

Minutes of the board meeting held on Tuesday 16 July 2024 via MS Teams

Present

Alan Lovell	Chair
Judith Batchelar	Deputy Chair
Stewart Davies	Board Member
Ines Faden Da Silva	Board Member
Robert Gould	Board Member
Brittany Harris	Board Member
John Lelliott	Board Member
Maya Leibman	Board Member
Lilli Matson	Board Member
Sarah Mukherjee	Board Member
Mark Suthern	Board Member

In attendance

Philip Duffy	Chief Executive
Tamara Bruck	Executive Director, Strategy, Transformation and Assurance
Sarah Chare	Executive Director, Local Operations
Caroline Douglass	Executive Director, Flood and Coastal Risk Management
John Leyland	Executive Director, Environment & Business
Anna Caffyn	Director, Finance
Matt Cornford	Director, Strategy
Estelle Palin	Deputy Director, Legal Services
Harry Leeder	Deputy Director, Governance and Engagement
Sebastian Catovsky	Defra, Co-Director of Floods and Water
Alex Hole	Board Governance Senior Advisor
Beth Lamb	Board Governance Advisor

Item 1: Apologies and declarations of interest

Apologies

1.1 Apologies were noted from Laura Milton, David Hill and Nick Joicey.

Declaration of interest

1.2 No new declarations were raised.

Item 2: Post election discussion and updates

- 2.1 The Director of Strategy provided an update on the development of the new government and how the Environment Agency will be working with them.
- 2.2 The board noted that the Chair and Chief Executive (CEO) had met with the Secretary of State (SoS) as well as Minister Hardy. They noted that the topics of focus had been the spending review, water, and economic growth. The Director of Strategy also updated the board on the Environment Agency visits the SoS and new Ministers had been on since they had been in post.
- 2.3 The board noted that both the Defra and Department for Energy Security and Net Zero (DESNZ) Ministers had all now been appointed but that their portfolios were still to be confirmed, and that the King's Speech the following day would confirm how the bills announced will shape the work of the Environment Agency and Defra.
- 2.4 The board discussed a perception that the Environment Agency can be seen to be a blocker to development and subsequent economic growth. They queried if the Environment Agency was ready to work with the new government to encourage sustainable development including using partnership working, such as with the UK Corporate Leaders Group (CLG). The board noted that Local Operations were currently working on a proposal for 2-day planning application turnaround time.
- 2.5 The board also discussed the UK's progress towards becoming a circular economy and queried which new Minister may lead on this as part of their portfolio. The board were reassured that when portfolios are announced work would begin to address tensions between regulatory regimes and moving toward a circular economy.
- 2.6 The board asked how the Environment Agency's responsibilities map across to other government priorities and whether a granular document had been prepared showing this. The board encouraged consideration of this to better identify gaps in current processes to enable government aims.

Item 3: Directorate tot topics

Strategy, Transformation and Assurance (STA)

- 3.1 The Executive Director of Strategy, Transformation and Assurance (STA) updated the board on the progress of the pay case and recent negotiations with trade unions. The board noted that this matter would be discussed further at the Executive Director's Team (EDT) meeting on 22 July.

- 3.2 The board noted the recent false alarm cyber incident involving large erroneous payments to EDF.

Sarah Chare's declaration of interest regarding EDF energy was noted at this stage.

Flood and Coastal Risk Management (FCRM)

- 3.3 The Executive Director of Flood and Coastal Risk Management (FCRM) updated the board on the Minister's approval of the affordability fund on the capital programme, and notified the board of the upcoming end of the Thames Estuary 2100 contract.

Environment and Business

- 3.4 The Executive Director of Environment and Business (E&B) updated the board on Ofwat's recent draft determinations for water companies.
- 3.5 The board noted that an increasing number of freedom of information requests (FOI) were being received regarding the Environment Agency blocking development, as well as there being increasing scrutiny over the number of site visits being conducted at landfill sites and subsequent action taken.
- 3.6 The board discussed Thames Water's annual report and accounts and expressed their concern regarding their inability to raise new debt and make relevant payments to contractors. The board asked the executive to keep this issue in focus and ensure that Thames Water is not in breach of its permits.
- 3.7 The board noted that the Environment Agency does not currently have the special measures regime that the Drinking Water Inspectorate (DWI) and Ofwat have.
- 3.9 **Action:** The board asked the CEO and Executive Director of E&B to raise the issue of our approach to managing water companies in relation to the use of special measures or other such powers similar to those of Ofwat and the DWI with the SoS.
- 3.10 The board noted that the EPA would be published the following week and that the Chair's foreword was currently being finalised.
- 3.11 **Action:** The board asked the board Governance Team to share the draft Chair's foreword with board members for information and comment.

Local Operations

- 3.12 The Executive Director of Local Operations told the board that the new Operational Risk Briefing (ORB) tool had now launched would be used to share information on current and emerging risks with Defra and with Ministers.

- 3.13 **Action:** The board asked the Executive Director of Local Operations to share the ORB with board members.
- 3.14 The board noted that a new online incident reporting tool had now launched. They noted that it should be fully rolled out this year.
- 3.15 **Action:** The board asked the Executive Director of Local Operations to share a briefing on online reporting and success criteria for the new online incident reporting service with Brittany Harris.
- 3.16 The board noted the updates on two recent successful water and waste prosecutions. The Deputy Director of Legal and Audit services gave updates on the River Action Judicial Review, Walley's Quarry and changes to the regulatory appeals process.
- 3.17 The Executive Director of Local Operations gave updates on the latest developments with regard to Tilbury Port and Tilbury Gate.

Item 4 Any other business (AOB) and date of next meeting

AOB

- 4.1 The board noted the recent Finance team conversations with His Majesty's Treasury (HMT) with regard to possibly taking a new and different approach to income. The board noted that Finance was working with the Strategy team to look at charge funding and whether costs are being fully recovered.
- 4.2 The Executive Director of E&B thanked board members who had submitted videos for the E&B leadership conference the previous week.

Date of next meeting

- 4.3 The board noted that the next board call would take place on 14 August and that the next meeting and visit would be going ahead in Reading on 11-12 September.
- 4.4 The board noted the additional board meeting on 17 October, and that this would be an all-day meeting looking at the Environment Agency's future strategy.

The meeting closed at 10:30am