



POLICY AND FINANCE COMMITTEE

**Minutes of the Meeting held on Thursday 10 January 2017
at CIWEM, 106-109, Saffron Hill, Farringdon, London, EC1N 8QS**

Present: Ian Thornton (IT) Chairman

Peter Bateson (PB) (Ex Officio), Frances Bowler (FB) (Honorary Secretary), Craig Benson (CB), Karen Daft (KD), Jane Froggatt (JF), Matthew Harrison (MH), Robert Hill (RH), Bill Symons (BS), Innes Thomson (ITh), Carol Tidmarsh (CT) (Defra), Chris Rusbridge (CR) (Defra).

Apologies: David Sisson (DS), Henry Cator (HC), John Cooke (JC), Nigel Everard (NE), David Jenkins (DJ), Ian Russell (IR), Phil Winrow (PW).

In Attendance: Ian Moodie (IM) Alison Briggs (AB) Craig Benson (CB) Aimée Scanlon (AS)

Ref	Minute	Action
1376	Declarations of interest – None	
1377	Approval of Minutes – Minutes of the meeting held on 21 September 2016 were agreed as a true and fair record proposed by CB and seconded JF.	
1378	Matters arising – None	
1379	Defra Update CR introduced himself to the Committee having taken over from Kathryn Holdsworth at Defra in November just prior to the ADA Conference. CR and CT reported that: <ul style="list-style-type: none">• The Government had allocated £170 million in the Autumn Statement of the additional money announced for flood risk management in the Budget 2016. A further £15 million had been allocated towards natural flood management,• Defra's 25 year environment plan framework would be published shortly for consultation,• Defra was working with DCLG to consider the implications to flood risk management funding given the move to 100% business rates retention by local authorities,• Minister Thérèse Coffey had published Defra's Property Flood Resilience Action Plan,• A number of appointments for RFCC chairs were due for renewal in the spring and Defra was keen to promote the role of these committees to ensure a good range of candidates apply,• Reconstitution (to reduce the number of members on the Board) of the Selby board advertised and Defra will plan to make order after 3rd	

	<p>February,</p> <ul style="list-style-type: none"> National Audit Office were undertaking a desktop review of IDBs. The draft report is expected shortly and final version expected to be published on the NAO website. 	
<p>1380</p>	<p>Environment Agency Update</p> <p>IR gave an update from the Environment Agency highlighting:</p> <ul style="list-style-type: none"> Flood and Coast conference taking place 28-30 March 2017 Flood foundation degree and opportunities for IDBs and local authorities to take on graduate trainees during placements. The Government's response to the EFRA Committee's report on Future Flood Protection was expected to be published shortly. The Environment Agency's flood awareness campaign in November 2016 had been successful resulting in a further 78,000 registering to receive flood warnings. This year's campaign targeted 18-34 year olds. The Environment Agency was awaiting Defra approval for process to deliver de-maining. A new senior advisor at the Environment Agency would be starting in February to assist with PSCA work. T&E Committee workstream have prepared a report and actions to improve PSCAs. Flood awareness campaign 18-34 year olds, positive feedback from that, 78,000 new flood warning registrations. Reported that a new a new senior adviser will be appointed in February for PCSA's ADA workstream. <p>Action: IM to circulate report on PSCAs and action plan produced by T&E workstream to P&F Committee members.</p>	<p>IM</p>
<p>1381</p>	<p>Local authority update</p> <p>MH presented updates affecting Local Authorities:</p> <ul style="list-style-type: none"> Lincolnshire County Council had successfully bid for funding from the European Structural & Investment Fund (ESIF) towards improving coastal flood defences at Haven banks, Boston and Wrangle banks in the Wash. This was a good example of Risk Management Authorities working together. MH attended Westminster Energy and Environment Forum on 1st Dec. EFRA Future Flood Prevention report had been discussed, a view that rather than root and branch reform, improving the existing regulatory framework would lead to better outcomes for flood risk management. Along with ITh, MH attended an ADEPT meeting on 6th January 2017 and reported an ongoing debate on the consistency of approach on SuDS adoption and maintenance. CIRIA was surveying views on SuDS and the recently published SuDS Manual. CIRIA completing a project for the Environment Agency looking to understand how all Risk Management Authorities in England are progressing in their efforts to secure partnership funding for Flood and 	

	<p>Coastal Erosion Risk Management projects, and understand how they can be better supported. CIRIA had consulted RMAs through an online survey.</p> <p>Action: IM to distribute links to CIRIA surveys via next ADA Newstream email.</p> <p>Action: AS to put Karen Thomas of ADA T&E Committee in touch with MH regarding partnership funding project.</p>	<p><i>IM</i></p> <p><i>AS</i></p>
<p>1382</p>	<p>ADA Business Plan 2017-2020</p> <p>PB presented progress towards creating a new business plan for ADA. It was stated that the new Business Plan would separate out organisational and administrative functions and provide clarity on who was responsible for delivering each action within the plan.</p> <p>ITh confirmed that the final Business Plan will be published on the ADA website once approved by the ADA Board.</p> <p>AS reported that there had been 33 responses to the online members questionnaire. Committee felt more responses were needed in order to gauge which areas ADA should focus on during Business Plan period.</p> <p>Action: IM to include reminder of Membership Questionnaire and link in next ADA Newstream email.</p> <p>Action: AS to compile questionnaire responses and share findings with PB, FB, ITn, ITh, IM.</p>	<p><i>IM</i></p> <p><i>AS</i></p>
<p>1383</p>	<p>Committee Workstream reports 2016</p> <p>a) Ratings - New and extended IDB areas</p> <p>CB was concerned about the draft Environment Agency guidance on expanding internal drainage districts had been unhelpful and effectively preventing the creation of or expansion of new IDBs owing to reliance on existing ratings data from local authorities that had proven to be unavailable.</p> <p>Committee were aware that the guidance was being revised following comments from ADA, but that availability of 1990 data remained a core issue.</p> <p>IM reported that Defra was hosting a meeting of the working group to discuss results from testing of the new methodology by 13 IDBs on Wednesday 11 January. Testing had shown a greater variance from existing split between agricultural and non-agricultural annual value than had been seen in the first half dozen boards tested.</p> <p>KD reported that the format of the data provided by the Valuation Office Agency had made it relatively straightforward to apply the methodology proposed.</p>	

	<p>Committee agreed that IDBs would need sufficient time to plan ahead in order to adopt the new methodology following any legislative change.</p> <p>CR agreed with that and recognised the risk of proceeding in the absence of circa 1990 ratings data from local authorities. Agreed that seeking a change to legislation would be the best approach to solving the problem and Defra were looking at potential legislative programs.</p> <p>b) Governance and audit PB reported that PKH Littlejohn LLP had been appointed as external auditors to all IDBs for five years for accounts commencing 1 April 2017.</p> <p>PB reminded the Committee that due to auditing changes IDBs would need to bring forward Board meetings in 2017.</p>	
<p>1384</p>	<p>Setting Committee Workstreams for 2017</p> <p>Action: The Committee agreed upon the following workstreams to deliver in 2017:</p> <p>a) Membership Subscription Review for IDBs Purpose/outputs: Consider options for modifying the ADA membership subscription scale for IDBs and other membership classes. Seek external advice on setting membership subscriptions. Improve communication of benefits/functions of ADA to members. <i>Participants: RC, FB, David Sisson, David Riddington, ITh.</i></p> <p>b) IDB ratings reform Purpose/outputs: Continue development of new methodology for IDB ratings with Defra. <i>Participants: CB, KD, RH, Paul Sharman, Nick Stevens, Ralph Ward.</i></p> <p>c) Training for IDB Board Members Purpose/outputs: Develop package of tools to assist with training IDB board members in good governance practices. Help develop training workshop for IDB Board members at Floodex 2017. <i>Participants: PB, JF, RH.</i></p> <p>d) Communication and publicity tools for Branches and Members Purpose/outputs: Develop package of documents and tools to promote the work of ADA and its members that can be used at Branch meetings, school visits, talks, conferences and on show stands at events. Provide guidance to members seeking to promote water level management work through traditional and digital/social media. <i>Participants: KD, MH.</i></p> <p>e) Developer Contributions Purpose/outputs: Develop guidance on appropriate contributions from developers towards the management and maintenance of water level</p>	<p>All</p>

	<p>management control structures and systems. <i>Participants: FB, BS, David Sisson.</i></p> <p>Action: Each sub-group to nominate a lead contact</p>	All
1385	<p>FLOODEX 2017</p> <p>IM stated that plans remained on track for this year's exhibition on 17 and 18 May at the Peterborough Arena. ADA was anticipating a similar number of exhibitors to last year's event and expected to exceed the breakeven margin of £100,000.</p> <p>ADA was once again developing the schedule of seminar speakers and workshops at the event. ADA is also working to confirm the attendance of the Duke of Gloucester. The ADA office is organising the FLOODEX Dinner which will take place at the Marriott hotel opposite the Peterborough Arena on the evening of Wednesday 17 May.</p> <p>Other groups are becoming involved in FLOODEX 2017 including Future Water, Innovate UK, Drains UK etc.</p> <p>ADA are planning to hold some training events for members as part of this year's event, topics being considered included health and safety and governance training for IDB Board members.</p> <p>A progress meeting is being held with Indigo Media on 8th February and a report will be provided to the ADA Board.</p>	
1386	<p>IDB Policy Statement</p> <p>IM presented a revised Policy Statement to the committee that took account of amendments proposed by the Environment Agency and other members of the Defra IDB Policy Advisory Group. Committee agreed that Policy Statement should relate to both water level management and flood risk management functions of IDBs. Committee agreed present draft should be submitted to Defra for Ministerial approval.</p> <p>CT confirmed that the Policy Statement was not a legal requirement but was a best practice document previous versions of which had been developed with MAFF/Defra. CT was aware that the Minister would appreciate mention of IDBs delivering value for money.</p> <p>Action: IM to review wording of IDB Policy Statement with regards to value for money and submit final draft to Defra.</p>	IM
1387	<p>IDB Audit results for 2016</p> <p>IM reported that two IDBs had not received opinions by 30 September 2016 and five IDBs had received qualified opinions. IM had contacted the IDBs concerned and was satisfied that errors and problems that had occurred did not require further guidance or consideration by the Committee.</p>	

	<p>Committee pleased to see that trend remains a reducing number of qualified opinions and felt that consistency in external audit practice would assist this further in future financial years.</p>	
1388	<p>Board Member Governance Issue</p> <p>IM explained to the committee that a Board member of an IDB had recently been convicted of an offence under the Wildlife and Countryside Act. The IDB had requested the assistance of the Committee to better understand what steps should be taken to uphold their Governance procedures.</p> <p>AB stated that as elected officials IDB board members could not be dismissed by that IDB Board, however with due process they could be dismissed by the IDB Board from any Committees, sub-committees or working groups they sat on. Also the IDB Board could highlight any breaches in the IDB Board's code of conduct that had occurred and request the member consider their position. The IDB was recommended to seek an independent opinion to assist their decision making.</p> <p>Committee recognised that whilst IDB Board members could not be dismissed, having a code of conduct for IDB Board members in place was essential good practice for IDBs and a model version was available on the ADA website.</p>	
1389	AOB - none	
1390	<p>Date of next meeting:</p> <p>Committee meetings in 2017:</p> <ul style="list-style-type: none"> • 10.30 for 11.00 until 16.00, Wednesday 7 June, at CIWEM, Farringdon • 10.30 for 11.00 until 16.00, Tuesday 19 September, at CIWEM, Farringdon 	