



A fair deal for funding of Internal Drainage Boards presented to MPs and Ministers at Parliamentary event

Members of the Local Government Association Special Interest Group for Internal Drainage Board levies have stressed the urgent need for funding reform to Government Ministers and MPs at a Parliamentary event.

The House of Commons event was jointly hosted by the Rt Hon Elizabeth Truss MP and the Rt Hon Sir John Hayes MP. Both echoed their previously voiced support urging the Government to revise the current funding approach to IDBs which is crippling a small number of councils' budgets.

Cllr Paul Redgate, Portfolio Holder for Finance at South Holland District Council and chairman of the SIG, praised the work of IDBs, presented the huge impact the levy increases are having and how this is leaving several small councils in a financially precarious position. He warned if no long-term solution is secured, councils will have no choice but to cut services residents rely on.

Cllr Marianne Overton MBE, Vice Chair of the Local Government Association, spoke about the impact of flooding on rural communities and how the cost of the levy is consuming money councils raise through Council Tax.

Lord Gary Porter CBE also emphasised the crucial work of the IDBs in managing water levels and food risk but warned without reform, the future impact of the levy could wipe out district councils.

In attendance were MPs, DEFRA representatives, Andrew McGill Chief Executive of a number of large Internal Drainage Boards in the East of England, Innes Thomson Chief Executive of the Association of Drainage Authorities, Kerry Booth Chief Executive of Rural Services Network, Anglian Water as well as officers and elected members of the SIG Councils.

The reception came following last month's announcement by the Rt Hon Michael Gove MP, Secretary of State for the Department of Levelling Up, Housing and Communities that a long-term solution to IDB funding will be implemented. The Government is also awarding £3m for the next financial year to the most affected authorities.

The SIG is grateful to the Government for listening and conversations are progressing with civil servants in DEFRA and DLUCH to seek a funding solution before the 25/26 financial settlement.

Cllr Paul Redgate, Chairman of the Special Interest Group said: "The issue of Internal Drainage Board levies is hugely significant to the budgets of the Special Interest Group Councils and the reception was an important part of our raising the matter with Government and MPs.

"I was delighted the SIG was able to present this significant issue direct to MPs and I thank the hosts, the speakers and all those who were able to join us. Everyone in the room was united with one voice – we need Government to implement a solution with pace.

"The urgency for this to be resolved cannot be stressed enough. The levy will keep consuming the money Councils have available for services it raises by Council tax every year until a fair deal is secured.

“We need to continue to support the critical work of the IDBs, managing water and reducing flood risk. Their operations are vital for the communities the SIG councils represent. The demand on pumping stations is not going away and will become even greater in time.

“We need Government to review policy and we need this to progress at the pace the Government has set out – in advance of the 25/26 financial settlement.

“The SIG will not stop until a long-term approach is secured. We now look forward to progressing conversations with DEFRA and DLUCH even further following the Parliamentary reception.”

The way IDBs are funded has progressively impacted councils since 2013 but in the last two years, the increases have reached unprecedented levels. This is following the sharp rise in utility costs and other factors such as wet weather events.

For the Middle Level Commissioners who have 29 smaller IDBs including 24 with electric powered pumping stations, the standing charges have increased by over 500% because of the Targeted Charging Review – which did not consider the bespoke needs and role of IDBs.

Similarly, the standing charge for St Germans Pumping Station in King’s Lynn has increased by an astonishing 1,300%.

The total drainage board bill to councils nationally is £46.5m in 2023/24 – an increase of £7m from 2022/23.

For Boston Borough Council, the IDB levy increase from 21/22 to 24/25 is £796,000 – an eye-watering 40%.

For East Lindsey District Council, the total levy equates to 65% of the council tax they receive. For 23/24, the council has raised council tax of £321,000 but the IDB increase was £946,000.

In South Holland, the IDB increase from 21/22 to 24/25 is £823,000 – more than 30 per cent.

Innes Thomson, Chief Executive of the Association of Drainage Authorities said: “The event gave the true feeling and full extent of agreement between IDBs and Local Authorities that the anomaly causing the financial strains can only be sorted with an appropriate level of government intervention and I am confident that Ministers have heard that message.

“We now need swift action to resolve the financing anomaly.”

The Rt Hon Sir John Hayes, MP for South Holland and the Deepings, said: “I know how important Internal Drainage Boards are to South Holland, South Kesteven and places like them, so it’s vital that Government sorts out a long term, sustainable funding solution so that councils such as South Holland District Council are not unfairly shouldering the burden.

I know that central Government takes this seriously, and accordingly they need to see that the present arrangements are just not fair for my constituents or SHDC. Instead, what’s needed is the renewed approach being backed by more than 20 local authorities affected by IDB levies.”

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