



NORTH LEVEL DISTRICT INTERNAL DRAINAGE BOARD

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Paul Sharman
Chief Executive

When calling or telephoning on this matter please ask for:

Our ref: PDS/SS

Your ref:

P D Sharman

Email: pds@northlevelidb.org

11 January 2024

Mr J Crump

By email: StandingCharges@ofgem.gov.uk

OFGEM: Standing Charges Call for Input

Dear Mr Crump

OFGEM Standing Charges Review and the Internal Drainage Board Sector

My Board welcomes OFGEM's call for input into the review of standing charges, as the implications of the Targeted Charging Review did not take into account the needs and consequences to us as Internal Drainage Boards.

The North Level District Internal Drainage Board is a Public Authority operating in the Welland and Nene river catchments of Southern Lincolnshire and Cambridgeshire. We manage water levels within our low-lying Fenland catchment by maintaining and operating 12 No. pumping stations and some 400 miles of predominantly open watercourses. The catchment is totally reliant on these pumping stations as much of the catchment is below sea level.

Across the 12 pumping station sites, standing charges have increased by 1096% from £3,869 per annum to £46,284 per annum as a direct result of the Targeted Charging Review.

The larger sites reflect the unfairness of the current situation the most, with our Tydd Pumping Station (a 20 cumec, 6 pump station). Previously we were paying £1.73715 per day standing charge and upon renewal last September are now paying £39.05227 per day. This new rate is also the result of an extensive market test as the renewal offer from previous supplier was just short of £80.00 per day for the standing charge alone.

The impacts of these charges have been dramatic, as we have no choice but to pass on the increases to our stakeholders, ie farmers operating within the catchment and to the District Councils who collect the Special Levy on our behalf as part of their Council Tax charges. This is where the greatest burden has been felt as the Councils find the additional levy to the IDB's has hugely impacted on their costs and their ability to raise additional funding for their own requirements (see LGA Special Interest Group looking into the impact of IDB levies on Council finances).

The Internal Drainage Boards provide a critical service in the low-lying Fens, as ably demonstrated during the recent flooding events following storm Henk. We feel that this critical role has not been considered or understood and that the changes to the standing charge have brought about a huge additional burden to us and our rate payers, when we are not a commercial, profit making business. We are here to allow agriculture and business to thrive in the Fens, we cannot simply turn off the pumps.

My request to OFGEM is that we be treated as an exception case, bearing in mind the above explanation of the service we provide.

Yours sincerely



P D Sharman
Chief Executive