



Representing Drainage Water Level & Flood Risk Management Authorities

ADA BOARD OF DIRECTORS

Meeting Minutes

Tuesday 05 March 2024

Stantec Offices, 80 Turnmill Street, Farringdon, London, EC1M 5QU

APPROVED

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	Apol.
Peter Bateson (PB)	Company Secretary	Apol.	Anne McIntosh (AM)	Vice President	Apol.
Angie Fitch-Tillett (AFT)	Eastern Branch	Apol.	John Grogan (JD)	Vice President	Apol.
Keith Casswell (KC)	Lincolnshire Branch	Online	Hazel Durant (HD)	Defra (co-opted)	Apol.
Charles Pudge (CP)	Marches Branch	Y	William Harrington	Defra	Apol.
Bill Symons (BS)	Northern Branch	Y	VACANT	Great Ouse Branch	
Priscilla Haselhurst (PH)	South Eastern Branch	Y	Innes Thomson (IT)	Chief Executive	Y
Rebecca Horsington (RH)	South Western Branch	Y			
Will Staunton (WS)	Trent Branch	Y	In Attendance		
James West (JW)	Wales Branch	Y	Ed Johnson (EJ)	Deputy Chair, T & E Committee	Apol.
Duncan Worth (DW)	Welland & Nene Branch	Apol.	Ian Moodie (IM)	Technical Manager	Y
Ian Hodge (IH)	Environment Agency	Y	Heather Bailey (HB)	Officer	Y
Paul Ambrose (PA)	Local Authorities	Y			
Brian Stewart (BSt)	RFCCs	Y			

Ref	Minute	Action
474	<p>Welcome and apologies</p> <p>RC welcomed everyone, introductions were made and apologies noted. Charles Pudge (CP) was welcomed to the meeting as the newly appointed Director from the ADA Marches Branch. CP is Vice Chair of River Lugg IDB.</p>	
475	<p>Declarations of Interest</p>	

	No additional declarations of interest raised.	
476	Approval of Minutes The minutes of the Board's meeting on 11 October 2023 were approved by the Board.	
477	Matters Arising 465. ACTION OUTSTANDING: IM to confirm de-maining paper with Phil Camamile and then share with Board & Clerks. 467. CM address incorrect on Director information from Companies House. CM to contact PB to request amendment. All other actions were complete and/or for discussion on the meeting agenda.	IM CM
478	Finances a. Financial Report to 31 December 2023. IT advised a broadly steady income and expenditure for ADA through 2023, with additional income from Flood & Water Live 2023 and the Defra LAPSIP project. ADA had budgeted to end year with a £33,000 deficit, but finished the year with a surplus of £6,000. This was predominantly a result of not recruiting a new member of staff in 2023 as budgeted for. b. Bank account balance finished on £172,000. But ADA did have an outstanding invoice with Defra of £57,000 for ADA's LAPSIP work in 2023, which has subsequently been paid. c. Income. Greater than forecast as a result of LAPSIP work and F&W Live. Expenditure. Similarly, greater than forecast as a result of LAPSIP work and F&W Live. ACTION: IT to share a balance sheet for 2023 with the Board once prepared and include copy of adjustments. d. Debtors. IT reported that ADA had lost a handful of local authority and associate members, but ADA also have similar new members joining. e. Budget 2024. Adjustments to the draft budget for 2024 as advised to the Policy & Finance Committee were reviewed. Budget just under £500,000 for 2024. Adjusted reduced income for the ADA Gazette, revised to £44,000 for advertising in 2024. Adjusted downwards the income from investments to £2,700. Removed income and expenditure from SAAA. DECISION: ADA budget approved with final amendments. ACTION: IT to share revised budget for 2024 with the Board once prepared. BSt asked about printing costs for the ADA Gazette and whether ADA members had been asked about their preferences towards a printed versus digital magazine. IT reported that ADA had moved to a new printer for 2024, which was estimated to save between £6,000 to £8,000 for the year.	IT IT

	<p>BS highlighted that ADA also needed to be mindful of the view of ADA's advertisers, which fund ADA's communications.</p> <p>ACTION: ADA to seek views from readers and advertisers on printed versus digital copies in the future.</p> <p>Budget for 2024. £306,000 to 330,000 for existing staff costs. An additional staff member would be a further ~£30,000. Moving to a deficit position of £37,000 if recruited.</p> <p>f. Investments. IT reported that following previous approval from the Board ADA had invested £40,000 within a Natwest savings account. The Board was asked to decide where to invest a further £40,000, either in a separate high street bank, or with the CCLA in their public sector deposit fund. BS proposed not using CCLA, but this proposal was not seconded.</p> <p>DECISION: The ADA Board agreed to invest the £40,000 in a public sector deposit fund of the CCLA.</p>	IM
479	<p>Business Planning</p> <p>a. Recruitment of staff. IM described the rationale for seeking to recruit a new member of staff with a job title of Membership Officer. The role would specifically cover administration of meetings, membership database and keeping all key contact records updated.</p> <p>Currently ADA administers for ASA on a cost recovery basis. By bringing the organisations together it was noted that this will require additional administrative support.</p> <p>Also RC highlighted that there is an administrative role for ADA in gathering data and information from IDBs, in support of responses to Defra.</p> <p>DECISION: Board directed IT to aim to recruit a new staff member by 15 May 2024, acknowledging that this adjusts ADA's budget deficit for 2024 to £37,500.</p> <p>b. New Vice Presidents. Board discussed the role of ADA's vice presidents. HC advised that it was possibly premature to appoint further Vice Presidents prior to the next general election. Board agreed to return to this topic after the election.</p> <p>c. Company Secretary & Director Updates. IM reported on behalf of PB that:</p> <ul style="list-style-type: none"> • The 31 December 2023 Accounts are not due to be filed until 30 September 2024. • The next Annual Return is due by 2 April 2024. • CM has been added as a Director to Companies House. CP to be added. ADA is still awaiting the notification of a Director from ADA Great Ouse Branch, vacant since July 2023. <p>d. Drainage Rating System (DRS). IT presented a project plan prepared by Andrew MacLachlan (Yorkshire & Humber Drainage Boards) on behalf of ADA to consider the steps needed to scope, govern, produce/procure, develop, and implement a new or updated Drainage Rating System for IDBs.</p>	

	<p>IT highlighted the funding needed to set up such a system and for ADA to recruit a specialist consultant to lead the development of this work for ADA. Recognition that this would need additional funding support from IDBs to move through stages 1, 2, and 3.</p> <p>TF noted the importance of understanding the financial impact on boards. PH highlighted the need for caution and by working through stages 1-3, to give confidence to the board and users.</p> <p>IH raised the need for professional advice and recommended consideration be given to PRINCE Agile approach to managing the project. PRINCE2 is described as a predictive (plan-based) approach, while Agile takes short-term, incremental achievements independent of an over-arching plan (the adaptive approach).</p> <p>DECISION: Board gave its support to:</p> <ol style="list-style-type: none"> i. Progressing through stages 1, 2, and 3. ii. ADA to seek adequate additional funding from IDBs to complete those stages. iii. ADA to recruit a consultant to lead on the development of this work. iv. Setting up a extraordinary board meeting to discuss <p>ACTION: IH offered to seek advice from the EA digital development team around developing the scope of such an IT system.</p> <p>ACTION: RC to set up an extraordinary board meeting to discuss this matter urgently to support rapid progress with the DRS.</p> <p>e. Work with Association of SuDS Authorities (ASA). IT presented an update on the timescales for moving to a joint association with ASA and ADA. IT noted that this may take longer than one year to complete.</p> <p>f. Membership. IM reported that membership of ADA was stable, with three new Associate Members and one Lead Local Authority so far in 2024. Some associate members had resigned membership as is usual with the subscription invitations being issued at the start of the year.</p> <p>g. Staff pay and conditions [BOARD CONFIDENTIAL]. TF presented a paper to the Board on behalf of the Remuneration Sub-Committee outlining:</p> <ul style="list-style-type: none"> • Salary proposal for 2024/25, • Employment package, including pensions, leave and holiday allowance, car allowance, health insurance, • Staff appraisal and performance related pay structure, • Professional HR advice. <p>A subsequent confidential note of this item was prepared with decisions made by the Board and was shared with IT for action and implementation.</p> <p>Whilst staff salaries were agreed, it was noted that more detailed work was required on the other items and TF was asked to report back progress at subsequent Board meetings.</p> <p>ACTION: TF to provide an update to the Board.</p>	<p>IH</p> <p>RC</p> <p>TF</p>
480	<p>Communications and events</p> <p>IT provided an update on upcoming events, specifically:</p>	

	<ul style="list-style-type: none"> • Future running of the All-Party Parliamentary Group. IT had received interest from CIWEM to work in partnership in the future. • Good Governance Guide workshops – potentially looking to run in two locations, mid-April 2024. HB currently looking at venues in Doncaster and Peterborough. <p>RC highlighted the success of the ADA Environment Day on 2 February 2024, with over 100 delegates in attendance from across ADA’s membership. Alan Lovell had indicated an interest in speaking at next year’s event which would be at Park Farm, Thorney on 5 February 2024. IT had also discussed the event with senior staff at the WWT.</p>	
481	<p>National updates</p> <p>a. Defra and Environment Agency IH updated the Board on:</p> <ul style="list-style-type: none"> • Land drainage draft Statutory Instrument. Defra expected to launch the consultation during March 2024 and would ask ADA to share widely with IDBs. IT requested for IDBs to individually respond to Defra if deemed positive with such feedback. • Farming fund for IDBs. Prime Minister and Defra ministers announced additional funding for IDBs at the NFU Conference on 20 February 2024, in recognition of the rising costs and the winter storms. This one-off fund (in 2024/25) is worth what is expected to be in the region of £75 million to primarily support flood risk management and ongoing land drainage for farms and farmers. The exact details are being worked on and Defra would provide more details soon. Broadly, Defra have proposed this funding could be used to contribute towards supporting recovery from the winter storms; and support towards maintenance and/or modernising and upgrading relevant IDB assets. Thanked ADA and IDBs for providing information to Defra to support this work. <p>ACTION: IT/IM to develop a steering group to oversee this process and advise on the mechanics and purposes of the fund, and ensuring value for money. Recognising that ultimate decisions sit with the relevant minister.</p> <ul style="list-style-type: none"> • Local authority funding. In January, DLUHC announced that it is providing £3 million to support those local authorities in 2024/25 who are experiencing the biggest pressures with IDB special levies. DLUHC will confirm the distribution of this funding in the coming months. Thanked IM and IDBs for collating the special levy details which will support DLUHC’s work on this. • Natural Flood Management (NFM) projects. Minister Moore has announced in February forty NFM projects that will benefit from a £25 million government programme. The new funding builds on the £15 million NFM pilot programme which ran until 2021 and will create the equivalent of 1.6 million cubic metres of water storage and reduce flood risk to 15,000 homes. The Environment Agency is managing the new programme with work taking place from now until March 2027. • Defra Asset Review. This review would be concluding shortly with publication of the final report and a dissemination event. ADA have been participating in the review. • Defra Section 19 guidance. This follows on from some recommendations in the Jenkins Review. The consultants are currently engaging with lead local flood authorities, and Defra aim to have draft guidance by May 2024 with the final guidance published by the summer. 	IT/IM

	<ul style="list-style-type: none"> • Winter storms damage to assets. 48,000 post flood inspection. 1,100 assets damaged by winter storm £150 million required to recover those assets to the former position. Awaiting formal government position in Spring Budget (6 March 2024), but EA likely to be asked to live within its means. EA has a particularly tight year for revenue budgets. Even budgets kept flat will effectively be a 9.8% cut in real terms. EA looking to increase its revenue maintenance activity but dependent upon resource and shifting allocation. EA looking at mechanisms available to EA and Defra that are outside of Budget decisions to make best use of resource available. Discussion around in year adjustments. RC assets are in a considerably worse state following this winter. The government position is unlikely to recover the position. Likely to have a further opportunity for Spending Review 2024, which will be announced in the Chancellor’s Autumn Statement. Breaches cost between £30 to £40 million to repair. Government is now investing sub-optimally in high consequence assets. 89% funding for this rather than target condition of 98%. Highlights the scale of the investment gap. Currently have 90% of high consequence assets within required condition. KC highlighted that concerns are being raised locally about the influence of the Boston Barrier, and some local perception that this is causing a restriction in flow up the River Witham. • Bamforth Reservoir Review. Government accepted recommendations in full, including an adjustment of perception of risk. New requirement for undertakers to be compliant with Health Safety at Work Act 1974. EA has issued some advice around this and looking at building the capacity of professional advice available through panel engineers etc. • RH asked about shift in funding between capital and revenue funding. This is not being considered at this time. Capital maintenance works have increased substantially in recent years. • NAO had identified an accounting irregularity that had meant some funding shifted. • RC members want to see a shift in that revenue maintenance activity. • BS moving through a Local Choices approach. • RH asked about contractor framework, and limitations of approach which often requires subcontractors to deliver maintenance works. New ‘Asset Operate Maintain & Respond’ (AOMR) framework, brings a large number of SMB into the framework. RC highlighted ministerial desire for farmers to be more involved in watercourse maintenance works. RC cautioned that such works are often not appropriate for farmers to undertake directly on lowland main rivers, but better to direct this effort towards working in partnership with IDBs. • KC asked about repair of breaches. Overall, 80% of repair is capital works. • PSCA review – EA are looking at refreshing and reissuing revised guidance and very much welcome expansion of PSCAs. Currently the EA has 40 agreements within the country, 33 with IDBs where they carry out work on main river. RH raised concerns of the red tape to undertaking main river works, especially highlighted de-silting work in Somerset after the floods. Can be a bit of a clash, clarifying what is and is not suitable for PSCA works. <p>b. ADA General Election Manifesto IT presented a ‘Six point plan’ that had been prepared by the ADA office team highlighting the core policy topics to be highlighted to parliamentary candidates and policymakers in the run up to the next general election. This was to be published in the Spring 2024 edition of the ADA Gazette.</p>	
482	Committee Reports	

	<p>a. Policy & Finance Minutes for the Committee’s meetings held on 13 September 2023 and 14 February 2024 were tabled.</p> <p>b. Technical & Environmental Minutes for the Committee’s meeting held on 31 January 2024 were tabled.</p> <p>c. New Committee Structure IM presented to the Board the draft Terms of Reference for both of the new ADA Committees. These had been reviewed and revised by both existing Committees and the ADA Chairs Working Group.</p> <p>DECISION: The Board of Directors agreed to dissolve ADA’s existing Committees from 1 April 2024.</p> <p>DECISION: The Board of Directors approved the Terms of Reference for the ADA Policy Committee and ADA Advisory Committee, which would both commence from 1 April 2024.</p>	
483	<p>ADA Policy and Technical Activities</p> <p>a. IDB energy costs IM reported that ADA responded in January to Ofgem’s ‘Call for Input’ regarding standing charges, highlighting the excessive hikes in these fees for the supply of electricity to IDB pumping stations. These increases since the implementation of Ofgem’s Targeted Charging Review have put substantial pressures upon the finances of IDBs, and by extension the farmers and local authorities that fund them. Data provided by 62 IDBs showed that on average their standing charges have risen by around 400% between 2020/21 and 2023/24. Following the consultation and media interest, Ofgem organised a meeting with ADA to discuss the issue. Their residual charging team recognised that members’ pumping stations had faced a greater burden than intended, alongside steelworks and those operating blast freezers, which also had a peaky demand for power. The Ofgem team said that they were exploring potential charging solutions that could be applied by electricity providers for such sites in the future. No timescales were given by Ofgem.</p> <p>b. Good Governance Guide for IDB members IM reported that the draft updated guide as received from Wilkin Chapman LLP was being reviewed by IM. Intended to launch the revised guide at two workshop events in late April 2024 in Peterborough and Doncaster.</p> <p>c. Local Government Association (LGA) Special Interest Group (SIG) on IDB levies IT reported that the Secretary of State for DLUHC announced additional £3 million for affected local authorities and an intention to resolve the structural causes of these pressures. The LGA SIG was exploring several solutions to funding pressures on local authorities as a result of IDB special levies:</p> <ul style="list-style-type: none"> • disaggregation, • transfer special levy to LLFAs, • increase the amount of rate support grant provided to special levy paying authorities. <p>IT thanked Steve Larter from Witham & Humber Drainage Boards for his input on this top and engagement with the LGA SIG.</p>	

	<p>d. IDBs under financial stress IT highlighted that several smaller IDBs were coming under particular financial pressures and would likely need to take-out short-term loans in order to cover costs and significantly increase drainage rates. It was highlighted that Boards should endeavour to look at restructuring and amalgamating with neighbouring boards to build resilience to future financial pressures.</p> <p>e. Defra Lowland Agricultural Peat Small Infrastructure Pilots (LAPSIP) IM reported on progress of the LAPSIP project. 21 projects were being funded from 18 IDBs across lowland peat areas. Project were set to be delivered by deadline on February 2025.</p> <p>f. Consultations IM highlighted ADA's response to Ofgem on standing charges and upcoming consultations expected on drainage charges standing charges.</p>	
484	<p>ADA Meeting dates</p> <ul style="list-style-type: none"> • Tuesday 2 July 2024, Westminster Kingsway College, Victoria, London, 11:00-15:00 • Tuesday 15 October 2024, Westminster Kingsway College, Victoria, London, 11:00-15:00 	
485	<p>Any other business HC asked about responsibilities to properties where issues with the sewerage systems had occurred in Norfolk over approximately four months as a result of groundwater flooding. It was apparent that multiple agencies were pointing at one another, but it was not apparent where legal responsibility for providing alternative facilities lay.</p> <p>IT highlighted that ADA and internal drainage boards had undertaken filming with BBC Countryfile talking about the big issues impacting lowland water management. This was set to be release on Sunday 10 March 2024.</p> <p>CM raised the point that ADA needs to address succession planning.</p>	
	CLOSE	