

# Association of Drainage Authorities

## POLICY AND FINANCE COMMITTEE

Minutes of the Meeting held on Wednesday 13 May 2015  
at The Farmers Club, London

**Present:** **Ian Thornton (IT) Chairman**  
Peter Bateson (PB) (Ex Officio), Henry Cator (HC), Karen Daft (KD), Nigel Everard (NE), Tim Farr (TF) Jane Froggatt (JF), Robert Hill (RH), Kathryn Holdsworth (KH) (Defra), Stephen Morris (SM), Andrew Morrirt (AM), David Sisson (DS), Bill Symons (BS), Carol Tidmarsh (CT) (Defra), Innes Thomson (IT)

**Apologies:** Michael Watson (MW), David Hickman (DH), Phil Winrow (PW)

**In Attendance:** Ian Moodie (IM)

Ref	Minute	Action
1300	<b>Declarations of interest</b> None	
1301	Minutes of the meeting held on 21 January 2015 and were agreed as a true and fair record, proposed by PB, seconded by AM, to be signed by Chairman.	
1302	<b>Matters arising</b> <b>Min 1283:</b> A practice note has been issued by auditors Grant Thornton regarding the treatment of the value of fixed assets by IDBs. This states that it should be historic cost if known. <b>PB to circulate note to all IDBs.</b>	<b>PB</b>
1303	<b>Defra Items</b> CT updated the committee regarding the following items: <ul style="list-style-type: none"> <li>Liz Truss MP has been reappointed as Secretary of State with George Eustice MP promoted to Minister of State. Rory Stewart MP for Penrith and the Border comes in as the new Parliamentary Under Secretary of State, taking over from Dan Rogerson. In an interview with Radio Cumbria Mr Stewart stated that he was excited to accept the post. Whilst the briefs for each of Defra's Ministers, and the identity of Defra's Minister in the House of Lords, were yet to be announced, Rory Stewart was expected to pick up the water and flooding brief.</li> <li>Defra is undertaking a review of the Flood &amp; Water Management Act 2010 to assess whether it is working as intended, principally it is looking at the role of LLFAs. TF is representing ADA on Defra's review steering group. The review is due to conclude in July, with a report to follow in Autumn 2015. A Defra led review of actions will follow on from that report.</li> <li>Flood Re remains on course to allow households at greater flood risk to gain access to lower fixed premiums. Flood Re still needs to be agreed by the Prudential Regulation Authority.</li> <li>Defra will be sending out IDB1 forms shortly for completion by August.</li> </ul> <p>HC stated ADA will be writing to the new Defra Minister and requested IDBs who may wish for the Minister to visit should contact IT stating why a visit would be relevant.</p> <p>KH noted that the Minister would be likely to be interested in examples of innovation and good practice such as partnership working.</p> <p><b>Letters to be sent to each of the new Ministerial team</b></p> <p><b>Visit for appropriate Minister to an IDB to be co-ordinated.</b></p>	<b>IT</b> <b>IT</b>

<p><b>1304</b></p>	<p><b>Somerset Rivers Authority update</b></p> <p>IT updated the Committee on meetings and discussions ADA has had regarding the SRA including IT and IM appearing before the SRA Stakeholder Review Panel and HC and IM meeting with the Leader of Somerset County Council where it was agreed papers and minutes from SRA meetings would be circulated to ADA.</p> <p>The Committee discussed the need to think broadly across all the options that are potentially available for local governance and finance and the importance of using the existing experience of IDBs and other RMAs to move the SRA forwards.</p> <p>KH confirmed that the first draft of a report to look into various options was expected to be shared in early June with SRA and ADA.</p> <p>HC noted that people on the Somerset Levels and Moors are incredibly grateful for the works completed to date, including the 8km of dredging, and noted the benefit of a closer working relationship between the EA and IDBs in Somerset.</p> <p>PB stated that partners from Somerset were hosted by the Lincolnshire Flood Risk and Land Drainage Partnership in April to discuss the approach used in Lincolnshire. The key message from the meeting was that RMAs in Somerset already have the powers and authority to achieve what is needed and do not need to create a new authority to achieve those aims.</p> <p>Discussing the budget capping issues faced by local authorities, IT stated that moving forwards it will be essential for Defra, ADA and other partners to work together with DCLG to address this where it is a barrier to finding a local solution in Somerset and for new and expanded IDBs elsewhere in England. IT stated that ADA would be happy to come in and talk to the relevant individuals within and across Government departments.</p> <p>PB noted the referendum on increasing rates over 2% was acting as a major barrier to finding increased local funding.</p> <p>FB noted that Central Bedfordshire Council had held a referendum regarding budgetary increases alongside the General Election. However, this had failed and in addition to the cost of preparing referendum papers, the Council would have to reissue Council Tax demand notices.</p>	
<p><b>1305</b></p>	<p><b>Public Sector Cooperation Agreement update</b></p> <p>IM informed the Committee that take up between EA and IDBs had been good. The concerns over the high level of risk cover/indemnity required by the EA had been looked at by ADA and the EA's legal team with input from Neil Davies (EA), Nick Stevens (Somerset Consortium of Drainage Boards), Ian Moodie (ADA) and the issue has been resolved so the revised agreement template should be finalised within the next few months.</p> <p>JF said that her Boards were in the third year of doing work on behalf of the EA and other partners, and one of the issues raised was that the agreement should be in the spirit of a partnership not for the EA to treat the IDB as a contractor working under the WEM framework, and the need for the work to be carried out following IDB procedures, not those of the EA. The insurance issue had been a sticking point, but the Boards insurers had now agreed that providing the work being carried out was proportionate to their day to day activities they would provide cover.</p> <p>IM suggested that all parties to the PSCA would need to check their insurance cover was suitable and if premiums increased then the IDB could recharge the EA or other partner for the additional cost.</p> <p>IT reported that he had spoken with Towergate, the insurers who had raised the issue,</p>	

	<p>and accepted that the PSCA was being put into wider use and would monitor any specific concerns raised. ADA would get in touch with the EA to advise that the latest version of the agreement can be used by all Boards.</p> <p>AM said that although his Towergate Broker had had reservations about the fact that there was no indemnity upper limit they were happy providing the risks have been properly assessed.</p> <p>BS asked if Ian Russell had made arrangements to allow for the transfer of “Powers” from the EA, for such things as leaving spoil on banks, as IDBs were precluded from doing that, and wondered if the EA would delegate Powers to maintain Main Rivers. IT replied that this issue had been discussed with the EA and under FWM Act section 17.3/17.4 Flood Risk Authorities can transfer Powers to other Flood Risk Authorities.</p> <p>IM said the wording in the final draft may be amended to say “Delivery Authority” rather than “Lead Authority” to clarify its meaning.</p> <p>The Committee then voted on adopting the latest draft, with the above amendment as the final version to be submitted, everyone approved adoption except BS who abstained.</p> <p>The Committee noted Ian Russell’s current absence and wished him a speedy recovery back to work, they greatly appreciated his work on the PSCA towards cooperative working between risk management authorities.</p> <p><i>ADA to liaise with EA on distribution of revised PSCA.</i></p>	<i>IM</i>
<b>1306</b>	<p><b>Items for Defra IDB PAG consideration</b></p> <p>IM said that we now have a standing IDB/Defra group which meets three times a year with input from other organisations such as the NFU, CLA, EA and Natural England.</p>	
	<p><b>a. Changes to publication requirements under Water Act 2014</b></p> <p>One of the outcomes from these meetings are the changes to the publication requirements in the LDA 1991 relating to advertising costs, and the body of the Act has been amended to allow advertising on Board websites instead. This does not cover Board elections as this is in separate legislation so ADA is still pressing for this to be amended. Defra previously consulted on this amendment and are seeking advice on how this is best achieved in the near future.</p> <p>CT advised that the current regulations state that advertising should be in a newspaper or “Anyway the Minister thinks fit”, so the legislation may not need amending.</p> <p>PB thought that election advertising in local papers should continue to get a wider response.</p> <p>KD disagreed saying that they have never had any interest for Board members from newspaper adverts.</p> <p>BS said the cost of newspaper advertising could be very expensive with the Yorkshire Post charging approximately £2000.</p> <p>General consensus was that it was a good idea to increase flexibility but important to retain transparency and newspaper advertising should still be considered where appropriate.</p> <p>AM said they send out notification of elections with the Rating Demands, CT thought that was a good idea.</p> <p><i>ADA to take forward topic of publication requirements to the next Defra IDB PAG</i></p>	<i>IM</i>

	<i>meeting</i>	
	<p><b>b. IDB Policy statements</b></p> <p>IM explained that the original query was raised as part of the transition of the EA administered East of Gravesend IDD into the proposed North Kent Marshes IDB. Existing IDB Policy Statements should be based on MAFF/DEFRA model documents but these predate the Flood and Water Management Act 2010, and so should they be updated and a new set of model Policy Statements produced.</p> <p>PB stated that the updated Practitioners Guide will have a set of model guidance documents as appendices and this will include a revised Policy Statement template.</p> <p>IM then said that the annual IDB1 form includes a question asking if Policy Statements have been reviewed.</p> <p>BS said that his Boards have reviewed their Policy Statements and they will be amended.</p> <p><i>IM agreed to contact Clerks to see if other Boards have carried out this review.</i></p> <p><i>IM also said that if anyone had any other issues that could be raised at the Defra/IDBALL PAG could they forward to either him or Innes for consideration.</i></p>	<i>IM</i> <i>ALL</i>
1307	<p><b>Water Transfer Licences &amp; Water Abstraction Review 2020</b></p> <p>The topic of water transfer licences was briefly discussed as an ongoing topic to be revisited at a future meeting.</p> <p><i>KH to put ADA in touch with the appropriate abstraction team within Defra</i></p>	<i>KH</i>
1308	<p><b>ADA Board and Branch Constitutions</b></p> <p>PB introduced the concerns raised at ADA's previous Board meeting regarding the Mem and Arts. ADA is to ask the relevant Director of the Branch to raise the amendment.</p> <p>DS raised an amendment to the generic Branch Constitution provided by ADA nationally relating to the membership and chairmanship of Branch Committees.</p> <p><i>The amendment was agreed and is to be circulated to Branch Secretaries.</i></p>	<i>DS</i>
1310	<p><b>Code of Practice – Powers of Entry</b></p> <p>IM drew members attention to the new Home Office Code of Practice that was included with the meeting Papers. The EA had flagged up potential for problems for all IDBs that require access to land.</p> <p>IM proposed working with other members to look at what Boards currently do and are they in line with the new Powers.</p> <p>Discussion took place on when and how Boards send out Notices of Entry, Notice for asset inspections and enforcements.</p> <p>IM said that the Somerset Boards have lots of information on Notice requirements as part of the work they have been doing on the SRA.</p> <p>TF thought the document related to the seizure or destruction of property.</p> <p>IM said that whatever method was used for notifications a statement must be included that makes reference to the new Code of Practice.</p> <p>JF said she has had legal advice from Lincolnshire County Council and had been advised to use a "Minimum Information concordat" when Boards use delegated Powers of Entry if working on behalf of the LLFA.</p>	

	<p>IM said the EA have worked through their Powers of Entry procedures and will be issuing separate Notices.</p> <p><i>IM to make arrangements for a small working group to look at this topic and any necessary guidance note. Members to contact IM with appropriate names who may be interested or able to assist.</i></p>	<p><i>IM/ALL</i></p>
1311	<p><b>Forward Look – items for future meetings</b></p> <p>Topics proposed for future discussion included:</p> <ul style="list-style-type: none"> <li>• Planning consents and pre-application advice</li> <li>• IDB Rating Review</li> </ul> <p>The Committee discussed whether more time needed to be allowed for future meetings. Options included finishing meetings later, splitting meetings from the same date and venue as T&amp;E Committee meetings or moving to four meetings per year.</p> <p>Proposal was made to hold three meetings per year, one combined with T&amp;E and two on separate dates for which these meetings could be extended into the morning.</p> <p><i>Members were asked to email IT with a list of future topics and workstreams.</i></p> <p>JF recognised the value of a workstream but also the need to prioritise this strongly. JF suggested the Committee might consider the approach taken by NHS policy groups where they had a business focused first half followed by a presentation led session in afternoon with a question and answer session and action plan on that item going more in depth.</p> <p>IT stated that the ADA Business Plan is key to this, and needed to bring it back into focus as it runs from 2014-2017.</p>	<p><i>ALL</i></p>
	<p><b>Date of next meetings</b></p> <p>Wednesday 16 September 2015 13.30 – 16.00</p>	