



LEP WATER MANAGEMENT BOARD

5th March 2019

THE BOARDROOM, LANCASTER HOUSE,
36 ORCHARD STREET, LINCOLN, LN1 1XX

Minutes

<p>Present: Robert Caudwell (Chair), Ruth Carver, Phil Drury, Paul Vallely, David Hickman, Deborah Campbell, Ian Warsap, Robin Price</p> <p>Apologies: Matthew Harrison, Carly Walker, Cllr Eddy Poll, Chris Duffill</p>	
<p>Welcome by the Chair The Chair welcomed all to the meeting and introductions were given.</p>	
<p>Minutes of the Meeting held on 8th November 2018 The minutes were agreed with minor amendments.</p> <p>Actions from previous minutes: Terms of Reference - Approach has been made to North Lincolnshire Council and North East Lincolnshire Council for nominations for Board members, nominations have not yet been received.</p> <p>Forward Plan</p> <ul style="list-style-type: none"> ➤ Lincolnshire Flood Risk & Water Management Partnership -Norman Robinson from EA invited to attend meeting on 8th July ➤ Review of the Water Management Plan - Martin Osborne to refresh and prioritise projects, which will also need to fit in with WRE and South Lincs Partnership and will attend meeting on 8th July ➤ RC stated that there was a pipeline call for projects over £250k in October 2018 where 50 projects were submitted. This list of projects will be shared at the July meeting to see if there are any other projects (relating to water) can be included. Agreed that this could be an opportunity for Greater Lincolnshire Drainage Boards. ➤ SM and IW said that they may have a project ready for the next call of projects that would fit in with the Water Management Plan or be supplied with a Letter of Support from the GLLEP. 	<p>Action</p>
<p>Update on the LEP and the Local Industrial Strategy RC gave a presentation on the production of a Local Industrial Strategy</p> <ul style="list-style-type: none"> ➤ The Local Industrial Strategy will help position Greater Lincolnshire for the future. It is a long-term strategy to support our growing business sectors, which takes account of how the economy will evolve by 2050 and how global trends, such as technological change and industrial digitalisation, Brexit, globalisation and demographic change are likely to impact on the local economy. There is currently more focus on the next 15-20 years. ➤ The purpose of the Local Industrial Strategy: <ul style="list-style-type: none"> - is to position Greater Lincolnshire for the future - should help to rebalance the UK economy. It should be inclusive ensuring that all areas benefit from economic prosperity. - it should pass the "Tipp-ex" test. - it will not be a bidding document - will need to be developed and agreed with National Government, which will be evidence-led. ➤ Our Local Industrial Strategy needs to align strongly with the National Industrial Strategy. ➤ The local Industrial Strategy Policy Prospectus will be launched in October 2018, where comments will be requested. 	

<ul style="list-style-type: none"> ➤ The Industrial Strategy is built around 5 foundations of productivity (People, Ideas, Business Environment, Infrastructure, Places) and 4 Grand Challenges (Artificial Intelligence, Ageing Society, Clean Growth, Future of Mobility). ➤ GLLEP has been collecting evidence over the last 9 months. ➤ Regarding the evidence, there needs to be a clear line of sight between any policy priorities in the LIS and the supporting evidence, evidence needs to be robust, an independent economic review will be commissioned, which will also be supplemented by local intelligence from stakeholders, call for evidence and industry experts, the evidence needs to show: <ul style="list-style-type: none"> - how we distinguish between our areas and others - determine how local productivity can be improved - how local resources can be steered to improve productivity - how the evidence aligns with the Grand Challenges and/or Foundations of the Modern Industrial Strategy ➤ Our evidence will be subject to a challenge session with BEIS analysts. 	
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<p><u>Environment Agency Update - Deborah Campbell</u></p>	
<p><u>East Coast Review</u></p>	
<ul style="list-style-type: none"> • Waiting for Executive to make a decision on the consultation with communities and partners, but would like to carry out the consultation Coastal Defence - preferred choice is rock, but this would not be popular with the Visitor Economy. There could be another way forward, but may be more expensive and would need funding. 	
<p><u>Humber Estuary</u></p>	
<ul style="list-style-type: none"> • The Environment Agency, 12 Local Authorities around the Humber and the Humber LEP are working together, in association with IDs and Natural England, to review how the tidal flood risk around the Humber Estuary, including rivers where tidal flow is the main source of tidal flood risk. • The key objective of the review is to support sustainable development and a prosperous Humber, by redefining the strategic approach to managing tidal flood risk on the Humber, setting the way forward for the next 100 years. • In Spring 2018, the Environment Agency worked with key stakeholders to assess a long list of flood risk management options, ranging from baseline options, such as doing nothing, to a large barrier on the estuary. Following a detailed evaluation process and through consolidating elements of many of the options, the EA were able to produce three strategic approaches that they are now working to refine: <ul style="list-style-type: none"> - Containing the tide: using a combination of flood defences, flood storage, and occasional large scale planned flooding, to contain water largely within the estuary. Improved resilience and changes to land use in some areas would also be required to adapt to rising sea levels and high tides. - Adapting to the tide: by changing land use in some areas, to allow defences to be deliberately altered or moved back in some locations over time. This would create greater capacity for flood storage or large scale planned flooding, and allows the Environment Agency to respond to the fact that it may not be possible to safe to maintain or continue to raise defences where they are at present. This would be combined with continued maintenance and improvement of defences in key areas of population and industrial development. 	

<ul style="list-style-type: none"> - Keeping out the tide: by constructing a tidal surge barrier, most likely in the outer estuary. This would be a complex and long term option. • < 5 years <ul style="list-style-type: none"> - Seek to accelerate work of WRE across all sectors (WRE to look at commercial and industrial demand) - Encourage Local Authorities to require good water developments, ie, minimise water use/more recycling - Prepare information packs for developers - make it a common policy for all developers - Inform industry and agriculture on the need for water - this is a common message to all from Anglian Water and demand has already decreased by 25% over the last 5 years, but will increase with Climate Change • These three approaches are currently going through a thorough appraisal process which should be complete by late 2020. After this, the results will be used to develop a new strategy. At this stage, the Environment Agency is being open-minded about what this might look like and considering options that are feasible, affordable and will best support the area's aspiration for growth. The strategy will need to be able to adapt to changes and/or opportunities in the future - such as rates of sea level rise, changes to legislation or economic factors. These "influencing factors" could set the strategy in a different direction or pathway. 	
<p><u>WRE Business Plan - Robin Price</u></p> <p>RP gave a presentation:</p> <ul style="list-style-type: none"> • WRE is being created as a separate company from Anglian Water and will have its own Board, governance etc. • A regional strategy has been produced to show what it will look like in 2060, ie, what supply options. There will be a multi-sector approach to show where the pinch-points are for water, energy etc and the new approach is now moving to the delivery phase. • The pace of regulatory change is increasing with the government, with WRE helping to shape the regional planning, and having the following four priorities for water: <ul style="list-style-type: none"> - Improving financial and corporate governance - Securing long-term resilience - Improving the environment to deliver clean and plentiful water - Protecting vulnerable customers • WRE is one of five regional groups as part of the EA National Water Resource Planning Framework. • By August 2022, WRE will need to achieve: <ul style="list-style-type: none"> - Pull together all relevant multi-sector stakeholders, including water companies, Local Authorities and Local Enterprise Partnerships, the energy and agricultural sectors, landowners and key environmental NGOs to develop a single, multi-sector Regional Plan for Eastern England. • The criteria for the next phase of WRE in order to be effective are: <ul style="list-style-type: none"> - Independent of water companies, other abstractors and users of water and regulators - Technically credible with the capacity for effective decision-making - Influential, involved in the co-creation of national policy, working in partnership with Government, regulators and other stakeholders - Capable of delivering outputs in time for inclusion in WRMP24 and other sector plans • Water Resources East (WRE) Ltd is a "Company Limited by Guarantee" and it is proposed that the organisation will have an independent Chair, 	

Managing Director, Technical Director, Finance Manager, Comms & Engagement Executive, Project Managers who will feed into South Lincs Water, LEPs and other partners, and an Administrator.

- The proposed Governance Structure:
 - Independent Chair - Henry Cator
 - Managing Director (Executive Director to be appointed)
 - Permanent staff (3.6 - 4FTE)
 - Project staff/consultants as required
 - Strategy Advisory Group (Board of Directors) to include Water Companies, agriculture, energy, Environment Agency, LEPs Local Authorities.
 - Technical Delivery Group
 - Specific Task & Finish Groups
 - Communications & Engagement Group
- Funding Proposals:
 - There will be two classes of membership of WRE, namely Primary Funding Members (PFMs) and Standard Members. PFMs, who will form the Board of Directors, will be expected to contribute a minimum of 3% direct contribution to the day to day operational costs for the organisation (salaries, accommodation and expenses), or will make an "in kind" contribution, ie, the provision of a support service, which reduces the overall operational cost of the business.
 - PFMs will nominate a named individual within their organisation for appointment as a non-executive director of the company.
 - There will be no precise funding formula. It is expected that organisations will make a financial or other contribution to the business which reflects the likely benefit that they will receive from being a member of the Board of WRE Ltd.
 - The Technical Programme will be funded completely separately from the day to day operation of the organisation, and PFMs will not be automatically expected to fund elements if they will not derive a benefit.
 - Each element of the technical programme will be different, and the Technical Delivery Group will identify how each will be funded and the Technical Director will make recommendations to the Board of Directors via Business Cases.
- Types of organisations to be invited onto the Board are Water Companies agricultural, energy, the environment and regional development/Local Authorities.
- Types of organisations to be invited onto the Strategic Advisory Group are: LEPs, Universities, Local Authorities, environmental groups etc.
- Types of organisations to be invited as consultants are Environment Agency, Defra, BEIS, Water Companies and Customer Engagement Forums
- The Technical Programme will involve:
 - Phase II Regional Water Resource Modelling
 - Catchment Based Projects
 - Environmental Land Management System (ELMS) trials
 - Links to other working groups in the region
- Next Steps:
 - A draft Business Plan has been published for consultation; stakeholders are being invited to confirm their preferred role in the organisational structure. WRE is aiming to make the company operational from 1st April 2019, and will support committee/working group structure to be formalised, terms of reference to be developed
 - The company will run for 12 months in this structure, but at the

<p>beginning of 2020, the Managing Director will undertake a full review in consultation with all stakeholder</p> <ul style="list-style-type: none"> - A revised (if necessary) structure will then operate to ensure that the draft Regional Plan is published by August 2022. <p>Comments from Board Members:</p> <ul style="list-style-type: none"> • These are comprehensive proposals, but concerns raised that the WRE Strategic Plan and pipeline of projects - is it to enable delivery on their own - response was to build capacity for the area and to work with others. • The LIS/SEP/WRE Business Plan - make sure they all say the same thing. • National Framework Group will publish guidelines, which is driven by NIC. 	
<p><u>Any Other Business</u></p> <ul style="list-style-type: none"> • Application of £800k ERDF funding for Smart Water turned down, some funding has been received for planning purposes from AW/RSPC/LCC. • Possible drought this year - WRE is working with sectors • Need to collect data for supply/use needs - SM to report back to July Board meeting. 	