



Waveney, Lower Yare
and Lothingland
Drainage Board

**STATEMENT OF
ACCOUNTS FOR THE
YEAR ENDING 31
MARCH 2024**

Pierpoint House
28 Horsleys Fields
Kings Lynn
Norfolk
PE30 5DD

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 provisions of FRS102 Section 1A Small Entities 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 on 30 March 2024. 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)

Office and Radio Equipment: 3 years
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 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.

NOTE ACCOUNTING POLICIES (CONTINUED)

7. EXCEPTIONAL ITEMS, EXTRAORDINARY ITEMS AND PRIOR YEAR ADJUSTMENTS

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

8. INCOME RECOGNITION

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

9. 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
- (i) Capital Works Reserve
- (ii) Revaluation Reserve
- (iii) Pension Reserve

From: 01 April 2023
To: 31 March 2024

Period To: 12
Year Ended: 31 March 2024

NOTES	INCOME AND EXPENDITURE ACCOUNT	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	371,825	371,825	0	371,825	371,825	0
1	Special Levies issued by the Board	233,999	233,999	0	233,999	233,999	0
2	Highland Water Contributions from EA	198,274	244,256	45,982	198,274	244,256	45,982
	Grants Applied	14,257,222	4,829,097	-9,428,125	14,257,222	4,829,097	-9,428,125
3	Income from Rechargeable Works	0	0	0	0	0	0
	Investment Interest	0	127,038	127,038	0	127,038	127,038
	Development Contributions	0	213,638	213,638	0	213,638	213,638
4	Other Income	305,722	275,964	-29,758	305,722	275,964	-29,758
	Total Income	£15,367,042	£6,295,818	-£9,071,225	£15,367,042	£6,295,818	-£9,071,225
	<u>Less Expenditure</u>						
5	Capital Works	14,257,222	4,829,097	9,428,125	14,257,222	4,829,097	9,428,125
6	Precept Contributions to EA	92,326	91,735	591	92,326	91,735	591
7	Maintenance Works	979,777	1,046,535	-66,758	979,777	1,046,535	-66,758
8	Administration Charges	142,153	135,681	6,472	142,153	135,681	6,472
3	Cost of Rechargeable Works	0	0	0	0	0	0
	Total Expenditure	£15,471,478	£6,103,047	£9,368,430	£15,471,478	£6,103,047	£9,368,430
	Profit/(Loss) on disposal of Fixed Assets	£0	£0	£0	£0	£0	£0
	Net Surplus/(Deficit)	-£104,433	£192,770	£297,204	-£104,433	£192,770	£297,204

From: 01 April 2023
To: 31 March 2024

Period To: 12
Year Ended: 31 March 2024

BALANCE SHEET AS AT 31-3-2024		OPENING BALANCE £	MOVEMENT THIS YEAR £	CLOSING BALANCE £
Fixed Assets				
9	Pumping Stations	2,717,000	0	2,717,000
		2,717,000	0	2,717,000
Current Assets				
10	Bank Account	156,202	514,589	670,791
11	Trade Debtors	3,035	173,271	176,306
12	Work in Progress	13,464	-13,464	0
13	Term Deposits	2,292,171	1,422,829	3,715,000
15	Drainage Ratepayers and Special Levies Due	1,301	7,356	8,657
16	Prepayments	0	0	0
	Prepayments to WMA	6,638	2,600	9,238
	VAT Due	202,444	179,152	381,597
	Grants Due	0	0	0
		2,675,255	2,286,333	4,961,588
Less Current Liabilities				
	Trade Creditors	66,347	228,657	295,003
	Accruals	83,360	-27,715	55,645
	Payments Received In Advance	11,570	25,940	37,511
	Loans Due in Less Than One Year	8,322	261	8,583
		169,599	227,143	396,742
	Net Current Assets	2,505,656	2,059,190	4,564,847
Less Long Term Liabilities				
21	Pension Liability	0	0	0
	Loan Due in Over One Year	60,971	-8,583	52,388
	Net Assets	£5,161,685	£2,067,774	£7,229,459
Reserves				
Earmarked				
	General Reserve	239,822	-137,356	102,466
17	Grant Reserve	1,549,870	1,875,003	3,424,873
18	Development Reserve	490,700	213,638	704,338
19	Langley Road & Pump Maint and Repairs Provision	11,668	0	11,668
	Capital Works Accrued Interest Provision	14,183	88,562	102,745
20	Accrued Interest Provision	138,442	27,926	166,368
		2,444,685	2,067,774	4,512,459
Non-Distributable				
	Revaluation Reserve	2,717,000	0	2,717,000
		2,717,000	0	2,717,000
	Total Reserves	£5,161,685	£2,067,774	£7,229,459

S JEFFREY BSc (Hons) FCCA CPFA
FINANCE & RATING MANAGER

From: 01 April 2023
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Period To: 12
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Note Notes to the Accounts

- 1 Special Levies due from constituent Billing Authorities are as follows:

	Y-T-D BUDGET	Y-T-D 2023/24
Breckland District Council	915	915
Broadland District Council	1,124	1,124
East Suffolk Council	28,648	28,648
Great Yarmouth Borough Council	46,702	46,702
Mid Suffolk District Council	17,939	17,939
South Norfolk District Council	138,672	138,672
	233,999	233,999

- 2 The EA Highland Water Claim for 2022/23 is due to be paid by the Environment Agency (EA) to the Board in September, following the changes made to the timetable in 2015 (previously the payment was made in two installments - one in May and one in December).

- 3 There have been a small amount of rechargeable works completed in this financial year.

- 4 Other income is made up as follows:

	Y-T-D BUDGET	Y-T-D 2023/24
Shared Income from WMA	305,722	274,137
Sundry Income	0	2
Haddiscoe Road Repairs	0	700
Court Summons	0	1,125
	305,722	275,964

- 5 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 Project Development and Delivery Managers, which can be made available to members on request. The Grants Due/(Unapplied) also correspond with the figures shown on the Balance Sheet.

- 6 The EA Precept due for 2023/24 is payable to the EA on 31 May and the other half is payable to them on 30 November. The Board has no idea where or how this money is spent.

	Y-T-D BUDGET	Y-T-D 2022/23
Contributions Payable to the Environment Agency	92,326	91,735
	92,326	91,735

- 7 Detailed maintenance operations are approved by the Board annually and shown on the Operations map, together with the schedule of maintenance works for each catchment, which can be made available to members on request. Expenditure is analysed as follows:

	Y-T-D BUDGET	Y-T-D 2023/24
Materials	0	939
Pump Attendants	47,539	47,627
Electricity	322,794	520,495
Telemetry	0	1,133
Insurance	20,920	20,843
Contractors	243,323	136,835
Surveyors	27,111	24,055
PWLB Repayment	14,281	1,675
Direct Works	675,968	759,444
Technical Support Staff Costs	268,940	254,080
Other Technical Support Costs	34,869	28,511
Biodiversity Action Plan Costs	0	4,500
Maintenance Works	979,777	1,046,535

From: 01 April 2023
To: 31 March 2024

Period To: 12
Year Ended: 31 March 2024

Note Notes to the Accounts

8 (i) Administration charges are detailed below:

	Y-T-D BUDGET	Y-T-D 2023/24
Administration Fee	89,964	78,462
Other Administration Costs	52,189	52,626
Drainage Rates AV Increases/(Decreases)	0	3,317
Sundry Expenses	0	264
Settlement Discount	0	1,013
	142,153	135,681

8(ii). **Consortium Charges**

Expenses

	Y-T-D Budget	Y-T-D Actual
Technical Support Staff (note 7)	268,940	254,080
Other Technical Support (note 7)	34,869	28,511
Administration Staff Costs (note 8i)	89,964	78,462
Other Administration Costs (Note 8i)	52,189	52,626

Shared Income from the WMA (note 4)	-305,722	-274,137
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Net Consortium Charge

	140,240	139,542
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9 **Cost**

	Land and Buildings	Pumping Stations	Total
Opening Balance as at 1-4-2023 b/fwd	0	2,717,000	2,717,000
(+) Revaluations	0	0	0
(+) Additions	0	0	0
(-) Disposals	0	0	0
(=) Closing Balance as at 31-3-2024 c/fwd	0	2,717,000	2,717,000

Depreciation

Opening Balance as at 1-4-2023 b/fwd	0	0	0
(+) Depreciation Charge for year	0	0	0
(-) Accumulated Depreciation written out on disposal	0	0	0
(=) Closing Balance as at 31-3-2024 c/fwd	0	0	0

Net Book Value as at 31-3-2023	0	2,717,000	2,717,000
Net Book Value as at 31-3-2024	0	2,717,000	2,717,000

10 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 Account is reconciled as follows:

	2022/23	2023/24
Opening Balance as at 1-4-2023 b/fwd	1,471,775	156,202
(+) Receipts	9,906,871	11,374,457
(-) Payments	-11,222,444	-10,859,869
(=) Closing Balance as at 31-3-2024 c/fwd	156,202	670,791
Balance on Statement as at 31-3-2024	242,862	669,873
Less: Unpresented payments	-89,327	0
Add: Unpresented receipts	2,667	918
Closing Balance as at 31-3-2024 c/fwd	156,202	670,791

From: 01 April 2023
To: 31 March 2024

Period To: 12
Year Ended: 31 March 2024

Note Notes to the Accounts

11 Aged Debtor profile is currently as follows:

Debt period	Amount	Number of Debtors	
<=30 days	0	0	
>30 days and <=60 days	0	0	
>60 days and <=90 days (Great Yarmouth 3rd River Crossing)	176,306	1	
>90 days	0	0	
	176,306	1	
>90 days	Amount	Inv. Date	Originator
	0		
	0		

12 Work in Progress is currently made up of the following jobs:

Customer	Amount	Comp. Date	Originator
	0		
	0		

13 Term Deposits are currently as follows:

Financial Institution	Capital	Investment Date	Maturity Date	Variable Interest Rate
Melton Mowbray Building Society	500,000	10/11/2023	11/04/2024	5.35%
Principality Building Society	400,000	28/03/2024	29/04/2024	4.95%
Saffron Building Society	250,000	03/11/2023	03/05/2024	5.35%
Progressive Building Society	500,000	10/11/2023	13/05/2024	5.40%
West Bromwich Building Society	250,000	11/03/2024	13/05/2024	5.08%
National Counties Building Society	250,000	11/03/2024	13/05/2024	5.10%
West Bromwich Building Society	250,000	29/01/2024	29/05/2024	5.18%
Vernon Building Society	315,000	04/12/2023	04/06/2024	5.35%
National Counties Building Society	250,000	11/03/2024	11/06/2024	5.21%
Newcastle Building Society	500,000	11/03/2024	11/07/2024	5.20%
Chorley Building Society	250,000	27/09/2023	27/09/2024	6.00%
	3,715,000			

14 Special Levies are due to be paid by Constituent Councils in two halves on 1 May and 1 November every year.

15 Summarised transactions for Drainage Rates and Special Levies during the year are as follows:

	2022/23	2023/24
Arrears b/fwd	-571	1,301
Drainage Rates for the year	250,484	369,850
Special Levies for the year	234,469	233,990
New Assessments	7,213	1,205
Value Decreases	-10,519	-5,497
Value Increases	3,300	4,118
Payments Received	-482,923	-618,355
Settlement Discount	0	-1,013
Returned/(Represented) amounts	19	23,491
Irrecoverables and write offs	-1,165	-2,348
Summons collection costs	975	1,725
Adjustments	18	190
Arrears c/fwd	1,301	8,657

16 There have been no prepayments in the period.

From: 01 April 2023
To: 31 March 2024

Period To: 12
Year Ended: 31 March 2024

Note Notes to the Accounts

17 Grants Reserve

Movements on the Grants Reserve are made up as follows:

	<u>2023/24</u>
Opening Balance at 1-4-2023	1,549,870
Add: Grant Received	6,704,100
Less: Grant Applied	-4,829,097
Closing Balance as at 31-3-2024	<u>3,424,873</u>

	<u>2022/23</u>	<u>2023/24</u>
SCH02 Norton & Raveningham Water Mgmt Improvement Scheme	13,942	13,942
SCH03 Lower Waveney WLMI FCERM7 Study	372,752	136,552
SCH04 Norton & Raveningham WMIS	801,165	2,270,382
SCH05 Benacre and Kessingland Flood Risk Management Scheme	362,010	974,320
SCH06 Shimpling Natural Flood Management Scheme	0	29,676
	<u>1,549,870</u>	<u>3,424,873</u>

18 Development Reserve

	<u>2022/23</u>	<u>To/(From)</u>	<u>2023/24</u>
Burgh Castle	258,448	213,638	472,086
Gravitational Level	53,000	0	53,000
Haddiscoe	5,874	0	5,874
Capital Receipt WHAM	173,379	0	173,379
	<u>490,700</u>	<u>213,638</u>	<u>704,338</u>

19 Langley Road & Pump Maint and Repairs Provision

	<u>2022/23</u>	<u>To/(From)</u>	<u>2023/24</u>
Langley Pump Repair Replacement Fund	11,668	0	11,668
Langley Road Maintenance Fund	0	0	0
	<u>11,668</u>	<u>0</u>	<u>11,668</u>

20 Accrued Interest Provision

	<u>2022/23</u>	<u>To/(From)</u>	<u>2023/24</u>
Burgh Castle	94,451	15,382	109,833
Worlingham	2,192	7,653	9,844
Gravitational Level	41,680	4,127	45,806
Haddiscoe	0	256	256
Langley Pump Repair Replacement Fund	120	509	628
	<u>138,442</u>	<u>27,926</u>	<u>166,368</u>

21 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 asset of £744,000 as at 31 March 2024 that is shared by all 6 Member Boards. 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 31 January 2023.

22 The Reserves are managed in accordance with the Capital Financing and Reserves Policy, as approved by the Board in February 2021. This policy is available for viewing on the Board's website.

23 The purpose of the Development Reserve is to reduce the impact on drainage rates and special levies from development that takes place in the area. The Board charges developers a standard rate per impermeable hectare for agricultural land which is developed and becomes a hard standing area, such as housing, roadways etc. The money is credited to this Reserve and then used to reduce the gross cost of capital work needed to cater for the additional flows arising from such development. The income for this Reserve therefore comes exclusively from developers and is used to fund in part improvement works that are necessary because of development.

Related Party Transactions

24 Mr H Thomson-Carrie is the Chairman of the Waveney, Lower Yare and Lothingland IDB. He has received a total of £3,500.00 Chairman's Allowance for the period 01 April 2023-31 March 2024.

25 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.

Recommended Actions:

1. To approve the Financial Report for the period ending 31-3-2024.

S JEFFREY BSc (Hons) FCCA CPFA
FINANCE & RATING MANAGER

From: 01 April 2023
To: 31 March 2024

Period To: 12
Year Ended: 31 March 2024

BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2024		ACTUAL 2022/23 £	ACTUAL 2023/24 £
1	Balances brought forward		
	General Reserve	210,062	239,822
	Development Reserve	484,826	490,700
	Plant Reserve	11,668	11,668
	Revaluation Reserve	0	0
	Grants Reserve	1,461,015	1,549,870
	Capital Works Accrued Interest Provision		14,183
	Accrued Interest Provision	131,985	138,442
	As per Statement of Accounts	2,299,557	2,444,685
	(-) Fixed Assets and Long Term Liabilities		
	Long Term Liabilities	-80,209	-69,293
	Pension Liability	0	0
	Net Book Value of Tangible Fixed Assets	0	0
		-80,209	-69,293
	(=) Adjusted Balances brought forward (Net Current Assets)	2,379,766	2,513,979
2	(+) Rates and Special Levies		
	Drainage Rates	250,877	371,825
	Special Levies issued by the Board	234,473	233,999
	As per Statement of Accounts	485,350	605,824
3	(+) All Other Income		
	Grants Applied	2,931,145	4,829,097
	Highland Water Contributions	182,650	244,256
	Income from Rechargeable Works	12,500	0
	Investment Interest	22,798	127,038
	Surface Water Development Contributions	0	213,638
	Other Income	275,147	275,964
	Profit/(Loss) on disposal of Fixed Assets	0	0
	As per Statement of Accounts	3,424,240	5,689,993
	(+) Additional Income from Sale of Fixed Assets		
	Capital Cost of disposals	0	0
	Less: Accumulated depreciation written out	0	0
		0	0
	(+) Grants Applied to Grants Received Conversion		
	(-) Grants Applied	-2,931,145	-4,829,097
	(+) Grants Received	3,020,000	6,704,100
		88,855	1,875,003
	(=) Adjusted Other Income	3,513,095	7,564,996

From: 01 April 2023
To: 31 March 2024

Period To: 12
Year Ended: 31 March 2024

BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2024		ACTUAL 2022/23 £	ACTUAL 2023/24 £
4	(-) Staff Costs		
	Labour Operations Account	0	0
	Shared Technical Support Staff Costs	219,630	254,080
	Shared Administration Staff Costs	95,569	78,462
		315,199	332,542
5	(-) Loan Interest/Capital Repayments		
	Loan Interest	1,977	1,675
	Capital Repayments	10,916	8,322
	As per Statement of Accounts	12,894	9,997
6	(-) All Other Expenditure		
	Capital Works	2,931,145	4,829,097
	Maintenance Works	656,130	1,044,860
	Environment Agency Precept	90,826	91,735
	Development Expenditure	0	0
	Administration Charges	160,737	135,681
	Cost of Rechargeable Works	12,500	0
	Pension Interest Cost/(Expected Return on Assets)	0	0
	As per Statement of Accounts	3,851,338	6,101,372
	(-) All Other Expenditure (Non Cash)		
	Plant and Equipment	0	0
	Buildings	0	0
	Depreciation on Kettlewell House (ncluding in admin. Exp.)	0	0
	Pension Interest Cost/(Expected Return on Assets)	0	0
		0	0
	(-) Staff Costs now reported in Box 4	315,199	332,542
	(+) Capitalised Additions		
	Land and Buildings	0	0
	Plant and Equipment	0	0
		0	0
	(=) Adjusted Other Expenditure	3,536,139	5,768,830

From: 01 April 2023
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Period To: 12
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BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2024		ACTUAL 2022/23 £	ACTUAL 2023/24 £
7	(=) Balances carried forward		
	General Reserve	239,822	102,466
	Development Reserve	490,700	704,338
	Plant Reserve	11,668	11,668
	Revaluation Reserve	0	0
	Grants Reserve	1,549,870	3,424,873
	Capital Works Accrued Interest Provision	14,183	102,745
	Accrued Interest Provision	138,442	166,368
	As per Statement of Accounts	2,444,685	4,512,459
	(-) Fixed Assets and Long Term Liabilities		
	Long Term Borrowing	-69,293	-60,971
	Loans Payable in less than 12 months	0	0
	Pension Liability	0	0
	Net Book Value of Tangible Fixed Assets	0	0
		-69,293	-60,971
	(=) Adjusted Balances carried forward (Net Current Assets)	2,513,979	4,573,430
8	Total Cash and Short Term Investments		
	Cash at Bank and in Hand	156,202	670,791
	Short Term Investments	2,292,171	3,715,000
	As per Statement of Accounts	2,448,373	4,385,791
9	Total Fixed Assets and Long Term Assets (Net Book Value)		
	Land and Buildings	0	0
	Plant and Equipment	0	0
	Pumping Stations	2,717,000	2,717,000
	As per Statement of Accounts	2,717,000	2,717,000
10	Total Borrowings		
	Loans Due (<= 1 Year)	8,322	8,583
	Loans Due (> 1 Year)	60,971	52,388
	As per Statement of Accounts	69,293	60,971

From: 01 April 2023
To: 31 March 2024

Period To: 12
Year Ended: 31 March 2024

BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2024	ACTUAL 2022/23 £	ACTUAL 2023/24 £
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7, 8 RECONCILIATION BETWEEN BOXES 7 AND 8	ACTUAL 2022/23 £	ACTUAL 2023/24 £
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7	Balances carried forward (adjusted)	2,513,979	4,573,430
	(-) Deduct: Debtors and Prepayments		
	Trade Debtors	3,035	176,306
	Work in Progress	13,464	0
	Drainage Rates and Special Levies Due	1,301	8,657
	Prepayments	0	0
	Prepayments to WMA	6,638	9,238
	Vat Due from HMRC	202,444	381,597
	Intt Accrued	0	0
		226,882	575,798
	(+) Add: Creditors and Payments Received in Advance (<= 1 Year)		
	Trade Creditors	66,347	295,003
	Accruals	83,360	55,645
	Drainage Rates/Special Levies paid in advance	11,570	37,511
	PWLB	0	0
		161,277	388,159
	(=) Box 8	2,448,373	4,385,791
8	(=) Total Cash and Short Term Investments		
	Cash at Bank and in Hand	156,202	670,791
	Short Term Investments	2,292,171	3,715,000
		2,448,373	4,385,791

S JEFFREY BSc (Hons) FCCA CPFA
FINANCE & RATING MANAGER

15/05/2024

**NOTICE OF CONCLUSION OF AUDIT
AND
RIGHT TO INSPECT THE ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN**

Annual Governance and Accountability Return for the year ended 31 March 2024

Sections 20 (2) and 25 of the Local Audit and Accountability Act 2014

Accounts and Audit Regulations 2015 (SI 2015 No 234)

Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 (SI 2020/404)

Date of Notice: 27 September 2024

Notice

The audit of accounts for the Waveney Lower Yare and Lothingland Internal Drainage Board for the year ended 31 March 2024 was concluded on 13 September 2024 by PKF Littlejohn LLP.

Rights

The Annual Governance and Accountability Return, Auditor's Certificate/Report and Statement of Accounts have been published and are available below.

To arrange an inspection and/or copy please contact the Chief Executive between the hours of 9.00 am – 4.00 pm, Monday to Friday.

Documents will remain available for public access for a period of not less than 5 years from the date of this notice.

Pierpoint House
28 Horsley's Fields
King's Lynn
Norfolk
PE30 5DD

P J CAMAMILE
CHIEF EXECUTIVE

Tel: 01553 819600

E-mail: phil@wlma.org.uk

Annual Governance and Accountability Return 2023/24 Form 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2023/24

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report** must be completed by the authority's internal auditor.
 - **Sections 1 and 2** must be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2024**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2024**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2024
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2023/24

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2024 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2023/24**, approved and signed, page 4
- **Section 2 - Accounting Statements 2023/24**, approved and signed, page 5

Not later than 30 September 2024 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review. It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2023/24

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty) and is properly signed and dated. Any amendments must be approved by the authority and properly initialled.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2024.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- **You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chair, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the bank reconciliation is incomplete or variances not **fully** explained then additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2023) equals the balance brought forward in the current year (Box 1 of 2024).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2024**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?		
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?		
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', has an explanation been published?		
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?		
	Has the authority's approval of the accounting statements been confirmed by the signature of the Chair of the approval meeting?		
	Has an explanation of significant variations been published where required?		
	Has the bank reconciliation as at 31 March 2024 been reconciled to Box 8?		
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.		

**Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk*

Annual Internal Audit Report 2023/24

WAVENEY LOWER YARE AND LOTHINGLAND IDB

ENTER PUBLIC ADDRESS www.wlma.org.uk/waveney-idb/home/

During the financial year ended 31 March 2024, 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 2023/24 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 2022/23, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2023-24 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2022/23 AGAR (see AGAR Page 1 Guidance Notes).	✓		
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

20/03/2024 22/03/2024 05/04/2024

DAVID ROBINSON

Signature of person who carried out the internal audit

[Signature]

Date

24/04/2024

*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 2023/24

We acknowledge as the members of:

WAVENEY LOWER YARE AND LOTHINGLAND 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 2024, 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.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>	
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>	
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.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>	
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.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>	
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.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>	
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>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.</i>	
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>	
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.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>	
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	<i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>
			✓	

***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:

15/05/2024

and recorded as minute reference:

45124101

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

Chair

Clerk

SIGNATURE REQUIRED

SIGNATURE REQUIRED

ENTER PUBLICLY AVAILABLE ELECTRONIC ADDRESS
www.wlma.org.uk/waveney-idb/home/

Section 2 – Accounting Statements 2023/24 for

WAVENEY LOWER YARE AND LOTHINGLAND IDB

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward	2,379,766	2,513,979	<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	485,350	605,824	<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	3,513,095	7,564,996	<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	315,199	332,542	<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	12,894	9,997	<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	3,536,140	5,768,830	<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	2,513,979	4,573,430	<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	2,448,373	4,385,791	<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	2,717,000	2,717,000	<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	69,293	60,971	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)				<i>The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.</i>
11b. Disclosure note re Trust funds (including charitable)				<i>The figures in the accounting statements above exclude any Trust transactions.</i>

I certify that for the year ended 31 March 2024 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

5. Signature REQUIRED

Date _____

01/05/2024

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

15/05/2024

as recorded in minute reference:

45124102

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

SIGNATURE REQUIRED

Section 3 – External Auditor’s Report and Certificate 2023/24

In respect of **Waveney Lower Yare & Lothingland Internal Drainage Board – DB0121**

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>

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 2024; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2023/24

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 2023/24

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 2024.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

PKF Littlejohn LLP SIGNATURE REQUIRED

Date

13/09/2024



Internal Audit

REVISED FINAL

Water Management Alliance

Assurance Review of Annual Governance and Accountability Return

2023/24

April 2024

Executive Summary

OVERALL ASSESSMENT	
<div><div><div>Adequate & effective governance, risk and control processes</div><div>SUBSTANTIAL ASSURANCE</div></div><div><div>SUBSTANTIAL ASSURANCE</div><div>REASONABLE ASSURANCE</div><div>LIMITED ASSURANCE</div><div>NO ASSURANCE</div></div></div>	
ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE	
<p>The audit covers all areas required by the Annual Governance and Accountability Return (AGAR) and includes, where appropriate, the key risks for a drainage board.</p>	
SCOPE	
<p>The purpose of the review was to undertake sufficient audit work to be able to sign off the Annual Governance and Accountability Return for Internal Audit.</p>	

KEY STRATEGIC FINDINGS			
<div><div></div><div></div></div>	<p>The Water Management Alliance (WMA) has good accounting practices and the governance, risk and control framework is working well.</p> <p>The WMA use the Sage 200 suite of software to manage their accounts, which supports accurate accounting and good record keeping.</p>		
GOOD PRACTICE IDENTIFIED			
<div><div></div><div></div></div>	<p>The WMA demonstrates good challenge and understanding of issues at hand as evidenced by the comprehensive minutes of Board and Committee meetings.</p> <p>The WMA has a very informative website which is easy to navigate, well populated with useful and key information.</p>		
ACTION POINTS			
<div><div>Urgent</div><div>0</div></div>	<div><div>Important</div><div>0</div></div>	<div><div>Routine</div><div>1</div></div>	<div><div>Operational</div><div>1</div></div>

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	The Financial Regulations for Waveney, Lower Yare and Lothingland IDB were last reviewed in February 2020 and are due to be reviewed every three years. However, the next review date is recorded as October 2024, which is not within the agreed review timescales.	The date of next review for Waveney, Lower Yare and Lothingland IDB Financial Regulations be updated, to fit within the agreed three-year review cycle.	3	WLYL IDB joined the WMA in April 2020. The review cycle advises once every 3 years – as Waveney are holding an election in November 2024, this review cycle is currently out of sync, and will be regularised at the November meeting, with each review happening within the 3-year period.	06/11/2024	Sallyanne Jeffrey Finance and Rating Manager.

PRIORITY GRADINGS

1	URGENT	Fundamental control issue on which action should be taken immediately.
---	--------	--

2	IMPORTANT	Control issue on which action should be taken at the earliest opportunity.
---	-----------	--

3	ROUTINE	Control issue on which action should be taken.
---	---------	--

Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
1	Delivery	It was noted that over the next few years the WMA is looking to achieve a balanced budget for each Board. However, due to high inflation, which has particularly impacted on electricity supplies, many other Drainage Boards in the East Anglia area are now looking to increase their general reserve capacity to 30% of net expenditure. It is important that all Boards maintain an adequate and appropriate level of general reserves to provide financial protection from unforeseen events that would require a significant amount of resource to manage	Consideration be given to increasing the general reserve capacity to 30% in line with other Drainage Boards.	<p><i>All WMA Member Boards have agreed to present a balanced budget within 3 years but are unlikely to also be able to rebuild their reserves during the same time frame without increasing rates and levies further, by at least 30% year on year. The Boards are therefore unlikely to agree to increase their reserves from drainage rates and special levies at this moment in time.</i></p> <p><i>There is also a significant risk that contributing Councils and Farming Businesses feel unable to sustain their support for higher rate/levy increases that they have previously agreed to do during the next 3 years, which means that significant cuts will need to be made in the services provided and maintenance work undertaken to halt the decline of reserves still further.</i></p> <p><i>We will therefore need to consider making cuts to the maintenance programme if the Boards decide not to sustain the increases in drainage rates and special levies that are required to balance the budget over the next 3 years. Clearly, this is far from ideal.</i></p>

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Findings



Directed Risk:

Failure to properly direct the service to ensure compliance with the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	In place	1	-
RM	Risk Mitigation The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	In place	-	-

Other Findings



The Water Management Alliance (WMA) consists of the following seven Boards: Broads IDB; East Suffolk WMB; King's Lynn IDB; Norfolk Rivers IDB; South Holland IDB; Waveney, Lower Yare and Lothingland IDB; Pevensey and Cuckmere WLMB.



The following Policies and procedures for each Board were reviewed:

- Financial Regulations - recently approved with a three-yearly review cycle (with the exception of Waveney, Lower Yare and Lothingland IDB – recommendation 1 refers) and an agreed date of next review;
- Business Plan (Policy Statement) - All recently approved with an agreed date of next review within five years;
- Consortium Management Committee - Terms of Reference dated March 2024;
- Capital Financing and Reserves Policy - Approved September 2022 with a five-yearly review cycle and adopted by all seven Boards.



A number of agendas and minutes were reviewed for each Board and were found to be very comprehensive and demonstrated good governance. Decisions and actions had been followed through including the approval of rate increases for each Board.


















Accounts and annual financial statements can be found on the Water Management Alliance website.



The Risk Management Policy was last reviewed in September 2021 and has a five-year review period. The Policy applies to all seven Boards in the Alliance and has been adopted by them.

Other Findings

-  The risk register is presented at each Board meeting for all the Boards to enable all the strategic risks to be considered and approved. The risk register and the resulting minutes are all included in the certified minutes, which can be found on the Water Management Alliance website.
-  Each Board reviews its objectives and sets new objectives for the following financial year at their rate setting meetings in January/February. This is confirmed in each Board's minutes, and these are available on the Water Management Alliance website. The exception to this is the Pevensey and Cuckmere Board which became part of the consortium on 1st April 2024 and is expected to be aligned with the other boards for 2025/26.
-  The Water Management Alliance use Sage 200 accounting software for their accounting records, which supports the financial transactions of the Boards. The trial balance for all seven Boards were reviewed and found to be in balance. In addition, the Income and Expenditure accounts and balance sheets were reviewed for all seven Boards and found to be in order.
-  The accounts payable system is an integral part of Sage 200 and is working well. A purchase order (PO) system is in place and a PO is issued for the purchase of goods. A number of examples were examined and found to be in order.
-  The five largest payments of the year were selected across the seven Boards and reviewed in detail. Each Board provided a PO (if applicable), invoice, nominal ledger entry, payment run and bank statement for each payment. These showed good accounting practices with appropriate controls in place.
-  The penny rate is set by each Board at their January/February meeting each year. Rate demands are then sent out towards the end of March each year. Reminders are sent out towards the end of June. If still unpaid by 31st October, a court summons is progressed during November for amounts exceeding £20.
-  The accounts receivable system is an integral part of Sage 200 and is working well. The debtor's system was reviewed and at the time of the audit (March 2024) aged debtors reports for the seven Boards were generated using Sage 200. The Financial Regulations state the Finance and Rating Manager shall ensure that all debts are substantially collected within 30 days from the debtor invoice tax point date and that the Chief Executive should be advised of debts that have become three months overdue or whenever a debt becomes doubtful. At the time of the audit review the only debts outstanding over 90 days related to two where consent was revoked and the invoice was subsequently credited in full as no payment was due.
-  All seven boards operate the same write-off procedure as detailed in the Financial Regulations. The Chief Executive has the authority to write off debts up to £750, surplus goods, stolen/damaged goods and obsolete goods. Other Board Members must inform the Chief Executive of any material item they consider should be written off. No sales debtors were written off during 2023/24.
-  The Finance and Rating Manager is responsible for the proper compilation of the payroll(s). Gross pay, net pay and all deductions have been well documented for all employees. Each Board operate an individual payroll (excluding East Suffolk; Pevensey and Cuckmere; Waveney Lower Yare and Lothingland as these Boards have no employees) and the WMA operate a separate payroll for shared staff, such as administration staff.
-  The payroll for the month of December 2023 was examined and found to be in order including NI and tax deductions. The WMA have confirmed employee contracts are in place.
-  A review of tax and NI invoices confirm the PAYE and NI payments have been made as required for December 2023. Each payment has been approved and signed off.
-  A review of the pension invoices for each Board shows employee and employer pension contributions have been made to the respective pension providers, as required for December 2023. Each payment has been approved and signed off.
-  The asset registers for the Boards were reviewed and found to be in order, up to date and included details of the original purchase, revaluation, depreciation and net book value.
-  Accounting Statements have been undertaken and reconciled to the cash book for each Board with no unreconciled items.
-  Data feeding into the Accounting Statements was confirmed to be correct.











Delivery Risk:

Failure to deliver the service in an effective manner which meets the requirements of the organisation.

Ref	Expected Key Risk Mitigation		Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
PM	Performance Monitoring	There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.	In place	-	1
S	Sustainability	The impact on the organisation's sustainability agenda has been considered.	In place	-	-
R	Resilience	Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	Partially in place	-	-

Other Findings

-  Management accounts, including budget data, are reported regularly to each Board. The Board papers for the seven Boards for each meeting undertaken during 2023 were reviewed and it was confirmed that appropriate financial and budget data was presented to every Board Meeting.
-  The Boards have a Capital Financing and Reserves Policy which was approved in September 2022 and is to be reviewed every five years. General Reserves should be no less than 20% of net expenditure with a £200,000 minimum and to be reviewed annually.
-  The Boards maintain an indicative five-year forecast which enables future increases in both the penny rate and precept to be calculated and for such bodies as the precepting authorities to be consulted in advance of any increases being made. The forecast is presented to each Board at the January/February Board Meeting.
-  The Boards are operating within their approved budgets for the 2023/24 financial year. It is noted that Waveney, Lower Yare and Lothingland IDB agreed a budget of £0 for capital works but have an expenditure to date of £2.9M, however, as capital works are entirely funded through the Environment Agency, this does not result in an overspend for the board.
-  The Financial Regulations state the Finance and Rating Manager is responsible for ensuring that all monies received are properly recorded. All cheques and cash are banked daily. The Boards' cash books, bank statements, trial balances and income and expenditure reports were reviewed and found to be in order.
-  The bank reconciliations for the period January 2024 were reviewed and all Boards' bank accounts were reconciled to the cash book.
-  Good practice is adopted by all the Boards to enable them to respond to business interruption events should they arise and to enhance the economic, effective and efficient delivery of their services.
-  A Sustainability Policy is adopted by all seven Boards and was last reviewed December 2020 with a five-year review cycle.

EXPLANATORY INFORMATION

Appendix A

Scope and Limitations of the Review

1. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

Disclaimer

2. The matters raised in this report are only those that came to the attention of the auditor during the course of the review, and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Effectiveness of arrangements

3. The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

In place	The control arrangements in place mitigate the risk from arising.
Partially in place	The control arrangements in place only partially mitigate the risk from arising.
Not in place	The control arrangements in place do not effectively mitigate the risk from arising.

Assurance Assessment

4. The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

5. We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

6. The table below sets out the history of this report.

Stage	Issued	Response Received
Audit Planning Memorandum:	7 th September 2023	7 th September 2023
Draft Report:	11 th April 2024	15 th April 2024
Final Report:	17 th April 2024	17 th April 2024
Revised Final Report:	17 th April 2024	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	Water Management Alliance		
Review:	Annual Governance and Accountability Return		
Type of Review:	Assurance	Audit Lead:	William Railton

Outline scope (per Annual Plan):			
Detailed scope will consider:	<p>Directed</p> <p>Governance Framework: There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.</p> <p>Risk Mitigation: The documented process aligns with the mitigating arrangements set out in the corporate risk register.</p> <p>Compliance: Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.</p>	<p>Delivery</p> <p>Performance monitoring: There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.</p> <p>Sustainability: The impact on the organisation's sustainability agenda has been considered.</p> <p>Resilience: Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.</p>	
Requested additions to scope:	(if required then please provide brief detail)		
Exclusions from scope:			

Planned Start Date:	26/02/2024	Exit Meeting Date:	N/A	Exit Meeting to be held with:	
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SELF ASSESSMENT RESPONSE

Matters over the previous 12 months relating to activity to be reviewed	Y/N (if Y then please provide brief details separately)
Has there been any reduction in the effectiveness of the internal controls due to staff absences through sickness and/or vacancies etc?	
Have there been any breakdowns in the internal controls resulting in disciplinary action or similar?	
Have there been any significant changes to the process?	
Are there any particular matters/periods of time you would like the review to consider?	

IAS19 as at 31 March 2024 - Results Schedule

Employer : King's Lynn (WMA)

Local Government Pension Scheme Fund : Norfolk Pension Fund

Terms of Engagement Signed : 21 February 2024

Date report prepared : 25 April 2024

Summary information from this schedule:

(a) Balance sheet

	31 March 2024	31 March 2023
	£(000)	£(000)
Assets	8,035	6,664
Obligations	7,291	6,904
Net asset / (liability)	744	(240)

Please contact Norfolk Pension Fund to request asset ceiling calculations if required. Your assets are greater than your funded obligations (an accounting surplus) and the Accounting Standard restricts the amount of surplus that can be disclosed (i.e. the asset ceiling). This Results Schedule shows the gross accounting position before any asset ceiling adjustments are applied. Further details on this topic are set out in the accompanying Accounting Covering Report.

(b) Profit & Loss account for the period ending 31 March 2024

	£(000)
Service cost	
Current Service Cost	(397)
Past Service Cost (including curtailments)	-
Effect of settlements	-
Total Service Cost	(397)

	£(000)
Total net interest	(8)
Total defined benefit cost recognised in Profit or (loss)	(405)



Julie Baillie FFA

For and on behalf of Hymans Robertson LLP

(c) Key elements

Has the employer instructed bespoke assumptions?	No
Bulk transfer(s) included?	No
Unfunded Pensioner(s) included?	No

To help with your year-end reporting, you may wish to discuss your results with an actuary or arrange a call for your auditor to help answer their queries on your 2024 accounts. To arrange this or to request any additional services or further calculations (eg related to asset ceilings), please get in touch with your Norfolk Pension Fund contact.

(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 2024 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 2024 (and prior year if relevant)
- 4. Projected defined benefit cost for the period to 31 March 2025
- 5. Sensitivity analysis

Section 1 - Data

Employer membership statistics

	Number of Records	Total Salaries/ Pensions p.a. (£000)	Average Age
	31 Mar 2022	31 Mar 2022	31 Mar 2022
Actives	46	1,776	48
Deferred Pensioners	10	53	49
Pensioners	7	52	66

The membership data summarised in the table above is as at the most recent funding valuation date of 31 March 2022. Salaries are actual, not full-time equivalent. Deferred pensioners include undecided leavers and frozen refunds. Pensioners include dependants.

Payroll

Period	Assumed Total Pensionable Payroll based on Information Provided
1 April 2023 to 31 March 2024	£2,241,000

LGPS early retirements

New Early Retirements 1 April 2023 to 31 March 2024	Number	Total Pension Accrued (£)	Total Pension Actual (£)
Redundancy	-	-	-
Efficiency	-	-	-
Other	-	-	-

Teachers' early retirements

New Early Retirements 1 April 2023 to 31 March 2024	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 2024 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 2023 to 29 February 2024	7.4%
Total Returns from 1 April 2023 to 31 March 2024	10.3%

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

Please note, IAS19 requires a detailed breakdown of Fund assets which requires me to distinguish between the nature and risk of those assets and to further break them down between those with a quoted price in an active market and those that do not. The split is shown on page 8.

Unfunded benefits

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

LGPS Unfunded Pensions	Number at 31 March 2024	Annual Unfunded Pension £(000)
Male	-	-
Female	-	-
Dependants	-	-
Total	-	-

Teacher Unfunded Pensions	Number at 31 March 2024	Annual Unfunded Pension £(000)
Male	-	-
Female	-	-
Dependants	-	-
Total	-	-

The annual unfunded pensions include the 2024 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 covering report, are summarised below:

Period Ended	31 Mar 2024	31 Mar 2023
	% p.a.	% p.a.
Pension Increase Rate (CPI)	2.75%	2.95%
Salary Increase Rate	3.45%	3.65%
Discount Rate	4.85%	4.75%

As at the date of the most recent valuation, the duration of the Employer's funded obligations is 26 years.

Demographic assumptions

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2022 model, with a 25% weighting of 2022 data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a. for both males and females. Based on these assumptions, the average future life expectancies at age 65 for the Employer are summarised below:

	Males	Females
Current Pensioners	22.1 years	24.5 years
Future Pensioners*	23.4 years	25.8 years

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

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

Current Pensioners	Future Pensioners
CMI 2021 model, with a 10% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a.	CMI 2021 model, with a 10% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% 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.

A commutation allowance is included for future retirements to elect to take 45% of the maximum additional tax-free cash up to HMRC limits.

All other demographic assumptions are as per the latest funding valuation of the Employer.

Section 3 - Balance sheet, P&L, OCI disclosures as at 31 March 2024

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year end 31 March 2024

Period ended 31 March 2024	Assets £(000)	Obligations £(000)	Net asset / (liability) £(000)
Fair value of plan assets	6,664		6,664
Present value of funded obligations		6,904	(6,904)
Present value of unfunded obligations		-	-
Opening Position as at 31 March 2023	6,664	6,904	(240)
Service cost			
Current service cost*		397	(397)
Past service cost (including curtailments)		-	-
Effect of settlements	-	-	-
Total Service Cost	-	397	(397)
Net interest			
Interest income on plan assets	332		332
Interest cost on defined benefit obligation		340	(340)
Total net interest	332	340	(8)
Total defined benefit cost recognised in Profit or (Loss)	332	737	(405)
Cashflows			
Participants' contributions	183	183	-
Employer contributions	527		527
Benefits paid	(61)	(61)	-
Unfunded benefits paid	-	-	-
Contributions in respect of unfunded benefits paid	-		-
Effect of business combinations and disposals	-	-	-
Expected closing position	7,645	7,763	(118)
Remeasurements			
Changes in financial assumptions		(637)	637
Changes in demographic assumptions		(39)	39
Other experience †	-	204	(204)
Return on assets excluding amounts included in net interest	390		390
Total remeasurements recognised in Other Comprehensive Income (OCI)	390	(472)	862
Fair value of plan assets	8,035		8,035
Present value of funded obligations		7,291	(7,291)
Present value of unfunded obligations**		-	-
Closing position as at 31 March 2024	8,035	7,291	744

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 obligations comprises of approximately £5,413,000, £858,000 and £1,020,000 in respect of employee members, deferred pensioners and pensioners respectively as at 31 March 2024.

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

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

† The other experience on obligations includes an allowance of £204,000 for the April 2024 pension increase order impact.

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year end 31 March 2023

Period ended 31 March 2023	Assets £(000)	Obligations £(000)	Net asset / (liability) £(000)
Fair value of plan assets	6,115		6,115
Present value of obligations		10,613	(10,613)
Opening Position as at 31 March 2022	6,115	10,613	(4,498)
Service cost			
Current service cost*		969	(969)
Past service cost (including curtailments)		-	-
Effect of settlements	-	-	-
Total Service Cost	-	969	(969)
Net interest			
Interest income on plan assets	177		177
Interest cost on defined benefit obligation		306	(306)
Total net interest	177	306	(129)
Total defined benefit cost recognised in Profit or (Loss)	177	1,275	(1,098)
Cashflows			
Participants' contributions	171	171	-
Employer contributions	505		505
Benefits paid	(55)	(55)	-
Unfunded benefits paid	-	-	-
Contributions in respect of unfunded benefits paid	-		-
Effect of business combinations and disposals	-	-	-
Expected closing position	6,913	12,004	(5,091)
Remeasurements			
Changes in financial assumptions		(5,608)	5,608
Changes in demographic assumptions		(53)	53
Other experience	-	561	(561)
Return on assets excluding amounts included in net interest	(249)		(249)
Total remeasurements recognised in Other Comprehensive Income (OCI)	(249)	(5,100)	4,851
Fair value of plan assets	6,664		6,664
Present value of funded obligations		6,904	(6,904)
Present value of unfunded obligations		-	-
Closing position as at 31 March 2023	6,664	6,904	(240)

* The current service cost includes an allowance for administration expenses of 0.6% 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 - Assets

Fair value of plan assets

The below asset values are at bid value as required under IAS19.

The IAS19 asset split is based on the Plan's benchmark investment split.

	Period Ended 31 March 2024			
	Quoted £(000)	Unquoted £(000)	Total £(000)	Percentage of Total Assets
Asset category				
Equity Securities:				
Consumer	-	-	-	0%
Manufacturing	-	-	-	0%
Energy and Utilities	-	-	-	0%
Financial Institutions	-	-	-	0%
Health and Care	-	-	-	0%
Information Technology	-	-	-	0%
Other	-	-	-	0%
Debt Securities:				
Corporate Bonds (investment grade)	-	-	-	0%
Corporate Bonds (non-investment grade)	-	-	-	0%
UK Government	200.9	-	200.9	3%
Other	-	-	-	0%
Private Equity:				
All	-	811.2	811.2	10%
Real Estate:				
UK Property	-	601.2	601.2	7%
Overseas Property	-	90.7	90.7	1%
Investment Funds and Unit Trusts:				
Equities	3,772.3	-	3,772.3	47%
Bonds	1,377.3	-	1,377.3	17%
Hedge Funds	-	-	-	0%
Commodities	-	-	-	0%
Infrastructure	-	916.2	916.2	11%
Other	-	-	-	0%
Derivatives:				
Inflation	-	-	-	0%
Interest Rate	-	-	-	0%
Foreign Exchange	143.0	-	143.0	2%
Other	-	-	-	0%
Cash and Cash Equivalents:				
All	122.2	-	122.2	2%
Totals	5,616	2,419	8,035	100%

The breakdown of assets in monetary terms in the table have been shown to the nearest £100. The additional precision in the presentation of the figures has been included because the sum of the values rounded to the nearest £1,000 will not equal the total values due to rounding. Please note that there may still be a rounding difference between the total and the sum of the breakdown values but this difference will be small. For the avoidance of doubt this does not impact any of the other figures in the report.

Section 5 - Projected defined benefit cost for the period to 31 March 2025

Analysis of projected amount to be charged to operating profit for the period to 31 March 2025

Period Ended 31 March 2025	Assets	Obligations	Net asset / (liability)	
	£(000)	£(000)	£(000)	% of pay
Projected Current service cost *		339	(339)	(15.1%)
Past service cost including curtailments		-	-	-
Effect of settlements	-	-	-	-
Total Service Cost	-	339	(339)	(15.1%)
Interest income on plan assets	405		405	18.1%
Interest cost on defined benefit obligation		365	(365)	(16.3%)
Total Net Interest Cost	405	365	40	1.8%
Total Included in Profit and Loss	405	704	(299)	(13.3%)

* 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 £2,241,000.

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 2025 will be approximately £515,000.

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 2025 will be adjusted to take account of the actual pensionable payroll for the period.

Section 6 - Sensitivity Analysis

Sensitivity analysis

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

Change in assumptions at 31 March 2024:	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	3%	196
1 year increase in member life expectancy	4%	292
0.1% increase in the Salary Increase Rate	0%	31
0.1% increase in the Pension Increase Rate (CPI)	2%	169

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 obligations 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 2024

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 28 February 2025 a copy must be provided to:

- Flood and Coastal Erosion Risk Management Division, Department for Environment, Food and Rural Affairs via flood.reports@defra.gov.uk
- Asset Management and Engineering, Environment Agency via idbfund@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, and please answer **ALL QUESTIONS**.

Please round all cash figures down to nearest whole £.

WAVENEY LOWER YARE AND LOTHINGLAND

Internal Drainage Board

Section A – Financial information

Preliminary information on special levies issued by the Board for 2024-25

Special levies information for financial year 2024-25	
Name of local authority	£
1. BRECKLAND DISTRICT COUNCIL	1,081
2. BROADLAND DISTRICT COUNCIL	724
3. MID SUFFOLK DISTRICT COUNCIL	21,185
4. EAST SUFFOLK COUNCIL	32,352
5. GREAT YARMOUTH BOROUGH COUNCIL	291,131
6. SOUTH NORFOLK DISTRICT COUNCIL	154,524
7.	
8.	
Total	500,997

Section A – Financial information (continued)

Income and Expenditure Account for the year ending 31 March 2024

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 2023*¹

	Notes	Year ending 31 March 2024 £
INCOME		
A. Drainage Rates		371,825
B. Special Levies		233,999
C. Higher Land Water Contributions from the Environment Agency		244,256
D. Contributions received from developers/other beneficiaries		213,638
E. Government Grants (includes capital grants from EA and levy contributions)		4,829,097
F. PSCAs overall total		0
Breakdown:		
from EA		0
from other RMAs		0
G. Loans		0
H. Rechargeable Works		0
I. Interest and Investment Income		127,038
J. Rents and Acknowledgements		0
K. Other Income (please specify, adding rows as necessary)		1,827
		1,827
Total income		6,021,680
EXPENDITURE		
L. New Works and Improvement Works		4,829,097
M. Total precept to the Environment Agency		91,735
N. Watercourse maintenance		127,032
O. Pumping Stations, Sluices and Water level control structures		118,694
P. Administration		133,930
Q. PSCAs		0

¹ https://saaa.co.uk/wp-content/uploads/2023/06/PractitionersGuide_2023.pdf

R. Rechargeable Works		0
S. Finance Charges		1,675
T. Biodiversity enhancement and conservation – overall total		4,500
Breakdown: General, across the whole region SSSI specific, where relevant		4,500
U. Other Expenditure (please specify, adding rows as necessary)		0
Electricity costs – overall total		522,247
Breakdown (if possible): Standing charge (per annum) Unit charge (per annum)		
Fuel (petrol and diesel costs) – overall total		0
Breakdown: Pumping stations Fleet and plant machinery		
Total expenditure		5,828,910
EXCEPTIONAL ITEMS		
V. Profits/(losses) arising from the disposal of fixed assets		0
Net Operating Surplus/(Deficit) for the year		192,770
W. Developers Funds income not applied in year		704,338
X. Grant income not applied in year		3,424,873

Value of drainage rates outstanding at year end?

2.33 %
£ 8,657

Value of special levies outstanding at year end?

0 %
£ 0

Notes:

- K. Include all other Income, such as absorption account surpluses (for example plant and labour absorption accounts). Please include sub-total of all other income in the first row and then a breakdown in separate rows below.

Section B – IDB Reporting

Please answer **ALL QUESTIONS**. We will assume a negative response for any that are not answered.

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.

1. Is an up to date statement in place and copy (or weblink) provided to Defra, and EA?

https://www.wlma.org.uk/uploads/WLYLIDB_Policy_Statement.pdf Yes ☒ No ☐

2. What year was your statement last updated?..... 2020

Biodiversity

3. Please indicate whether your Board has a Biodiversity Action PlanYes ☒ No ☐

4. If "yes" is the Biodiversity Action Plan available on your website? [Biodiversity Action Plan \(wlma.org.uk\)](#) Yes ☒

No ☐

5. What year was your Biodiversity Action Plan last updated?..... 2022

6. Have you reported progress on BAP implementation on your website?.....Yes ☒ No ☐

7. When was biodiversity last discussed at a Board meeting (date)?..... 05.02.2025

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

SSSI water level management plans

9. Are you responsible for any SSSI water level management plans?.....Yes ☒ No ☐

If so, please complete the following table:

Name	Partners	Date of last review	Date of last update
Limpenhoe SSSI	EA, NE	No date	No date
Barnby Broad and Marshes SSSI	EA, NE	2010	2010
Sprat's Water and Marshes, Carlton Colville SSSI	EA, NE	2010	2010
Geldeston Meadows SSSI	WLY&LIDB	No date	No date
Breydon Water SSSI	WLY&LIDB	2014	2014

10. Do you contribute towards any SSSI water level management plans?.....Yes ☐ No ☒

If so, please complete the following table:

Name	Partners	Date of last review	Date of last update

11. Area of SSSI with IDB responsible for water level management plan/s.....	790.166 hectares
12. Area of SSSI with IDB contribution towards water level management plan/s.....	0 hectares
13. Area of SSSI where IDB water level management activities are contributing to recovering or favourable condition?.....	790.166 hectares
14. Area of SSSI where IDB water level management actions are needed to achieve recovering or favourable condition?.....	0 hectares

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:

15. Appropriately skilled Board Members (e.g. Board member from an Environmental Body/Authority) ☐
16. Co-opted members ☐
17. Directly employed staff ☒
18. Contracted persons or consultants ☒
19. Environmental Partners/NGOs ☒
20. Other ☐

If so, please list:

re: Question 6 – BAP tables are reported annually at the January Board meeting which can be found [here](#) on the website.

Public sector cooperation agreements (PSCAs)

21. How many active PSCAs are you working on?
22. Which risk management authorities are you working with on a PSCA?
- | | |
|--|----------------------|
| Environment Agency | <input type="text"/> |
| Lead local flood authority | <input type="text"/> |
| Local authority (not a lead local flood authority) | <input type="text"/> |
| Internal drainage board | <input type="text"/> |
| Water company | <input type="text"/> |
| Other | <input type="text"/> |

If other, please list:

23. Please indicate the type of work being undertaken.

- Routine maintenance
- Asset operation and monitoring
- Asset repairs
- Support during flood incident
- Support during flood recovery
- Other

X

If other, please list:

Asset Management

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

- 24. ADIS ☐
- 25. Paper Records ☐
- 26. Other Electronic System ☒

If so, please list:

ESRI (GIS) AND EXCEL

27. Has your Board continued to undertake visual inspections and update asset databases on an annual basis?.....Yes ☒ No ☐

28. What is the cumulative total of identified watercourse that the Board periodically maintains?

430 kilometres

29. How many pumping stations does the Board operate?

20 pumping stations

30. How many pumps does the Board operate?

electric
diesel
renewable energy pumps (e.g. directly powered by wind, solar, hydro, etc)
temporary / mobile pumps
other type of pumps

20
0
0
0
0

31. If other, please list:

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

13.575 cm3/sec

Health and Safety

33. Does the Board have a current Health and Safety policy in place? Yes ☒ No ☐

34. Does the Board have a Board Member focused on ensuring that Health and Safety is considered when board decisions are made? Yes ☐ No ☒

35. Does the Board have a responsible officer for Health and Safety? Yes ☒ No ☐

36. Have there been any reportable incidents in the past year? Yes ☐ No ☒

If so, please summarise in the box below:

Guidance and Best Practice

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

Has your IDB provided, or accessed via a third party, training for board members in the last year in any of the following areas?

- | | |
|-----------------------------------|-------------------------------------|
| 38. Governance | <input checked="" type="checkbox"/> |
| 39. Finance | <input type="checkbox"/> |
| 40. Environment | <input type="checkbox"/> |
| 41. Health, safety and welfare | <input checked="" type="checkbox"/> |
| 42. Communications and engagement | <input type="checkbox"/> |
| 43. Other | <input type="checkbox"/> |

If so, please specify:

--

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

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

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

47. 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 ☐

48. 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:

49. Standing Orders Yes ☒ No ☐

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

51. Byelaws Yes ☒ No ☐

If you have Byelaws, have:

52. you adopted the 2021 model byelaws.....Yes ☐ No ☒

53. Or have you adopted the 2012 model byelaws.....Yes ☒ No ☐

54. the byelaws been approved by Ministers.....Yes ☒ No ☐

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

56. Financial Regulations.....Yes ☒ No ☐

57. Register of Member's Interests.....Yes ☒ No ☐

58. Anti-fraud and corruption policy.....Yes ☒ No ☐

Board membership and attendance

59. How many Board members (in total – elected and appointed) do you have on your IDB?

29

60. Seats available to appointed members under the Land Drainage Act 1991.

11

61. Number of elected members on the board at year end.

16

62. Number of appointed members on the board at year end.

9

63. Mean average number of elected members in attendance at each board meeting over the last financial year.

1.2

64. Mean average number of appointed members in attendance at each board meeting over the last financial year.

0.8

65. Have you held elections (with or without a vote) within the last three years?.....Yes ☒ No ☐

66. If you have held elections, did they 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 ☐

Complaints procedure

67. 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 ☒

68. Number of complaints received in the financial year?

0
0
0
0

69. Number of complaints outstanding in the financial year?

70. Number of complaints referred to the Local Government & Social Care Ombudsman?

71. Number of complaints upheld by the Local Government & Social Care Ombudsman?

Public Engagement

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

Published:

72. your completed IDB1 Form

☒

73. press release/s

☐

74. newsletter/s

☒

75. notice/s

☒

76. public consultation

☐

77. updated your IDB website

☒

Media engagement with:

78. national and/or local media e.g. TV, radio, etc

☐

79. national and/or local media e.g. newspaper, magazine, etc

☐

80. trade media

☒

81. social media

☒

Public meetings:

82. Held public meeting/s

☒

83. Attended meetings e.g. Parish Council, local interest group, local flood group, etc

☐

Public events:

84. attended show/event/s e.g. county shows, fairs, etc

☒

85. attended trade event e.g. Flood and Coast, Flood and Water Live, etc

☐

86. hosted IDB open day

☐

Section B: NOTES

Guidance and Best Practice

Has your Board published **all** minutes of meetings on the website? 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

WAVENEY LOWER YARE AND LOTHINGLAND

Internal Drainage Board

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

Signature

P. Camamile

Date

28/02/2025

Name in BLOCK LETTERS

PHIL CAMAMILE

Designation

CHIEF EXECUTIVE

Email address

PHIL@WLMA.ORG.UK

BOARD MEMBERSHIP AS AT 31 MARCH 2023

NAME	MEETINGS	ATTENDED	ATTENDANCE %
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ELECTED MEMBERS

Sir Nicholas Bacon	2	2	100
Richard Basey-Fisher	2	2	100
Ben Blower (wef 01 Nov 21)**	2	2	100
John Brown	2	1	50
Henry Budgen	2	2	100
David Burroughs	2	1	50
Collen Burton	2	1	50
Peter Cargill	2	2	100
Matt Gooch	2	2	100
John Heathcote (wef Feb 2022)	2	0	0
Rachael Hipperson	2	0	0
Chris Mutton	2	2	100
William Slater	2	1	50
Hamish Thomson-Carrie *	2	2	100
Ivan Vincent	2	0	0
David Watson	2	1	50

Vacancy

Elected Member Total	32	21	66%
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APPOINTED MEMBERS

Great Yarmouth BC

Ivan Murray Smith	2	0	0
Paul Wells	2	0	0

South Norfolk DC

Brendon Bernard	2	0	0
Chris Brown	2	2	100
James Eddy	2	1	50
Clayton Hudson	2	2	100
Kieran Murphy	2	0	0

Vacancy

East Suffolk Council

Peter Byatt (wef June 2022)	2	0	0
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Broadland DC

Grant Nurden	2	2	100
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Vacancy

Appointed Member Total	18	7	39%
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* Chairman / ** Vice Chairman

Elected Member Average Attendance (excluding vacancies) **66%**
Appointed Member Average Attendance (excluding vacancies) **39%**



Waveney, Lower Yare and Lothingland Drainage Board

Board Members and Officers

Gifts and Hospitality Register for 2023/24

[illegible]