



## POLICY & FINANCE COMMITTEE MEETING

Minutes of the Meeting held on Tuesday 15 June 2021

Held remotely via MS Teams

**Present:** Tim Farr (TF) chair

Ian Moodie (IM) (Secretary), Innes Thomson (IT), Carrie-Ann Morgan (CAM), Robert Caudwell (RC), Jane Froggatt (JF), John Cooke (JC), Pete Dowling (PD), Matthew Harrison (MH), Peter Bateson (PB), Sue Crowther (SC), Andrew McGill (AMG), Trevor Purlant (TP), Carol Tidmarsh (CT), Lorna McShane (LM), Sofi Lloyd (SL), Nigel Everard (NE), Rachel Hill (RH).

**Apologies:** Brian Stewart (BS), Angela Cowen (AC),

Ref	Minute	Action
1551	<b>Welcome &amp; Apologies - TF</b> TF welcomed everyone to the meeting, particularly Carrie-Anne Morgan (CAM) attending her first meeting.	
1552	<b>Declarations of interest - TF</b> None noted.	
1543	<b>Approval of Minutes - TF</b> Minutes of the meeting held on 9 February 2021 were agreed as a true and fair record by the committee present.	
1554	<b>Matters Arising - IT</b> The changes to the WRE subscriptions have been made and WRE will invoice directly.  <b>ACTION: IT to send draft Memorandum &amp; Articles of Association to PD.</b>  JPAG findings – another meeting took place to progress.  <b>ACTION: NE to update at future meeting.</b>	IT      NE
1555	<b>ADA Finance &amp; Governance</b>  <b>ADA Financial Position - IT</b> <ul style="list-style-type: none"> <li>Income - Gazette income is always delayed. As this years' ADA Conference is virtual, the income figure will reduce but so will the associated costs.</li> <li>Expenditure – Less spent than expected.</li> <li>Bank Balance is expected to equalise to previous years' position. No income from Floodex but spent less overall.</li> </ul>	

	<ul style="list-style-type: none"> <li>• Aged Debtors – late payments mostly due to Board meetings not yet taken place. No worries with any particular figures. Local authorities and the EA will be chased.</li> </ul> <p><b>ADA Annual Accounts for 2020 - IT</b> Committee approved accounts.</p> <p><b>Remuneration Sub-Committee - IT</b> TF will lead Committee and will be formed of Board members. Will cover pensions, salary and performance reviews. Approach is good governance.</p> <p><b>ADA Memorandum &amp; Articles of Association - IT</b></p> <ul style="list-style-type: none"> <li>• Reviewed by Wilkin Chapman. No further significant changes. Will take to Board for approval in July.</li> <li>• Bandings are staying unaltered, only increases are being approved at the AGM</li> <li>• CAM – may need to add in the option of holding AGM’s remotely or hybrids.</li> <li>• AMG – should fees be listed on website for transparency? IT – bandings from Mem&amp;Arts and fees will be included on website.</li> <li>• CAM – need to check if it is still acceptable to have a ‘mental disorder’ clause included.</li> </ul> <p><b>ACTION: IT to include provisions for remote meetings in revised Articles of Association.</b></p> <p><b>ACTION: IT to list all ADA annual membership subscription fees on ADA website.</b></p> <p><b>ACTION: IT to check ‘mental disorder’ clause.</b></p>	<p>IT</p> <p>IT</p> <p>IT</p>
1556	<p><b>FCERM contractor entry to the UK - AMG</b></p> <ul style="list-style-type: none"> <li>• There are issues with contractors from amber and red countries getting approval to enter the UK for flood risk management work with IDBs without having so isolate, although they can be approved if working for the Environment Agency or local authorities without isolating.</li> <li>• CT and RH – The rules are they will need to isolate.</li> <li>• AMG – Urged Defra to align Covid rules for foreign contractors across all RMAs to prevent efficiencies and expertise in FCERM from overseas being lost as an option for asset replacement projects being developed.</li> </ul>	
1557	<p><b>Public indemnity insurance - JC</b></p> <p>The Solvency II directive, which codifies and harmonises the European Union’s insurance regulation, alongside some other factors, had affected premiums which are rising. Some insurance has become unprofitable and some companies have pulled out of the market. IDBs should be aware of rising premium costs and potential difficulty in renewing or obtaining some covers. A robust H&amp;S policy, risk management and engagement with ADA’s HS&amp;W modules may influence acceptance.</p> <p><b>ACTION: IT/SL to draft an advice note for members.</b></p>	<p>SL</p>

1558	<p><b>Remote meetings – IM</b></p> <p>Model standing orders to support IDBs holding remote or hybrid meetings has been approved by Defra. Defra and IDBs have requested guidance around the practice and conduct of remote meetings. LGA has a hub containing guidance for local authorities which will be reviewed, and volunteers were requested to oversee development.</p> <ul style="list-style-type: none"> <li>• JF and LMS volunteered.</li> <li>• JF – Will be needed by IDBs in September.</li> <li>• LMS – Noted that hybrid meetings have been difficult, queried change in Standing Orders from reference to Annual General Meeting to Annual Public Meeting.</li> </ul> <p><b>ACTION: IM to draft guidance for IDBs on remote and hybrid meeting practice and conduct.</b></p>	IM
1559	<p><b>Red diesel – IT</b></p> <ul style="list-style-type: none"> <li>• Much lobbying has taken place from ADA and local MPs. IT &amp; IM to attend meeting with rep. from Treasury. Minister Pow is also talking to Treasury. Hazel Durrant from DEFRA has not been invited to meet by Treasury. Neil Parish MP will be raising directly with Rishi Sunak.</li> <li>• JF – Had sought legal advice on definitions within HMRC Customs &amp; Exercise Note 75. Seems that single use vehicles can use red diesel i.e. flail mower or excavator. If a diesel generator is being used on private land then red diesel also could be OK. There are other interpretations.</li> <li>• IT – ADA are putting forward a number of ideas to Treasury to resolve.</li> </ul>	
1560	<p><b>Defra Update - CT</b></p> <ul style="list-style-type: none"> <li>• Environment Bill was going through the House of Lords. A three week Committee stage was set to begin on the 21 June. Royal ascent was expected in autumn, before the COP26 climate summit.</li> <li>• Statutory Instrument for variation in IDB boundaries, consents &amp; fees still needed once the Bill is enacted and will need consultation.</li> <li>• Interim Office for Environmental Protection (OEP) was set to launch on 1 July.</li> <li>• Lowland Peat Strategy progressing.</li> </ul>	
1561	<p><b>Environment Agency Update – RH</b></p> <ul style="list-style-type: none"> <li>• Organisational changes have been made as part of the Environment Agency’s ‘Fit for 25’ programme. It would require Directorate and local operational team changes to be made. Including the creation of a new department for asset management and a new chief engineer by 2025.</li> <li>• 25 programmes had been confirmed for the Environment Agency’s FCERM Innovation Project.</li> <li>• Precept guidance had been updated by the Environment Agency, but would not be released to IDBs. PB – What has been updated? RH – Clarity in terms of timelines.</li> <li>• A new external position regarding de-maining was expected to be released in the Autumn.</li> <li>• IT – ADA would like to be involved in the de-maining guidance development.</li> <li>• IT – Asked whether Defra or Environment Agency will respond to the</li> </ul>	

	<p>Independent Reservoir Safety Review Report? RH – response is underway (by EA).</p> <ul style="list-style-type: none"> <li>• IT – When can the issues in Norfolk with regards to the ongoing investigation impacting on other IDBs uninvolved in the situation be resolved? RH – Response to IT’s letter to Simon Hawkins has been sent, and matters were being progressed in line with the details as set out.</li> <li>• Updated guidance around riparian management expected.</li> <li>• AMG – Reported that the Isle of Axholme and North Nottinghamshire Water Level Management Board would withhold further payment of its precept this year until the situation on main river maintenance within the Board’s area improved.</li> </ul>	
<b>1562</b>	<p><b>Committee Workstreams - IM</b></p> <p>IM provided the Committee with a progress update regarding the four existing workstreams overseen by the Committee and a proposed new workstream on IDB election procedures. Update as per supporting papers. Provided.</p>	
<b>1563</b>	<p><b>Update from T&amp;E Committee – SL</b></p> <p>Update as per supporting papers provided. TF – Climate and managing channel sedimentation are likely to be run across both P&amp;F and T&amp;E Committees.</p>	
<b>1564</b>	<p><b>Future ADA events - IT</b></p> <p><b>ADA/CLA Keep Our River Flowing Summit – IT</b> Summit sold out. Some changes to itinerary to be made.</p> <p><b>ADA Demonstration 2022 - IT</b> Location near Pode Hole Pumping Station is being considered. Another site near Boston linked to Dyson Farms was also an option.</p> <p><b>ADA Conference and Annual General Meeting 2021 – IT</b></p> <ul style="list-style-type: none"> <li>• Conference is now virtual.</li> <li>• Minister Pow is speaking &amp; possibly Dieter Helm</li> <li>• Focus will be on thanking Lord De Ramsey and welcoming Henry Cator</li> </ul>	
	<p><b>Any other business</b></p> <ul style="list-style-type: none"> <li>• CAM – How do IDBs enforce unpaid drainage rates ordered by magistrate? PB – Bailiffs and add bailiff charge onto order value. CAM – struggles where bailiffs don’t have anything to seize. Others – Go to small claims.</li> <li>• All agreed that the leaving gift for Lord De Ramsey should be drawn from ADA’s budget and agreed the value.</li> </ul>	
	<p><b>Close of Meeting</b></p>	