



POLICY & FINANCE COMMITTEE MEETING
Minutes of the Meeting held on Wednesday 19th January 2022
 Held remotely via MS Teams

Present: Tim Farr (TF) chair

Ian Moodie (IM) (Secretary), Innes Thomson (IT), Trevor Purllant (TP), Robert Caudwell (RC), Jane Froggatt (JF), Brain Stewart (BS), Andrew McGill (AMG), Rachael Hill (RH), Carol Tidmarsh (CT), Matthew Harrison (MH), Nigel Everard (NE), Lorna McShane (LM), Sofi Lloyd (SL), Angela Cowen (AC), Adrian Rushworth (AR).

Apologies: Carrie-Ann Morgan (CAM) Pete Dowling (PD), Peter Bateson (PB), John Cooke (JC),

Ref	Minute	Action
1576	Welcome & Apologies - TF TF welcomed everyone to the meeting and welcomes Adrian Rushworth to his first ADA Committee meeting.	
1577	Declarations of interest - TF None noted.	
1578	Approval of Minutes - TF IT asked for reference to J Coghill be corrected to Cogan and to correct the title of the discussion from precept to river maintenance. Once amendments are made the minutes are approved as a true and fair record of the meeting held on 15 th September 2021.	
1579	Matters Arising None	
1580	ADA Finance & Governance a. Financial Position – IT <ul style="list-style-type: none"> • Expenditure is significantly lower than budgeted due to the events not held this year • Income is also lower than budgeted for mainly the same reasons. Position will improve from that currently stated when advertisers are billed for adverts placed in the last Gazette before Christmas. • Planned deficit is expected to be reduced due to the above. 	
1581	b. Updated Budget <ul style="list-style-type: none"> • Budgets for 2022 have been adjusted to account for expected uplift in expenses for various reasons including rent which will include expected energy cost increases and some insurance premium increases. As a result the planned deficit is expected to increase in 2022. Stationary costs have 	

1582	<p>increased by approx. the same amount each year.</p> <ul style="list-style-type: none"> • ASA income is expected to remain about the same • TF – The remuneration committee raised the query of when the impact of inflation should be recognised in salaries, as it is expected to rise. Should it be prior to the inflation raise or after? JF- Lincs branch pay committee aligns mostly to the KA09 KPI used by public sector organisations which applies it retrospectively using a 3 month rolling average and a 12 month rolling average could also work. <p>c. ADA Reserves Investment - IT</p> <ul style="list-style-type: none"> • Have taken advice on investing some of ADAs reserve from the CCLA. Options are to invest in across 3 low-risk options which include a Local Authority short term quick access fund at 1.5%, a long term Local Authority property fund with long notice period at 3.5% or a short term ethically-focussed fund with a shorter notice period at 2%. The suggestion is that we split part of the reserve across all 3 funds. BS – Be cautious about the LA property fund, stick with the 2 with lesser interest rates. TF- Agreed. TP – Check what the management charges are on each. IT – May need to wait for a better financial climate before investing also, no rush to do so immediately. • ALL – Accept proposal to invest part of the reserve & adjusted budgets for 2022 & take to Board for approval 	
1583	<p>Future Events - IT</p> <ul style="list-style-type: none"> • Dedicated ADA webpage is being set up for ADA events. • Demo plans still underway for 2023 at Dyson farms • SL – First APPG is being planned for the end of the month and will also have a webpage. • NE – Northern Branch are questioning the value of attending Great Yorks show but will be attending Driffield. IT – Ian Thornton in discussions with Great Yorks show organisers regarding improved package and location. 	
1585	<p>Red Diesel – IM</p> <ul style="list-style-type: none"> • Current position from HM Treasury is that red diesel can be used in vehicles which undertake channel maintenance where it is solely the benefit of agricultural land. The issues with this have been highlighted in that IDBs don't have sufficient vehicles to split them between rural/agricultural and urban areas so that different fuel can be used in both, and the logistics of swapping between fuels for IDBs or their agricultural contractors depending upon where they are working would be dis-encouraging to agricultural contractors to undertake IDB work and not possible for IDBs to do. There are also periphery issues to consider such as the need for 2 different storage tanks and what to do with unused fuel when the law comes into force. ADA is continuing to liaise with government to propose changes to excise notice 75 to replace the word "solely" with the word "mainly" to allow a more feasible approach for IDBs. • AMG – Treasury already set a precedent to delineate whole areas with gold courses, the same could be done for special drainage areas. JF – Am grateful for the opinion of a QC on the matter and agree with AMG. Penny rate increases for WHIDBs due to 5 primary issues of which red diesel is the main 	

	<p>one will be between 8-11%. In absence of clear dispensation, the IDBs will assume all operations will be on white diesel as it is not feasible to separate operators and machines between rural and urban areas.</p> <ul style="list-style-type: none"> • MH – The issue has hit the County Council as well, it impacts outside of IDBs too so is supportive of ADAs approach. • BS – Treasury appear to be trying to be generous and would support the push for the change of wording from solely to predominantly. IT – Yes DEFRA trying to help and the NAAC is also working with HMRC along the same lines. • CT – DEFRA requesting channel maintenance be added to the exemptions list. There is a meeting planned for Friday to discuss further between HMT, ADA and DEFRA. • IT – will consider the need for a QC opinion following Fridays’ meeting. 	
<p>1586</p>	<p>Defra update – CT</p> <ul style="list-style-type: none"> • Env Act - Some IDBs are testing the valuation data & secondary legislation is being drafted and will be issued for consultation before enactment in 2023. • Another public consultation is expected around the delivery of the strengthened biodiversity duty on public bodies and the required 5-yearly reporting. IM – Would hope that all recently updated IDB BAP template and metrics will satisfy the new requirement. • A tender has been issued for a research project around assets review. Will set up a steering group for the project and would expect ADA to be a key member of it along with the EA. 	
<p>1587</p>	<p>EA Update – RH</p> <ul style="list-style-type: none"> • FCRM Directorate changes coming into place now with a handover period beginning. ADA/IDBs primary contact will be with Ian Hodge, Jim Barlow and on a day to day basis Adrian Rushworth and James Yarham in the asset management team. Rural resilience and working with NFU and CLA will transfer to the new natural environment and rural resilience team led by Laura Kitson. • IT & TF – Big thank-you Rachael for your work over the years with ADA and IDBs and welcome to Adrian. • RH – FRMPs consultation closes on 21st Jan if ADA and IDBs are responding. RBMP consultation also launched. • Flood & Coast content call closes 21st Jan & excellence awards nominations close 13th Feb. • Women in FCERM committee pleased to welcome Pricilla Hazelhurst as a member representing IDBs. • IT – Precept – needs to be included in a wider conversation around river maintenance. AMG – River maintenance remains a key issue and should be noted that environmental enhancements are made as a result of maintenance not just capital projects. TF – Also dislike the common inference that managed watercourses are not environmentally friendly. • BS – The £5.2 billion budget for flood risk management is being reprogrammed as there are insufficient shovel ready capital projects to be progressed with it. • IT – We need to promote good examples of whole system approaches such as 	

	<p>Keadby where a significant proportion of the funding was allocated to improving the approaching channels as part of the project. Hope a decision will be made quickly about how to reprogramme the £5.2 billion and decision makers will keep this in mind.</p> <ul style="list-style-type: none"> • AR – Will welcome suggestions around how to reconsider and reprioritise projects. • AMG – More consideration should be given to projects which improve the opportunity for gravity drainage through maintenance, which would also reduce CO2 emissions. 	
1588	<p>Precept Guidance – IM</p> <ul style="list-style-type: none"> • Internal precept guidance for the EA has been finalised. The supporting papers set out ADAs concerns with the associated advice note. • RH – ADAs concerns raised previously have been included in the guidance and following pre-engagement with IDBs ahead of RFCC proposals. The guidance does cover some big changes but some ADA recommendations couldn't be approved. • JF: The advice note does not feel in keeping with partnership working. • SL – The points raised by ADA must be considered in a cumulative way rather than the impacts of each individual concern. • IT – Should the note be published? JF & others – yes but with some caveats i.e. setting out that ADA has not had sight of the whole guidance. • RH – Expect that the changes and improvements will be evident after following the new process. • NE – Positive that in some areas the HWC and Precept conversations are working well. 	
1590	<p>P&F Committee Workstreams – IM</p> <ul style="list-style-type: none"> • IM – Update as per supporting papers. 	
1591	<p>Consultations</p> <ul style="list-style-type: none"> • IM – will be setting up a web page where consultation responses can be accessed and upcoming consultations will be listed. 	
1592	<p>T&E update – SL</p> <ul style="list-style-type: none"> • SL – Update as per supporting papers. Good response to biodiversity metrics survey and the Carbon Accounting guide, calculator and reporting template is in test with a few IDBs and due to be issued shortly. 	
	AOB	
	Meeting Close	