

# Board Paper

OFFICIAL – SENSITIVE

10 February 2015

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| <b>Paper Title</b>         | Internal Drainage Districts – Rates & Levies 2015/16                |
| <b>Paper Reference:</b>    | <b>NRW B B 7.15</b>                                                 |
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| <b>Purpose of Paper:</b>  | To provide the Board with the proposed Precepts, Drainage Rates and Special Levies for 2015/16 |
| <b>Recommendation:</b>    | To approve the proposed rates                                                                  |
| <b>Decision Required:</b> | Yes                                                                                            |

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| <b>Impact:</b> To note – all headings might not be applicable to the topic | <p><b>Impact on the Environment:</b> Effective water management minimises flood risk and can maintain wetland biodiversity and landscape values.</p> <p><b>Impact on the Economy:</b> Efficient use of our resources ensures we demonstrate value for money to the communities whom we charge for our service.</p> <p><b>Impact on Community:</b> Flood Risk is minimised enabling property and businesses to be protected.</p> <p><b>Impact on Knowledge:</b> n/a</p> |
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## Issue

1. To seek the Board's approval to raise:
  - (i) Precepts on Internal Drainage Districts which are administered by Natural Resources Wales (£45k);
  - (ii) Special Levies (£100k) and Drainage Rates (£52k) on Internal Drainage Districts which are administered by Natural Resources Wales;
  - (iii) Precepts on Internal Drainage Boards which are not currently administered by Natural Resources Wales - Caldicot and Wentlooge, Powysland and Lower Wye (£254k).

## Summary

2. This paper seeks the Board approval for the proposed Precepts, Drainage Rates and Special Levies for 2015/16. As a result of a focus on efficiency and the need to deliver value for money for charge payers, the proposals are for no increase on 2014/15 rates.

## Background

3. There are eleven Internal Drainage Districts located within North West Wales. The work undertaken in each district is funded by a combination of Drainage Rates levied on occupiers of agricultural land and Special Levies paid by Local Authorities in respect of non-agricultural land. Natural Resources Wales acts as the Internal Drainage Board for these districts.
4. Each Internal Drainage Board sets a budget for its planned work in the forthcoming year and any investments it needs to make for future projects. Natural Resources Wales charges each Internal Drainage Board a Precept for work undertaken that benefits them.
5. Internal Drainage Boards administer land drainage, flood risk management and biodiversity functions within Internal Drainage Districts. There are three Internal Drainage Boards in Wales which are currently governed separately from Natural Resources Wales.
6. In November 2013 the Minister decided to transfer the functions, staff and assets of the three Internal Drainage Boards wholly or partly in Wales to Natural Resources Wales. This will come into effect on 1<sup>st</sup> April 2015. The three Internal Drainage Boards will set the work programmes and associated Drainage Rates and Special Levies for 2015/16 that Natural Resources Wales will inherit. These work programmes are being drafted in close discussion with Natural Resources Wales.
7. Following the Flood and Water Management Act 2010, the Flood Risk Management Wales Committee (FRMW) does not have power to act as the Internal Drainage Board. Whilst the FRMW Committee has no formal role in the management of the Internal Drainage Districts, they are asked to provide comments and advice to the Natural Resources Wales Board in relation to the budget setting process and the

ongoing management. These proposals were presented to the FRMW Committee on 16<sup>th</sup> January 2015. An update on their comments will be provided at the meeting.

8. Natural Resources Wales is required (by section 40 of the Land Drainage Act 1991) to make Drainage Rates, and by Regulation 7 of the Internal Drainage Boards (Finance) Regulations 1992 to issue Special Levies before the 15<sup>th</sup> February of the financial year preceding that year to which they relate.
9. As a measure of tight cost control within NRW, none of the rates proposed are increasing on the previous year.

## Proposals and Next Steps

### Proposals

#### 10. Precepts

- Annex A details the proposed Precepts for 2015/16, and a comparison to the previous year, totalling £298k.
- No changes are proposed to current Precepts.

#### 11. Special Levies and Drainage Rates

- The table below provides details of the Special Levies (£99.8k) and Drainage Rates (£52k) being proposed for 2015/16 compared to 2014/15.
- No changes are proposed for Special Levies or Drainage Rates to current levels.

| INTERNAL DRAINAGE DISTRICT | DRAINAGE RATE PENCE |         | SPECIAL LEVY |         | LOCAL AUTHORITY |
|----------------------------|---------------------|---------|--------------|---------|-----------------|
|                            | 2014/15             | 2015/16 | 2014/15      | 2015/16 |                 |
| Afon Ganol                 | 5.4                 | 5.4     | 7,900        | 7,900   | Conwy           |
| Ardudwy Marsh              | 12.8                | 12.8    | 10,044       | 10,044  | Gwynedd         |
| Borth Bog                  | 31.7                | 31.7    | 7,476        | 7,476   | Ceredigion      |
| Afon Conwy                 | 18.9                | 18.9    | 14,141       | 14,141  | Conwy           |
| Dysynni Valley             | 21.5                | 21.5    | 8,811        | 8,811   | Gwynedd         |
| Glaslyn/Pensyfloc          | 6.7                 | 6.7     | 18,487       | 18,487  | Gwynedd         |
| Harlech/Maentwrog          | 9.0                 | 9.0     | 18,186       | 18,186  | Gwynedd         |
| Llanfrothen                | 23.8                | 23.8    | 1,380        | 1,380   | Gwynedd         |
| Malltraeth Marsh           | 19.9                | 19.9    | 1,850        | 1,850   | Anglesey        |
| Mawddach Wnion             | 5.6                 | 5.6     | 11,095       | 11,095  | Gwynedd         |
| Tywyn                      | 9.7                 | 9.7     | 380          | 380     | Gwynedd         |
| Total                      |                     |         | 99,750       | 99,750  |                 |

### Next Steps

12. The Board considers and approves the proposals contained within this report and authorises the sealing of the Drainage Rates. Formal notices are issued by 15<sup>th</sup> February 2015 to comply with our statutory obligations for Special Levies and

Precepts. The Drainage Rates are advertised to comply with the Land Drainage Act 1991 and schedules are sent to each rate payer when billed.

### **Risks**

13. If the Precepts, Drainage Rates and Special Levies are not approved then we will not meet the statutory deadlines.

### **Financial Implications**

14. Approval of the proposals in this paper will allow the collection of income, which is used to fund direct works.

### **Communications**

15. Formal notifications will be issued to Local Authorities and Internal Drainage Boards.

### **Equality Impact Assessment (EqIA)**

16. An Initial Screening has been completed, which indicated that a full Equality Impact Assessment is not required for the proposals in this paper.

### **Annex**

Annex 1 – Precept Proposals 2015/16