

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

# Extraordinary Board Meeting

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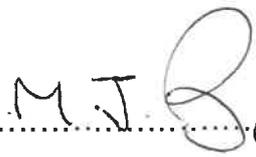
Wednesday 14th January 2026 at 10:00am

**Lower Severn IDB Office/Hybrid**

# MATTERS RESERVED FOR THE BOARD

Approved 6<sup>th</sup> November 2024, Minute 3613

1. Proposals affecting the status, functions or geographical area of the Board.
2. Proposals affecting the structure, size or composition of the Board.
3. Responsibility for the overall management of the Board.
4. Major changes relating to the rateable value of the Drainage District.
5. Setting the drainage rate and determining the amount of local authority precepts.
6. Agreeing the Board's annual budget.
7. Determining the level of annual honorarium to be paid to the Chair and Vice Chair of the Board.
8. Matters relating to the payment of expenses to Board members,
9. The consideration of any proposal to alter the Board's overall corporate governance arrangements and committee structure.
10. The approval or revision of Standing Orders, Procedural Rules, Financial Regulations or Codes of Conduct.
11. The formulation or revision of any Business Plan or Strategic policy document.
12. The appointment of committees, Sub-Committees or Working Parties and the setting of their terms of reference.
13. To consider any recommendation made by a Committee, Sub-Committee or Working Party.
14. The making or revision of Byelaws.
15. The prosecution, defence or settlement of any proceedings of a legal nature (other than action for the recovery of drainage rate).
16. The designation of officers authorised to initiate or defend legal proceedings or to appear in Court on the Board's behalf.
17. The consideration of any other matter not falling within the terms of reference of any Committee, Sub-Committee, Working Party or which is delegated to an officer.
18. Responsibility for implementing risk management policies and procedures, and ensuring that the LSIDB's risk management activities are effective and aligned with its strategic objectives.

Signed..........(Chairman)  
Date: 6<sup>th</sup> November 2024  
Minute No 3613

# Lower Severn IDB

## MISSION STATEMENT

We provide land drainage, flood risk management and surface water management to achieve safe, prosperous communities that enjoy the amenity and biodiversity benefits of the water environment.

## Extraordinary Board Meeting – Virtual Meeting/Teams

NB The quorum for this meeting is 8 Members

Wednesday 14<sup>th</sup> January 2026 @ 10.00am

Lower Severn IDB Offices/Hybrid

## AGENDA

Matter Reserved for the Board are included for Members' information

Item		Page No	Lead
1.	Apologies/Welcome/Introduction		Chair
2.	Declaration of Members' Interests		Chair
3.	<b>Review of Programme Board, and request for the approval of the reviewed Programme Budget, and the Application for an additional PWD Loan</b>  a) Programme update report  b) Programme summary finances  The Board is requested to vote for the approval of: - - The revised programme budget at £10.5m (previously £9.910m) - An application for an additional PWLB loan of £2m to fund the completion of the programme	Pages 4 - 6  Page 7	GS  GT  Chair
4.	Review of Actions agreed at the Board meeting		GT
5.	Any Other Item Which the Chair Decides is Urgent- AOB		Chair
6.	Date of Next Meeting: 4th February 2026		Chair
	Close		

- Any other consideration and comments/questions of an urgent nature shall be notified to the office at least 3 working days before the meeting to enable staff to compile the correct information.
- To Note: Would Member's please remember to record their mileages on attending meetings, alternatively you can email them to the office.
- In the meeting members who would like to raise comments or questions are to do this through the chairman by showing ones hand.

## **Lower Severn Drainage Board - Programme Board Capital Programme - Update to the Full Board on Strategy and Funding**

**Introduction** - we have previously explained the strategy, of the Programme Board, in terms of the management of budgetary requirements, variations and sources of funds. Secondly, we have carefully considered the strategy of the timeline and placing of the individual projects for pumping station replacement. The current outline of these considerations are as follows:

- ✓ The current budget of £9.91m was established by combining the contract price of Lapperditch and Marshfield (high confidence) with an estimated price of Wicks Green and Oldbury (low confidence).
- ✓ We reported to the Board our intent not to add any contingency components to pricing to ensure the we demonstrated good financial management of the projects. If there are variances that cannot be contained within the approved budget then we would seek approval for a revised budget.
- ✓ The tracking of all activities including financial variances are maintained within the Programme Boards systems and are auditable.
- ✓ We continue to seek funding opportunities and a speculative approach has resulted in a further successful application which has delivered £230k. This brings the total grant funding to £5.5m.
- ✓ The decision to change the order and bring forward Oldbury Pumping Station was a complex balance between a short-term increase in cost and the longer-term benefit of completing the full programme a year early and hence reducing risk, overall cost and the continuity of expertise and resources.
- ✓ The advantages being:

There is no doubt that costs are still rising in the construction industry though services and suppliers, therefore delay will cost financially

We have built sound arrangements, interfaces, understandings etc. and to delay could lose the advantages of a rolling programme. 'Starting again' would bring its challenges.

Whilst we now have a preliminary cost of both Oldbury and Wicks Green and this presents an opportunity to complete the whole Pumping Station Programme in 2027 rather than 2028.

We made the decision to proceed in this way and therefore rescheduled the programme and the cash flow profile.

**Current financial position** - We are now in a position where we are able to proceed with a revision to budget based on the completion of the design and pricing phase of both Wicks Green and Oldbury. The Programme Board continues with its principle of managing the projects with no 'contingencies' within its budget. We believe this provides the best provision for a full auditable trail of costs and means that the final budget approvals are with the board.

For completeness we show the up to date ' variance table' which James Thomas manages (see separate page).

### **Proposal**

Before we move to the proposal Glenn will give an overview of the financial position and a profile for the rates over the coming 5 years highlighting the change from the previous version (see separate page).

Then we will take questions.

Having considered the financial position and future requirements the Programme Board seek endorsement of the new proposed budget of £10.5m.

In order to fully fund the programme it is also requested that the board approve an additional PWLB loan application in an amount of £2m.

G. P. Simms

Chair, on behalf of the Programme Board

14<sup>th</sup> January 2026

Variance number	Variance	Original Budget	Cost Variance	New Cost	% Change	Reason	Report Date	Reported
1	LD Surveys - adverse weather	39000	6558	45558	16.82	Bad Weather caused delay	September	yes
2	MF Surveys - adverse Weather	39000	6558	45558	16.82	Bad Weather caused delay	September	yes
3	WG Land & associated costs	99000	25000	124000	25.25	Increase in land purchase price and increase in compensation	September	yes
4	Elmore MEICA	250000	38764	288764	15.51	original estimate understated	October	yes
5	WG Survey Costs	106000	18628	124628	17.57	Double visit of contractors	October	Yes
6	Oldbury Design & Prof Services	361572	24852	386424	6.87	Original Estimate understated	December	yes
7	Oldbury Preliminaries and Site Setup	355229	-103098	252131	-29.02	Original Estimate overstated	December	yes
8	Oldbury Civils Works	306558	162042	468600	52.86	Original Estimate understated	December	yes
9	Oldbury Elver Pass	107933	-8977	98956	-8.32	Original Estimate overstated	December	yes
10	Oldbury Weed Screen	220000	92938	312938	42.24	Original Estimate Understated	December	Yes
11	Oldbury Pump Installation	83029	90393	173422	108.87	Original Estimate Understated	December	yes
12	Oldbury MEICA	250000	143067	393067	57.23	Original Estimate Understated	December	yes
13	NI Allocation	61745	-61745	0	-100.00	Original Estimate overstated	December	yes
14	NI Allocation	86363	-86363	0	-100.00	Original Estimate overstated	December	yes
15	LD Additional Pipework	0	10000	10000	100.00	additional work to repair field ditch discharge	December	Yes
16	Wicks Green Pipework	0	50000	50000	100.00	pump pipework re-alignment	December	yes
17	Payroll Allocation Change	230798	-30088	200710	-13.04	Payroll Allocation Change	December	yes
18	Payroll Allocation Change	230798	-30088	200710	-13.04	Payroll Allocation Change	December	yes
19	Payroll Allocation Change	143330	68507	211837	47.80	Payroll Allocation Change	December	yes
20	Payroll Allocation Change	91383	134329	225712	147.00	Payroll Allocation Change	December	Yes
21	Oldbury Overplating	79070	-79070	0	-100.00	cost included in civils works	December	yes
22	Wicks Green Overplating	77520	-77520	0	-100.00	cost included in civils works	December	yes
23	Oldbury Surveys	21947	122243	144190	556.99	Original Estimate Understated	December	yes
24	Lapperditch Overplating	76000	47663	123663	62.71	Shot Blasting + poor weather	January	yes
25	Marshfield Overplating	76000	47663	123663	62.71	Shot Blasting + poor weather	January	Yes
26	WG Design and Professional Sevices	431363	-1239	430,124	-0.29	Original Estimate overstated	January	yes
27	WG Preliminaries and Site Setup	423797	-69,393	354,404	-16.37	Original Estimate overstated	January	yes
28	WG Civils Works	387,036	216178	603,214	55.85	original estimate understated	January	yes
29	WG Elver Pass	250,000	55724	305,724	22.29	original estimate understated	January	yes
30	WG Weed Screen	128,766	29651	158,417	23.03	original estimate understated	January	Yes
31	WG Pump Installation	149,055	-8352	140,703	-5.60	Original Estimate overstated	January	yes
32	WG MEICA	300,000	33317	333,317	11.11	original estimate understated	January	yes
33	LD Payroll Allocation	200,170	-12710	187,460	-6.35	Original Estimate overstated	January	yes
34	MF Payroll Allocation	200,170	-12710	187,460	-6.35	Original Estimate overstated	January	yes
35	WG Payroll Allocation	211,837	-112234	99,603	-52.98	Original Estimate overstated	January	Yes
36	OB Payroll Allocation	225,712	-159776	65,936	-70.79	Original Estimate overstated	January	yes
37	LD Pre Contract Costs	63,799	2314	66,113	3.63	Additional Costs	January	yes
38	MF Pre Contract Costs	63,799	2314	66,113	3.63	Additional Costs	January	yes
	total		575340					

<b>Lower Severn IDB</b>						
<b>Pump Programme Financial Report</b>						
Forecast 2025/26 to 2030/31						
	Current	Budget	Forecast	Forecast	Forecast	Forecast
	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Rates/Levies Forecast</b>						
Pence per £0.1k of AV - Rate	13.40	14.00	14.75	15.50	16.25	17.00
<b>Change %</b>		<b>4.5%</b>	<b>5.4%</b>	<b>5.1%</b>	<b>4.8%</b>	<b>4.6%</b>
<b>Cash at Bank at end of period</b>						
	2,768,659	1,603,181	1,301,687	1,113,719	1,180,064	1,291,062
Based on normal operations, updated programme budget, and additional loan.						
	<b>Lapperditch</b>	<b>Marshfield</b>	<b>Wicks Green</b>	<b>Oldbury</b>	<b>Elmore Back</b>	<b>Budget</b>
	£	£	£	£	£	£
<b>Programme Budget Approved July 2025</b>						
<b>Pump Programme Investment £</b>	1,988,678	2,166,698	2,938,232	2,566,392	250,000	<b>9,910,000</b>
<b><u>Updated Programme Budget Request for Approval January 2026</u></b>						
<b>Pump Programme Investment £</b>	2,008,282	2,186,305	3,120,536	2,881,463	288,764	<b>10,485,350</b>
<b>Change - Budget Jan 26 vs Jul 25</b>	<b>19,604</b>	<b>19,607</b>	<b>182,304</b>	<b>315,071</b>	<b>38,764</b>	<b>575,350</b>
	1%	1%	6%	12%	16%	6%
<b>Programme Spend to date</b>						
Spend to November 2025	943,891	1,084,059	432,098	526,351	0	<b>2,986,399</b>
<b>Programme Funding Profile</b>						
						£m
Cash Reserve Brought forward from 2024						1.5
Grant Funding agreements 2025/26						5.5
PWLB Loan #1 drawn 2024						2.0
PWLB Loan #2 request pending approval(application for £2.0m, drawdown in line with programme cost evolution)						1.5
<b>Total Funding</b>						<b>10.5</b>
						£m
<b><u>Public Works Loan Board Loan Application Request for Approval January 2026</u></b>						<b>2.0</b>