



Representing Drainage Water Level & Flood Risk Management Authorities

BOARD MEETING FINAL APPROVED Minutes

Wednesday 07 July 2021 at 09.35 to 13.00
Remote online meeting via Zoom

Invitees					
Name	Representing	Present	Name	Representing	Present
Robert Caudwell	Chairperson	Y	Lord De Ramsey	President	Apol.
Tim Farr	Vice Chairperson Policy & Finance Committee	Y	Henry Cator	Vice President	Y
Trevor Purlant	Vice Chairperson Technical & Environment Committee	Y	David Riddington	Vice President	Apol.
Chris Mutten	Eastern Branch	Y	Jean Venables	Vice President	Y
John Heading	Great Ouse Branch	Y	Neil Parish	Vice President	Apol.
Keith Casswell	Lincolnshire Branch	Y	Anne McIntosh	Vice President	Apol.
James Hereford	Marches Branch	Y	John Grogan	Vice President	Y (from ref. 342)
Bill Symons	Northern Branch	Y	Hazel Durant	Defra (co-opted)	Apol.
Priscilla Haselhurst	South Eastern Branch	Y	William Harrington	Defra (co-opted)	Y
Tony Bradford	South Western Branch	Y	Peter Bateson	Company Secretary	Y
Will Staunton	Trent Branch	Y	Innes Thomson	Chief Executive	Y
John Markwick	Wales Branch	Y	Ian Moodie	Technical Manager	Y
Duncan Worth	Welland & Nene Branch	Apol.	Sofi Lloyd	Technical Officer	Y
Catherine Wright	Environment Agency	Y			
David Hickman	Local Authorities	Y			
David Jenkins	RFCCs	Y			

Ref	Minute	Action
320	Welcome, Apologies and Declarations of Interest RC welcomed Vice-Presidents, Board & guests to the meeting and noted those apologies received. Particular welcome was extended to William Harrington from HD's team at Defra.	
321	Declarations of Interest RC highlighted the declaration of interest forms circulated to Directors and requiring completion at the earliest opportunity.	

	<p>Action: All Directors complete and return their declaration of interest forms to ADA.</p> <p>No further declarations made.</p>	All Directors
322	<p>Minutes of the 10 February 2021 Board meeting The minutes of the Board's meeting on 10 February were approved by the Board.</p> <p>IT reported on having made some progress on developing an all party parliamentary group, having recently discussed the concept with JG.</p> <p>IT confirmed that actions proposed by ADA had been included in the published FCERM Strategy for England Action Plan for the coming year.</p>	
323	<p>Matters Arising Nothing to report.</p>	
324	<p>COVID-19 & Health, Safety & Welfare updates IT reported that ADA continued to take a cautious approach to the pandemic respecting staff wishes, whilst managing the office in a COVID compliant manner. IT noted that there remained some hesitancy from amongst members and other contacts in holding meetings in person.</p> <p>CW reported that the Environment Agency was also taking a cautious approach, but was planning to undertake some activities which had been stopped earlier in the pandemic as conditions allowed. They were reviewing a gradual transition back into offices, but expected to remain flexible around meetings using learning gathered throughout the pandemic.</p> <p>In response to a question about remote meetings from JV, IM confirmed that IDBs were now able to continue to meet remotely or in a hybrid form as long as they had adopted the latest model standing orders drafted by ADA and Defra. IM was working on guidance for IDBs on holding remote and hybrid meetings.</p> <p>DJ reported that RFCCs had continued to hold meetings remotely, but anticipated returning to in person meetings after the next round of meetings, as conditions allowed.</p>	
325	<p>2020 Audited Accounts and filing on Annual Return IT introduced the audited accounts as received from ADA's accountants Streets.</p> <p>In response to a question from CW, PB confirmed that ADA is exempt from the statutory audit requirement for the year (as its annual turnover was below £6 million), and following a change in 2019 to its Articles of Association, now undertook a more detailed assessment of ADA's governance, systems and processes through internal audit. This provided a cost efficient level of assurance, but with a greater level of clarity and a focused, prioritised governance report. This was supported by CW.</p> <p>In answer to a question from PH, IT confirmed that ADA's reserves policy is to retain reserves of a value of at least six months expenditure.</p>	

	<p>Resolution: The audited accounts and annual return were approved by the Board as proposed by JHg and seconded by KC, with authority given to the Chairman to sign the accounts and letter of representation.</p>	
326	<p>Finance Reports</p> <p>a. <u>Bank Balance</u> IT reported that the balance at the end of May 2021 stood at just over £373,000. Bank balance curve is running below that of preceding years, but IT remained confident that balances would remain stable through 2021.</p> <p>b. <u>Income and Expenditure</u> A summary report was presented to the Board and noted.</p> <p>IT reported that subscription income remaining stable, and subsequent to the figures provided three businesses had applied to become associate members. However IT anticipated a handful of local authorities may resign their membership in reflection of their own financial positions. Gazette income and expenditure had remained stable in the first half of 2021.</p> <p>Overheads remained lower than forecast, but some back dated office rental costs were paid after the expenditure presented, bringing these closer in line with estimates.</p> <p>The event costs presented related to preparation around developing a future ADA demonstration event.</p> <p>c. <u>Debtors</u> IT reported that the current position was of £70,000. Much of this debt related to IDB board meetings being deferred until after the reporting period.</p> <p>IT had no particular concerns with debtors position.</p> <p>RC and IT noted their thanks to SC for keeping those debtors under control.</p> <p>d. <u>Budget forecast</u> IT reported that spending curve would bring ADA back in line with, costs remain suppressed owing to COVID.</p> <p>IT remains confident, with thanks to the efforts of Ryan Dixon, to retain advertising revenue from the ADA Gazette.</p> <p>Noted that the Board did approve some additional areas of expenditure in 2021:</p> <ul style="list-style-type: none"> - Additional staff member – likely to be deferred until 2022, looking to better define role to fit ADA’s needs. - Business case for a demonstration event - has been prepared although the marketing phase will be delayed. - Preparation of guidance on IDB ratings - work will align with changes to be brought about by the Environment Bill. - HSW modules for IDBs – first three completed and next three scheduled this year, as planned. 	
327	<p>Membership update IT reported a healthy position with ADA membership, with some new Associate Members, but with some local authorities likely to be leaving membership.</p>	

	<p>DH reported that a lot of the pressure on local authorities is anticipated from future budget settlements, especially with district councils, and therefore these pressures will play out over the next couple of years.</p>	
328	<p>ADA Memorandum & Articles of Association IT presented a final draft of the revised Articles of Association, following a legal review by Wilkin Chapman solicitors.</p> <p>CW thanked IT for engagement on the earlier draft, and sought clarification regarding ADA's branches. IT responded by saying that Branch constitutions will need to be reviewed and approved by ADA's Board of Directors in line with ADA's own Articles of Association, once they have been approved by the membership.</p> <p>TF reported that the Articles had been reviewed by ADA's Policy & Finance Committee who were happy for these to be taken forwards.</p> <p>Resolution: The Board approved the revised Articles of Association to be taken to ADA's AGM in November 2021 for adoption. Proposed by TF, seconded by CW.</p>	
329	<p>Company Secretary updates PB reported that ADA Directors were due to be appointed by the South Eastern and Trent Branches in 2021. WS had been reappointed at ADA's Trent Branch meeting on 6 July 2021.</p> <p>Action: IT/PH to work with the Branch Secretary to hold a South Eastern Branch AGM in 2021.</p> <p>The Board discussed extending ADA appointments by a year in light of the pandemic and restrictions on meetings. Whilst it was recognised that ADA had the ability to accept the deferral of Director appointments in exceptional circumstances at the request of a Branch, it was felt that it would not be appropriate for ADA's board to impose this as it would not want to defer the democratic right of branch members.</p> <p>IT noted that the maximum time between ADA Branch meetings allowed for within Branch constitutions was 15 months.</p>	IT/PH
340	<p>Working with ASA (Association of SuDS Authorities) IT reported that SC continued to work well with ASA's executive, supporting their meetings, newsletters, and running ASA's accounts. ASA remained pleased with the input being provided by ADA.</p> <p>IT sought the support of the Board to explore proposals for continued working with ASA beyond the existing agreement on support services that runs through to summer of 2023. IT noted changes to ASA's executive, pressures on financing both membership bodies, and opportunities for membership development, all presented an opportunity to explore options for closer alignment between ADA and ASA, creating a broader more attractive offer to local authorities and RFCCs in particular.</p> <p>The Board encouraged IT to engage with ASA's executive on their vision for the future, before coming back with more detailed proposals.</p> <p>Action: IT to engage with ASA to develop proposals for future working between the associations by ADA's February 2022 Board meeting.</p>	IT

341	<p>Insurances</p> <p>SL explained that John Cooke had presented to the recent ADA Policy and Finance Committee meeting on the increasing premiums and excesses for some insurances to IDBs. It was felt that some of this was the result of the European Union Solvency 2.0 rules which placed new reporting requirements upon insurers and had resulted in some insurers leaving certain insurance markets. Furthermore, the market was becoming increasingly challenging to IDBs, given their potential exposure to natural disasters.</p> <p>SL was drafting a guidance note suggesting steps IDBs could take to improve their position and minimise premiums and excesses. This included having robust risk management policies and practices around governance, the environment and health safety and welfare. The note would be shared with IDBs, once it had been reviewed by John Cooke.</p> <p>PB illustrated an example of these increases, having just concluded negotiations for new insurances for his board with a 30% increase, the equivalent of a 1% increase in the IDB's drainage rates and special levy.</p> <p>IT noted that in the future these changes in the insurance market could necessitate engagement with Defra and the Environment Agency around self-insurance or pool-insurance models or government backing.</p> <p>IT also expressed concern that the current state of the insurance market might also impact upon ADA's own insurances which were due for renewal shortly.</p>	
342	<p>ADA Staff holiday entitlement</p> <p>IT presented a detailed proposal for staff holiday entitlements with comparison with other equivalent employers, including the EA, IDBs and the NFU.</p> <p>The Board welcomed the proposals presented, but referred the matter to be studied further by a Remuneration Sub-Committee alongside the entire pay and employment packages offered to ADA staff.</p> <p>TF described the remit of a proposed ADA remuneration sub-committee would be to advise ADA's board in respect of all matters pertaining to staff salaries, pensions, holidays, terms of employment, executive performance review and other such matters where it is necessary for the purpose of good governance that objective oversight is ensured with regard to the terms and activity of the remunerated staff and executives. It was proposed to be chaired by the Policy & Finance Committee Chairperson; with the following appointments:</p> <ul style="list-style-type: none"> - ADA Company Secretary, - The EA ADA board representative, - Two additional ADA board members, - One person independent of ADA and its members. <p>The Remuneration Sub-Committee would meet at least once a year, prior to the January ADA board meeting. The Sub-Committee would make recommendations, with the Board retaining the final decision-making.</p> <p><i>Resolution: The setting up of a Remuneration Sub-Committee, as described, was supported by the board, proposed by TP and seconded by KC.</i></p>	
343	<p>ADA Membership Subscriptions 2022</p> <p>IT presented a paper contained proposed options for ADA membership subscriptions for 2022. Recognised that inflation at the time of the meeting was running between 2.0-2.5%.</p>	

	<p>The Board discussed a range of proposals recognising that the COVID pandemic created a great deal of uncertainty around future costs. There was a desire to retain the resource needed for ADA to offer an adequate service to members and retain staff, but recognised the pressures being placed on ADA's public authority members at this time</p> <p>IT suggested the Board may wish to consider differentiating between increases in membership fees and advertising rates in 2022, recognising that the ADA Gazette had particular cost pressures (e.g. print costs).</p> <p>JHd proposed a 0% increase in subscriptions, but the proposal was not seconded.</p> <p>JHg proposed a 2% increase for subscriptions and advertising, TF seconded.</p> <p>An amendment by BS proposed a 1% increase for subscriptions, with an inflationary increase for advertising rates, seconded by CW. The amendment was supported: 10 for, 4 against, 3 abstentions.</p> <p>The Board then voted on that amendment.</p> <p>Resolution: The ADA board approved a 1% increase in ADA subscriptions for 2022 and an inflationary increase in advertising rates in 2022 (Vote: 13 for, 4 against)</p> <p>The Board noted that in light of the decision there would be an important opportunity to articulate to members how ADA was limiting its subscriptions recognising the pressures placed on members.</p>	
344	<p>Environment Agency update</p> <p>CW updated the Board on Environment Agency matters as follows;</p> <ul style="list-style-type: none"> - A fatal incident had occurred involving a field operation team member in Thames region, whilst felling a tree over water. The Environment Agency were cooperating with an ongoing investigation by HSE, with an inquest due later in 2021. Some important findings and learning points including improving active monitoring of procedures and making changes to how risks are reviewed would be shared with ADA for dissemination in due course. - The FCERM Strategy for England Action Plan, had been published, with thanks to the ADA team for proposing actions. It was announced that the Environment Agency were looking to setup a rural flood resilience group with ADA, NFU, CLA, and NE. - The FCERM Capital programme 2015-2021 had been delivered on time and on budget, despite the challenges posed by the pandemic. IDB led schemes in new FCERM capital programme through to 2027 (value £200m) were set to deliver a reduction in flood risk to over 9,000 homes. - On Environment Agency asset maintenance a one year settlement of £178 million had been set by the spending review, significantly short of the £230 million originally requested. The Environment Agency would be seeking a stronger and longer settlement in next funding review. - The ABI and Flood Re had recently published a report looking at the economic benefits of maintaining flood defences, which would contain some important findings for ADA members. The overall assessment was that maintenance of flood defence was providing a 7 to 1 benefit from investment. - The Environment Agency was assisting Defra who are looking at a possible extension to the asset replacement fund (currently ring-fenced for 	

	<p>the Environment Agency only) to be available to other risk management authorities and reported four IDB schemes that were already looking to benefit from that fund.</p> <p>RC asked about whether the ABI report also covered the avoidance of costs associated with emergency and incidents. CW had not been able to review the report, but hoped this was built in.</p> <p>KC noted the benefits that desilting work on the South Forty Foot River, had brought during rainfall events in 2020-21, avoiding any major overtopping events from occurring.</p>	
345	<p>Defra update WH updated the Board on Defra matters as follows;</p> <ul style="list-style-type: none"> - Starting to pull together a long list of ideas for a three year spending review through to the end of this parliament. Spending review was expected to be concluded by the end of this year. - Environment Bill expected to become law by the end of the year and to contain clauses related to IDB rating. Defra were working on secondary legislation and with the Valuation Office Agency around some modelling. - Richard Powell OBE has been appointed as new chair for the Anglian (Eastern) RFCC. <p>Action: WH to seek a statement regarding IDB and local authority access to the FCERM asset replacement fund.</p>	WH
346	<p>Committee Reports Minutes of both Committee Meetings were made available to Board members as part of the papers in preparation for the meeting.</p> <p>IM reported that the matter of flytipping and litter arising during watercourse maintenance operations had been discussed at the recent ADA Technical & Environment Committee meeting. ADA had raised questions at the Defra IDB Policy Advisory Group meeting and is seeking clarifications to the recently revised definition of the D1 exemption for wet dredgings that had been made by the Environment Agency, and had requested to join the national fly tipping task force and to re-engage with the Wet Dredging Group that had been reviewing the changes to the D1 exemption.</p> <p><u>Workstreams</u> IM reported that work on revised byelaws for IDBs had been completed, and that both Committees had discussed proposals for a new Silt management workstream. Work was ongoing to focus this on two objectives for the first year of the workstream.</p>	
347	<p>Red diesel IM thanked IDBs who had written to their local MPs or HM Treasury ministers on this matter. IM, IT and RC had been invited to meet with a senior HM Treasury civil servant, which took place on 21st June. Whilst the changes around red diesel use at pumping stations appeared final, HM Treasury remained interested in the use of red diesel in watercourse maintenance and bank mowing operations where agricultural contractors may be used. They were interested in the potential impact on agricultural contractors and have asked ADA to gather further information around this. IM would shortly be writing to all IDBs asking for further data which would be submitted in August to HM Treasury.</p>	

	<p>CW said that the Environment Agency would support IDBs and ADA with longer term changes to reduce carbon emissions from diesel use.</p> <p>RC support the longer term aim to decarbonise operations, but was concerned that the increased costs associated with removing red diesel entitlement would significantly slow down such movement.</p>	
348	<p>Environmental Good Governance Guide</p> <p>IM reported that SL had prepared a comprehensive first draft of the guide. The draft had been distributed to members of the Defra IDB PAG, within the Environment Agency and Natural England and ADA Committee members for comment. ADA was primarily focused on ensuring the guide covered all of the necessary subjects and was technically accurate. Edits would then be made for accessibility, looking at its structure and length and ADA's intention is to have the document completed for the ADA Annual Conference. It pointed out that Floods Minister Rebecca Pow is speaking and would no doubt welcome being able to refer to the Guide in her speech.</p>	
349	<p>Health, safety and welfare information modules</p> <p>IM reported that ADA had published three information modules online at www.ada.org.uk/knowledge/health-safety-and-welfare. SL was working with ADA's Health Safety and Welfare Sub-Committee to define the topics for the next series of three modules.</p>	
350	<p>Environmental Land Management Scheme</p> <p>SL reported that Defra had declined ADA's request to join Defra's Environmental Stewardship Stakeholder Working Group. ADA has requested that the Environment Agency and Defra keep ADA in the loop on water related ELMS proposals.</p> <p>IT reported that Minister Pow had been quite supportive of ADA's involvement at a recent meeting with ADA.</p> <p>HC was surprised and felt Defra were missing an opportunity in not engaging with ADA on ELMS, given the clear synergies with water.</p>	
351	<p>ADA/CLA Keeping Our Rivers Flowing Summit</p> <p>IT reported on the webinar held on 24 June by ADA and the CLA, noting particular thanks for the presentation case studies illustrating the river maintenance difficulties being faced. IT said that ADA planned to hold a further summit in about six months' time to see what progress is being made in this area.</p> <p>IM noted that a press release from the event had been published jointly by ADA and the CLA. ADA was working on a readout of the key points raised at the Summit, and had already shared the slides from the presenters, and would be providing the recording of the summit via the CLA's YouTube channel.</p>	
352	<p>Future ADA Demonstration event</p> <p>IT reported that the special Board meeting held on 18th June to discuss the ADA Demo event had given direction to defer the event to 2023, seek to reduce operational costs and ensure that there was sufficient profit margin envisaged to absorb the potential risks of holding such an event. IT reported that Dyson Farms were interested in working with ADA for a working</p>	

	<p>demonstration event in 2023 at a potential site to the north of Boston, Lincs. With the welcome help of Witham 4th IDB, IT was hoping to set up a meeting with Dyson Farms to take this forwards shortly, and would update the Board on progress.</p> <p>Action: IT to meet and discuss opportunity with Dyson Farms in conjunction with Witham Fourth District IDB.</p>	IT/PB
353	<p>ADA Conference and AGM 2021</p> <p>IT reported that it had been decided to hold the ADA Conference and AGM online. Planned speakers include Floods Minister, Rebecca Pow, Lord De Ramsey and hopefully also Professor Sir Dieter Helm. IT noted the importance of the event, celebrating the time of LdeR as ADA's President and hand-over to HC.</p>	
354	<p>Clerks & CEOs Seminar</p> <p>IT indicated that ADA was considering holding a seminar for senior officers from IDBs to replace the opportunity lost for Clerks and CEOs to meet up the night before the ADA Conference as a result of another online event this year. The intention would be to expand the meeting to include presentations and discussions on a focused number of relevant subjects, potentially covering areas such as: treasury management, environmental governance, asset replacement, and carbon reduction. The ADA team would review possible content and dates for an event later in 2021 or early in 2022, in liaison with IDB clerks and CEOs.</p> <p>The Board supported the proposed seminar.</p>	
355	<p>Format for October ADA Board Meeting</p> <p>IT confirmed that the next ADA Board meeting would take place on 6 October and sought Directors' views on format and/or venue.</p> <p>The Board supported holding the meeting in person at an accessible venue outside of London with facilities for those wishing to join remotely.</p> <p>Action: IT to explore suitable venues, including IDB meeting rooms.</p>	IT
356	<p><u>AOB</u></p> <p>Main River maintenance</p> <p>IT reported that an annual precept payment to the Environment Agency was being withheld by an IDB owing to frustration at a lack of progress, over a considerable length of time, with an improved regime of main river maintenance. Whilst ostensibly a local issue requiring local resolution, discussions had identified that the principle is of national significance and so merits consideration by ADA's Board.</p> <p>Discussion had taken place between the IDB concerned, the local Environment Agency team and ADA. ADA had expressed its empathy with the frustration at a lack of action. ADA has agreed to take the subject for national discussion, including at the next Defra IDB PAG meeting and the local Environment Agency team have started a complex study to gain the data and evidence required to justify any future work on the river in question. ADA would encourage the IDB to consider continuing normal payment of the annual precept whilst effort is being made on trying to resolve the issues</p>	

	<p>raised, as well as asking the Environment Agency local team to make stronger representation to their national colleagues to help resolve barriers to progress.</p> <p>The Board supported ADA in taking the above position on this matter.</p> <p>BS asked if a formal appeal had been raised the IDB. IT answered that the precise terms of the complaint may be outside the scope of formal appeal, but had not had sight of the Environment Agency's updated guidance on such matters related to precept.</p>	
	Close	

DRAFT