

Board Paper

Paper Title	Internal Drainage Districts – Precepts, Rates & Levies 2019-20
Paper Reference:	NRW B 19.10
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Paper Sponsored By:	Kevin Ingram, Executive Director of Finance and Corporate Services

Purpose of Paper:	Decision
Recommendation:	<p>The Board is requested to:</p> <ul style="list-style-type: none"> • approve the Internal Drainage District (IDD) special levies, drainage rates and precepts for 2019-20; • approve the novel, contentious or repercussive request for the change in the calculation of the precept for the Caldicot & Wentloog IDD (C&W IDD) in the future.

Impact:	<p>Looking at the long term – The budget proposals will form part of the longer-term strategy to ensure IDD’s are financially geared to delivering their future work programmes.</p> <p>Taking an integrated approach – Joint working between NRW and the Advisory Groups will ensure our targets are integrated with the resources available.</p> <p>Involving a diversity of the population – The budget proposals have been made available for consultation with the Advisory Groups.</p> <p>Working in a collaborative way – Our work programmes includes deliverables we undertake jointly.</p> <p>Preventing issues from occurring – The proposed budgets are set with the input from Advisory Groups and NRW staff as well as looking at past performance to ensure learning is applied.</p>
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Issue

1. The Board are requested to approve the recommendations of the meeting held with the Chair of Flood Risk Management Advisory Group (FRMAG) which considered the IDD’s Special Levies, Drainage Rates and Precepts for 2019-20 on 11 January 2019.
2. The Board are recommended to approve the novel, contentious or repercussive request for the change in the calculation of future Precepts for the C&W IDD which has also been considered by the Chair of FRMAG.

Background

3. The Board has previously agreed to delegate detailed consideration of matters relating to IDD's to the FRMAG.
4. All funding recommendations have been agreed with the various IDD Advisory Group Meetings prior to the meeting with the Chair of FRMAG.
5. We have shared the proposal to change future precept calculations with the C&W IDD Advisory Group to avoid a situation where we would have to significantly increase special levies and drainage rates to fund the IDD contribution to major capital schemes. Currently there is no scheme in the programme that would have this impact but there have been schemes in the past and there may be again a need to undertake large schemes in the future, taking into consideration the impacts of climate change.

Assessment

6. We will provide a verbal update of the meeting held with the Chair of FRMAG which will recommend approval to the Board. The paper that was considered can be found at **Annex A**, which includes full details of the proposals.
7. In summary, the recommendations are to raise Precepts to £298k (from £278k), Special Levies to £1,188k (from £1,175k) and Drainage Rates to £176k (from £166k). The increase is to ensure that we recover the correct amount via the precept from the IDD's to recognise the benefit that the maintenance of main rivers has on IDD's in North West Wales. The increase in Precept on the IDD's is then recovered by increasing the Special Levies and Drainage Rates which are paid by Local Authorities and local agricultural users respectively.

Key Risks

8. If the Precepts, Drainage Rates and Special Levies are not approved then we will not meet the statutory deadlines and the programme of works will not be authorised.
9. Increases to drainage rates in IDD's in North West Wales have been discussed and agreed with the Advisory Groups but there is still a risk of adverse charge payer reaction when they are published.

Recommendations

10. To approve the IDD Special Levies, Drainage Rates and Precepts for 2019-20.
11. To approve the novel, contentious or repercussive request for the change in the calculation of future precepts for the C&W IDD.

Financial Implications

12. The paper is about the financial position of the IDD's. There will be minor advertising costs involved in communicating the drainage rates agreed in the local area.

Equality Impact assessment (EqIA)

13. Not required.

List of Annexes

Annex A FRMAG Paper on funding proposals for 2019-20 and the request for novel, contentious or repercussive approval.

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