SCH36	Catchment Modelling Roses	IDB0171	45%	0	0	0	0	3,408	4,444	1,036	1,533	2,000	0	2,000	-467	0
SCH41	George Hay Refurbishment	IDB0229	45%	0	0	0	0	362,809	499,000	136,191	163,264	224,549	0	224,549	-61,285	0
SCH42	Holbeach River Outfall Sluice Refurb. Prelim. Work	IDB0249	100%	0	0	0	0	31,438	38,000	6,562	30,000	30,000	0	30,000	0	0
SCH46	Doningtons Pump Refurbishment	IDB0398	42.780%	730	301,120	0	-301,120	391,247	485,000	93,753	167,376	77,000	0	77,000	0	38,443
SCH65	Westmere Pumping Station & Sluice Refurbishment	IDB0399	100%	224,192	21,022	450,000	428,978	281,602	111,000	-170,602	111,000	111,000	0	111,000	0	0
SCH66	Sutton St James Pump Refurbishment	IDB0397	20.625%	5,140	0	0	0	324,969	481,000	156,031	67,025	99,000	0	99,000	-31,976	0
SCH67	Fleet Haven Pump Refurbishment	IDB0424	100%	345,668	245,647	550,000	304,353	621,858	383,000	-238,858	383,000	383,000	0	383,000	0	6,789
SCH68	Dawsmere Pump Refurbishment	IDB0423	100%	101,033	8,583	50,000	41,417	134,953	142,000	7,047	134,953	35,000	107,000	142,000	-7,047	8,583
SCH69	Lords Pump Refurbishment	IDB0425	100%	31,424	49,527	100,000	50,473	101,451	384,000	282,549	101,451	35,000	100,000	135,000	-33,549	49,527
				708,186	625,899	1,150,000	524,101	3,975,154	4,469,003	493,849	1,933,814	1,806,357	207,000	2,013,357	-169,920	103,343
Local Levy Aided:																
SCH43	Clay Lake Pumping Station Refurbishment	LL021	N/A	0	0	0	0	383,408	375,297	-8,111	257,000	257,000	0	257,000	0	0
Grant/Local Levy Aided:																
SCH52	Holbeach River Outfall Sluice Refurbishment	IDB0273	N/A	0	0	0	0	670,874	705,000	34,126	425,000	425,000	0	425,000	0	0
Non-Grant Aided Works:																
SCH18	Telemetry Renewal	N/A	0%	1,798	14,078	20,000	5,922	202,885	20,000	-182,885	0	0	0	0	0	0
SCH53	Second Line Bank Investigation	N/A	0%	0	0	0	0	2,960	5,000	2,040	0	0	0	0	0	0
SCH54	Exeter Drain North Upstream of Halmergate	N/A	0%	0	0	88,000	88,000	67,320	100,000	32,680	0	0	0	0	0	0
SCH60	Modelling - general	N/A	0%	600	0	20,000	20,000	17,711	20,000	2,289	0	0	0	0	0	0
SCH61	Peartree Hill Pump Weedscreen Cleaner	N/A	0%	0	0	0	0	92,825	95,000	2,175	0	0	0	0	0	0
SCH62	Lawyers Pump Weedscreen Cleaner	N/A	0%	0	0	0	0	133,885	120,000	-13,885	0	0	0	0	0	0
SCH63	Exeter Drain North Downstream of Halmergate	N/A	0%	82,089	87,271	110,000	22,729	337,172	346,000	8,828	0	0	0	0	0	0
SCH57/64	Doningtons Pump Refurbishment	N/A	0%	0	-301,120	0	301,120	0	305,000	305,000	0	0	0	0	0	0
SCH58/66	Sutton St James Pump Refurbishment	N/A	0%	0	0	0	0	900	1,000	100	0	0	0	0	0	0
SCH70	Beggars Bush Drain	N/A	0%	0	0	0	0	97,719	50,000	-47,719	0	0	0	0	0	0
SCH71	Bell Row Improvement	N/A	0%	5,173	0	0	0	30,331	30,000	-331	0	0	0	0	0	0
SCH75	Weedscreen Holbeach Bank	N/A	0%	97,415	371	0	-371	97,637	68,000	-29,637	0	0	0	0	0	0
SCH76	Weedscreen Gotts	N/A	0%	95,639	407	45,000	44,593	95,861	68,000	-27,861	0	0	0	0	0	0
				Adjustment for SCH72,73,74	0	0	0	-579	0	579	0	0	0	0	0	0
				Exeter Drain North Matmore Gate Pipeline Refurbishment	0	0	0	0	0	0	0	0	0	0	0	0
SCH77	Low Fulney Drainage Improvements	N/A	0%	0	15,555	50,000	34,445	0	0	0	0	0	0	0	0	0
				282,135	-183,437	333,000	516,437	1,176,627	1,228,000	51,373	0	0	0	0	0	0
Totals				£990,321	£442,462	£1,483,000	£1,040,538	£6,206,062	£6,777,300	£571,238	£2,615,814	£2,488,357	£207,000	£2,695,357	-£169,920	£103,343

K L J VINES
CATCHMENT ENGINEER

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

MAINTENANCE		Actual 2019/20 £	Actual 2020/21 £	Annual Estimate £	Variance £
DRAINS					
DM01	Hand Roding	15,945.63	7,060.70	18,000	10,939
DM02	Mechanical Roding	419,530.87	464,949.64	434,500	-30,450
DM03	Chemical Weed Control	8,196.35	4,492.42	9,700	5,208
DM04	Mudding Channels	130,732.19	94,433.65	75,000	-19,434
DM05	Cleansing Culverts and Inspecting Pipes	30,885.83	13,933.10	34,000	20,067
DM06	Bushing and Tree Coppicing	87,396.44	89,127.18	61,000	-28,127
DM07	Vermin Control	12,157.55	11,803.55	15,100	3,296
DM08	New Access Works	60,465.76	67,809.54	60,000	-7,810
DM09	Slip Repairs	78,605.21	193,715.95	141,000	-52,716
DM10	Reinstating Land Tile Outfalls	27,656.27	12,665.84	45,000	32,334
DM11	Culvert Repairs and Renewals	34,583.02	8,906.78	28,000	19,093
DM12	Gauge Boards	247.00	28.00	800	772
DM13	Fencing	4,239.52	21,998.89	18,000	-3,999
DM14	Gates	22,188.60	16,511.31	19,500	2,989
DM15	Rubbish Clearance (Inert)	8,480.86	20,797.72	14,000	-6,798
DM16	Rubbish Clearance (Vehicles)	0.00	80.00	300	220
DM17	Rubbish Clearance (Hazardous)	650.00	80.00	1,000	920
DM18	Rubbish Clearance (Tyres)	872.70	422.00	500	78
DM19	Wracking	4,172.45	34.17	5,000	4,966
DM20	General Duties	11,259.84	13,355.77	6,900	-6,456
DM21	Freshwater Feeds	375.00	743.50	1,500	757
DM22	Pump/Sluice Runs	22,208.47	19,193.60	17,700	-1,494
DM23	Marker Posts	10,346.25	2,700.00	14,500	11,800
		£991,195.81	£1,064,843.31	£1,021,000	-£43,843
EW01		0.00	£13,705.55	£0.00	-£13,706
PR02	Telemetry	9,924.56	9,417.36	12,843	3,426
PUMPING STATIONS					
PS01	Fleet Haven	20,283.89	19,030.06	17,525	-1,505
PS02	Dawsmere	20,193.78	13,362.96	15,320	1,957
PS03	Lords	20,105.15	15,564.17	12,570	-2,994
PS04	Fleet Fen	33,655.60	38,040.16	27,000	-11,040
PS05	Clay Lake	13,885.54	14,470.62	10,720	-3,751
PS06	Wisemans	60,124.51	83,834.33	54,870	-28,964
PS07	Peartree Hill	25,091.42	30,353.07	25,770	-4,583
PS08	Donningtons	5,194.29	5,673.64	8,570	2,896
PS09	Little Holland	35,570.59	63,980.61	25,000	-38,981
PS10	Sutton St James	5,446.11	4,213.99	7,520	3,306
PS11	Manor Farm	5,997.19	4,821.63	7,570	2,748
PS12	Westmere	4,382.53	5,616.84	5,170	-447
PS13	Holbeach Bank	9,638.13	34,302.86	9,570	-24,733
PS14	Gotts	9,051.32	9,373.87	7,270	-2,104
PS15	Roses	6,126.49	6,967.86	6,500	-468
PS16	Lawyers	55,462.12	42,168.32	22,870	-19,298
PS17	Long Sutton Pit	3,848.97	3,181.73	4,000	818
		£334,057.63	£394,956.72	£267,815	-£127,142
TIDAL SLUICES					
TS01	George Hay	81.92	424.64	500	75
TS04	Holbeach River	542.48	144.64	600	455
TS05	Lawyers	0.00	0.00	0	0
TS06	Lutton Leam	2,379.56	10,427.12	6,040	-4,387
TS07	Westmere	595.85	146.84	600	453
TS08	Sutton Bridge	22,764.12	21,454.31	36,760	15,306
TS08A	Sutton Bridge Sluice Operations	2,656.11	7,200.86	3,900	-3,301
TS09	Wragg Bridge Outfall	0.00	111.38	1,500	1,389
TS10	Bubble Curtain	0.00	111.47	0	-111
		£29,020.04	£40,021.26	£49,900	£9,879
SECOND LINE SLUICES					

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

MAINTENANCE		Actual 2019/20 £	Actual 2020/21 £	Annual Estimate £	Variance £
SL01	Fosdyke Marsh	14.56	0.00	50	50
SL02	Moulton River	516.36	678.10	200	-478
SL03	New Sea Bank Outfall	14.56	0.00	50	50
SL04	Wards Enclosure Soke Dyke	14.56	0.00	50	50
SL05	Holbeach River Old Sluice	1,647.49	746.20	1,000	254
SL06	Andersons	14.56	0.00	50	50
SL07	Thimbleby	193.36	678.10	200	-478
SL08	Salt Marsh Soke Dyke	14.56	0.00	50	50
SL09	Coffee Tan	14.56	0.00	50	50
SL10	Daisy Hall	14.56	0.00	50	50
SL11	Gedney Enclosure to Dawsmere	14.56	96.87	50	-47
SL12	Gedney Enclosure	193.36	581.23	200	-381
SL13	J C Mossops Enclosure	14.56	0.00	50	50
SL14	Lutton Leam - Salt Lake	28.31	4,688.91	50	-4,639
SL15	Lutton Leam Road Bridge	23,516.92	678.10	18,000	17,322
		£26,226.84	£8,147.51	£20,100	£11,952
WATER LEVEL CONTROL STRUCTURES					
WL01	Decoy	0.00	0.00	0	0
WL02	Wheatmere	0.00	0.00	210	210
WL03	St Catherines	0.00	0.00	0	0
WL04	Bell Row	0.00	0.00	70	70
WL05	Brother House Bar	0.00	0.00	70	70
WL06	Ropers Bridge (Whaplode River)	0.00	0.00	70	70
WL07	Quick Lane Drain Connection	0.00	0.00	70	70
WL08	Quick Lane Intake (SHMD)	0.00	0.00	70	70
WL09	Oxcroft Connection	0.00	0.00	70	70
WL11	Jekyls Bank (Quick Lane)	0.00	0.00	70	70
		£0.00	£0.00	£700	£700
DIRECT WORKS		£1,390,424.88	£1,531,091.71	£1,372,358	-£145,028
TECHNICAL SUPPORT STAFF COSTS		136,600	199,005	180,100	-18,905
TECHNICAL SUPPORT OTHER COSTS		23,036	26,446	25,000	-1,446
BIODIVERSITY ACTION PLAN COSTS		7,268	9,192	10,000	808
ASSET REFURBISHMENT PROVISION		0	0	0	0
CONTINGENCY		0	0	0	0
WORKSHOP OVERHEAD (MOVED TO LABOUR OPS AC		0	0	3,000	3,000
MAINTENANCE WORKS		£1,557,329	£1,765,734	£1,590,458	-£161,571

D MORRIS
OPERATIONS MANAGER

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

MAINTENANCE	Actual 2020/21 £	Plant Charges £	Labour Charges £	Out-Sourced Work £	Materials £	Electricity £	Telemetry £	Depreciation £	Insurance £	Compensation £
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DRAINS

DM01	Hand Roding	7,060.70	255.20	5,410.00	1,395.50	0.00	0.00	0.00	0.00	0.00
DM02	Mechanical Roding	464,949.64	180,633.60	196,896.00	7,523.59	22,462.95	0.00	0.00	0.00	57,433.50
DM03	Chemical Weed Control	4,492.42	305.35	3,714.00	0.00	473.07	0.00	0.00	0.00	0.00
DM04	Mudding Channels	94,433.65	34,212.65	56,606.00	1,765.00	1,850.00	0.00	0.00	0.00	0.00
DM05	Cleansing Culverts and Inspecting Pipes	13,933.10	2,266.10	9,792.00	1,875.00	0.00	0.00	0.00	0.00	0.00
DM06	Bushing and Tree Coppicing	89,127.18	33,409.00	53,918.00	1,441.70	358.48	0.00	0.00	0.00	0.00
DM07	Vermin Control	11,803.55	4.40	0.00	11,799.15	0.00	0.00	0.00	0.00	0.00
DM08	New Access Works	67,809.54	13,273.45	33,682.00	508.00	20,346.09	0.00	0.00	0.00	0.00
DM09	Slip Repairs	193,715.95	59,248.90	79,610.00	640.00	54,217.05	0.00	0.00	0.00	0.00
DM10	Reinstating Land Tile Outfalls	12,665.84	1,522.00	5,874.00	835.00	4,434.84	0.00	0.00	0.00	0.00
DM11	Culvert Repairs and Renewals	8,906.78	2,303.25	6,290.00	0.00	313.53	0.00	0.00	0.00	0.00
DM12	Gauge Boards	28.00	0.00	28.00	0.00	0.00	0.00	0.00	0.00	0.00
DM13	Fencing	21,998.89	607.40	8,104.00	10,605.00	2,682.49	0.00	0.00	0.00	0.00
DM14	Gates	16,511.31	1,143.55	10,222.00	0.00	5,145.76	0.00	0.00	0.00	0.00
DM15	Rubbish Clearance (Inert)	20,797.72	3,640.90	13,090.00	6,340.15	-2,273.33	0.00	0.00	0.00	0.00
DM16	Rubbish Clearance (Vehicles)	80.00	0.00	80.00	0.00	0.00	0.00	0.00	0.00	0.00
DM17	Rubbish Clearance (Hazardous)	80.00	0.00	0.00	80.00	0.00	0.00	0.00	0.00	0.00
DM18	Rubbish Clearance (Tyres)	422.00	0.00	422.00	0.00	0.00	0.00	0.00	0.00	0.00
DM19	Wracking	34.17	0.00	0.00	0.00	34.17	0.00	0.00	0.00	0.00
DM20	General Duties	13,355.77	31.63	13,204.00	0.00	120.14	0.00	0.00	0.00	0.00
DM21	Freshwater Feeds	743.50	11.00	56.00	676.50	0.00	0.00	0.00	0.00	0.00
DM22	Pump Runs	19,193.60	1,777.60	17,416.00	0.00	0.00	0.00	0.00	0.00	0.00
DM23	Marker Posts	2,700.00	110.00	2,590.00	0.00	0.00	0.00	0.00	0.00	0.00
		£1,064,843.31	£334,755.98	£517,004.00	£45,484.59	£110,165.24	£0.00	£0.00	£0.00	£57,433.50

EW01	Emergency Works	13,705.55	1873.54	7140.09	3505.00	1,186.92	0.00	0.00	0.00	0.00
PR02	Telemetry	9,417.36	0.00	0.00	0.00	0.00	0.00	9,417.36	0.00	0.00

PUMPING STATIONS

PS01	Fleet Haven	19,030.06	343.91	2,312.60	1,187.65	204.15	12,178.62	786.37	0.00	2,016.76	0.00
PS02	Dawsmere	13,362.96	417.66	2,593.20	937.74	105.61	6,505.73	786.26	0.00	2,016.76	0.00
PS03	Lords	15,564.17	489.21	2,013.20	937.74	86.06	9,603.74	417.46	0.00	2,016.76	0.00
PS04	Fleet Fen	38,040.16	1,098.64	5,907.20	13,303.45	806.34	14,122.81	784.96	0.00	2,016.76	0.00

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

MAINTENANCE		Actual 2020/21 £	Plant Charges £	Labour Charges £	Out-Sourced Work £	Materials £	Electricity £	Telemetry £	Depreciation £	Insurance £	Compensation £
SL09	Coffee Tan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SL10	Daisy Hall	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SL11	Gedney Enclosure to Dawsmere	96.87	0.00	0.00	96.87	0.00	0.00	0.00	0.00	0.00	0.00
SL12	Gedney Enclosure	581.23	0.00	0.00	581.23	0.00	0.00	0.00	0.00	0.00	0.00
SL13	J C Mossops Enclosure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SL14	Lutton Leam - Salt Lake	4,688.91	67.10	56.00	3,290.81	1,275.00	0.00	0.00	0.00	0.00	0.00
SL15	Lutton Leam Road Bridge	678.10	0.00	0.00	678.10	0.00	0.00	0.00	0.00	0.00	0.00
		£8,147.51	£79.20	£112.00	£6,681.31	£1,275.00	£0.00	£0.00	£0.00	£0.00	£0.00

WATER LEVEL CONTROL STRUCTURES

WL01	Decoy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WL02	Wheatmere	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WL03	St Catherines	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WL04	Bell Row	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WL05	Brother House Bar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WL06	Ropers Bridge (Whaplode River)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WL07	Quick Lane Drain Connection	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WL08	Quick Lane Intake (SHMD)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WL09	Oxcroft Connection	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WL11	Jekyls Bank (Quick Lane)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00

DIRECT WORKS	£1,531,091.71	£349,028.25	£603,710.69	£189,576.93	£127,852.47	£149,233.13	£19,971.61	£0.00	£34,285.13	£57,433.50
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D MORRIS
OPERATIONS MANAGER

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

Plant ID	Mobile Plant Operations Account	Productive Units	Charge Out Unit	£ Per Unit	Notional Income	Third Party R & M	In-house R & M	Fuels	RFL & Insurance	Plant Hire	Depreciation	Total Expenditure	Over/(Under) Recovery
7119	Volvo - AE59 FWO - MR	607	Hours	23.00	13,961.00	2,175.29	866.00	2,243.71	437.00	0.00	0.00	5,722.00	8,239.00
7122	Caterpillar Excavator - MR	1,271	Hours	23.00	29,221.50	4,283.35	3,228.00	5,343.57	953.00	0.00	2,807.68	16,615.60	12,605.90
7123	Caterpillar Excavator - MR	1,553	Hours	23.00	35,719.00	3,184.67	2,594.00	6,255.73	953.00	0.00	2,807.68	15,795.08	19,923.92
7124	Liebherr Excavator LO19 XSJ	1,671	Hours	25.00	41,762.50	4,737.65	1,150.00	5,676.84	2,617.00	0.00	33,238.32	47,419.81	-5,657.31
7125	Volvo Excavator EF19 RBZ	1,423	Hours	26.00	36,985.00	3,441.96	1,336.00	5,403.97	2,752.00	0.00	35,124.84	48,058.77	-11,073.77
7126	Volvo EC220EL Excavator EU70 EDC	463	Hours	23.00	10,649.00	106.31	752.00	2,020.73	0.00	0.00	17,599.98	20,479.02	-9,830.02
	360 Excavators	6,987			168,298.00	17,929.23	9,926.00	26,944.55	7,712.00	0.00	91,578.50	154,090.28	14,207.72
7334	Toyota Hilux - AO58 UUN	5,037	Miles	0.55	2,770.37	939.69	300.00	1,187.50	306.00	0.00	0.00	2,733.19	37.18
7336	Toyota Hilux - AU62 OUS	7,524	Miles	0.55	4,138.20	882.11	274.00	1,764.54	374.00	0.00	0.00	3,294.65	843.55
7339	Ford Transit Connect AK18 RZY	16,007	Miles	0.55	8,803.83	488.83	120.00	1,553.93	428.00	0.00	1,836.12	4,426.88	4,376.95
7341	Vauxhall Combo DN18 LTA	4,561	Miles	0.55	2,508.55	350.35	166.00	453.39	388.00	0.00	1,385.40	2,743.14	-234.59
7342	Ford Transit Courier AF68 UEE	4,266	Miles	0.55	2,346.30	291.37	82.00	484.72	377.00	0.00	1,685.64	2,920.73	-574.43
	Pooled Vehicles	37,395			20,567.25	2,952.35	942.00	5,444.08	1,873.00	0.00	4,907.16	16,118.59	4,449
7151	JCB - KX05 0BK	556	Hours	18.00	10,008.00	1,205.99	2,632.00	1,410.28	401.00	0.00	0.00	5,649.27	4,358.73
	JCBs	556		18.00	10,008.00	1,205.99	2,632.00	1,410.28	401.00	0.00	0.00	5,649.27	4,358.73
7440	New Holland - EU11 MVP	56	Hours	20.00	1,110.00	0.00	42.00	278.80	219.50	0.00	0.00	540.30	569.70
7441	John Deere - FX13 BDY	402	Hours	16.00	6,432.00	33.06	578.00	1,331.69	288.50	0.00	0.00	2,231.25	4,200.75
7442	Claas - FX14 AYD	608	Hours	16.00	9,720.00	5,326.70	408.00	2,898.18	518.00	0.00	0.00	9,150.88	569.12
7443	Claas Arion - FX17 DFE	891	Hours	16.00	14,256.00	3,465.64	1,510.00	4,795.85	1,022.00	0.00	11,429.16	22,222.65	-7,966.65
7444	Claas - FX68 AGO	1,431	Hours	16.00	22,888.00	2,406.36	1,542.00	6,230.31	1,090.00	0.00	13,571.76	24,840.43	-1,952.43
7445	New Holland Tractor - AE20 CFF	1,166	Hours	20.00	23,310.00	420.19	2,808.00	3,286.82	1,563.51	0.00	20,991.70	29,070.22	-5,760.22
	Tractors	4,552			77,716.00	11,651.95	6,888.00	18,821.65	4,701.51	0.00	45,992.62	88,055.73	-10,339.73
7490	Trailers (10)	1,873	Hours	10.00	18,725.00	3,238.50	11,614.00	30.32	0.00	0.00	2,099.76	16,982.58	1,742.42
7491	Sweeping Brush	0	Hours	6.00	0.00	68.78	326.00	0.00	0.00	0.00	0.00	394.78	-394.78
7492	Generators	0	Hours	20.00	0.00	0.00	182.00	0.00	0.00	0.00	0.00	182.00	-182.00
7541	Herder Rapier Flail	0	Hours	12.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7545	Berky Tree Cutter	56	Hours	12.00	672.00	0.00	42.00	0.00	0.00	0.00	0.00	42.00	630.00
7547	Herder Grenadier	5	Hours	12.00	54.00	6.72	300.00	0.00	0.00	0.00	0.00	306.72	-252.72
7548	Herder Rapier BK HAB Flail	402	Hours	12.00	4,818.00	1,547.06	5,466.00	0.00	0.00	0.00	0.00	7,013.06	-2,195.06
7549	Herder KMZ150 Flail Mower	210	Hours	12.00	2,514.00	121.32	1,574.00	0.00	0.00	0.00	0.00	1,695.32	818.68
7550	Herder KMZ150 Flail	267	Hours	12.00	3,198.00	568.25	1,618.00	0.00	0.00	0.00	0.00	2,186.25	1,011.75
7551	Herder Rapier BK HAB Flail	561	Hours	12.00	6,726.00	1,912.73	4,950.00	0.00	0.00	0.00	0.00	6,862.73	-136.73
7552	McConnel Multisaw Head	15	Hours	12.00	180.00	16.30	488.00	0.00	0.00	0.00	1,306.08	1,810.38	-1,630.38
7553	TMK Tree Shear	0	Hours	12.00	0.00	0.00	176.00	0.00	0.00	0.00	461.04	637.04	-637.04
7554	Condor 2700 Mower	0	Hours	12.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7555	Herder KS860 Tree Shear	247	Hours	14.00	3,458.00	142.76	600.00	0.00	0.00	0.00	2,368.68	3,111.44	346.56
7556	KRM Front Flail	103	Hours	12.00	1,236.00	430.51	1,628.00	0.00	0.00	0.00	0.00	2,058.51	-822.51
7557	Herder Grenadier MBK523LSU (Attached to 7445)	1,137	Hours	12.00	13,638.00	515.81	1,300.00	0.00	0.00	0.00	17,598.20	19,414.01	-5,776.01
7558	Herder Eco Mower KMU180	111	Hours	12.00	1,326.00	0.00	0.00	0.00	0.00	0.00	1,537.50	1,537.50	-211.50
	Flail Mowers	3,111			37,820.00	5,261.46	18,142.00	0.00	0.00	0.00	23,271.50	46,674.96	-8,854.96
7205	Rotating Folding Grapple	155	Hours	14.00	2,170.00	0.00	332.00	0.00	0.00	0.00	1,224.00	1,556.00	614.00

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To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

Plant ID	Mobile Plant Operations Account	Productive Units	Charge Out Unit	£ Per Unit	Notional Income	Third Party R & M	In-house R & M	Fuels	RFL & Insurance	Plant Hire	Depreciation	Total Expenditure	Over/(Under) Recovery
7636	6" Pump	24	Days	42.00	1,008.00	29.46	802.00	0.00	0.00	0.00	0.00	831.46	176.54
7637	3" Pump	0	Days	39.00	0.00	0.00	220.00	0.00	0.00	0.00	0.00	220.00	-220.00
7900	Water Pumps	0	Hours	10.00	0.00	0.00	204.00	0.00	0.00	0.00	0.00	204.00	-204.00
7901	Montabert Breaker	0	Hours	25.00	0.00	0.00	40.00	0.00	0.00	0.00	0.00	40.00	-40.00
7902	Diesel Pump 8"	194	Hours	10.00	1,940.00	0.00	0.00	0.00	0.00	0.00	6,330.12	6,330.12	-4,390.12
7903	Diesel Pump 6"	368	Hours	10.00	3,680.00	16.02	0.00	0.00	0.00	0.00	5,497.92	5,513.94	-1,833.94
8030	3" Diesel Pump	0	Hours	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Specialist Equipment	741			8,798.00	45.48	1,598.00	0.00	0.00	0.00	13,052.04	14,695.52	-5,897.52
7908	Herder 3.1m Basket (7120)	0	Hours	4.00	0.00	106.85	0.00	0.00	0.00	0.00	0.00	106.85	-106.85
7911	Herder 3.1m Basket (7547)	0	Hours	4.00	0.00	106.66	0.00	0.00	0.00	0.00	0.00	106.66	-106.66
7913	Herder MXZT430 Basket (Spare)	0	Hours	5.00	0.00	106.66	0.00	0.00	0.00	0.00	0.00	106.66	-106.66
7914	Herder MXZT550B Basket (7118)	0	Hours	6.00	0.00	106.69	766.00	0.00	0.00	0.00	0.00	872.69	-872.69
7916	Herder MXZT860B Basket (7119)	410	Hours	9.00	3,685.50	89.19	3,176.00	0.00	0.00	0.00	0.00	3,265.19	420.31
7917	Herder MRLT430SS Mowing Bucket (7547)	0	Hours	5.00	0.00	91.70	1,790.00	0.00	0.00	0.00	0.00	1,881.70	-1,881.70
7918	Herder MRLT430B Mowing Bucket (7120)	1,241	Hours	5.00	6,205.00	91.70	674.00	0.00	0.00	0.00	0.00	765.70	5,439.30
7920	Herder MRZT550B Mowing Bucket (7121)	17	Hours	6.00	99.00	422.89	3,980.00	0.00	0.00	0.00	0.00	4,402.89	-4,303.89
7921	Herder MXZT860B Mowing Bucket (7122)	601	Hours	9.00	5,404.50	883.95	3,302.00	0.00	0.00	0.00	0.00	4,185.95	1,218.55
7922	Herder MXZT860B Mowing Bucket (7123)	234	Hours	9.00	2,106.00	5,375.98	3,882.00	0.00	0.00	0.00	0.00	9,257.98	-7,151.98
7923	Herder MRZT300B Mowing Bucket (7124)	317	Hours	5.00	1,582.50	91.70	996.00	7.41	0.00	0.00	825.00	1,920.11	-337.61
7924	Herder MRZT550B Mowing Bucket (7125)	957	Hours	9.00	8,608.50	135.62	322.00	0.00	0.00	0.00	0.00	457.62	8,150.88
7925	Herder MRZT860 Mowing Bucket	207	Hours	9.00	1,858.50	62.34	0.00	0.00	0.00	0.00	3,885.00	3,947.34	-2,088.84
	Baskets	3,981			29,549.50	7,671.93	18,888.00	7.41	0.00	0.00	4,710.00	31,277.34	-1,727.84
Mobile Plant Operations Account (this year)		59,195			£371,481.75	£50,025.67	£71,138.00	£52,658.29	£14,687.51	£0.00	£185,611.58	£374,121.05	-£2,639.30
Mobile Plant Operations Account (last year)		56,972			£300,663.81	£56,051.72	£49,371.00	£59,388.88	£10,525.60	£0.00	£174,541.97	£349,879.17	-£49,215.36

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

ID	Labour Operations Account	Actual 2019/20	Actual 2020/21	Annual Estimate	Variance
	Work Done:				
7000	Labour and Workshop Charges	694,594.27	751,012.47	757,640	-6,627.53
7005	Contributions from Contractors towards Fixed Overheads	3,536.00	978.25	3,575	-2,596.75
		698,130.27	751,990.72	761,215	-9,224.28
	Direct Costs:				
7010	Basic Pay	185,282.08	195,254.48	192,935	-2,319.48
7200	Plant Engineer (AGAR)	50,740.43	43,791.03	80,138	36,346.97
7201	Plant Engineer Other Costs of Employment	817.95	488.05	850	361.95
7020	Overtime	77,992.84	69,005.96	78,000	8,994.04
7080	Call Out/Expenses	801.84	1,100.04	12,500	11,399.96
7100	Travelling	8,882.94	8,106.78	9,000	893.22
7110	Holiday Pay	31,756.29	32,708.73	32,000	-708.73
7120	Sick Pay	4,703.35	8,948.16	3,000	-5,948.16
		360,977.72	359,403.23	408,423	49,019.77
	Variable Overheads:				
7070	Staff Telephone Allowances	3,025.17	4,666.02	3,025	-1,641.02
7130	Employers NI Costs	27,634.39	22,941.73	28,000	5,058.27
7140	Employers Pension Costs	85,224.37	87,497.10	86,841	-656.60
7150	Occupational Medical Health Checks	200.00	0.00	200	200.00
7240	Training Course Fees	12,902.96	6,450.25	13,000	6,549.75
7250	Protective Clothing/Health and Safety	12,539.76	12,726.22	13,000	273.78
		141,526.65	134,281.32	144,066	9,784.18
	Fixed Supervision Overheads:				
7160	Operations Manager (AGAR)	58,393.56	60,588.33	60,390	-198.33
7161	Operations Manager (Other Employment Costs)	1,080.96	1,229.00	1,200	-29.00
7176	Operations Manager - Vehicle KU17 WNS	8,926.86	5,530.36	9,000	3,469.64
7180	Works Supervisor (AGAR)	64,245.42	62,044.42	57,555	-4,489.42
7181	Works Supervisor (Other Employment Costs)	530.82	547.63	7,000	6,452.37
7196	Works Supervisor - Vehicle FY17 LNK	14,902.02	11,430.57	15,000	3,569.43
		148,079.64	141,370.31	150,145	8,774.69
	Workshop/Depot Overheads:				
	Water	0.00	0.00	0	0.00
7305	Electricity and Fuel	8,976.76	8,764.72	9,000	235.28
7335	Telecomms	0.00	416.68	0	-416.68
7320	Repairs and Maintenance	6,963.51	14,544.99	12,275	-2,269.99
7260	Small Tools and Consumables (ST07 & 7260)	24,479.48	16,963.30	28,000	11,036.70
7280	Radio Licence Fees	75.00	75.00	75	0.00
7300	Business Rates	9,083.50	9,231.50	9,232	0.00
		49,578.25	49,996.19	58,582	8,585.31
	Net Operating Surplus/(Deficit)	-£2,031.99	£66,939.67	£0	£66,939.67

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

ID	Labour Operations Account	Actual 2019/20	Actual 2020/21	Annual Estimate	Variance
In-Field Productive Hours:					
L0102	A J Ashton	2,072.50	1,710.00	2,100.00	-390.00
L0500	M Emms	1,716.00	1,944.50	1,900.00	44.50
L0601	A French	2,197.00	2,188.00	2,100.00	88.00
L0806	D R Hughes	1,818.50	1,899.00	1,800.00	99.00
L1000	J Jones	2,116.50	1,676.00	2,100.00	-424.00
L1304	G Mason	2,078.50	2,147.50	2,100.00	47.50
L1305	R Mason	2,164.50	2,158.50	2,180.00	-21.50
L1401	B Nicholson	1,267.50	0.00	0.00	0.00
L1801	C M Rowley	2,039.50	2,008.00	2,050.00	-42.00
L1904	D M Sporton	2,385.50	2,520.00	2,180.00	340.00
L2008	J Truman	1,952.50	652.00	1,900.00	-1,248.00
L2009	F Dye	0.00	1,483.50	1,300.00	183.50
L2010	J Hinton-Penta	0.00	637.00	0.00	637.00
		21,808.50	21,024.00	21,710.00	-686.00
Workshop Productive Hours:					
L009	A Fitzjohn	1,513.50	1,408.86	1,400.00	8.86
L0808	D A Holland	1,944.50	1,986.00	1,900.00	86.00
	Plant Engineer (Vacant Position)	0.00	0.00	700.00	-700.00
		3,458.00	3,394.86	4,000.00	-605.14
L3003	C G Godfrey	0.00	0.00	50.00	-50.00
L3004	Philip G Wright Excavations Ltd	0.00	0.00	300.00	-300.00
L3005	M Grummitt	38.00	17.00	100.00	-83.00
L3006	North Level IDB	85.00	0.00	0.00	0.00
L3007	Steven Barham	421.00	0.00	0.00	0.00
L3008	Welland & Deepings IDB	0.00	20.00	0.00	20.00
L3009	Mick Brown	0.00	113.50	0.00	113.50
	D3 - D6 Contractor	0.00	0.00	100.00	-100.00
		544.00	150.50	550.00	-399.50
	Total Productive Hours	25,810.50	24,569.36	26,260.00	-1,690.64
Cost/Hour:					
	Direct Cost	13.99	14.63	15.55	0.92
	Variable Overhead	5.48	5.47	5.49	0.02
	Fixed Supervision Overhead	5.60	5.71	5.58	-0.13
	Workshop/Depot Overhead (1/3rd)	0.76	0.79	0.90	0.11
	In-Field Cost/Hour	£25.83	£26.60	£27.52	£0.92
	Workshop/Depot Overhead (2/3rds)	9.56	9.82	9.76	-0.06
	Workshop Cost/Hour	£35.39	£36.42	£37.28	£0.97
Holidays Taken:					
L0102	A J Ashton	27	27	27	0
L009	A Fitzjohn	33	27	35	-9
L0500	M Emms	22	26	26	0
L0601	A French	27	27	27	0
L0806	D R Hughes	27	27	27	0
L0808	D A Holland	27	27	27	0
L1000	J Jones	23	18	24	-6
L1304	G Mason	27	27	27	0
L1305	R Mason	27	27	27	0
L1401	B Nicholson	10	0	0	0
L1801	C M Rowley	27	27	27	0
L2008	J Truman	25	1	25	-24
L2009	F Dye	0	10	0	10
L2010	J Hinton-Penta	0	6	0	6
	Operations Manager	23	26	26	0
	Works Supervisor	22	32	35	-3
		347	335	360	-26

From: 01 April 2020

Period To: 12

To: 31 March 2021

Year Ended: 31 March 2021

Asset ID	Location	Responsible Officer	Purchased/ Revalued	Depreciation Period (Years/%)	Capital Cost B/Fwd	Revaluations	Additions	Disposals	Capital Cost C/Fwd	Depreciation B/Fwd	Depreciation	Acc.dprn w/out on disposal	Depreciation C/Fwd	Profit/(Loss) on disposal	Net Book Value	Estimated Market Value	
Fixed Assets Register																	
Reducing Balance Plant																	
7119	Volvo - AE59 FWO - Medium Reach	Various - onsite	Dom Morris	25/09/2009	22%	96,500.00	0.00	-96,500.00	0.00	96,500.00	0.00	-96,500.00	0.00	23,750.00	0.00		
7122	Caterpillar Excavator - Medium Reach	Various - onsite	Dom Morris	16/06/2015	22%	131,233.88	0.00		131,233.88	128,426.20	2,807.68		131,233.88		0.00	65,000	
7123	Caterpillar Excavator - Medium Reach	Various - onsite	Dom Morris	16/06/2015	22%	131,233.88	0.00		131,233.88	128,426.20	2,807.68		131,233.88		0.00	65,000	
7124	Liebherr A916 Wheeled Excavator LO19 XSJ	Yard - PE12 7PA	Dom Morris	03/06/2019	22%	185,000.00	0.00		185,000.00	33,916.70	33,238.32		67,155.02		117,844.98	177,000	
7125	Volvo EC250ELR Long Reach Excavator EF19 RBZ	Various - onsite	Dom Morris	06/06/2019	22%	195,500.00	0.00		195,500.00	35,841.70	35,124.84		70,966.54		124,533.46	187,000	
7126	Volvo EC220E Excavator EU70 EDC	Various - onsite	Dom Morris	01/10/2020	22%	0.00	0.00	160,000.00	160,000.00	0.00	17,599.98		17,599.98		142,400.02	155,000	
360 Excavators						739,467.76	0.00	160,000.00	-96,500.00	802,967.76	423,110.80	91,578.50	-96,500.00	418,189.30	23,750.00	384,778.46	649,000.00
7151	JCB - KX05 OBK	Yard - PE12 7PA	Dom Morris	27/05/2005	5	43,000.00	0.00		43,000.00	43,000.00	0.00		43,000.00		0.00	9,000	
7204	Samsung Forklift	Yard - PE12 7PA	Dom Morris	02/08/2007	6	8,100.00	0.00		8,100.00	8,100.00	0.00		8,100.00		0.00	1,800	
Reducing Balance Plant																	
7205	Rotating Folding Grapple	Yard - PE12 7PA	Dom Morris	03/06/2019	18%	8,000.00	0.00		8,000.00	1,200.00	1,224.00		2,424.00		5,576.00	7,200	
Lifting Equipment						59,100.00	0.00	0.00	0.00	59,100.00	52,300.00	1,224.00	0.00	53,524.00	0.00	5,576.00	18,000.00
7334	Toyota Hilux AO58 UUN	Yard - PE12 7PA	Dom Morris	31/12/2008	4	15,179.85	0.00		15,179.85	15,179.85	0.00		15,179.85		0.00	3,000	
7336	Toyota Hilux AU62 OUS	Yard - PE12 7PA	Dom Morris	14/09/2012	4	20,038.35	0.00		20,038.35	20,038.35	0.00		20,038.35		0.00	7,500	
Reducing Balance Vehicles																	
7338	Toyota Hilux FY17 LNK	Yard - PE12 7PA	Dom Morris	31/03/2017	25%	21,520.75	0.00		21,520.75	15,567.59	3,124.64		18,692.23		2,828.52	14,500	
7339	Ford Transit Connect AK18 RZY	Yard - PE12 7PA	Dom Morris	24/05/2018	25%	14,101.53	0.00		14,101.53	6,756.94	1,836.12		8,593.06		5,508.47	10,000	
7340	Mitsubishi L200 KU17 WNS	Yard - PE12 7PA	Dom Morris	29/05/2018	25%	19,081.50	0.00		19,081.50	9,143.19	2,484.60		11,627.79		7,453.71	13,000	
7341	Vauxhall Combo DN18 LTA	Yard - PE12 7PA	Dom Morris	20/08/2018	25%	9,500.00	0.00		9,500.00	3,958.40	1,385.40		5,343.80		4,156.20	8,000	
7342	Ford Transit Courier AF68 UEE	Yard - PE12 7PA	Dom Morris	01/04/2019	25%	8,990.00	0.00		8,990.00	2,247.48	1,685.64		3,933.12		5,056.88	8,000	
Vehicles						108,411.98	0.00	0.00	0.00	108,411.98	72,891.80	10,516.40	0.00	83,408.20	0.00	25,003.78	64,000.00
7440	New Holland Tractor - EU11 MVP	Yard - PE12 7PA	Dom Morris	01/02/2012	5	60,800.00	0.00	-60,800.00	0.00	60,800.00	0.00	-60,800.00	0.00	25,100.00	0.00	0	
7441	John Deere - FX13 BDY	Yard - PE12 7PA	Dom Morris	26/07/2013	5	69,500.00	0.00	-69,500.00	0.00	69,500.00	0.00	-69,500.00	0.00	34,000.00	0.00	0	
7442	Claas - FX14 AYD	Yard - PE12 7PA	Dom Morris	30/04/2014	5	72,957.00	0.00		72,957.00	72,957.00	0.00		72,957.00		0.00	36,000	
Reducing Balance Tractors																	
7443	Claas - FX17 DFE	Yard - PE12 7PA	Dom Morris	07/04/2017	22%	84,877.00	0.00		84,877.00	62,926.32	11,429.16		74,355.48		10,521.52	72,000	
7444	Claas - FX68 AGO	Yard - PE12 7PA	Dom Morris	31/10/2018	22%	88,128.00	0.00		88,128.00	27,319.68	13,571.76		40,891.44		47,236.56	78,000	
7445	New Holland Tractor - AE20 CFF	Yard - PE12 7PA	Dom Morris	06/04/2020	22%	0.00		114,450.00	114,450.00	0.00	20,991.70		20,991.70		93,458.30	110,000	
Tractors						376,262.00	0.00	114,450.00	-130,300.00	360,412.00	293,503.00	45,992.62	-130,300.00	209,195.62	59,100.00	151,216.38	296,000
7490A	Redrock Dump	Yard - PE12 7PA	Dom Morris	28/04/2005	5	6,795.00	0.00		6,795.00	6,795.00	0.00		6,795.00		0.00	1,800	
7490D	Redrock Dump	Yard - PE12 7PA	Dom Morris	21/05/2008	5	8,500.00	0.00		8,500.00	8,500.00	0.00		8,500.00		0.00	2,000	
7490E	Redrock Dump	Yard - PE12 7PA	Dom Morris	29/01/2009	5	9,850.00	0.00		9,850.00	9,850.00	0.00		9,850.00		0.00	2,000	
7490F	Marston Low Loader	Yard - PE12 7PA	Dom Morris	10/02/2012	5	9,298.00	0.00		9,298.00	9,298.00	0.00		9,298.00		0.00	2,000	
7490G	R2/1300B Trailer	Yard - PE12 7PA	Dom Morris	24/07/2012	5	1,132.50	0.00		1,132.50	1,132.50	0.00		1,132.50		0.00	200	
7490H	R2/1300B Trailer	Yard - PE12 7PA	Dom Morris	24/07/2012	5	1,132.50	0.00		1,132.50	1,132.50	0.00		1,132.50		0.00	200	
7490I	Bailey 14 Tonne Construction Trailer	Yard - PE12 7PA	Dom Morris	01/09/2015	5	12,600.00	0.00		12,600.00	11,550.00	189.00		11,739.00		861.00	5,500	
7490J	3500KG Platform Trailer	Yard - PE12 7PA	Dom Morris	28/04/2017	5	3,450.00	0.00		3,450.00	2,012.50	258.72		2,271.22		1,178.78	2,800	
8023	Marston 10 Tonne Trailer (Scrap)	Yard - PE12 7PA	Dom Morris	24/09/1993	5	4,525.00	0.00		4,525.00	4,525.00	0.00		4,525.00		0.00	200	
Reducing Balance Trailer																	
7490K	Ifor Williams Tipping Trailer	Yard - PE12 7PA	Dom Morris	24/09/2018	18%	3,523.00	0.00		3,523.00	1,115.68	433.32		1,549.00		1,974.00	2,800	
7490L	Three Tonne Trailer	Yard - PE12 7PA	Dom Morris	29/01/2020	18%	6,980.00	0.00		6,980.00	209.40	1,218.72		1,428.12		5,551.88	6,000	
Trailers						67,786.00	0.00	0.00	0.00	67,786.00	56,120.58	2,099.76	0.00	58,220.34	0.00	9,565.66	25,500
7541	Herder Rapier Flail	Yard - PE12 7PA	Dom Morris	29/06/2007	5	26,000.00	0.00	-26,000.00	0.00	26,000.00	0.00	-26,000.00	0.00	8,805.00	0.00	0	
7545	Berky 5800 Tree Cutter	Yard - PE12 7PA	Dom Morris	26/07/2004	4	7,800.00	0.00		7,800.00	7,800.00	0.00		7,800.00		0.00	2,000	
7547	Herder Grenadier	Yard - PE12 7PA	Dom Morris	18/05/2006	5	44,404.00	0.00	-44,404.00	0.00	44,404.00	0.00	-44,404.00	0.00	5,000.00	0.00	0	
7548	Herder Rapier BK HAB Flail	Yard - PE12 7PA	Dom Morris	11/06/2013	6	42,850.00	0.00		42,850.00	42,850.00	0.00		42,850.00		0.00	23,000	
7549	Herder KMZ150 Flail	Yard - PE12 7PA	Dom Morris	04/09/2013	5	12,500.00	0.00		12,500.00	12,500.00	0.00		12,500.00		0.00	6,000	
7550	Herder KMZ150 Flail	Yard - PE12 7PA	Dom Morris	15/05/2014	5	13,500.00	0.00		13,500.00	13,500.00	0.00		13,500.00		0.00	8,000	
7551	Herder Rapier BK HAB Flail	Yard - PE12 7PA	Dom Morris	15/05/2014	5	41,000.00	0.00		41,000.00	41,000.00	0.00		41,000.00		0.00	23,000	
Reducing Balance Equipment																	
7552	McConnel Multisaw Head	Yard - PE12 7PA	Dom Morris	01/02/2017	22%	8,000.00	0.00		8,000.00	3,063.76	1,306.08		4,369.84		3,630.16	5,000	
7553	TMK Tree Shear	Yard - PE12 7PA	Dom Morris	01/02/2017	22%	4,200.00	0.00		4,200.00	2,604.34	461.04		3,065.38		1,134.62	2,500	
7555	Herder KS860 Tree Shear	Yard - PE12 7PA	Dom Morris	02/08/2018	22%	17,000.00	0.00		17,000.00	6,233.40	2,368.68		8,602.08		8,397.92	15,500	
7557	Herder Grenadier MBK523LSU (Attached to 7445)	Yard - PE12 7PA	Dom Morris	24/06/2020	22%	0.00	0.00	95,990.00	95,990.00	0.00	17,598.20		17,598.20		78,391.80	90,000	
7558	Herder Eco Mower KMU180	Yard - PE12 7PA	Dom Morris	24/06/2020	18%	0.00	0.00	10,250.00	10,250.00	0.00	1,537.50		1,537.50		8,712.50	10,000	
Cutting Machinery						217,254.00	0.00	106,240.00	-70,404.00	253,090.00	199,955.50	23,271.50	-70,404.00	152,823.00	13,805.00	100,267.00	185,000
7636	6" Mobile Pump	Yard - PE12 7PA	Dom Morris	07/01/1999	10	12,306.23	0.00	0.00	12,306.23	12,306.23	0.00	0.00	12,306.23	0.00	0.00	2,000	
7901	Montabert Breaker	Yard - PE12 7PA	Dom Morris	01/01/1999	6	6,493.00	0.00		6,493.00	6,493.00	0.00		6,493.00		0.00	500	
7914	Herder MXZT550B Mowing Basket (7118)	Yard - PE12 7PA															

From: 01 April 2020

Period To: 12

To: 31 March 2021

Year Ended: 31 March 2021

Asset ID	Fixed Assets Register	Location	Responsible Officer	Purchased/ Revalued	Depreciation Period (Years/%)	Capital Cost B/Fwd	Revaluations	Additions	Disposals	Capital Cost C/Fwd	Depreciation B/Fwd	Depreciation	Acc.dprn w/out on disposal	Depreciation C/Fwd	Profit/(Loss) on disposal	Net Book Value	Estimated Market Value
8034	Plasma Cuttuer	Yard - PE12 7PA	Dom Morris	06/12/2002	5	1,425.00	0.00			1,425.00	1,425.00	0.00		1,425.00		0.00	700
	Light Plant and Equipment					19,796.98	0.00	0.00	0.00	19,796.98	19,796.98	0.00	0.00	19,796.98	0.00	0.00	3,500
7001	Switchgear	Various - onsite	Karl Vines	post 1996	20	145,575.95	0.00			145,575.95	145,575.95	0.00		145,575.95		0.00	22,000
7002	Telemetry at Lawyers			07/07/2003	1	3,662.46	0.00			3,662.46	3,662.46	0.00		3,662.46		0.00	0
	Fixed Plant					149,238.41	0.00	0.00	0.00	149,238.41	149,238.41	0.00	0.00	149,238.41	0.00	0.00	22,000
Fixed Assets: Plant and Equipment						£1,924,781.13	£0.00	£406,590.00	-£321,334.00	£2,010,037.13	£1,416,034.15	£191,220.82	-£321,334.00	£1,285,920.97	£100,005.00	£724,116.16	£1,392,500
PS01	Fleet Haven	PS - PE12 9NJ	Karl Vines	31/03/2010	10	2,900.00	0.00			2,900.00	2,900.00	0.00		2,900.00		0.00	
PS02	Dawsmere	PS - PE12 9NJ	Karl Vines	31/03/2010	10	2,700.00	0.00			2,700.00	2,700.00	0.00		2,700.00		0.00	
PS03	Lords	PS - PE12 6HQ	Karl Vines	31/03/2010	10	2,800.00	0.00			2,800.00	2,800.00	0.00		2,800.00		0.00	
PS04	Fleet Fen	PS - PE12 0LQ	Karl Vines	31/03/2010	10	12,600.00	0.00			12,600.00	12,600.00	0.00		12,600.00		0.00	
PS05	Clay Lake	PS - PE11 2SA	Karl Vines	31/03/2010	10	3,700.00	0.00			3,700.00	3,700.00	0.00		3,700.00		0.00	
PS06	Wisemans	PS - PE12 0XL	Karl Vines	31/03/2010	10	49,000.00	0.00			49,000.00	49,000.00	0.00		49,000.00		0.00	
PS07	Peartree Hill	PS - PE12 0SL	Karl Vines	31/03/2010	10	6,100.00	0.00			6,100.00	6,100.00	0.00		6,100.00		0.00	
PS08	Donningtons	PS - PE12 0SL	Karl Vines	31/03/2010	10	6,500.00	0.00			6,500.00	6,500.00	0.00		6,500.00		0.00	
PS09	Little Holland	PS - PE12 0RU	Karl Vines	31/03/2010	10	20,900.00	0.00			20,900.00	20,900.00	0.00		20,900.00		0.00	
PS10	Sutton St James	PS - PE12 0EY	Karl Vines	31/03/2010	10	4,200.00	0.00			4,200.00	4,200.00	0.00		4,200.00		0.00	
PS11	Manor Farm	PS - PE12 8JR	Karl Vines	31/03/2010	10	3,750.00	0.00			3,750.00	3,750.00	0.00		3,750.00		0.00	
PS12	Westmere	PS - PE12 9QB	Karl Vines	31/03/2010	10	4,150.00	0.00			4,150.00	4,150.00	0.00		4,150.00		0.00	
PS13	Holbeach Bank	PS - PE12 8DS	Karl Vines	31/03/2010	10	2,050.00	0.00			2,050.00	2,050.00	0.00		2,050.00		0.00	
PS14	Gotts	PS - PE12 8LP	Karl Vines	31/03/2010	10	3,700.00	0.00			3,700.00	3,700.00	0.00		3,700.00		0.00	
PS15	Roses	PS - PE12 6SG	Karl Vines	31/03/2010	10	3,450.00	0.00			3,450.00	3,450.00	0.00		3,450.00		0.00	
PS16	Lawyers	PS - PE12 8EQ	Karl Vines	31/03/2010	10	28,250.00	0.00			28,250.00	28,250.00	0.00		28,250.00		0.00	
PS17	Long Sutton Pit	PS - PE12 9EF	Karl Vines	31/03/2010	0	0.00	0.00			0.00	0.00	0.00		0.00		0.00	
Fixed Assets: Pumping Stations						£156,750.00	£0.00	£0.00	£0.00	£156,750.00	£156,750.00	£0.00	£0.00	£156,750.00	£0.00	£0.00	
6500	RT Equipment	Yard - PE12 7PA	Karl Vines	31/03/1996	3	11,654.50	0.00			11,654.50	11,654.50	0.00		11,654.50		0.00	
6003	Panasonic Telephone System	Yard - PE12 7PA	Karl Vines	25/04/2002	3	2,675.00	0.00			2,675.00	2,675.00	0.00		2,675.00		0.00	
6004	Ricoh A1018D Digital Copier	Yard - PE12 7PA	Karl Vines	13/12/2002	3	4,400.00	0.00		-4,400	0.00	4,400.00	0.00	-4,400.00	0.00		0.00	
6007	Network Server and Software	Yard - PE12 7PA	Karl Vines	13/12/2002	3	7,934.00	0.00		-7,934	0.00	7,934.00	0.00	-7,934.00	0.00		0.00	
6008	Laserjet Mono Printer	Yard - PE12 7PA	Karl Vines	13/12/2002	3	867.00	0.00		-867	0.00	867.00	0.00	-867.00	0.00		0.00	
6009	Mailserver and Software	Yard - PE12 7PA	Karl Vines	13/12/2002	3	1,114.00	0.00		-1,114	0.00	1,114.00	0.00	-1,114.00	0.00		0.00	
6010	Sage Line 100	Yard - PE12 7PA	Karl Vines	13/12/2002	3	9,969.00	0.00		-9,969	0.00	9,969.00	0.00	-9,969.00	0.00		0.00	
6011	Computer - Drawing Office	Yard - PE12 7PA	Karl Vines	13/12/2002	3	1,099.00	0.00			1,099.00	1,099.00	0.00		1,099.00		0.00	
6012	Computer Upgrade	Yard - PE12 7PA	Karl Vines	13/12/2002	3	784.00	0.00			784.00	784.00	0.00		784.00		0.00	
6014	Office XP Professional	Yard - PE12 7PA	Karl Vines	27/03/2003	3	1,740.00	0.00		-1,740	0.00	1,740.00	0.00	-1,740.00	0.00		0.00	
6015	HP Deskjet Map Printer	Yard - PE12 7PA	Karl Vines	23/03/2003	3	8,058.00	0.00		-8,058	0.00	8,058.00	0.00	-8,058.00	0.00		0.00	
6016	Laser Printer 5550dtn	Yard - PE12 7PA	Karl Vines	27/09/2005	3	3,580.00	0.00		-3,580	0.00	3,580.00	0.00	-3,580.00	0.00		0.00	
6018	Map Objects	Yard - PE12 7PA	Karl Vines	13/12/2005	3	4,950.00	0.00			4,950.00	4,950.00	0.00		4,950.00		0.00	
6019	Laptop HP NX6125 AMD Turion	Yard - PE12 7PA	Karl Vines	02/06/2006	3	1,169.94	0.00			1,169.94	1,169.94	0.00		1,169.94		0.00	
6020	Colour Scanner	Yard - PE12 7PA	Karl Vines	02/06/2006	3	6,709.95	0.00		-6,710	0.00	6,709.95	0.00	-6,709.95	0.00		0.00	
6021	Aspirin T5 Workstation (JAM)	Yard - PE12 7PA	Karl Vines	29/06/2006	3	825.00	0.00		-825	0.00	825.00	0.00	-825.00	0.00		0.00	
6022	Dell M90 Laptop	Yard - PE12 7PA	Karl Vines	20/12/2006	3	2,296.00	0.00		0	2,296.00	2,296.00	0.00		2,296.00		0.00	
6023	Lenovo Laptop (KV)	Yard - PE12 7PA	Karl Vines	19/05/2008	3	931.00	0.00		-931	0.00	931.00	0.00	-931.00	0.00		0.00	
6024	Lenovo Laptop (DM)	Yard - PE12 7PA	Karl Vines	24/06/2008	3	916.00	0.00		-916	0.00	916.00	0.00	-916.00	0.00		0.00	
6025	Laptop (AP)	Yard - PE12 7PA	Karl Vines	29/08/2009	3	976.00	0.00		-976	0.00	976.00	0.00	-976.00	0.00		0.00	
6026	HP Colour Laserjet Printer	Yard - PE12 7PA	Karl Vines	08/12/2008	3	122.98	0.00		-123	0.00	122.98	0.00	-122.98	0.00		0.00	
Fixed Assets: Office and RT Equipment						£72,771.37	£0.00	£0.00	-£48,142.93	£24,628.44	£72,771.37	£0.00	-£48,142.93	£24,628.44	£0.00	£0.00	
A021	Office Site: LL216353	Yard - PE12 7PA	Karl Vines	01/04/2007	N/A	242,500.00	0.00			242,500.00	42,500.00	0.00		42,500.00		200,000.00	
A022	Offices and Workshop: LL58863	Yard - PE12 7PA	Karl Vines	01/04/2007	20	499,713.12	0.00			499,713.12	285,000.00	0.00		285,000.00		214,713.12	
A025	Office and Workshop Refurbishment	Yard - PE12 7PA	Karl Vines	31/03/2016	10	112,293.69	0.00			112,293.69	44,917.44	11,229.36		56,146.80		56,146.89	
A026	Office and Workshop Refurbishment	Yard - PE12 7PA	Karl Vines	28/02/2017	10	16,750.02	0.00			16,750.02	5,304.04	1,674.96		6,979.00		9,771.02	
Fixed Assets: Land and Buildings						£871,256.83	£0.00	£0.00	£0.00	£871,256.83	£377,721.48	£12,904.32	£0.00	£390,625.80	£0.00	£480,631.03	
Shared Consortium Assets (31.67% of NRV)				31/03/2018	1	£1,971.44	£403.79	£0.00	£0.00	£2,375.23	£2,375.23	0.00	£0.00	£2,375.23	£0.00	£0.00	
Fixed Assets						£3,027,530.77	£403.79	£406,590.00	-£369,476.93	£3,065,047.63	£2,025,652.23	£204,125.14	-£369,476.93	£1,860,300.44	£100,005.00	£1,204,747.19	

Reducing Balance Method of Depreciation Adopted from 01.04.18:

Plant With An Engine	22.00%
Plant Without An Engine	18.00%
Vehicles	25.00%

Active Buybacks:

7124 Volvo Long Reach Excavator - Active Buy Back	5 Years - £51,735 (7000 hours)
7125 Liebherr Wheeled Excavator - Active Buy Back	5 Years - £60,000 (7000 hours)

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2021		ACTUAL 2019/20 £	ACTUAL 2020/21 £
1	Balances brought forward		
	General Reserve	278,355	531,034
	Development Reserve	685,614	799,493
	Capital Works Reserve	1,556,063	1,151,907
	Grants Reserve	273,234	66,263
	Plant Renewals Reserve	1,545,688	1,634,288
	Revaluation Reserve	430,389	414,713
	Pension Reserve	-5,711,000	-5,219,000
	As per Statement of Accounts	-941,657	-621,302
	(-) Fixed Assets and Long Term Liabilities		
	Pension Liability	-5,711,000	-5,219,000
	Net Book Value of Tangible Fixed Assets	995,893	1,002,282
		-4,715,107	-4,216,718
	(=) Adjusted Balances brought forward (Net Current Assets)	3,773,450	3,595,416
2	(+) Rates and Special Levies		
	Drainage Rates	1,008,687	1,049,067
	Special Levies issued by the Board	1,302,787	1,355,610
	As per Statement of Accounts	2,311,474	2,404,677
3	(+) All Other Income		
	Grants Received	554,971	103,343
	Rental Income	682	734
	Income from Rechargeable Works	32,929	50,439
	Investment Interest	28,698	15,938
	Development Contributions	138,927	0
	Other Income	55,015	239,712
	Profit/(Loss) on disposal of Fixed Assets	88,600	100,005
	As per Statement of Accounts	899,822	510,172
	(+) Income from Sale of Fixed Assets (above profit/(loss))		
	Capital Cost of disposals	254,721	369,477
	Accumulated depreciation written out	-254,721	-369,477
		0	0
	(+) Grants Applied to Grants Received Conversion		
	(-) Grants Applied	-554,971	-103,343
	(+) Grants Received	348,000	207,000
		-206,971	103,657
	(=) Adjusted Other Income	692,851	613,828
4	(-) Staff Costs		
	Labour Operations Account	585,973	582,780
	Technical Support Staff Costs	136,600	199,005
	Administration Staff Costs	94,201	118,518
		816,774	900,303
5	(-) Loan Interest/Capital Repayments		

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2021		ACTUAL 2019/20 £	ACTUAL 2020/21 £
	Loan Interest	0	0
	Capital Repayments	0	0
	As per Statement of Accounts	0	0
6	(-) All Other Expenditure		
	Capital Works	990,321	442,462
	Environment Agency Precept	145,835	145,835
	Maintenance Works	1,557,329	1,765,734
	Administration Charges	365,529	456,057
	Cost of Rechargeable Works	24,986	47,577
	Development Contributions Costs	25,047	0
	Net Deficit/(Surplus) on Operating Accounts	51,247	-64,300
	Depreciation/(Revaluation) of Pumping Stations	15,676	0
	As per Statement of Accounts	3,175,970	2,793,365
	(-) Depreciation Charged		
	Mobile Plant and Equipment	190,001	191,221
	Buildings	12,904	12,904
	Pumping Stations	15,676	0
		218,581	204,125
	(-) Staff Costs now reported in Box 4	816,774	900,303
	(+) Capitalised Additions		
	Office and Workshop Refurbishment	0	0
	Mobile Plant and Equipment	224,970	406,590
		224,970	406,590
	(=) Adjusted Other Expenditure	2,365,585	2,095,526
7	(=) Balances carried forward		
	General Reserve	531,034	498,258
	Development Reserve	799,493	853,748
	Capital Works Reserve	1,151,907	1,151,907
	Grants Reserve	66,263	169,920
	Plant Reserve	1,634,288	1,734,293
	Revaluation Reserve	414,713	414,713
	Pension Reserve	-5,219,000	-6,096,000
	As per Statement of Accounts	-621,302	-1,273,160
	(-) Fixed Assets and Long Term Liabilities		
	Pension Liability	-5,219,000	-6,096,000
	Net Book Value of Tangible Fixed Assets	1,002,282	1,204,747
		-4,216,718	-4,891,253
	(=) Adjusted Balances carried forward (Net Current Assets)	3,595,416	3,618,092
8	Total Cash and Short Term Investments		
	Bank Current Account	136,393	644,544
	Short term Investments	3,500,000	3,000,000
	As per Statement of Accounts	3,636,393	3,644,544

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2021		ACTUAL 2019/20 £	ACTUAL 2020/21 £
9	Total Fixed Assets and Long Term Assets		
	Land and Buildings (valued at Purchase Cost)	871,257	871,257
	Office and RT Equipment (valued at Purchase Cost)	72,771	24,628
	Plant and Equipment (valued at Purchase Cost)	1,924,781	2,010,037
	Pumping Stations (Revalued)	156,750	156,750
	Shared Consortium Assets (NRV)	0	0
	As per Fixed Asset Register	3,025,559	3,062,672
10	Total Borrowings		
	Loans Due (<= 1 Year)	0	0
	Loans Due (> 1 Year)	0	0
	As per Statement of Accounts	0	0

From: 01 April 2020
To: 31 March 2021

Period To: 12
Year Ended: 31 March 2021

BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2021	ACTUAL 2019/20 £	ACTUAL 2020/21 £
---	------------------------	------------------------

7, 8 RECONCILIATION BETWEEN BOXES 7 AND 8	ACTUAL 2019/20 £	ACTUAL 2020/21 £
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7 Balances carried forward (adjusted)	3,595,416	3,618,092
--	------------------	------------------

(-) Deduct: Debtors and Prepayments

Stock	12,668	6,065
Debtors Control Account	33,346	7,795
Work in Progress	0	223
Ratepayers Due	-859	-873
Prepayments	6,152	3,100
Prepayments/(Accruals) WMA	-4,456	513
Accrued Interest	0	0
VAT Due from HMRC	120,777	47,446
	167,628	64,269

(+) Add: Creditors and Payments Received in Advance (<= 1 Year)

Creditors Control Account	127,701	30,986
Payroll Liabilities	0	0
Accruals	72,279	36,703
Rates/Special Levies Paid in Advance	8,625	23,032
	208,605	90,721

(=) Box 8

3,636,393	3,644,544
------------------	------------------

8 (=) Total Cash and Short Term Investments

Bank Current Account	136,393	644,544
Short term Investments	3,500,000	3,000,000
	3,636,393	3,644,544

S JEFFREY BSc (Hons) FCCA
FINANCE & RATING MANAGER

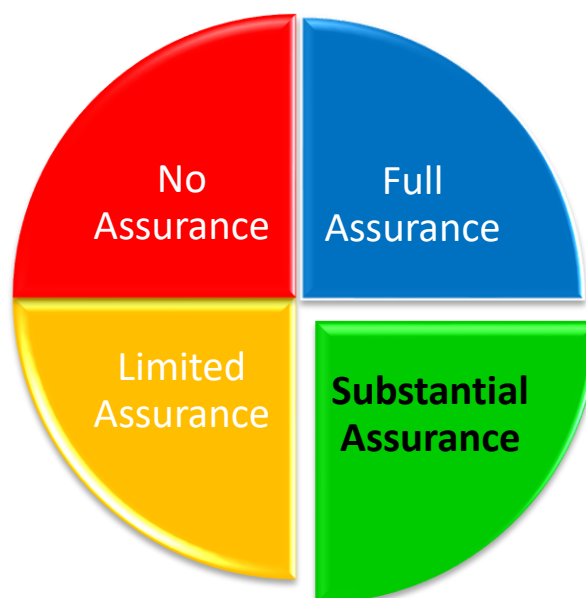
04/05/2021

Borough Council of
**King's Lynn &
West Norfolk**



FINAL INTERNAL AUDIT REPORT
WATER MANAGEMENT ALLIANCE
– REVIEW OF EFFECTIVENESS OF SYSTEM OF
INTERNAL CONTROL – 2020-2021

19th April 2021



Internal Audit Service

This audit has been conducted in accordance with the Accounts & Audit Regulations 2015 and our Audit Charter, and complies with the Public Sector Internal Audit Standards. It should be noted that the assurances provided here can never be absolute, and therefore only reasonable assurance can be provided that there are no major weaknesses in control subject to Internal Audit review (at the time of testing).

The co-operation and assistance of all staff involved is greatly appreciated. This review was conducted by Mike Tweed to whom any query concerning the content of this report should be made to Michael.Tweed@West-Norfolk.gov.uk

The Executive Summary sets out the results of the work carried out and our overall conclusion on the system reviewed, and summarises the key recommendations arising.

Consultation

Draft report issued	16th April 2021
Management agreement received	19th April 2021
Final report issued	19th April 2021

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Executive Summary

Our Assurance Opinion: SUBSTANTIAL ASSURANCE								
No. of Assurances Over Control Areas Reviewed					No. of Recommendations & Priorities			
Full	Substantial	Limited	No	Total	High	Medium	Low	Total
7	3	0	0	10	0	3	2	5

Overall Objective and System Background

The overall objective of the audit was to ensure the effectiveness of the system of internal control operating within the Water Management Alliance (WMA).

The WMA is a group of Internal Drainage Boards (IDBs) who share the same vision, values and standards and have chosen to jointly administer their affairs in order to reduce costs, strengthen their own organisations and increase influence at a national and local level. Each IDB is responsible for providing flood protection and maintaining the drainage and water level management infrastructure within their respective area.

The WMA provides administrative and management support services to five constituent IDB Member Boards, namely Broads, King's Lynn, East Suffolk, Norfolk Rivers, and South Holland, and also provide support services to the Pevensey & Cuckmere Water Level Management Board. The Waveney, Lower Yare & Lothingland IDB joined the WMA on 1st April 2020; however, the WMA did not start providing support services to them until 1st April 2021, therefore, the Waveney IDB were not included within this year's audit.

Summary of Control Issues and Risks

Based upon the work carried out, Substantial Assurance can be given regarding the effectiveness of the system of internal control operating within the WMA. However, some control issues within Payroll and Risk Management were identified which require attention by management:

- Instances were identified where timesheet and expenses claims had been incorrectly paid or missed. Testing identified one employee paid at an incorrect rate for callouts claimed, one who was not reimbursed their full mileage claim, one whose mileage claim was missed entirely and another who did not receive their claim for passenger miles. It was noted that several SHIDB employees were incorrectly paid for overtime and/or mileage in July 2020; however, the errors were identified and correctly paid the following month.
- One SHIDB employee's timesheet was certified by the Foreman but not by the Operations Manager. Ordinarily, all SHIDB timesheets are authorised by both the Foreman and the Operations Manager.
- One SHIDB employee did not complete a timesheet for the three weeks that they were on leave. It was established that other SHIDB employees do complete a timesheet when they go on leave.
- King's Lynn, Norfolk Rivers and South Holland IDB Board minutes do not routinely state that material changes to the Risk Register for those risks scored 6 or above have been "considered and approved" by the Board at each meeting, or that the full risk register was "considered and approved" each year.
- The King's Lynn IDB Risk Register is dated more than a year ago (29/11/19), although there is evidence from the Board minutes from 13/11/20 and 15/01/21 of the Board considering and approving the register.

The Finance & Rating Manager assured Internal Audit that additional processes have been put in place to increase the accuracy of the payroll processing. All of the Finance team are to go on a payroll course when available to increase their skill set.

It is noted that the Finance & Rating Manager had been planning to draft procedure notes relating to the petty cash system last year; however, due to Covid-19 this has been delayed. It is envisaged that procedure notes will be written in 2021/22.

Summary of Recommendations

The recommendations arising from the audit are:

- Those employees identified in the audit testing whose expenses claims had been missed or who had not been paid the correct amount should be reimbursed correctly in the May 2021 payroll.
- Employees should be required to submit a weekly timesheet when they are on annual leave. Staff should complete their timesheet and have it authorised prior to them going on leave.
- Finance Officers should ensure that all timesheets have been appropriately authorised, by the IDB's Operations Manager, prior to payment. Any that have not been signed should be returned to the appropriate manager for authorisation.
- As required by each Board agenda, Board minutes should clearly state that any material changes to the risk register have been "considered and approved" by the Board. Similarly, when the full risk register is annually reviewed by the Board, the minutes should state that the full risk register was "considered and approved".
- The date stated on the King's Lynn Risk Register should be amended to record the most recent date the register was approved by the KLIDB Board.

Summary of Agreed Actions

Management will implement the following actions:

- Those employees identified in the audit will be reimbursed correctly in the May 2021 payroll. Additional processes have been put in place to ensure that expenses/mileages are more accurately reflected on the sheets. Finance will liaise with Operations Managers to ensure they understand the process for inputting mileage. Extra procedures have been introduced to ensure these are not missed when being processed onto the payroll, and any queries are dealt with prior to payment should they arise. All staff who are currently performing payroll duties will undergo additional training within the next 12 months (COVID-19 permitting).
- Finance will ensure a timesheet is submitted and has been authorised by the appropriate manager for holidays taken prior to payment.
- Finance will ensure that all timesheets are properly authorised prior to payment.
- The CEO's PA will check Board minutes to ensure that they state that the Risk Register has been "approved".
- The CEO's PA will check to ensure that the date that appears in the page footer is updated every time the Risk Register is updated.

2. Objective & Scope

- 2.1 The overall objective of the audit was to ensure the effectiveness of the system of internal control operating within the Water Management Alliance (WMA).
- 2.2 The audit involved the following:
- Creditors – sample testing of purchase orders and invoice payments for appropriate authorisation in accordance with Financial Regulations.
 - Risk Management - reviewing Board minutes for evidence of review of Risk Register at regular intervals; reviewing each Board's Risk Register for expected and relevant risks.
 - Budgetary Control – reviewing Board minutes for evidence that budgets for the year ahead are set and that monitoring reports are presented to the Board on a regular basis with analysis of any variations. Checking that financial reporting to Boards is in accordance with Financial Regulations.
 - Reserve's Policy – reviewing each Board's Reserves Policy for adequacy and assessing whether each Board's reserves are appropriate.
 - Income – reviewing the system for the receipt and banking of income; test checking a sample of income receipts for evidence of prompt and correct banking, and that VAT is accounted for correctly.
 - Petty Cash – reviewing the petty cash system and the appropriateness of payments made out of petty cash for appropriateness.
 - Payroll – sample testing of payroll records for correct authorisation of timesheets and correct application of PAYE/NIC deductions.
 - Assets & Investments – reviewing the process for monitoring and reporting investments and assets, ascertaining each Board's current investments and where they are held. Tracing a sample of investments back to source documents for appropriate authorisation. Reviewing the process for the monitoring and reporting of cash flow, ensuring that cash flows are maintained at an appropriate level.
 - Cashbook & Bank Reconciliations – sample testing of the reconciliation of each Board's cashbook to their bank statements, checking that any discrepancies are identified, investigated and explained, and that corrective action is taken. Checking that all bank accounts have remained in credit throughout the whole year.
 - Year End Procedures – checking that accounting statements prepared during the year were prepared using the correct accounting basis.
- 2.3 Recommendations arising from the previous year's audit were followed-up to ensure their implementation by management.
- 2.4 The audit review was undertaken in liaison with the Finance & Rating Manager and consisted of discussions relating to the operation of the internal control processes, review of relevant documentation and sample testing of specific transactions.

- 2.5 Due regard was taken of the guidance issued on 30th March 2020 by the Joint Practitioners' Advisory Group (JPAG), "Governance and Accountability for Smaller Authorities in England – A Practitioners Guide to proper practices to be applied in the preparation of statutory annual accounts and governance statements (March 2020)" and "Good Governance for IDB Members" published by the Association of Drainage Authorities (ADA) in November 2018.
- 2.6 Following completion of the audit, Internal Audit completed section 4 of the Electronic Annual Governance and Accountability Return for 2020/21 for each of the five Boards.
- 2.7 The review was undertaken during March and April 2021.

3. Background Information

- 3.1 The WMA is a group of Internal Drainage Boards (IDBs) who share the same vision, values and standards and have chosen to jointly administer their affairs in order to reduce costs, strengthen their own organisations and increase influence at a national and local level. Each IDB is responsible for providing flood protection and maintaining the drainage and water level management infrastructure within their respective area.
- 3.2 The WMA provides administrative and management support services to the five constituent IDB Member Boards, namely Broads, King's Lynn, East Suffolk, Norfolk Rivers, and South Holland. The WMA also provide support services to the Pevensey & Cuckmere Water Level Management Board. The Waveney, Lower Yare & Lothingland IDB joined the WMA on 1st April 2020; however, the WMA did not start providing support services to them until 1st April 2021.
- 3.3 As a service provider, the WMA makes available shared administrative and support services to its Member Boards, which allows each Board to concentrate on delivery within their Drainage Districts. All back-office functions are handled by the WMA enabling each Board to use their resources to support the public and provide quality frontline services.

4. Our Opinion

- 4.1 On the basis of the work undertaken, management can be provided with an overall opinion of "Substantial Assurance" regarding the effectiveness of the system of internal control operating within the WMA.

OVERALL INTERNAL AUDIT OPINION: SUBSTANTIAL ASSURANCE	
Control Objectives	Assurance Opinion
1. Creditors - To ensure that all orders have been raised and payments processed in accordance with Financial Regulations.	Full
2. Risk Management – To ensure that the authority has assessed the significant risks to achieving its objectives and has reviewed the adequacy of the arrangements to manage these.	Substantial
3. Budgetary Control - To ensure that robust controls exists regarding the budget setting and monitoring process, and that budgets are set for the year ahead and are monitored throughout the year, with any variances identified and explained adequately.	Full

4. Reserve's Policy - To ensure that each Board has a Reserves Policy in place relating to capital financing and reserves, and that reserves are appropriate.	Full
5. Income – To ensure that expected income is fully received, based on correct prices, properly recorded and promptly banked, and that VAT is appropriately accounted for.	Full
6. Petty Cash - To ensure that petty cash provisions are reasonable, used in accordance with Financial Regulations and that adequate records are kept of payments made.	Substantial
7. Payroll - To ensure that salaries have been paid correctly and in a timely manner, and that PAYE/NIC have been paid over correctly.	Substantial
8. Assets & Investments - To ensure that investments and assets are properly recorded, that reimbursements and interest are received promptly and in full, and that cash flows are maintained at an adequate level.	Full
9. Cashbook & Bank Reconciliations - To ensure that regular monthly reconciliations are carried out by a responsible officer and that this is evidenced. To ensure that any discrepancies are investigated and explained, and that corrective action is taken where necessary.	Full
10. Year End Procedures – To ensure that accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cashbook, supported by an adequate audit trail and, where appropriate, debtors and creditors were properly recorded.	Full

- 4.2 The detailed findings and recommendations arising from the review are attached as Appendix A, incorporating the agreed management actions.
- 4.3 Discussions took place with the Finance & Rating Manager to ascertain what impact the Covid-19 pandemic has had on the operation of the WMA. The Finance & Rating Manager assured Internal Audit that the business operations ran smoothly as operatives and managers outside were able to use a one man per machine approach. Two members of staff had to shield and be at home for the majority of the pandemic as per Government Guidelines, this being the Senior Finance & Rating Officer and the Broads IDB Operations Manager. Efficiency and technical difficulties due to working from home were experienced during the first two months of the pandemic; however, as Finance are reliant on paper files and orders this was more difficult to manage than other teams initially, especially through year-end. Finance have reduced their reliance on paper and have managed to get the majority of suppliers to email invoices. Finance managed to fulfil all Statutory Deadlines with extra hours from members of staff where needed within Finance and Rating. The Finance & Rating Manager said that the operation of the WMA was very much “business as usual” throughout the pandemic, just with a few issues to overcome along the way.
- 4.4 A total of six recommendations were made arising from last year’s review; as part of this current year’s audit these were followed-up to ensure that they had been implemented by management. The results of the follow-up are attached as Appendix B. Of the six

recommendations, five have been actioned; the remaining recommendation was not agreed by the relevant IDB Boards.

4.5 Appendix C provides definitions of the Internal Audit assurance opinions given in the report and of the recommendation priorities.

4.6 The Terms of Reference for the review are attached as Appendix D.

5. Reporting

5.1 A copy of the final report will be sent to the Finance & Rating Manager and to the Chief Executive of the WMA.

6. Acknowledgements

6.1 Internal Audit would like to express our thanks to the following for their assistance during the course of the audit:

- Sallyanne Jeffrey, Finance & Rating Manager
- Phil Camamile, Chief Executive
- Lisa Manning, Senior Finance & Rating Officer
- Amy Taylor, Finance & Rating Officer

Findings, Risks, Recommendations and Management Action Plan

Control Objective 2: Risk Management – To ensure that the organisation has assessed the significant risks to achieving its objectives and has reviewed the adequacy of the arrangements to manage these.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
1.	<p><u>Finding</u> Board minutes do not routinely state that material changes to the risk register for those risks scored 6 or above have been considered and approved by the Board at each meeting, or that the full risk register was considered and approved each year.</p> <p><u>Risk</u> Risk that significant risks to the achievement of the organisation's objectives are not identified and assessed.</p>	As required by each Board agenda, Board minutes should clearly state that any material changes to the risk register have been "considered and approved" by the Board. Similarly, when the full risk register is reviewed annually by the Board, the minutes should state that the full risk register was "considered and approved".	Medium	The reality is that the Risk Register is always "considered in detail and approved" at every Board meeting. The issue is that this is not always accurately recorded in the minutes. Of the 24 Board meetings that took place during 2020/21, the minutes of 6 of those meetings did not include the word "approved". The CEOs PA will check the minutes more closely in future.	CEOs PA 30 th June 2021
2.	<p><u>Finding</u> The King's Lynn Risk Register is dated 29/11/19, although there is evidence from the Board minutes from 13/11/20 and 15/01/21 of the Board considering and approving the Risk Register.</p> <p><u>Risk</u> Risk that the Risk Register is not current and that new risks are not identified.</p>	The date stated on the King's Lynn Risk Register should be amended to record the date of the most recent approval of the register by the Board.	Low	The Risk Register is always current and includes all new risks identified. The issue is that the date that appears in the page footer is not always updated every time the Risk Register is updated. The CEOs PA will check that this date is always updated when the Risk Registers are updated, moving forward.	CEOs PA 30 th June 2021

Findings, Risks, Recommendations and Management Action Plan

Control Objective 7: Payroll – To ensure that salaries have been paid correctly and in a timely manner, and that PAYE/NIC has been accounted for correctly.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
3.	<p><u>Finding</u> Payrolls for King's Lynn, Norfolk Rivers, South Holland and Broads IDB, and for WMA, for July 2020 and January 2021, were checked to ensure that:</p> <ul style="list-style-type: none"> • BACS Submission Details report had been initialled by CEO; • Update Records Check Report payroll totals for each employee agreed to their payslip; • Payslip details agreed to timesheet or expenses sheet; • Timesheet or expenses sheet signed by employee; • Timesheet or expenses sheet authorised by the appropriate officer. <p>Testing proved satisfactory with the exception of two employees whose expenses payments had been underpaid and two employees who had not been reimbursed for their expenses claims:</p> <ul style="list-style-type: none"> • One SHIDB employee claimed for 10 callouts in December 2020. They should have been paid £75.00 for each callout (as per their contract) and as claimed for on their timesheet/expenses form; however, in the January 2021 payroll they were paid £49.20 for each one; therefore, they were paid a total of £492.00 instead of £750.00. 	The two employees whose expenses payments had been underpaid and the two whose expenses payments had been missed should be reimbursed correctly in the May 2021 payroll.	Medium	Agreed. Additional processes have been put in place to ensure that the expenses/mileages are more accurately reflected on the sheets. We will liaise with the Operations Managers to ensure they understand the process for inputting the miles. We have also introduced extra procedures to ensure these are not missed when being processed onto the payroll, and any queries are dealt with prior to payment should they arise. As mentioned, all staff who are currently performing payroll duties will undergo additional training within the next 12 months (COVID-19 permitting).	Finance and Rating Manager – 31 st May 2021

Findings, Risks, Recommendations and Management Action Plan

Control Objective 7: Payroll – To ensure that salaries have been paid correctly and in a timely manner, and that PAYE/NIC has been accounted for correctly.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
3.	<ul style="list-style-type: none"> A NRIDB employee claimed a total of 264 miles in week 17 but was only paid for 147 miles in the July 2020 payroll. The employee uses a computerised timesheet/expenses form which is updated each month. The figure of 264 miles was entered on the expenses claim for week 17, and authorised, but the total from the previous week (147 miles) was inadvertently left on the form in the “for office use only” section; therefore, they were paid 147 miles rather than the correct figure of 264. One Broads IDB employee claimed 188 miles in week 42 but had not received payment. A WMA employee claimed 96 passenger miles in December 2020 for which they were not paid. <p>The two underpayments and the two missed payments were discussed with the Finance & Rating Manager who agreed to include them in the May 2021 payroll (as the April payroll had already been run).</p> <p>The Finance & Rating Manager assured Internal Audit that additional processes have been put in place to increase the accuracy of the payroll processing. She is going to place all of the Finance team on a payroll course when available to increase their skill set.</p>		Medium		

Findings, Risks, Recommendations and Management Action Plan

Control Objective 7: Payroll – To ensure that salaries have been paid correctly and in a timely manner, and that PAYE/NIC has been accounted for correctly.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
4.	<p><u>Finding</u> One SHIDB employee did not complete a timesheet for weeks 41, 42 and 43 when they were on leave. It was established that other SHIDB staff do complete a timesheet when they are on leave; therefore, for consistency, all staff should complete a timesheet when they go on leave. It was agreed with the Finance & Rating Manager that all staff at SHIDB should be required to complete a timesheet and have it authorised prior to them going on leave.</p> <p><u>Risk</u> Risk of staff being paid without submitting a timesheet.</p>	Employees should be required to submit a weekly timesheet when they are on annual leave. Staff should complete their timesheet and have it authorised prior to them going on leave.	Low	Agreed. We will ensure a timesheet is submitted and has been authorised by the appropriate manager for holidays taken prior to payment.	Finance and Rating Manager – 31 st May 2021
5.	<p><u>Finding</u> One SHIDB employee's timesheet for w/e 05/07/20 was authorised by the Foreman but not by the Operations Manager. Ordinarily, all SHIDB timesheets are authorised by both the Foreman and by the Operations Manager.</p> <p><u>Risk</u> Risk that timesheet/expenses claims are paid without being appropriately authorised.</p>	Finance Officers should ensure that all timesheets have been appropriately authorised, by the IDB's Operations Manager, prior to payment. Any that have not been signed should be returned to the appropriate manager for authorisation.	Medium	Agreed. We will ensure that all timesheets are properly authorised prior to payment.	Finance and Rating Manager – 31 st May 2021

Follow-up of Previous Report's Recommendations

Control Objective 3: Budgetary Control - To ensure that robust controls exist regarding the budget setting and monitoring process, and that budgets are set for the year ahead and are monitored throughout the year, with any variances identified and explained adequately.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date	Follow-up of Agreed Action
1.	<p><u>Finding</u> As stated in paragraph 17 in the Financial Regulations, the Finance Officer is required to prepare a Financial Report for each Board meeting; however, review of Board agendas for 2019/20 identified that a Financial Report is not presented to the last Board meeting of each financial year (usually held in January).</p> <p>For example, the Board of Broads IDB considered and approved the Financial Report for 2018/19 at their meeting in May 2019, the Financial Report for April – June 2019 in August 2019 and the report for April – September 2019 in October 2019. At their meeting in January 2020, the Board did not receive a financial report for the year to date. Similarly, under consortium matters, the Board received a WMA Financial Report at each meeting in May, August and October but not in January 2020.</p> <p><u>Risk</u> Risk that Board Members are not fully apprised of the financial position of their Board during the course of the year.</p>	In accordance with Financial Regulations, Boards should receive a financial report for the year to date at each Board meeting, including the meetings held in January / February, so that Board Members are kept fully apprised of the financial position of the IDB.	Medium	<p>A Management Report containing financial information is presented to the Boards and to the CMC for their meetings in December, January and February, but it only includes detailed Income and Expenditure for the purposes of budgeting and rate setting, and does not include a Balance Sheet.</p> <p>The Earmarked Balances and Reserves are also included, along with a five-year indicative forecast.</p> <p>We will include a full Balance Sheet with these Management Reports, together with supporting notes, moving forward (please also see rec 6).</p>	<p>Finance and Rating Manager</p> <p>December 2020, January and February 2021.</p>	The Financial Report for the year to date is presented at each Board meeting in January/February. This is evidenced from the Board Meetings page for each Board on the WMA website.

Follow-up of Previous Report's Recommendations

Control Objective 3: Budgetary Control - To ensure that robust controls exist regarding the budget setting and monitoring process, and that budgets are set for the year ahead and are monitored throughout the year, with any variances identified and explained adequately.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date	Follow-up of Agreed Action
2.	<p><u>Finding</u> King's Lynn IDB Board reviewed the Financial Report for the period April 2019 to January 2020 at their meeting on 13th March 2020; their next meeting is on 15th May 2020. King's Lynn hold Board meetings every six months, whereas the other IDBs have only three or four Board meetings each year; for example, East Suffolk only has three meetings a year and their next meeting is not until 17th June 2020. Therefore, Boards are not being fully appraised of the financial position of the IDB frequently enough.</p> <p><u>Risk</u> Risk that Board Members are not being appraised of the financial position of the Board frequently enough.</p>	The Boards of East Suffolk and Pevensey & Cuckmere should consider increasing the number of Board meetings that they hold each year from three to four, so as to enable Board Members to be apprised of their Board's financial position during the course of the year.	Medium	<p>I will put this to both Boards when they next meet, but doubt they will agree or consider it to be necessary.</p> <p>We keep all of our Board members apprised of relevant matters between meetings by newsletters and emails.</p> <p>In fact both of these two Boards have actually asked for less financial information in future, as has been recorded in the Boards minutes (with P&CWLMB expressly requesting that we only report by exception from now on).</p>	<p>Chief Executive</p> <p>June 2020</p>	Neither Board felt it was necessary to increase the number of Board meetings.

Follow-up of Previous Report's Recommendations

Control Objective 4: Reserves – To ensure that each Board has a Reserves Policy in place relating to capital financing and reserves, and that reserves are appropriate.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date	Follow-up of Agreed Action
3.	<p><u>Finding</u></p> <p>Each IDB aims to maintain their General Reserve at a level commensurate with their net expenditure. Point 4.6 in the Reserves Policy states that “as a minimum, the Board’s Reserves (net of grant) should not fall below one year’s net expenditure, as set out in ADA’s Guide to Good Governance”. Therefore, each IDB aims to maintain their Reserves at the following levels:</p> <ul style="list-style-type: none"> • Broads - £1m • East Suffolk - £1m • King’s Lynn - £3m • Norfolk Rivers - £0.85m • South Holland – £3.25m • Pevensey & Cuckmere - £0.55m. <p>Analysis of each Board’s Reserves (as at 31/09/19) identified that all Boards were maintaining their reserves at appropriate levels, and were complying with 4.6 in the Reserves Policy. However, it is noted that the King’s Lynn General Reserve, which is required to be maintained at no less than £600k, stood at -£27,241 as at 30/09/19.</p>	King’s Lynn IDB should ensure that its General Reserve is maintained at no less than 20-25% of net expenditure, i.e. no less than £600k.	Medium	<p>It will be at the end of the financial year when we prepare the statutory accounts.</p> <p>All capital works expenditure incurred on the Wolferton and Islington pumping station schemes that has been financed by the pwlb loan of £10m will be capitalised (as opposed to simply shown as expenditure on the face of the Income and Expenditure Account (I&E).</p> <p>The revenue charge every year (or depreciation) that is shown on the I&E Account will equate to the pwlb loan repayment, which will regularise the General Reserve.</p>	<p>Finance and Rating Manager</p> <p>15 May 2020</p>	When the year-end Statutory Accounts are prepared, the General Reserve recommendation is met. This was evidenced by the 2019/20 Accounts which were approved by the King’s Lynn Board in May 2020.

Follow-up of Previous Report's Recommendations

Control Objective 5: Income – To ensure that expected income was fully received, based on correct prices, properly recorded and promptly banked, and that VAT was appropriately accounted for.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date	Follow-up of Agreed Action
4.	<p><u>Finding</u> Each Board has the same Drainage Rates & Special Levies Collection Policy. With the exception of Pevensey & Cuckmere's policy, each Board's policy has passed its stated review date. The policy was reviewed in May/June 2014 and was next due to be reviewed in October/November 2019 i.e. the policy is reviewed every five years. The Pevensey & Cuckmere policy was reviewed on 31st October 2017 and is next due for review in October 2022.</p> <p><u>Risk</u> Risk that the Rate Levies & Collection Policy is out of date and not fit for purpose.</p>	Each Board's Rate Levies & Collection Policy should be reviewed and updated/amended as appropriate.	Low	Agreed.	<p>Chief Executive</p> <p>Next face-to-face meeting of the Boards.</p>	The Rate Levies & Collection Policies have been reviewed and are due for review in December 2025.

Follow-up of Previous Report's Recommendations

Control Objective 7: Payroll - To ensure that salaries and wages have been paid correctly, and that PAYE and NIC have been paid over to HMRC correctly and in a timely manner.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date	Follow-up of Agreed Action
5.	<p><u>Finding</u></p> <p>Payrolls for King's Lynn, Norfolk Rivers, South Holland and Broads IDB, and for WMA, for July 2019 and January 2020, were checked to ensure that:</p> <ul style="list-style-type: none"> • BACS Submission Details report had been initialled by CEO; • Update Records Check Report payroll totals for each employee agreed to their payslip; • Payslip details agreed to timesheet; • Timesheet signed by employee and by the appropriate officer. <p>Four exceptions were identified (two underpayments and two timesheets not authorised).</p> <p>The two underpayments were discussed with the Finance & Ratings Manager who agreed to update the payroll so that the two employees receive their full entitlement.</p>	Finance Officers should ensure that all timesheets have been appropriately authorised prior to payment. Any that have not been signed should be returned to the appropriate manager for authorisation.	Medium	Agreed.	<p>Finance and Rating Manager</p> <p>With immediate effect.</p>	It is ensured that all timesheets are signed and authorised by the appropriate manager prior to making payment.

Follow-up of Previous Report's Recommendations

Control Objective 8: Assets and Investments - To ensure that investments and assets are properly recorded, that reimbursements and interest are received promptly and in full, and that cash flows are maintained at an adequate level.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date	Follow-up of Agreed Action
6.	<p><u>Finding</u> Investments and assets are reported to the Board in the Financial Report, which, as mentioned above at 3.1, is not reported to each of the Boards at their Board meeting held in January / February each year. Therefore, Board Members may not be kept fully appraised during the course of the year of the current level of assets and investments held by their respective Board.</p> <p><u>Risk</u> Board Members are not kept fully appraised of the level of assets and investments held by the Board.</p>	Board Members should be kept fully appraised during the course of the year of the level of assets and investments held by their respective Board. The Financial Report, which includes details of assets and investments held, should be reported at each Board meeting.	Medium	Agreed, as per recommendation 1.	Finance and Rating Manager December 2020, January and February 2021.	The Financial Report for the year to date is presented at each Board meeting in January/February. This is evidenced from the Board Meetings page for each Board on the WMA website.

Assurance Opinion and Recommendation Priority Definitions

Assurance Opinion

Definition

Full Assurance

In our opinion, there is a **sound** system of internal control that is likely to achieve the system objectives, and which is operating effectively in practice.

Substantial Assurance

In our opinion, there is a sound system of internal control operating, but there are a **few weaknesses** which could put the achievement of system objectives at risk.

Limited Assurance

In our opinion, there is a system of internal control with a number of weaknesses likely to **undermine** achievement of system objectives, and which is vulnerable to abuse or error.

No Assurance

In our opinion, there is a **fundamentally flawed** system of internal control that is unlikely to achieve system objectives and is vulnerable to serious abuse or error.

Recommendation Priority

Definition

Low

These issues would contribute towards improving the system under review, and are of limited risk. It is expected that corrective action to resolve these will be taken as resources permit.

Medium

A control process that contributes towards providing an adequate system of internal control. It is expected that corrective action to resolve these will be implemented within three to six months.

High

A fundamental control process, or statutory obligation, creating the risk that significant fraud, error or malpractice could go undetected. It is expected that corrective action to resolve these will be commenced immediately.

Internal Audit Service

Borough Council of
**King's Lynn &
West Norfolk**



WATER MANAGEMENT ALLIANCE

**REVIEW OF EFFECTIVENESS OF THE
SYSTEM OF INTERNAL CONTROL
2020 - 2021**

**INTERNAL AUDIT
TERMS OF REFERENCE**

1. INTRODUCTION

- 1.1 This document sets out the strategy and plan for the audit of the Water Management Alliance for the financial year 2020 – 2021.
- 1.2 Section 6 of The Accounts and Audit Regulations 2015 states that ‘*The relevant body must conduct a review at least once in a year of the effectiveness of its system of internal control*’.
- 1.3 Internal Audit is defined as ‘*an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.*’ Public Sector Internal Audit Standards, April 2017.
- 1.4 The Internal Auditor will work in accordance with the Public Sector Internal Audit Standards (PSIAS) adopted by CIPFA from April 2017 and thus will be able to provide the review required by the Regulations.
- 1.5 The authority of the Internal Auditor is established in the Financial Regulations.
- 1.6 The audit work will concentrate on records and systems used by the Water Management Alliance, who provide the financial and administrative functions for the following Internal Drainage Boards (IDBs):
- Broads
 - East Suffolk
 - King’s Lynn
 - Norfolk Rivers
 - South Holland

and to the Pevensey & Cuckmere Water Level Management Board.

As such, this work will enable the auditor to complete the Annual Governance and Accountability Returns for 2020-21 for each of the IDBs.

2. OBJECTIVES AND SCOPE OF THE AUDIT

- 2.1 The work of the Internal Auditor will be guided by the Joint Panel on Accountability & Governance (JPAG) Practitioners’ Guide (March 2020).
- 2.2 In order to be able to complete section 4 of the Electronic Annual Governance and Accountability Return for 2020-21, the auditor will consider the following internal control objectives (as stated on the return):
- A. Accounting Records**
To ensure that appropriate accounting records have been properly kept throughout the financial year.
- B. Financial Regulations and Standing Orders**
To ensure that the authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.

C. Risk Management

To ensure that the authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

D. Budgetary Control

To ensure that budgets are prepared on a realistic basis and are monitored throughout the year, any variations are investigated, with corrective action being taken if necessary, and that reserves are appropriate.

E. Income

To ensure that expected income was fully received, based on correct prices, properly recorded, and promptly banked; and VAT was appropriately accounted for.

F. Petty Cash

To ensure that petty cash provisions are reasonable, used in accordance with Financial Regulations and that adequate records are kept of payments made.

G. Payroll

To ensure that salaries to employees and allowances to Members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

H. Assets and Investments

To ensure that investments and assets are properly recorded, that reimbursements and interest are received promptly and in full, and that cash flows are maintained at an adequate level.

I. Cashbook and Bank Reconciliations

To ensure that periodic and year-end bank account reconciliations are properly completed and verified.

J. Year End Procedures

To ensure that accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cash book, supported by an adequate audit trail and, where appropriate, debtors and creditors were properly recorded.

- 2.3 The previous year's audit reviewed the same internal control objectives as stated above.
- 2.4 The agreed actions arising from recommendations made in last year's audit will be followed up to confirm their implementation by management.
- 2.5 Contained within the scope of work described above it is implied that the auditor will have due regard for Value for Money considerations and the potential for fraud.
- 2.6 The audit will also examine the impact of Covid-19 on the governance of the WMA.

3. TASKS

3.1 The project tasks are to:

- Establish if the procedures recorded as part of the audit for 2019-20 remain the same and document any changes that may have taken place.
- Perform tests to establish that systems are operating in accordance with the procedures and that good practice is being complied with.
- Assess strengths and weaknesses of the systems operated and the levels of financial and management risk.
- Discuss the results with the Chief Executive and make recommendations as appropriate, which will be communicated to the Boards by means of a report.
- Complete Section 4 of the Electronic Annual Governance & Accountability Return for 2020-21 for each of the IDBs.

4. WORK PLAN

4.1 The audit will be undertaken by Mike Tweed, Internal Auditor, Borough Council of King's Lynn & West Norfolk.

4.2 The audit has been allocated five days, which will be utilised as follows:

Task	Time
Confirm existing procedures and record any changes. Undertake a follow-up of actions agreed from the audit report for 2019-20.	0.5
Undertake sample testing to establish that processes are being applied as intended.	3.5
Exit meeting with management to discuss the findings and recommendations arising from the review. Drafting the report.	0.5
Completing the Return and reporting if required.	0.5

5. AGREEMENT

	Signature	Date
Phil Camamile Chief Executive, Water Management Alliance
Kathy Woodward Shared Internal Audit Manager, Borough Council of King's Lynn & West Norfolk

Annual Internal Audit Report 2020/21

EN SOUTH HOLLAND IDB

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During the financial year ended 31 March 2021, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2020/21 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")</i>			
L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.			
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(evidenced by the notice published on the website and/or authority approved minutes confirming the dates set)</i> .	✓		
N. The authority has complied with the publication requirements for 2019/20 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

06/04/2021 07/04/2021 13/04/2021

Kathy Woodward I.AUDITOR

Signature of person who carried out the internal audit

K Woodward

SIGNATURE REQUIRED

Date

20/04/2021

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2020/21

We acknowledge as the members of:

EN SOUTH HOLLAND IDB

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2021, that:

	Agreed		‘Yes’ means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors’ rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		during the year gave all persons interested the opportunity to inspect and ask questions about this authority’s accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			✓

*Please provide explanations to the external auditor on a separate sheet for each ‘No’ response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

04/05/2021

and recorded as minute reference:

41/21/01

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

Clerk

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Section 2 – Accounting Statements 2020/21 for

EN SOUTH HOLLAND IDB TY

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	3,773,450	3,595,416	<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies	2,311,474	2,404,677	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	692,851	613,828	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	816,774	900,303	<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
5. (-) Loan interest/capital repayments	0	0	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	2,365,585	2,095,526	<i>Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	3,595,416	3,618,092	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	3,636,393	3,644,544	<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.</i>
9. Total fixed assets plus long term investments and assets	3,025,559	3,062,672	<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings	0	0	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	<i>The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.</i>
			<i>N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

I certify that for the year ended 31 March 2021 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

S. JAREY

Date

26/04/2021

I confirm that these Accounting Statements were approved by this authority on this date:

04/05/2021

as recorded in minute reference:

41/21/02

Signed by Chairman of the meeting where the Accounting Statements were approved

M. W. 4

Section 3 – External Auditor Report and Certificate 2020/21

In respect of **SOUTH HOLLAND INTERNAL DRAINAGE BOARD – DB0098**

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2020/21

On the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

Other matters not affecting our opinion which we draw to the attention of the authority:

None

3 External auditor certificate 2020/21

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2021.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP

Date

12/09/2021

* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

South Holland Internal Drainage Board

Lincolnshire Pension Fund

Pension accounting disclosure as at 31 March 2021
Prepared in accordance with FRS102

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Introduction

We have been instructed by Lincolnshire County Council, the administering authority to the Lincolnshire Pension Fund (the Fund), to undertake pension expense calculations in respect of pension benefits provided by the Local Government Pension Scheme (the LGPS) to employees of South Holland Internal Drainage Board (the Employer) as at 31 March 2021. We have taken account of current LGPS Regulations, as amended, as at the date of this report.

This report is addressed to the Employer and its advisers; in particular, this report is likely to be of relevance to the Employer's auditor.

These figures are prepared in accordance with our understanding of Financial Reporting Standard 102 (FRS102).

This advice complies with Technical Actuarial Standard 100: Principles for Technical Actuarial Work (TAS 100).

The figures quoted will form the basis of the balance sheet and funding status disclosures to be made by the Employer as at 31 March 2021 in respect of its pension obligations under the LGPS. The projected pension expense calculations for the year to 31 March 2022 may be used for the purpose of any interim financial reporting during the year to 31 March 2022. However, it may subsequently be necessary to adjust these projections following the occurrence of any material events such as curtailments, settlements or the discontinuance of the Employer's participation in the Fund.

Further information relating to our treatment of GMP is included on page 10 of this disclosure.

An allowance has been made for the recent Court of Appeal judgement in relation to the McCloud & Sargeant cases which relate to age discrimination within the Judicial & Fire Pension schemes respectively. On 27 June 2019 the Supreme Court denied the Government's request for an appeal, and on 15 July 2019 the Government released a statement to confirm that it expects to have to amend all public service schemes, including the LGPS.

To estimate the impact of the McCloud and Sargeant cases on the Employer's LGPS accounting liabilities, we have used analysis carried out by the Government Actuary's Department (GAD) which considered the possible impact of the McCloud and Sargeant judgements on LGPS liabilities. This analysis was carried out as at 31 March 2019 and was set out in GAD's report dated 10 June 2019.

The estimated impact on the total liabilities has been calculated at 31 March 2021 and allowed for as a past service cost in this report. The projected service cost has also increased as a result of this additional allowance as set out in Appendix 6. Please see the impact of the McCloud/Sargeant judgement section below and in the 31 March 2021 employer briefing note post-accounting date for further information.

It should be noted that this adjustment is an estimate of the potential impact on the Employer's defined benefit obligation based on analysis carried out by the Government Actuary's Department (GAD). We have adjusted GAD's estimate to allow for the estimated cost in respect of members that were active as at 31 March 2012 (in line with that proposed in the Government's consultation) and to reflect the Employer's salary increase assumption. We expect that any other differences between GAD's analysis and the proposed remedy will not lead to material differences in our estimate. A more detailed analysis at this stage would require a significant volume of member data which is not yet available.

FRS102 also requires the disclosure of any other employer provided pension benefits which are not paid from the Fund itself: examples include additional pensions paid on retirement under the Discretionary Payment Regulations. We have only valued such additional liabilities, which would not be covered in the formal LGPS valuation, to the extent that they have been notified to us and are as disclosed in the Valuation data section of this report.

Characteristics of defined benefit plans and associated risks

The LGPS is a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings. Full details of the benefits being valued are as set out in the Regulations as amended and summarised on the LGPS website and the Fund's membership booklet. There are currently uncertainties in relation to LGPS benefits due to the McCloud and Sargeant judgement and the 2016 cost cap process. The Government has published its consultation on a remedy for the McCloud and Sargeant judgement and at the same time announced the unpausing of the 2016 cost cap process which will take into account the remedy for the McCloud and Sargeant judgement. These are yet to be finalised and therefore it remains uncertain what changes may be made to LGPS benefits as a result.

The administering authority for the Fund is Lincolnshire County Council. The Pensions Committee oversees the management of the Fund whilst the day to day fund administration is undertaken by West Yorkshire Pension Fund, alongside a team within the administering authority. Where appropriate some functions are delegated to the Fund's professional advisers.

As administering authority to the Fund, Lincolnshire County Council, after consultation with the Fund Actuary and other relevant parties, is responsible for the preparation and maintenance of the Funding Strategy Statement and the Investment Strategy Statement. These should be amended when appropriate based on the Fund's performance and funding.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The next actuarial valuation of the Fund will be carried out as at 31 March 2022 and will set contributions for the period from 1 April 2023 to 31 March 2026. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

On the Employer's withdrawal from the Fund, a cessation valuation will be carried out in accordance with Regulation 64 of the LGPS Regulations 2013 which will determine the termination contribution due by the Employer, on a set of assumptions deemed appropriate by the Fund Actuary.

In general, participating in a defined benefit pension scheme means that the Employer is exposed to a number of risks:

- Investment risk. The Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges;
- Interest rate risk. The Fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cashflows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way;
- Inflation risk. All of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and
- Longevity risk. In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks.

In addition, as many unrelated employers participate in the Lincolnshire Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

All of the risks above may also benefit the Employer e.g. higher than expected investment returns or employers leaving the Fund with excess assets which eventually get inherited by the remaining employers.

Valuation data

Data sources

In completing our calculations for pension accounting purposes we have used the following items of data, which we received from Lincolnshire County Council:

- The results of the valuation as at 31 March 2019 which was carried out for funding purposes and the results of the 31 March 2020 FRS102 report which was prepared for accounting purposes;
- Estimated whole Fund income and expenditure items for the period to 31 March 2021;
- Fund investment returns for the period to 31 January 2021 and estimated returns based on net asset statements and market returns thereafter;
- Estimated Fund income and expenditure in respect of the Employer for the period to 31 March 2021;
- Details of any new early retirements for the period to 31 March 2021 that have been paid out on an unreduced basis, which are not anticipated in the normal employer service cost; and
- Details of any settlements for the period to 31 March 2021.

Although some of these data items have been estimated, we do not believe that they are likely to have a material effect on the results of this report. Further, we are not aware of any material changes or events since we received the data. The data has been checked for reasonableness and we are happy that the data is sufficient for the purposes of this advice.

Employer membership statistics

The table below summarises the membership data, as at 31 March 2019 for members receiving funded benefits, and as at 31 March 2020 for any members receiving unfunded benefits.

Member data summary	Number	Salaries/Pensions £000s	Average age
Actives	10	299	55
Deferred pensioners	7	15	54
Pensioners	38	348	73
Unfunded pensioners	3	4	n/a

The service cost for the year ending 31 March 2021 is calculated using an estimate of the total pensionable payroll during the year. The estimated total pensionable payroll during the year is £362,000, as advised by the Employer. The projected service cost for the year ending 31 March 2022 has been calculated using an estimated payroll of £371,000, as advised by the Employer.

Scheduled contributions

The table below summarises the minimum employer contributions due from South Holland Internal Drainage Board to the Fund over this inter-valuation period. The calculated cost of accrual of future benefits is 19.3% of payroll p.a.

Minimum employer contributions due for the period beginning	1 Apr 2020	1 Apr 2021	1 Apr 2022
Percent of payroll	28.7%	28.7%	28.7%
plus monetary amount (£000s)	150	150	150

Please note that the contributions above are gross of any contributions towards ill-health insurance arrangements. South Holland Internal Drainage Board may pay further amounts at any time and future periodic contributions, or the timing of contributions may be adjusted on a basis approved by us.

Early retirements

We requested data on any early retirements in respect of the Employer from the administering authority for the year ending 31 March 2021.

It is our understanding that there were no new early retirements over the year which were not allowed for at the previous accounting date.

Assets

The return on the Fund (on a bid value to bid value basis) for the year to 31 March 2021 is estimated to be 23.95%. The actual return on Fund assets over the year may be different.

The estimated asset allocation for South Holland Internal Drainage Board as at 31 March 2021 is as follows:

Asset breakdown	31 Mar 2021		31 Mar 2020	
	£000s	%	£000s	%
Equities	1,174	74%	888	62%
Bonds	223	14%	358	25%
Property	164	10%	172	12%
Cash	35	2%	14	1%
Total	1,596	100%	1,432	100%

We have estimated the bid values where necessary. Please note that the individual percentages shown are to the nearest percentage point for each asset class and may not sum to 100%. The final asset allocation of the Fund assets as at 31 March 2021 may be different from that shown due to estimation techniques.

Based on the above, the Employer's share of the assets of the Fund is approximately 0.06%.

Actuarial methods and assumptions

Valuation approach

Valuation of the Employer's liabilities

To assess the value of the Employer's liabilities at 31 March 2021, we have rolled forward the value of the Employer's liabilities calculated for the funding valuation as at 31 March 2019, using financial assumptions that comply with FRS102.

The full actuarial valuation involved projecting future cashflows to be paid from the Fund and placing a value on them. These cashflows include pensions currently being paid to members of the Fund as well as pensions (and lump sums) that may be payable in future to members of the Fund or their dependants. These pensions are linked to inflation and will normally be payable on retirement for the life of the member or a dependant following a member's death.

It is not possible to assess the accuracy of the estimated value of liabilities as at 31 March 2021 without completing a full valuation. However, we are satisfied that the approach of rolling forward the previous valuation data to 31 March 2021 should not introduce any material distortions in the results provided that the actual experience of the Employer and the Fund has been broadly in line with the underlying assumptions, and that the structure of the liabilities is substantially the same as at the latest formal valuation. From the information we have received there appears to be no evidence that this approach is inappropriate.

As required under the FRS102 accounting standard, we have used the projected unit credit method of valuation.

Valuation of the Employer's assets

To calculate the asset share we have rolled forward the assets allocated to the Employer at 31 March 2019 allowing for investment returns (estimated where necessary), contributions paid into, and estimated benefits paid from, the Fund by and in respect of the Employer and its employees.

Guaranteed Minimum Pension (GMP) Equalisation

As a result of the High Court's recent Lloyds ruling on the equalisation of GMPs between genders, a number of pension schemes have made adjustments to accounting disclosures to reflect the effect this ruling has on the value of pension liabilities. It is our understanding that HM Treasury have confirmed that the judgement "does not impact on the current method used to achieve equalisation and indexation in public service pension schemes". More information on the current method of equalisation of public service pension schemes can be found [here](#).

On 23 March 2021, the Government published the outcome to its Guaranteed Minimum Pension Indexation consultation, concluding that all public service pension schemes, including the LGPS, will be directed to provide full indexation to members with a GMP reaching State Pension Age (SPA) beyond 5 April 2021. This is a permanent extension of the existing 'interim solution' that has applied to members with a GMP reaching SPA on or after 6 April 2016. Details of the consultation outcome can be found [here](#).

Our valuation assumption for GMP is that the Fund will pay limited increases for members that have reached SPA by 6 April 2016, with the Government providing the remainder of the inflationary increase. For members that reach SPA after this date, we have assumed that the Fund will be required to pay the entire inflationary increase. Therefore, our assumption is consistent with the consultation outcome and we do not believe we need to make any adjustments to the value placed on the liabilities as a result of the above outcome.

Impact of McCloud/Sargeant judgement

The Scheme Advisory Board, with consent of the Ministry of Housing, Communities and Local Government (MHCLG), commissioned GAD to report on the possible impact of the McCloud/Sargeant judgement on LGPS liabilities, and in particular, those liabilities to be included in local authorities' accounts as at 31 March 2019. This followed an April 2019 CIPFA briefing note which said that local authorities should consider the materiality of the impact. This analysis was to be carried out on a "worst-case" basis, (i.e. what potential remedy would incur the highest increase in costs/liabilities). The results of this analysis are set out in GAD's report dated 10 June 2019.

We have used this analysis provided by GAD to estimate the possible impact of the McCloud/Sargeant judgement for the Employer. The key assumption is the assumed rate of future salary increases which is set out in the Financial assumptions section of this disclosure. The average age of the Employer's membership can be found in the table on page 7.

As noted in the Introduction, we have adjusted GAD's analysis to consider only those that were active as at 31 March 2012 and to reflect the Employer's own salary increase assumption. We have included a summary of our impact assessment below.

GAD estimated the impact on past service liabilities to be 3.2% of active liabilities based on a salary increase assumption of CPI plus 1.5% p.a.

➡ Adjusting this to reflect the Employer's own salary increase assumption (which is that salaries will increase at 0.3% p.a. above CPI), gives an estimated impact of 0.6% of active liabilities.

➡ Adjusting this to allow for the additional accrual of liabilities since 31 March 2019 and an approximate adjustment to strip out members who joined the Scheme who are unlikely to be affected by the outcome of the judgement gives an estimated impact of 0.7% of active liabilities.

➡ **This is equivalent to 0.2% of the Employer's total liabilities at the accounting date** (i.e. active liabilities are estimated to be 33% of the Employer's total liabilities at 31 March 2021).

GAD estimated the impact on the service cost to be 3.0% of payroll based on a salary increase assumption of CPI plus 1.5% p.a.

➡ Adjusting this to reflect the Employer's own salary increase assumption (as set out above), gives an estimated impact of 0.6% of payroll.

➡ Making an approximate adjustment to strip out members who are unlikely to be affected by the outcome of the judgement gives an estimated impact of 0.3% of payroll.

➡ **This is equivalent to 0.7% of the projected service cost.**

Demographic/Statistical assumptions

We have adopted a set of demographic assumptions that are consistent with those used for the most recent Fund valuation, which was carried out as at 31 March 2019, except for the CMI projection model. The post retirement mortality tables have been constructed based on Club Vita analysis. These base tables are projected using the CMI_2020 Model, with a long-term rate of improvement of 1.25% p.a., smoothing parameter of 7.0, an initial addition parameter of 0.5% p.a. for males and 0.25% p.a. for females, and a 2020 weighting of 25%.

Although the post retirement mortality tables adopted are consistent with the previous accounting date, the mortality improvement projection has been updated to use the latest version of the Continuous Mortality Investigation's model, CMI_2020, which was released in March 2021. This update has been made in light of the coronavirus pandemic and reflects the latest information available from the CMI. The new CMI_2020 Model introduces a "2020 weight parameter" for the mortality data in 2020 so that the exceptional mortality experienced due to the coronavirus pandemic can be incorporated without having a disproportionate impact on results. Our view is that placing too much weight on the 2020 mortality experience would not be appropriate given the abnormality of the 2020 data, however, the overall outlook for best-estimate future mortality improvements looks less positive as a result of the pandemic. Therefore we have updated to use the CMI_2020 Model with a 2020 weight parameter of 25%. At the last accounting date, the CMI_2018 Model was adopted. The effect on the Employer's liabilities of updating to the most recent model is reflected in the Change in demographic assumptions figure in Appendix 3 and Appendix 5, and the effect on the assumed life expectancies is demonstrated in the table below.

The assumed life expectations from age 65, weighted by liability, are:

Life expectancy from age 65 (years)	31 Mar 2021 (after CMI_2020 update)	31 Mar 2021 (before CMI_2020 update)	31 Mar 2020
Retiring today			
Males	21.1	21.5	21.4
Females	23.6	23.8	23.7
Retiring in 20 years			
Males	22.0	22.5	22.4
Females	25.0	25.2	25.2

We have also assumed that:

- Members will exchange half of their commutable pension in respect of pre-April 2008 service and 75% of their commutable pension in respect of their post 2008 service, for cash at retirement. For every £1 of pension that members commute, they will receive a cash payment of £12 as set out in the Regulations;
- Members retire following the retirement age pattern assumption used for the purpose of the 2016 LGPS cost cap valuation; and
- 1% of active members will take up the option to pay 50% of contributions for 50% of benefits.

Financial assumptions

The financial assumptions used to calculate the results are as follows:

Assumptions as at	31 Mar 2021	31 Mar 2020	31 Mar 2019
	% p.a.	% p.a.	% p.a.
Discount rate	1.90%	2.30%	2.40%
Pension increases	2.85%	2.00%	2.50%
Salary increases	3.15%	2.30%	2.90%

These assumptions are set with reference to market conditions at 31 March 2021.

Our estimate of the Employer's past service liability duration is 14 years.

An estimate of the Employer's future cashflows is made using notional cashflows based on the estimated duration above. These estimated cashflows are then used to derive a Single Equivalent Discount Rate (SEDR). The discount rate derived is such that the net present value of the notional cashflows, discounted at this single rate, equates to the net present value of the cashflows, discounted using the annualised Merrill Lynch AA rated corporate bond yield curve (where the spot curve is assumed to be flat beyond the 30 year point).

Similar to the approach used to derive the discount rate, the Retail Prices Index (RPI) increase assumption is set using a Single Equivalent Inflation Rate (SEIR) approach, using the notional cashflows described above. The single inflation rate derived is that which gives the same net present value of the cashflows, discounted using the annualised Merrill Lynch AA rated corporate bond yield curve, as applying the BoE implied inflation curve. As above, the Merrill Lynch AA rated corporate bond yield spot curve is assumed to be flat beyond the 30 year point and the BoE implied inflation spot curve is assumed to be flat beyond the 40 year point.

The BoE implied inflation curve may suggest a higher rate of inflation, over longer terms, than actually expected by market participants due to a willingness to accept a lower return on investments to ensure inflation linked returns. To reflect this, we include an Inflation Risk Premium (IRP) adjustment such that our assumed level of future annual RPI increase is 0.20% p.a. lower than the SEIR calculated using the BoE inflation curve alone. This differs from the previous accounting date. The impact of this change in derivation on the liability value is shown in Appendix 3.

As future pension increases are expected to be based on the Consumer Prices Index (CPI) rather than RPI, we have made a further assumption about CPI which is that it will be 0.50% p.a. below RPI i.e. 2.85% p.a. We believe that this is a reasonable estimate for the future differences in the indices, based on the different calculation methods, recent independent forecasts and the duration of the Employer's liabilities. The difference between RPI and CPI is less than assumed at the previous accounting date. This reflects the anticipated reform of RPI inflation following the UK Statistics Authority's proposal to change how RPI is calculated and subsequent announcements from the Chancellor suggesting this reform is now likely to take effect from 2030. The impact of this change in derivation on the liability value is shown in Appendix 3.

Salaries are assumed to increase at 0.3% p.a. above CPI. This is consistent with the salary increase assumption at the previous accounting date.

Past service costs/gains

Past service costs/gains arise as a result of introduction or withdrawal of, or changes to, member benefits. For example, an award of additional discretionary benefits to a member such as added years by a member would be considered a past service cost.

The capitalised cost of the additional benefits awarded during the year is calculated at £18,000. This figure has been included within the service cost in the statement of profit or loss.

The above past service cost is an estimate of the impact of the McCloud/Sargeant judgement as set out above.

Curtailments

We have calculated the cost of curtailments arising as a result of the payment of unreduced pensions on early retirement. The Employer may also have to account for non-pension related costs (e.g. lump sum payments on redundancy) but for the avoidance of doubt, we have only calculated the cost of curtailments which affect the Employer's LGPS pension liabilities.

We calculate the cost of curtailments at the point of exit, with interest applied to the accounting date accounted for separately.

Over the year, we understand no employees were permitted by the Employer to take unreduced early retirement that they would not otherwise have been entitled to.

Settlements

We are not aware of any liabilities being settled at a cost materially different to the accounting reserve during the year.

Results and disclosures

We estimate that the value of the net liability as at 31 March 2021 is a liability of £6,096,000.

The results of our calculations for the year ended 31 March 2021 are set out in the appendices below:

- Appendix 1 sets out the Statement of financial position as at 31 March 2021;
- Appendix 2 sets out the Statement of profit and loss for the year ended 31 March 2021;
- Appendix 3 details a reconciliation of assets and liabilities during the year;
- Appendix 4 shows a sensitivity analysis on the major assumptions;
- Appendix 5 shows the Remeasurements in other comprehensive income for the year; and
- Appendix 6 contains our estimates of the projected profit and loss account costs for the year ending 31 March 2022. Please note that no allowance has been made for the costs of any early retirements or augmentations which may occur over the year and whose additional capitalised costs would be included in the value of liabilities. It is only an estimate so actual experience over the year is likely to differ. We have not provided balance sheet projections on the basis that they will depend upon market conditions and the asset value of the Fund at the end of the following year.

The figures presented in this report are prepared only for the purposes of FRS102. In particular, they are not relevant for calculations undertaken for funding purposes or for other statutory purposes under UK pensions legislation.

We would be pleased to answer any questions arising from this report.



Matthew Paton FFA
Actuary

Appendix 1 Statement of financial position as at 31 March 2021

Net pension asset as at	31 Mar 2021	31 Mar 2020	31 Mar 2019
	£000s	£000s	£000s
Present value of the defined benefit obligation	7,677	6,632	7,485
Fair value of Fund assets (bid value)	1,596	1,432	1,797
Deficit / (Surplus)	6,081	5,200	5,688
Present value of unfunded obligation	15	19	23
Unrecognised past service cost	-	-	-
Impact of asset ceiling	-	-	-
Net defined benefit liability / (asset)	6,096	5,219	5,711

Appendix 2 Statement of profit and loss for the year to 31 March 2021

The amounts recognised in the profit and loss statement are:	Year to	Year to
	31 Mar 2021	31 Mar 2020
	£000s	£000s
Service cost	148	175
Net interest on the defined liability (asset)	117	137
Administration expenses	1	-
Total loss (profit)	266	312

Appendix 3 Asset and benefit obligation reconciliation for the year to 31 March 2021

Reconciliation of opening & closing balances of the present value of the defined benefit obligation	Year to 31 Mar 2021	Year to 31 Mar 2020
	£000s	£000s
Opening defined benefit obligation	6,651	7,508
Current service cost	130	175
Interest cost	148	179
Change in financial assumptions	1,239	(322)
Change in demographic assumptions	(76)	(259)
Experience loss/(gain) on defined benefit obligation	-	(290)
Liabilities assumed / (extinguished) on settlements	-	-
Estimated benefits paid net of transfers in	(437)	(361)
Past service costs, including curtailments	18	-
Contributions by Scheme participants and other employers	23	25
Unfunded pension payments	(4)	(4)
Closing defined benefit obligation	7,692	6,651

We have allowed for the estimated impact of the recent McCloud judgement as a past service cost. We have estimated the impact on the total liabilities as at 31 March 2021 to be £18,000 (or 0.2% as a percent of total liabilities).

The change in financial assumptions item includes the impact of the change in derivation of future assumed RPI and CPI inflation as noted on page 14. These changes have resulted in a loss of £319,000 on the defined benefit obligation; comprising a gain of £205,000 from the change in assumed IRP and a loss of £524,000 from the change in the assumed gap between RPI and CPI inflation.

The change in demographic assumptions figure in the table above reflects the update to use the CMI_2020 Model as set out in the Demographic/Statistical assumptions section of this report.

Reconciliation of opening & closing balances of the fair value of Fund assets	Year to	Year to
	31 Mar 2021	31 Mar 2020
	£000s	£000s
Opening fair value of Fund assets	1,432	1,797
Interest on assets	31	42
Return on assets less interest	294	(281)
Other actuarial gains/(losses)	-	-
Administration expenses	(1)	-
Contributions by employer including unfunded	258	214
Contributions by Scheme participants and other employers	23	25
Estimated benefits paid plus unfunded net of transfers in	(441)	(365)
Settlement prices received / (paid)	-	-
Closing Fair value of Fund assets	1,596	1,432

The total return on the fund assets for the year to 31 March 2021 is £325,000.

Appendix 4 Sensitivity analysis

Sensitivity analysis	£000s	£000s	£000s
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	7,587	7,692	7,799
Projected service cost	175	179	183
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	7,702	7,692	7,682
Projected service cost	179	179	179
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	7,787	7,692	7,598
Projected service cost	183	179	175
Adjustment to life expectancy assumptions	+ 1 Year	None	- 1 Year
Present value of total obligation	8,164	7,692	7,249
Projected service cost	187	179	170

Appendix 5 Remeasurements in other comprehensive income

Remeasurement of the net assets / (defined liability)	Year to 31 Mar 2021 £000s	Year to 31 Mar 2020 £000s
Return on Fund assets in excess of interest	294	(281)
Other actuarial gains/(losses) on assets	-	-
Change in financial assumptions	(1,239)	322
Change in demographic assumptions	76	259
Experience gain/(loss) on defined benefit obligation	-	290
Changes in effect of asset ceiling	-	-
Remeasurement of the net assets / (defined liability)	(869)	590

Appendix 6 Projected pension expense for the year to 31 March 2022

	Year to
	31 Mar 2022
	£000s
Projections for the year to 31 March 2022	
Service cost	179
Net interest on the defined liability (asset)	113
Administration expenses	1
Total loss (profit)	293
Employer contributions	256

Note that these figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2021. These projections are based on the assumptions as at 31 March 2021, as described in the main body of this report.

We have allowed for the estimated impact of the recent McCloud judgement on the projected service cost. We have estimated the impact as a percentage of the projected service cost to be 0.7%.

FRS102 as at 31 March 2021 - Results Schedule

Employer : Kings Lynn (WMA)

Local Government Pension Scheme Fund : Norfolk Pension Fund

Terms of Engagement Signed : 14 April 2021

Date report prepared : 16 April 2021

Summary information from this schedule:

(a) Balance sheet

	31 March 2020	31 March 2021
	£(000)	£(000)
Assets	3,806	5,144
Obligations	6,594	10,326
Net asset / (liability)	(2,788)	(5,182)

(b) Profit & Loss account for the period ending 31 March 2021

	£(000)
Service cost	
Current Service Cost	(472)
Past Service Cost (including curtailments)	-
Effect of settlements	-
Total Service Cost	(472)

	£(000)
Total net interest	(66)
Total defined benefit cost recognized in Profit or (loss)	(538)



Robert Bilton FFA

For and on behalf of Hymans Robertson LLP

(c) Key elements

Has the employer instructed bespoke assumptions?	N
Bulk transfer(s) included?	N
Unfunded Pensioner included?	N

To help with your year-end reporting, you can request a summary paper explaining the key movements on your specific numbers to aid understanding of the figures, help with audit questions and assist with presentations to committee members / directors on your results. If you have already requested a summary paper, this will be issued alongside this results schedule. We anticipate an increase in audit queries this year, including discussions around treatment of recent and pending legal cases. In general, it should be quicker and more cost effective to arrange a three way call with your auditor to answer any questions they have beyond those already answered in the accompanying covering report. Please contact your regular LGPS Fund contact to request a summary paper or for any other assistance with your results.

Asset returns - The figure on page 3 for the investment return over the year is based on information provided by the Administering Authority. The figure incorporates actual Norfolk Pension Fund returns for the period 1 April 2020 to 28 February 2021 and an estimate Fund return of 1.9% for the month to 31 March 2021.

(d) General Information for auditor and Employer

The results in the Schedule report should be read in conjunction with the accompanying report entitled 'Actuarial Valuation as at 31 March 2021 for Accounting Purposes'. The method, assumptions, reliances and limitations are described in that document. The restrictions set out in the reports on the disclosure to any third party apply equally to this Results Schedule.

If there are any queries on the approach taken to derive the figures in the Results Schedule please first consider the accompanying report as it will often answer these. In particular, see the sections on recent court cases (such as the Lloyds' judgement on GMP, McCloud, Goodwin etc) and other key topics which will detail the approach taken to allow for these issues or otherwise.

Contents in the remainder of this schedule:

1. Data (including early retirements, investment returns, asset split & unfunded pensions)
2. Assumptions
3. Balance sheet, P&L, OCI disclosures as at 31 March 2021 (and prior year if relevant)
4. Projected defined benefit cost for the period to 31 March 2022
5. Sensitivity analysis

Section 1 - Data

Employer membership statistics

	Number	Total Salaries / Pensions £(000)	Average Age
	31 Mar 2019	31 Mar 2019	31 Mar 2019
Actives	30	1,267	47
Deferred Pensioners	4	28	56
Pensioners	2	22	69

Deferred pensioners include undecided leavers and frozen refunds. Salaries are actual, not full-time equivalent.

Payroll

Period	Assumed Total Pensionable Payroll based on Information Provided
1 April 2020 to 31 March 2021	£1,497,000

LGPS early retirements

New Early Retirements 1 April 2020 to 31 March 2021	Number	Total Pension Accrued (£)	Total Pension Actual (£)
Redundancy	-	-	-
Efficiency	-	-	-
Other	-	-	-

Teachers' early retirements

New Early Retirements 1 April 2020 to 31 March 2021	Number	Recharged Accrued Pension (£)	Total Actual Recharged Pension (£)
Redundancy	-	-	-
Efficiency	-	-	-
Other	-	-	-

Investment returns

The return on the Fund in market value terms for the period to 31 March 2021 is estimated based on actual employer returns as reported in HEAT and index returns where necessary. Index returns, where used, are based on employer asset holdings. Details are given below:

Actual Returns from 31 March 2020 to 28 February 2021	20.1%
Total Returns from 1 April 2020 to 31 March 2021	22.4%

The major categories of plan assets as a percentage of total plan assets

We have used the most recent asset split provided to us and allowed for index returns, where required, on each asset category to determine the estimated split of assets as at 31 March 2021.

Period Ended	31 Mar 2021	31 Mar 2020
Equities	50%	48%
Bonds	35%	36%
Property	12%	14%
Cash	3%	2%

Unfunded benefits

A summary of the membership data in respect of unfunded benefits is shown below.

LGPS Unfunded Pensions	Number at 31 March 2021	Annual Unfunded Pension £(000)
Male	-	-
Female	-	-
Dependants	-	-
Total	-	-

Teacher Unfunded Pensions	Number at 31 March 2021	Annual Unfunded Pension £(000)
Male	-	-
Female	-	-
Dependants	-	-
Total	-	-

The annual unfunded pensions include the 2021 pension increase.

Bulk transfers

I have not been asked to value any bulk transfers of membership this period.

Section 2 - Assumptions

Financial assumptions

The financial assumptions, as described in the accompanying report, are summarised below:

Period Ended	31 Mar 2021	31 Mar 2020
	% p.a.	% p.a.
Pension Increase Rate (CPI)	2.80%	1.80%
Salary Increase Rate	3.50%	2.50%
Discount Rate	2.05%	2.30%

As at the date of the most recent valuation, the duration of the Employer's funded liabilities is 29 years.

Mortality

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2020 model, with a 0% weighting of 2020 data, standard smoothing (Sk7), initial adjustment of 0.5% and a long term rate of improvement of 1.5% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	21.9 years	24.3 years
Future Pensioners*	23.2 years	26.2 years

* Figures assume members aged 45 as at the last formal valuation date.

Historic mortality

Life expectancies for the prior period end are based on the Fund's VitaCurves. The allowance for future improvements are shown below:

Prospective Pensioners	Pensioners
CMI 2018 model assuming an allowance for smoothing of recent mortality experience and a long term-rate of improvement of 1.25% p.a.	CMI 2018 model assuming an allowance for smoothing of recent mortality experience and a long term-rate of improvement of 1.25% p.a.

Please note that the mortality assumptions used to value the Obligations in the Employer's Closing Position are different to those used to value the Obligations in the Employer's Opening Position.

Commutation

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 75% of the maximum tax-free cash for post-April 2008 service.

Section 3 - Balance sheet, P&L, OCI disclosures as at 31 March 2021

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year end 31 March 2021

Period ended 31 March 2021	Assets £(000)	Obligations £(000)	Net (liability) / asset £(000)
Fair value of plan assets	3,806		3,806
Present value of funded liabilities		6,594	(6,594)
Present value of unfunded liabilities		-	-
Opening Position as at 31 March 2020	3,806	6,594	(2,788)
Service cost			
Current service cost*		472	(472)
Past service cost (including curtailments)		-	-
Effect of settlements	-	-	-
Total Service Cost	-	472	(472)
Net interest			
Interest income on plan assets	92		92
Interest cost on defined benefit obligation		158	(158)
Total net interest	92	158	(66)
Total defined benefit cost recognised in Profit or (Loss)	92	630	(538)
Cashflows			
Participants' contributions	122	122	-
Employer contributions	344		344
Estimated benefits paid	(27)	(27)	-
Estimated unfunded benefits paid	-	-	-
Estimated contributions in respect of unfunded benefits paid	-		-
Effect of business combinations and disposals	-	-	-
Expected closing position	4,337	7,319	(2,982)
Remeasurements			
Changes in financial assumptions		2,937	(2,937)
Changes in demographic assumptions		122	(122)
Other experience	-	(52)	52
Return on assets excluding amounts included in net interest	807		807
Total remeasurements recognised in Other Comprehensive Income (OCI)	807	3,007	(2,200)
Fair value of plan assets	5,144		5,144
Present value of funded liabilities		10,326	(10,326)
Present value of unfunded liabilities**		-	-
Closing position as at 31 March 2021	5,144	10,326	(5,182)

Please note the Employer's fair value of plan assets is less than 1% of the Fund's total.

I estimate that the present value of funded liabilities comprises of approximately £8,979,000, £879,000 and £468,000 in respect of employee members, deferred pensioners and pensioners respectively as at 31 March 2021.

* The current service cost includes an allowance for administration expenses of 0.6% of payroll.

** The unfunded liabilities comprise of £0 in respect of LGPS unfunded pensions and £0 in respect of Teachers' unfunded pensions.

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year end 31 March 2020

Period ended 31 March 2020	Assets £(000)	Obligations £(000)	Net (liability) / asset £(000)
Fair value of plan assets	3,140		3,140
Present value of liabilities		5,636	(5,636)
Opening Position as at 31 March 2019	3,140	5,636	(2,496)
Service cost			
Current service cost*		532	(532)
Past service cost (including curtailments)		-	-
Effect of settlements	-	-	-
Total Service Cost	-	532	(532)
Net interest			
Interest income on plan assets	83		83
Interest cost on defined benefit obligation		149	(149)
Total net interest	83	149	(66)
Total defined benefit cost recognised in Profit or (Loss)	83	681	(598)
Cashflows			
Participants' contributions	109	109	-
Employer contributions	295		295
Estimated benefits paid	(26)	(26)	-
Estimated unfunded benefits paid	-	-	-
Estimated contributions in respect of unfunded benefits paid	-		-
Effect of business combinations and disposals	-	-	-
Expected closing position	3,601	6,400	(2,799)
Remeasurements			
Changes in financial assumptions		(571)	571
Changes in demographic assumptions		(204)	204
Other experience	-	969	(969)
Return on assets excluding amounts included in net interest	205		205
Total remeasurements recognised in Other Comprehensive Income (OCI)	205	194	11
Fair value of plan assets	3,806		3,806
Present value of funded liabilities		6,594	(6,594)
Present value of unfunded liabilities		-	-
Closing position as at 31 March 2020	3,806	6,594	(2,788)

* The current service cost includes an allowance for administration expenses of 0.5% of payroll.

Please note that I have only shown a one year history of results and if further information is required please see the previous years' reports.

Section 4 - Projected defined benefit cost for the period to 31 March 2022

Analysis of projected amount to be charged to operating profit for the period to 31 March 2022

Period Ended 31 March 2022	Assets	Obligations	Net (liability)/asset	
	£(000)	£(000)	£(000)	% of pay
Projected Current service cost *		772	(772)	(51.6%)
Past service cost including curtailments		-	-	-
Effect of settlements	-	-	-	-
Total Service Cost	-	772	(772)	(51.6%)
Interest income on plan assets	110		110	7.3%
Interest cost on defined benefit obligation		221	(221)	(14.8%)
Total Net Interest Cost	110	221	(111)	(7.5%)
Total Included in Profit and Loss	110	993	(883)	(59.1%)

* The current service cost includes an allowance for administration expenses of 0.6% of payroll. The monetary value is based on a projected payroll of £1,497,000.

The contributions paid by the Employer are set by the Fund following an actuarial valuation. For further details on the approach adopted to set contribution rates for the Employer, please refer to the latest formal valuation report and Funding Strategy Statement.

I estimate the Employer's contributions for the period to 31 March 2022 will be approximately £352,000.

Notes:

The above figures should be treated as estimates and may need to be adjusted to take account of:

- any material events, such as curtailments, settlements or the discontinuance of the Employer's participation in the Fund;
- any changes to accounting practices;
- any changes to the Scheme benefit or member contribution rates; and/or
- any full funding valuation that may have been carried out on the Employer's behalf.

The monetary amount of the projected service cost for the period to 31 March 2022 will be adjusted to take account of the actual pensionable payroll for the period.

Section 5 - Sensitivity Analysis

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 March 2021:	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	15%	1,518
0.5% increase in the Salary Increase Rate	3%	325
0.5% increase in the Pension Increase Rate (CPI)	11%	1,150

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, we estimate that a one year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5%. In practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

The provided sensitivity figures can be used to estimate the impact of adopting different financial assumptions (e.g. an Employer considering alternative accounting assumptions or to help an Employer complete an ESFA accounts return). For further details on this, please refer to the accompanying accounting covering report.

In order to quantify the impact of a change in the financial assumptions used, we have calculated and compared the value of the scheme liabilities at the accounting date on varying bases. The approach taken is consistent with that adopted to derive the accounting figures provided in this report, based on the profile (average member ages, retirement ages etc) of the Employer as at the date of the most recent valuation.



Annual Report for the year ended 31 March 2021

The Law – the following annual report is provided in accordance with Paragraph 4 of Schedule 2 to the Land Drainage Act 1991.

No later than 30 September 2021 a copy must be provided to:

- Department for Environment, Food and Rural Affairs, Flood Management Division, Floor 3, Seacole, 2 Marsham Street, London SW1P 4DF via floodreports@defra.gsi.gov.uk
- National Flood and Coastal Risk Manager (Strategic Delivery), The Environment Agency, Horizon House, Deanery Road, Bristol, BS1 5AH via rachael.hill@environment-agency.gov.uk
- The Chief Executives of:
 - all local authorities that pay special levies to the Board;
 - all County Councils or London Boroughs within which the Board is situated.

Please complete the form electronically. If you are unable to complete the form electronically, please complete in BLOCK LETTERS using **black ink**.

Please round all cash figures down to nearest whole £.

SOUTH HOLLAND ENTER INTERNAL DRAINAGE BOARD NAME HERE

Internal Drainage Board

Section A – Financial information

Preliminary information on special levies issued by the Board for 2021- 22

Information requested below is essential in calculating future formula spending share. It is not covered elsewhere on this form or by the external auditor's certificate.

Special levies information for financial year 2021-22 (forecast)	
Name of local authority	2021-22 forecast £
1. SOUTH HOLLAND DISTRICT COUNCIL	1,382,392
2. BOSTON BOROUGH COUNCIL	973
3.	
4.	
5.	
6.	
7.	
8.	
Total	1,383,365

Section A – Financial information (continued)

Income and Expenditure Account for the year ending 31 March 2021

All Internal Drainage Boards must ensure that the Income and Expenditure information provided below is consistent with the Board's annual accounting statements which have been prepared in accordance with proper practices found in *Governance and Accountability for Smaller Authorities in England – A Practitioners' Guide to proper practices to be applied in the preparation of statutory annual accounts and governance statements March 2017*

	Notes	Year ending 31 March 2021 £
INCOME		
1. Drainage Rates		1,049,067
2. Special Levies		1,355,610
3. Higher Land Water Contributions from the Environment Agency		0
4. Contributions received from developers/other beneficiaries		17,541
5. Government Grants (includes capital grants from EA and levy contributions)		103,343
6. PSCAs from EA and other RMAs		0
7. Loans		0
8. Rechargeable Works		50,440
9. Interest and Investment Income		15,938
10. Rents and Acknowledgements		734
11. Other Income		222,171
Total income		2,814,844
EXPENDITURE		
12. New Works and Improvement Works		442,462
13. Total precept to the Environment Agency		145,835
14. Watercourse maintenance		1,237,364
15. Pumping Stations, Sluices and Water level control structures		519,179
16. Administration		456,057
17. PSCAs		0
18. Rechargeable Works		47,576
19. Finance Charges		0
20. SSSIs		0
21. IDB Biodiversity and conservation (other than item 20 expenditure)		9,192
22. Other Expenditure		(64,300)
Total expenditure		2,793,365

EXCEPTIONAL ITEMS		
23. Profits/(losses) arising from the disposal of fixed assets		100,005
Net Operating Surplus/(Deficit) for the year		121,484
24. Developers Funds income not applied in year		853,748
25. Grant income not applied in year		169,920

Notes:

11. Include all other Income, such as absorption account surpluses (for example plant and labour absorption accounts).
12. State the gross cost of undertaking minor capital works that have not been capitalised and the annual depreciation charges of all major schemes that have been capitalised. You should also include a fair proportion of the support costs directly associated with delivery of the schemes.
13. State the total precept demanded for the year as properly issued by the Environment Agency, in accordance with section 141 of the Water Resources Act 1991. Providing that the precept has been properly issued as before stated it should always be included here, even when the Board has appealed against the amount of contribution, in accordance with section 140 of the Water Resources Act 1991. Where the Board knows with certainty the outcome of any such appeal, it should also include the appropriate accrual/prepayment.
14. State all costs associated with the maintenance of watercourses, meaning work associated with open channels, pipelines, culverts, bridges, etc. Plant, vehicle and labour charges should include a fair proportion of the overheads such as depot/workshop costs, employment on-costs, insurances and depreciation, etc. You should also include a fair proportion of the support costs directly associated with delivery of the maintenance programme.
15. State all costs associated with maintaining and operating the pumping stations, sluices and water level control structures. Plant, vehicle and labour charges should include a fair proportion of the overheads such as depot/workshop costs, employment on-costs, insurances and depreciation, etc. You should also include a fair proportion of the support costs directly associated with maintaining and operating the pumping stations, sluices and water level control structures.
16. Include the cost of non-technical staff only, office accommodation, annual depreciation of office equipment that has been capitalised, minor office equipment that has not been capitalised, postages, telecoms', stationery, printing, advertising, auditing of accounts, general insurances and all other costs associated with supporting the organisation. Please note that this does not include support costs, which are directly associated with the delivery of front line services.
17. State all costs associated with the PSCA
18. State all costs associated with undertaking work for third parties. Plant, vehicle and labour charges should include a fair proportion of the overheads such as depot/workshop costs, employment on-costs, insurances and depreciation, etc. You should also include a fair proportion of the support costs directly associated with undertaking the rechargeable work.
19. Include the cost of servicing any borrowing, in terms of bank/loan/hire purchase Interest payable.
20. State all costs associated with undertaking works – capital or maintenance – specifically for helping to achieve favourable condition on Sites of Special Scientific Interest (SSSIs). In most cases, these costs will be incurred in implementing actions set out in SSSI Water Level Management Plans or SSSI River Restoration Plans.
21. State all costs associated with undertaking works – capital or maintenance – that are likely intended to help conserve biodiversity (other than works on SSSIs). These costs are likely to be incurred in implementing actions set out in an IDB's Biodiversity Action Plan or other conservation actions on non-designated sites.
22. Include all other expenditure, such as a provision for bad/doubtful debts, write-offs, and absorption account deficits (for example plant and labour absorption accounts).
23. For the disposal of assets, state the difference between any proceeds from the sale/disposal of the asset and the cost of the asset less accumulated depreciation.
24. Total balance of developer fund year end.
25. Unspent grant at year end.

Section B –IDB Reporting

Policy Delivery Statement

Boards are required to produce a publicly available policy statement setting out their plans for delivering the Government's policy aims and objectives. It is recommended that these statements be published on Boards' websites where they have them and reviewed every three years.

Is an up to date statement in place and copy (or weblink)

provided to Defra, and EA? ? https://www.wlma.org.uk/uploads/SHIDB_Policy_Statement.pdf Yes ☒ No ☐

Biodiversity

Please indicate whether your Board has a Biodiversity Action Plan Yes ☒ No ☐

If "yes" is the Biodiversity Action Plan available on your https://www.wlma.org.uk/uploads/SHIDB_BAP.pdf Yes ☒
No ☐

What year was your Biodiversity Action Plan last updated?).....

Have you reported progress on BAP implementation on your web site?..... Yes ☐ No ☒

When was biodiversity last discussed at a Board meeting (date)?.....

Do you have a biosecurity process?..... Yes ☒ No ☐

SSSI water level management plans

Please indicate whether your Board is responsible for any SSSI water level management plans?..... Yes ☐ No ☒

If so, which ones:

Area of SSSI with IDB water level management plans.....

Area of SSSI where IDB water level management activities are contributing to recovering or favourable condition?

Area of SSSI where IDB water level management actions are required to achieve recovering or favourable condition?

0

Access to environmental expertise

Does your IDB have access to environmental expertise? If so please tick all those options below through which environmental expertise is regularly provided to your IDB:

Appropriately skilled Board Members (e.g. Board member from an Environmental Body/Authority)

☐

Co-opted members

☐

Directly employed staff

☒

Contracted persons or consultants

☒

Environmental Partners/NGOs

☒

Other (please describe)

☒

Other – Conservation Committee

Asset Management

What system/database does your Board use to manage the assets it is responsible for?

ADIS

☐

Paper Records

☐

Other Electronic System

☒

Has your Board continued to undertake visual inspections and update asset databases on an annual basis?

Yes ☒

No ☐

What is the cumulative total of identified watercourse (in km) that the Board periodically maintains?

700km

How many pumping stations does the Board operate?

17

What is the cumulative design capacity of the Board's pumping station(s) (enter zero if no stations are operated)?

36.41

Health and Safety

Does the Board have a current Health and Safety policy in place?

Yes ☒

No ☐

Does the Board have a responsible officer for Health and Safety?

Yes ☒

No ☐

Have there been any reportable incidents in the past year?

Yes ☒

No ☐

If so, please summarise in the box below:

Near Miss (Wires)

Guidance and Best Practice

Has your IDB adopted a formal Scheme of Delegation? Yes ☒ No ☐

Has your IDB provided training for board members in the last year in the any of the following areas?

Governance ☒

Finance ☐

Environment ☒

Health, safety and welfare ☒

Communications and engagement ☐

Other (please describe) ☐

Is your Board's website information current for this financial year? (Board membership, audited accounts, programmes of works, WLMPs, etc) Yes ☒ No ☐

Has your IDB adopted computerised accounting and rating systems? Yes ☒ No ☐

Has your board published all minutes of meetings on the website?..... Yes ☒ No ☐

Does the Board publish information on its website on its approach to maintenance works and provide contact details to allow for and encourage public engagement? Yes ☒ No ☐

When planning maintenance and capital works are environmental impacts taken into account and wherever possible best practice applied? Yes ☒ No ☐

Has your Board adopted the following governance documents?

Standing Orders Yes ☒ No ☐

Have the Standing Orders been approved by Ministers Yes ☒ No ☐

Byelaws Yes ☒ No ☐

If you have Byelaws, have you adopted the latest model byelaws published in 2012..... Yes ☒ No ☐

Have the Byelaws been approved by Ministers..... Yes ☒ No ☐

Code of Conduct for Board Members..... Yes ☒ No ☐

Financial Regulations.....Yes ☒ No ☐
 Register of Member's Interests.....Yes ☒ No ☐
 Anti-fraud and corruption policy.....Yes ☒ No ☐

Board membership and attendance

How many Board members (in total – elected and appointed) do you have on your IDB?	21
Seats available to appointed members under the Land Drainage Act 1991.	11
Number of elected members on the board at year end.	10
Number of appointed members on the board at year end.	11
Mean average number of elected members in attendance at each board meeting over the last financial year.	8
Mean average number of appointed members in attendance at each board meeting over the last financial year.	7

Have you held elections within the last three years?.....Yes ☒ No ☐ N/A ☐
 Did elections comply with the requirements specified by the Secretary of State under Regulation 28 of the Land Drainage (Election of Drainage Boards) Regulations 1938?..... Yes ☒ No ☐ N/A ☐

Complaints procedure

Is the procedure for a member of the public to make a complaint about the IDB accessible from the front page of its website?.....Yes ☒ No ☐

Number of complaints received in the financial year?	4
Number of complaints outstanding in the financial year?	0
Number of complaints referred to the Local Government Ombudsman?	0
Number of complaints upheld by the Local Government Ombudsman?	0

Public Engagement

Set out what your Board has done in this financial year to engage with the public (tick relevant box(es) below):

Press releases	<input type="checkbox"/>
Newsletters	<input checked="" type="checkbox"/>
Web site	<input checked="" type="checkbox"/>
Meetings	<input checked="" type="checkbox"/>
Shows/events (including open days/inspections)	<input type="checkbox"/>
Consultations	<input checked="" type="checkbox"/>
Notices	<input checked="" type="checkbox"/>

Percentage (in value) of drainage rates outstanding at year end?

0%

Section B: NOTES

Guidance and Best Practice

Has your Board published **all** minutes of meetings on the web site? In answering this question, this should apply to all the main Board meetings held in the year and any appropriate meetings the Board has held with external stakeholders.

Board membership and attendance

When referring to **elected members** of the Board, this relates to the number of landowners/drainage rate payers that are elected to the Board.

When referring to **appointed members** of the Board, this relates to the number of members appointed by the local authorities to represent the local council taxpayers.

When referring to mean average number of elected and appointed members in attendance at meetings at each board meeting – **this should be expressed as a number of attendees** and not as a percentage attendance.

With regard to elections, under Schedule 1 of the Land Drainage Act 1991, elected members should hold office for three years, at which point a further election is held. When elections are held, they should comply with the requirements under Regulation 28 of the Land Drainage (Election of Drainage Boards) Regulations 1938 – to advertise and notify local stakeholders accordingly.

Section C – Declaration

SOUTH HOLLAND ENTER INTERNAL DRAINAGE BOARD NAME HERE

Internal Drainage Board

I confirm that the information provided in sections A-C or with this form is correct.

Signature



Date

30/09/2021

Name in BLOCK LETTERS

PHIL CAMAMILE

Designation

CHIEF EXECUTIVE

Email address

PHIL@WLMA.ORG.UK

BOARD MEMBERSHIP AS AT 31 MARCH 2021

NAME	MEETINGS	ATTENDED	ATTENDANCE %
ELECTED MEMBERS			
Bartlett S	4	4	100
Dring C	4	1	25
Grundy N J	4	3	75
Hay A G	4	4	100
Markillie S A R **	4	4	100
Perowne J	4	4	100
Stancer I	4	3	75
Taylor S R	4	2	50
Thompson R C	4	2	50
Worth D R *	4	4	100
Total	40	31	78%

APPOINTED MEMBERS

South Holland DC

Beal A (wef Aug 19)	4	4	100
Biggadike F	4	0	0
Coupland P	4	4	100
Grocock R (wef Nov 20)	2	1	50
Redgate P (wef Aug 19)	4	4	100
Rudkin G (wef Nov 19)	4	2	50
Seymour M D	4	1	25
Sneath E Mrs	4	3	75
Tyrrell J	4	2	50
Wilkinson D (wef Nov 19)	4	2	50

South Holland DC/ Boston BC

Casson A	4	3	75
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Total	42	26	62%
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* Chairman ** Vice-Chairman

Elected Average Attendance (excluding vacancies) 78%

Appointed Average Attendance (excluding vacancies) 62%

Board Members and Officers**Gifts and Hospitality Register for 2020/21**

Date	Member/Employee	Offer from	Description	Value (if known)	Accepted/Declined