



Representing Drainage Water Level & Flood Risk Management Authorities

ADA BOARD OF DIRECTORS Meeting Minutes

18 July 2023

Environment Agency, TEAM 2100, 111 Buckingham Palace Road
London, SW1W 0SR

Invited					
Name	Representing	Present	Name	Representing	Present
Robert Caudwell (RC)	Chair	Y	Henry Cator (HC)	President	Y
Tim Farr (TF)	Vice Chair Policy & Finance Committee	Y	David Riddington (DR)	Vice President	Apol.
Charles Mills (CM)	Vice Chair Technical & Environment Committee	Y	Jean Venables (JV)	Vice President	Y
Peter Bateson (PB)	Company Secretary	Y	Anne McIntosh (AM)	Vice President	Apol.
Angie Fitch-Tillett (AFT)	Eastern Branch	Apol.	John Grogan (JD)	Vice President	Apol.
VACANT	Great Ouse Branch				
Keith Casswell (KC)	Lincolnshire Branch	Y	Hazel Durant (HD)	Defra (co=opted)	Y
VACANT	Marches Branch				
Bill Symons (BS)	Northern Branch	Y	Innes Thomson	Chief Executive	Y
Priscilla Haselhurst (PH)	South Eastern Branch	Y	Ian Moodie	Technical Manager	Y
Rebecca Horsington (RH)	South Western Branch	Apol.			
Will Staunton (WS)	Trent Branch	Y	Invited		
James West (JW)	Wales Branch	Y	Ed Johnson (EJ)	Deputy Chair, T & E Committee	Y
Duncan Worth (DW)	Welland & Nene Branch	Apol.	John Heading (JHe)	Great Ouse Branch (rtd)	Y
Ian Hodge (IH)	Environment Agency	Y	James Hereford (JHd)	Marches Branch (rtd)	Y
Paul Ambrose (PA)	Local Authorities	Y	Tony Bradford (TB)	South Western Branch (rtrd)	Y
Brian Stewart (BSt)	RFCCs	Apol.	Trevor Purlant (TP)	Vice Chair Technical & Environment Committee (rtd)	Y

Ref	Minute	Action
450	<p>Welcome and apologies</p> <p>RC welcomed ADA Directors, President to the meeting and noted those apologies received. RC welcomed new directors to ADA's Board:</p> <ul style="list-style-type: none"> • Rebecca Horsington (RH), South Western Branch • Charles Mills (CM), Vice Chair, Technical & Environment Committee <p>RC welcomed Trevor Purlant, James Hereford, Tony Bradford and John Heading as guests, all having retired from the Board since the last meeting.</p>	

	Vacancies remain for Marches and Great Ouse Branches until a Director can be nominated at their next Branch meetings in the Autumn.	
451	<p>Declarations of Interest</p> <p>IT reminded Directors to submit their annual declarations.</p> <p>No further declarations made.</p>	
452	<p>Approval of Minutes</p> <p>The minutes of the Board's meeting on 15 February 2023 were approved by the Board.</p>	
453	<p>Matters Arising</p> <p>443a. - TB wanted the Keeping Our Rivers Flowing Summit to have had a greater focus on watercourse and asset maintenance. TB was concerned that maintenance works on main river is overly bureaucratic with the paperwork costing more than the work itself. Furthermore, TB expressed concerns about the costs of works undertaken through the Environment Agency's framework contracts.</p> <p>WS had recently raised concerns regarding the lack of main river maintenance locally, meeting with Robert Jenrick MP and the Environment Agency Area Director, Louise Cresswell. It was recognised that given the inadequate funding for asset and system maintenance received by the Environment Agency, lower consequence rivers and assets were understandably being undermaintained. Robert Jenrick MP was supportive of demaining such watercourses where these could be better managed by another local risk management authority, and put into a routinely maintainable condition through works undertaken through a PSCA.</p> <p>IT has had a conversation with HD, where he said that the situation could be assisted by special levy amendments to the Land Drainage Act 1991 and making progress on the Ratings SI consultation and its eventual enabling.</p> <p>HD confirmed that she was hopeful that the Ratings SI consultation would be published soon and had been in contact with the Minister's office.</p> <p>KC had recently been involved in a local visit by Minister Pow and the subject of demaining had been discussed.</p> <p>Action: IM to contact IH and James Yarham (EA) regarding lessons learned reporting from the demaining pilots (note - ADA understands this has not yet been published).</p> <p>IT/RC highlighted the value of the Summit where Caroline Douglass (EA) highlighted the relative cost benefits of maintenance work (11:1) versus current capital works (5:1) and which has struck a note with Defra Ministers.</p> <p>TF Remuneration Sub-Committee formal minute still to come, with ongoing work to be carried out on an ADA staff progression framework, and staff pension entitlement. TF will present findings at a future meeting.</p> <p>Action: TF to report on Staff Progression Framework and Pensions</p>	<p>IM</p> <p>TF</p>
454	<p>Finances</p>	

a. Audited Accounts 2022

The ADA Board approved ADA's Audited Accounts for 2022. Proposed TF and seconded WS. RC signed the accounts on behalf of the Board and the annual return.

IT explained that these showed a loss consistent with the amount that the Board had budgeted for in 2022. Reserves at the end of December 2022 were at their lowest point for several years at just over £194k and IT pointed out that minimum levels of reserves as per ADA's agreed Business Plan should not fall below £170k. That leaves little margin for manoeuvre for any future operating deficits.

PB requested that all Flood & Water Live costs and income should be recorded in one place to clearly separate these out from other ADA income.

b. Finance Report to 18 July 2023

IT reported that the income and expenditure figures for the first half of this year are largely skewed by Flood & Water Live. Focusing on the key items, IT reported that subscriptions are slightly below budget, but this is expected to move towards forecasts with new associate members joining in 2023 as a result of F & W Live. Overall, staff costs are consistent with budget (it was noted that Ryan's costs were included within Gazette costs).

Whilst the cash balance was showing £40,000 below that of April 2022, since the reporting line of April 2023, ADA has received income for Flood & Water Live, and the Environment Agency's membership fees for 2023. Advertising revenue has increased in line with budget expectation.

DW had highlighted rising travel costs to IT prior to the meeting and IT pointed out that these remain substantially less than travel costs prior to the pandemic. RC added that ADA staff continue to manage travel costs and avoid duplicate attendance of meetings. Staff also try to take advantage of advance travel cost savings where possible.

IT confirmed requested the Boards authority to invest £80,000 of ADA's cash reserves in the CCLA's PSD Cash Fund which at time of meeting, was providing returns of 4.89%. BS highlighted concern that they are not covered by the financial protection regulations (FSCS) should something bad happen. He also said that the rates offer were similar to banks at present.

TF endorsed the suggestion that ADA considers a less risky investment route and the Board requested that IT give further consideration to the matter and report back.

Action: IT to review investment strategy and report back to the Board.

c. Bank Account Balance

IT reported that the balance was just short of £400,000 at the end of April 2023.

d. Debtors

	<p>No debtors report was given owing to the ongoing position with Flood & Water Live invoicing. IT reported that older debts outstanding are not of undue concern at present. A concerted effort will be made to collect outstanding subscriptions for 2023, particularly from Local Authority members although most had now paid. IT reported that some IDBs have not yet paid, which is largely down to IDBs and District Drainage Commissioners within the Middle Levels that only meet once per year in late spring early summer.</p> <p>e. <u>Budget 2023</u> IT reported that income and expenditure was on track to meet the budget as agreed at previous meetings.</p>	
<p>455</p>	<p>Business Planning</p> <p>a. <u>Membership Subscription Fees 2024</u> As previously highlighted, IT restated that there was not much headroom in reserves to allow for further operational deficits in the coming years and that ADA must seek to balance its budget within the next one to two years. Consequently, the Board was asked to give a decision on the membership fee increase for 2024 and an in principle consideration for fees in 2025 subject to a review by the Board at their meeting in Summer 2024.</p> <p>KC said that it would help to tell members what increases would be over the next three years. This could always be revised down if the inflation situation improves and costs stabilise. TF added that it would be good to give a signal to members that ADA was trying to spread this cost.</p> <p>HC emphasised that the biggest expense and also asset, is ADA's staff.</p> <p>The Board agreed with the general philosophy of reaching a balanced budget in next 1-2 years.</p> <p>WS proposed 6.5% for 2024 and for 6.5% to be the indicative amount for 2025 but this would be ratified for final decision in 2024. KC seconded. There were no counter proposals.</p> <p>b. <u>Company Secretary and Director Updates</u> PB reported on changes to ADA Company Directors.</p> <p>c. <u>Proposal for future working with ASA</u> IT reported that he and IM are to meet with the two joint chairs of ASA (L Bigley and V Keeble) to advance discussions on the formal coming together of ADA and ASA. IT explained that ADA will be proposing a single business platform based on ADA's current operations and for ASA to be a part of that.</p> <p>PA noted a big area of work for guidance and support if Schedule 3 of the Floods & Water Management Act (the creation of SuDS Approval Bodies) is finally enacted. There is expectation that consultation will take place later this year, with Defra's desire for implementation in 2024.</p> <p>ADA Board supported the discussion and gave authority to IT to progress discussions.</p> <p>d. <u>New ADA staff member</u></p>	

	<p>IT reported that thinking had evolved around employing a new member of staff and that more focus was now placed on data and information management, and that a new resource would be best employed to help improve ADA’s work to obtain relevant data and then store and use that data for the benefit of members and to inform policy decision making.</p> <p>The Board agreed with the revised thinking and continued to support the employment of an additional person. IT reported that the current budget allows for that employment.</p> <p>Realistically, it could take several months to advertise, find and employ a suitable candidate.</p> <p>e. <u>ADA Business Plan</u> IT reported that ADA needs to prepare a new Business Plan to follow on from the current one. It is intended that this will be one of the first tasks of the new Advisory Committee.</p> <p>f. <u>ADA Committee Structure 2024</u> IM presented the latest thinking about the restructuring of the Committees. From the beginning of 2024, two new committees will be formed. The new Policy Committee will essentially be a combined version of the current T & E and P & F Committees with all present members joining that new Committee. All agreed that the size of the new Committee was of concern but IM was confident that in due course, those numbers would be reduced as retirements/vacancies were managed to bring down the total number on the Committee. Also, IM said that working groups would become an essential part of the new structure and that those working groups would not necessarily need to be made up entirely of committee members, thus expanding involvement to a wider range of interested members. The Policy Committee would be chaired by CM with EJ as Deputy Chair and a standing guest at ADA Board meetings.</p> <p>The second new Committee would be called the Advisory Committee and its primary role would be to advise on matters of ADA business and governance. This Committee would be made up of a smaller number of members (10), to be chaired by TF.</p> <p>The Board gave its approval to progressing to the new structures and ADA would create new Committee Terms of Reference and Guidelines.</p> <p>Action: IM (assisted by EJ) to prepare new committee ToR and Guidelines</p>	IM
456	<p>Communication and events</p> <p>a. <u>Flood & Water Live 2023</u> IT reported that F & W has been considered a resounding operational success, thanks to the hard work of all those involved and especially David Sisson, Ed Johnson and Witham 4th IDB staff, the Dyson Farming Team and ADA’s own staff. Weather over the two days was excellent although windy, and close to 1000 attendees were welcomed to the event.</p> <p>IT reported that it was too early to give a full breakdown of costs and income for the event, but he wished to quell speculation of any substantive profit coming from the event. Final figures are expected to be just positive but up until a few weeks prior to the show, there was still a risk that the</p>	

	<p>event would run at a deficit and, had bad weather been experienced and risk contingencies used, that would have almost certainly been the case.</p> <p>Full figures and a summary of post event lessons learned will be shared with the Board at the next meeting. IT reported that a similar event would require substantial planning and preparation and it was reasonable to suggest that the next event would not take place before 2026.</p> <p>The Board noted IT's conclusions.</p> <p>b. <u>Remaining ADA Events in 2023</u> IT reported a number of important events remaining for 2023;</p> <ul style="list-style-type: none"> - ADA AGM, taking place online on 27th September - APPG for Sustainable Flood & Drought Management is provisionally scheduled to take place on 17th October, subject to venue confirmation - EUWMA AGM on 23rd and 24th October in Rome. RC and IT attending. - The annual IDB Clerks Meeting on the evening of 20th November - The ADA Flood & Water Conference on 21st November. It reported that we have an excellent line-up of speakers this year including Baroness Brown, Alan Lovell, Lisa Pinney, Ian Titherington and Adriano Battilani. ADA hopes to attract a political speaker, still to be finalised. ADA VP J Grogan is helping to try and source a speaker from the Labour benches. <p>c. <u>Forward look at ADA Events in 2024</u> IT reported that ADA would be holding or getting involved with the following events in 2024;</p> <ul style="list-style-type: none"> - ADA Environment Day – early February to coincide with World Wetlands Day - APPG meetings – two or three throughout the year - Flood & Coast 2024 in early June - ADA Flood & Water Conference in November - ADA AGM – may be moved to early December <p>The above plans allow for ADA to engage with other events of interest as they manifest themselves.</p>	
457	<p>National Strategic Updates</p> <p>a. <u>Defra</u> HD updated the Board on the following strategic issues:</p> <ul style="list-style-type: none"> • Defra published their Adaptation Plan on 12th July. • Defra published their Plan for Water in April. • The Retained EU Law (Revocation and Reform) Act 2023 came into force on 29th June. HD highlighted that the Flood Risk Regulations 2009 would cease to apply after 31st December 2023. • Government is looking to reform the whole flood planning landscape. • For the proposed Levelling up and Regeneration Bill, Defra is working closely with DLUHC on matters of water level and flood risk management. • Defra Published the Lowland Agricultural Peat Taskforce Report and its responses to the recommendations made in the report on 29th June. • Defra is undertaking an Assets Review Study and there will be a workshop to which IDBs are invited on 6th September. IT confirmed that several IDBs were already signed up to attend. 	

	<ul style="list-style-type: none"> • Work is being undertaken by Defra on reviewing Section 19 reports. These are the reports required to be prepared by Lead Local Flood Authorities in the aftermath of flooding in their Authority areas. <p>b. <u>Environment Agency</u> IH updated the Board on the following tactical issues:</p> <ul style="list-style-type: none"> • Alan Lovell is settling in very well as the EA's new Chair and Philip Duffy has recently started as its new Chief Executive. PD is very focussed on asset management. • IH reported planned some modest reallocations of funding to maintenance and natural flood management schemes which reflects a sense of changing direction towards more focus on the environment and everyday operational management and maintenance. • Consideration is being given to reducing the partnership funding requirements for FCERM capital schemes. • IH reported that inflationary pressures have been affecting both capital and revenue budgets at the EA. Figures suggest that for maintenance operations, inflation has been contained to "low single digit" values whilst for capital works, the EA and its partners are experiencing inflation of the order of 8 – 12%. • The EA has recruited 140 graduates over the past year and they have engaged 35 QUEST scholars. • The headcount at the EA now stands at about 11,500 but there is still a shortfall of some 300 positions within the FCERM business. <p>Comments from Board Members to IH included concerns about the re-introduction of species and in particular beavers and electricity standing charges, for which many Boards are reporting eye-watering increases.</p>	
458	<p>Committee Reports</p> <p>a. <u>Policy & Finance</u> Minutes were tabled from the meeting that took place on 23rd May.</p> <p>b. <u>Technical & Environmental</u> Minutes were tabled from the meeting that took place on 24th May.</p>	
459	<p>ADA Policy and Technical Activities</p> <p>a. <u>Defra Lowland Agricultural Peat Small Infrastructure Pilots (LAPSIP)</u> IM reported on progress of the LAPSIP project following the publication of the Lowland Agricultural Peat Task Force report by Defra. ADA had issued an invitation for expressions of interest from IDBs. Successful projects must complete by 1 February 2025.</p> <p>b. <u>Government support for Local Authorities with IDB Special Levies</u> IM reported the award of £3m in May by DLUHC to assist struggling Borough and District Councils with Special Levy burdens. IM was very pleased that ADA's lobbying on the matter, with other interested parties, had proven successful although he noted that this payment was a "one off" contribution for this year.</p> <p>c. <u>ADA Good Governance Guide version 2</u> IT reported that work had started to review the ADA Good Governance Guide with welcome leadership by Wilkin Chapman. A bid for support funding for this work has been made to the SAAA. PB is liaising with the SAAA Board on the matter. It is planned to try and publish the updated GGG at the ADA Flood & Water Conference in November.</p>	

	<p>d. <u>Consultations</u> IM reported that ADA had recently responded to a DLUHC consultation on Environmental Outcomes Reports.</p> <p>e. <u>EUWMA 2023</u> IM reported that he had attended a mid-term technical meeting in Belgium in June, examining the issues of saline intrusion. RC and IT will be attending the annual AGM in October which this year is hosted by the Italians in Rome.</p> <p>f. <u>Fens 2100+</u> IM reported that ADA was engaging with the Environment Agency lead Fens 2100+ project that had recently launched. Fens 2100+ would look at the strategic, landscape wide FCERM investments needed to ensure that the Fens can adapt to and mitigate the current and future risks of climate change whilst also continuing to grow and prosper.</p> <p>It has three core aims:</p> <ul style="list-style-type: none"> • By March 2025 develop an Adaptation Investment Decision Making Framework at a landscape scale for the Fens and coastal lowlands, with a planning horizon of 2100+. • By March 2027 develop 5 Adaptation Pathway Blueprints at a catchment scale, with a planning horizon of 2050+. By September 2026 develop Investment Plans with a horizon of 2033+. • By September 2025 develop Baseline Reports at a catchment scale, covering: East Coast Lowlands, Steeping, Lower Witham, Lower Welland, Lower Nene, and Great Ouse (update to the 2020 report). <p>g. <u>Defra Future Farming and Environmental Land Management (ELM) Scheme</u> IT reported that he was now in regular contact with the Defra Future Farming team and having meaningful updates and discussions about water management and SFI schemes and guidance.</p>	
460	<p>Meeting dates 2023</p> <p>The Board confirmed the following remaining meeting date in 2023:</p> <ul style="list-style-type: none"> • Wednesday 11 October 2023 – venue to be confirmed 	
461	<p>Any other business</p> <p>a. <u>Appointment of an ADA Patron</u> IT asked for the Board’s permission to send a letter to His Royal Highness The Duke of Gloucester inviting his interest in becoming ADA’s Patron. The Board unanimously approved the action;</p> <p>Action: IT to write to HRH’s Private Secretary.</p>	IT
	CLOSE	