



Representing Drainage Water Level & Flood Risk Management Authorities

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Consultation:	On draft statutory instrument: The English Drainage Boards (Alternative Valuation Calculation) Regulations 2024		
By:	Department for Environment Food & Rural Affairs (Defra)	Contact:	Ian Moodie, Technical Manager
To:	StandingCharges@ofgem.gov.uk	Tel:	02476 992 889
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Consultation on draft statutory instrument: The English Drainage Boards (Alternative Valuation Calculation) Regulations 2024

Response by ADA (Association of Drainage Authorities)

About ADA

ADA is the membership organisation for drainage, water level and flood risk management authorities throughout the UK. ADA represents over 200 member organisations, including: internal drainage boards (IDBs), regional flood & coastal committees (RFCCs), local authorities, and national agencies; as well our associate members who are contractors, consultants, and suppliers to the industry.

Our purpose is to champion and campaign for the sustainable delivery of water level management, offering guidance, advice and support to our members across the UK, and informing the public about our members' essential work.

ADA's response builds on our involvement assisting Defra and IDBs with trialling the new methodology set out by Defra within the consultation. ADA is strongly supportive of these reforms, enabling a more accurate basis for the fair proportioning of drainage rates and special levies by existing IDBs, as well as the expansion of existing drainage districts and creation of new ones to enable IDBs' careful management of water levels to be expanded to other part of England where there is local demand and support for the locally coordinated management of lowland watercourses and flood and water control assets.

ADA's draft outline response

Question 1. *What is your name?*

Ian Moodie

Question 2. *What is your email address?*

ian.moodie@ada.org.uk

ADA – representing drainage, water level and flood risk management authorities

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Question 3. *Who are you responding as? (Select one option only):*

- *an individual. You are responding with your personal views, rather than as an official representative of a business, business association or other organisation.*
- *an IDB*
- *a farmer/landowner (those who pay or would pay drainage rates)*
- *a local authority (those who pay or would pay special levies)*
- *an environmental group (please specify)*
- *Other (please specify)*

Other. The Association of Drainage Authorities (ADA), membership organisation for drainage, water level and flood risk management authorities throughout the UK. ADA represents over 200 member organisations, including: internal drainage boards (IDBs), regional flood & coastal committees (RFCCs), local authorities, and national agencies; as well our associate members who are contractors, consultants, and suppliers to the industry.

Question 4. *Would you like your response to be confidential?*

- *Yes*
- *No* *If you said yes, please give your reason.*

No

Question 5. *To what extent do you agree or disagree with continuing to use the adjustment factors (reducing business values by one third and domestic properties by one third multiplied by 6.73) to keep the balance of the proportional split between drainage rates and special levies?*

- *Strongly Agree*
- *Agree*
- *Neutral*
- *Disagree*
- *Strongly Disagree*
- *Don't know* *Explain your answer*

Strongly agree. ADA agrees with retaining the existing reduction factors (using one third of the relevant proportion of the business values and one third multiplied by 6.73 of the domestic property values) in order to maintain a net balance in the proportion of drainage rates and special levies charged in England. For clarity this does not mean that the proportion of drainage rates and special levy contributions will remain identical for each IDB and every IDB, but that the overall average contributions across the country will be close to the status quo.

ADA and a number of IDBs have assisted Defra with testing the three options and this gave the best net outcome to keep a balanced proportional split between drainage rates and special levy. Given that this work has been proposed for over a decade, ADA is keen to see it proceed on this basis.

Question 6. *What do you think of the election procedure (as set out in the draft SI) for those IDBs that move to the new valuation calculations?*

- *Agree*
- *Disagree*
- *Don't know* *Explain your answer*

Agree. ADA considers that the process set out provides the most straight forward process for public notification of the change to the new valuation calculations.

Question 7. *Is notifying the Secretary of State before 31 October sufficient in determining the use of the valuation calculations?*

- *Yes*
- *No*
- *Don't know* *Explain your answer*



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Yes. Notification before 31 October seems to set a fair balance between sufficient prior notification and fitting within Boards administrative and meeting cycle.

Question 8. *Is the publication of a statement sufficient in alerting local external partners to the change of using the updated valuation calculation?*

• Yes • No • Don't know Explain your answer

Yes. This is the procedure used for the majority of other public notifications made by IDBs and is sufficient, avoids an unnecessary additional burden being placed upon them.

Question 9. *These are the options we are considering for the frequency of data use. When available, how often should IDBs use up-to-date Valuation Office Agency data? • Every year • Three years • Five years • Ten years • Other timeframe • Don't know Explain your answer*

ADA believes that each IDB should not be required to update their data more frequently than ever ten years. However, we believe that each Board should be free to update their data at an earlier point than this should they so choose to do so. This would be by resolution at a Board meeting.

An earlier update in rating data may be considered by an IDB because of a substantial material change in the proportion of agricultural or other land in the district, or the value of such land. For instance the construction of a large business park or industrial complex within the district, or extensive housing development.

ADA prefers this approach because it provides a backstop 'default' position of updating the data after a certain number of years, but provides flexibility to IDBs to use more contemporary data where there are substantial changes in land use within their district. ADA does not support a more frequent requirement (less than ten years) to update this data, because of the administrative cost burden to IDBs of doing so. A longer maximum frequency should also be considered, e.g. 12 or 15 years.

Question 10. *To what extent do you agree or disagree with each IDB drainage district, or proposed drainage district, having its own dataset?*

• Strongly Agree • Agree • Neutral • Disagree • Strongly Disagree • Don't know Explain your answer

Strongly Agree. ADA thinks this will be needed in order to make the process as administratively straightforward as possible for both the VOA and each IDB.

Question 11. *What do you think of the data the IDBs use being non-identifiable and aggregated, enabling for a simpler and safer data sharing agreement?*

• Agree • Disagree • Don't know Explain your answer

Disagree.

Agree that the information should be non-identifiable in terms of owner/personal data.

Disagree that the data should be aggregated.

There is an important distinction to be made here between data being non-identifiable and aggregated.

IDBs do not need to know the identity of individual owners for other land within their districts as they will be charging the levy paying authority and not the occupier of such land. However, it is important



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that IDBs do receive data related to the valuation/banding, location/site address, and area of each property.

There are three key reasons for this:

1. to enable the IDB verify and check for errors in the data. For instance, to ensure that hereditaments have not been included that are outside of the drainage district. Such detail would also be important should an IDB be challenged and potentially taken to Tribunal.
2. to ensure that the accurate apportionment of value is applied to hereditaments, specifically where only part of a hereditament may lie within the drainage district. This may be the case for a number of homes and smaller businesses, but also for larger industrial facilities, and in at least one case a nuclear power plant. Consequently, such sub-detail is important to the accurate levying of drainage rates and special levies.
3. So that the data can be subdivided where necessary, such as where a drainage district has differential rates based on sub-districts for the purposes of rating.

Finally, please be aware that if legislation were changed in the future to require certain owners of 'other land' to pay drainage rates directly to IDBs then the identity of the owners would need to be separately identified. For context, some IDBs have discussed with ADA the concept of key national infrastructure providers paying a drainage rate to IDBs instead of this 'other land' being part of special levy charged to local authorities. Examples could be power stations and large substations, rail network, motorways, water treatment works etc. This is probably a matter for longer term consideration by the Department in the context of shaping the role and functioning of IDBs in the future.