

Minutes of the board meeting held on Tuesday 16 September 2025 at Aqua House, Birmingham and via MS Teams

Present

Alan Lovell
Ines Faden Da Silva
Stewart Davies
Brittany Harris
Maya Leibman
Lilli Matson
Sarah Mukherjee
Mark Suthern
Jon Watts

Chair
Deputy Chair
Board Member
Board Member
Board Member
Board Member
Board Member
Board Member
Board Member

In attendance

Philip Duffy
Tamara Bruck

Anna Caffyn (virtual)
Sebastian Catovsky
Sarah Chare
Matt Cornford
Chris Davis
Caroline Douglass

Sam Lumb
Laura Milton
Verity Zurita
Corry McDiarmid
Alex Hole
Derry Gallagher

Chief Executive Officer
Executive Director, Strategy, Transformation and Assurance
Director, Finance
Defra Director, Floods and Water (Items 1-9 only)
Executive Director, Local Operations
Director, Strategy
Deputy Director, Communications
Executive Director, Flood and Coastal Risk Management
Director, Strategy and Programmes
Director, Legal and Audit Services
Deputy Director, Governance & Engagement
Board Governance Manager
Board Governance Senior Advisor
Board Governance Advisor

Item 2

Chris Austin
Dan Hutley (virtual)

Director, Corporate and National Services
Deputy Director, Health, Safety and Wellbeing

Item 5

Georgina Collins (virtual)

Director, Strategic Design and Transition Programme

Item 7

Chris Paul (virtual)

Director, Strategy Planning and Performance

Lucy Ward (virtual)

Performance Manager

Item 8

Paul Clements

Director, Incident Management and Resilience

Mike O'Neill (virtual)

Director, Preparedness and Recovery

Item 9

Ian Hodge (virtual)

Chief Engineer

Item 10

Chris Austin

Director, Corporate and National Services

Becky Hibbert

Deputy Director, Sustainable Business

Item 1: Apologies, declarations of interest, minutes of previous meeting and matters arising

Apologies

- 1.1 Apologies were noted from John Leyland and Kate Davies. Sam Lumb was welcomed to the meeting, deputising for John Leyland.

Declarations of interest

- 1.2 Brittany Harris declared a potential interest regarding the Fixed Penalty Notice pilot scheme mentioned in the Non-Financial Scheme of Delegation paper, as her company provides advisory services to contractors regarding their duty of care around waste.
- 1.3 No further declarations of interest were raised.

Minutes of the meeting held on 11 June 2025 and 12 August 2025

- 1.4 **Decision: The board approved** the minutes of the board meeting held on 11 June 2025.
- 1.5 **Decision: The board approved** the minutes of the board meeting held on 12 August 2025.

Matters arising

- 1.6 The board noted the progress made on all actions.
- 1.7 The board noted a minor amendment to be made to action Board2025-031 and that the action was closed.

Item 2: People matters

Employee relations

- 2.1 The Executive Director of Strategy, Transformation and Assurance updated the board on the recent negotiations with the Trade Unions, where the 2025-26 pay offer had been accepted.
- 2.2 The board raised concerns about higher percentage pay allocation to lower grades and the lower paid within grades leading to potential pay compression but was assured that modelling and monitoring were in place to mitigate against this.

Health safety and wellbeing

- 2.3 Chris Austin and Dan Hutley joined the meeting, and they provided an update on the health safety and wellbeing (HSW) report for Q1.
- 2.4 The board noted that the HSW department would report through the Corporate and National Services directorate in future.
- 2.5 The board enquired about health, safety and wellbeing training and protections for volunteers. The board noted that the Volunteers Operational Instruction, including its health safety and wellbeing section, had recently been reviewed and updated. The HSW policy would also be reviewed and would include volunteer provisions.
- 2.6 The board noted that the primary cause of ill health absence was mental health. They also noted that there continued to be instances where some staff took risks at work. The board reflected that improved data would enable them to have assurance that measures were being implemented to improve these areas.
- 2.7 The board discussed delivery partner RIDDORs, stressing the need for improvement and accountability. The board discussed that improved data and trend analysis were required to identify issues and track cultural progress.
- 2.8 **Action:** Director Corporate and National Services and Deputy Director Health Safety and Wellbeing to provide assurance in future reports on the work being done with delivery partners on Health Safety and Wellbeing.
- 2.9 The board discussed the completion rates for mandatory training and questioned what sanctions were in place for non-compliance.
- 2.10 **Action:** Executive Director, Strategy Transformation and Assurance to confirm what sanctions were in place for non-compliance with mandatory training.
- 2.11 **Action:** Executive Directors and Board members to continue to actively advocate health safety and wellbeing to drive improvements in HSW culture.

Item 3: Board and Committee updates

Chair's update

- 3.1 The board noted the two information papers related to charging schemes.
- 3.2 **Action:** Director of Strategy to provide an update on levy charges to water companies for 2025/26.

Committee updates

- 3.3 The board noted the topics of focus at all Committee meetings since the last quarterly board meeting.

Board member updates, risks and issues

- 3.4 The board noted that the Internal Audit Annual Opinion for 2024/25 remained a 'limited assurance opinion', due to underperformance in key compliance areas. The board noted that the Audit Risk and Assurance Committee (ARAC) had discussed the report and considered it to be a fair reflection of the current situation, considering that nearly half of audits had unsatisfactory or limited opinions. The board discussed the themes of concern, noted the positive developments in these areas and welcomed the improvement in the implementation of audit actions from previous years.
- 3.5 The board noted that the Flood and Coastal Risk Management (FCRM) Committee would conduct a deep dive on Project Aurora in the future.
- 3.6 The board noted concerns from the Environment and Business (E&B) Committee around landfill and industrial site abandonment, and associated costs.
- 3.7 The board noted the recent focus of the Pensions Committee on pooling arrangements, with the Environment Agency Pension Fund (EAPF) instructed to find a suitable new pool. The Pensions team was investigating options, and it was hoped that an in-principle decision could be made at the October 2025 Pensions Committee meeting.

Board review implementation

- 3.8 The board noted progress with the implementation of the recommendations from the External Board Effectiveness Review.

Approval of Board and Committee dates for 2026

- 3.9 **Decision: The board approved** the dates for 2026 Board and Committee meetings.

Item 4: Chief Executive's update

- 4.1 The Chief Executive presented his update to the Board.
- 4.2 The board discussed the performance of the water sector and what more could be done to bring about improvements to the sector.
- 4.3 The board discussed the Fens 2100+ programme and noted its approach to best practice and its engagement with Local Authorities. The board noted the vital asset the fens are and how they protect communities and places further inland.
- 4.4 The board discussed drought and noted the current situation remained serious, with public water supply reservoir storage levels continuing to recede at most reported reservoirs. The board noted the considerable work ongoing within the Environment Agency, and with National Drought Group, the water industry and partners to coordinate actions and communications to manage the situation.
- 4.5 **Action:** Executive Director Operations to provide a paper for Board in December on progress with the water inspection programme.
- 4.6 The board noted the updates provided in the paper.

Item 5: Independent Water Commission: review of the water sector

- 5.1 The board welcomed Georgina Collins to the meeting.
- 5.2 The Chief Executive introduced the item and provided an overview of the progress being made in response to the recommendations set out in the Independent Water Commission Report.
- 5.3 The board noted that a team was being established, led by Georgina Collins, Director of Strategic Design and Transition Programme, to understand and refine the objectives, to design a framework for ministers to identify the optimal path forward, and to address the organisational changes anticipated from the reset.
- 5.4 The board discussed the integration of the current water regulatory system with flood and other environmental sectors, and what impacts splitting these could have.
- 5.5 The board emphasised that any coherent objective framework guiding ministerial decision-making must be grounded in facts and evidence, clearly identify the critical areas where existing integration is essential, highlight the risks associated with disaggregation, and set out the anticipated outcomes and benefits of any proposed structural changes.
- 5.6 **Action:** Director Strategic Design and Transition Programme to prepare summary guidance for ministers on the current integrated system of water management, water regulation, environmental and

flood functions across the organisation, to support their decision making.

- 5.7 The board noted that a white paper was being prepared for Autumn/Winter.

Item 6: Finance Items

Finance Update

- 6.1 The Director of Finance gave the board an update on the 2025/26 financial in-year position as of July 2025.
- 6.2 The board discussed forecasting. The board noted that there were challenges to overcome, including issues with accruals, and that mitigations were being developed to improve financial control systems and reporting going forward.
- 6.3 **Action:** Director of Finance to bring a paper to a future Board meeting setting out the future plans for financial transformation and the risks and issues associated with those changes.
- 6.4 **Action:** Director of Finance to update future Board reports to include commentary on the year-to-date financial position.

Financial Scheme of Delegation

- 6.5 The board noted the items under the Financial Scheme of Delegation (FSoD), which had received approval.

Annual Report and Accounts approval

- 6.6 Director of Finance gave an update on progress with the NAO audit, and with removing qualifications from the accounts.
- 6.7 The board questioned areas of non-compliance with the Taskforce on Climate related Financial Disclosures (TCFD).
- 6.8 **Action:** Executive Director Strategy Transformation and Assurance to provide ARAC, by Tuesday 23 September 2025, an update on progress with reaching TCFD compliance.
- 6.9 **Decision: The board agreed** to delegate approval of the Annual Report and Accounts to the Chief Executive as Accounting Officer, with support from the Chair of the ARAC Committee and the Director of Finance.

Non-Financial Scheme of Delegation

- 6.10 **Decision: The board approved** the amendments to the Non-Financial Scheme of Delegation (NFSoD) (version 62, July 2025) to deal with a pilot project to streamline internal processes for the service of a Fixed

Penalty Notice, and to reflect new posts created as part of the Water Industry Transformation Programme.

Item 7: Q1 performance – corporate scorecard review

- 7.1 The board welcomed Chris Paul and Lucy Ward to the meeting. The Director of Strategy and the Executive Director of Operations provided a summary of the Q1 performance.
- 7.2 The board noted the 9-point plan to clear the Flood Risk Activity Permits (FRAPs) backlog by December 2025. The board discussed the role Environment and Business Committee could play in this area.
- 7.3 The board noted the improved picture for Public Safety Risk Assessments (PSRA), and the prioritisation work to bring all areas back into control.
- 7.4 The board discussed the planned interventions to bring permitting activities back into control by year end. The board noted that a pilot scheme was planned to bring a management systems approach to the permitting process, and that this would be reported to board as it progressed.
- 7.5 The board discussed the sustainability target which was forecast red for year end. The board noted that the target had been reset to a lower target than previously, that the construction element of the capital programme had increased due to additional funding and that travel levels were returning to levels seen before the pandemic. The board urged that every effort was in place to bring performance back into control.
- 7.6 The board noted the below target performance on the delivery of water resource compliance activity, and that resource for this activity had been impacted by drought work and the prioritisation of water industry compliance inspections in Quarter 1. The board noted guidance had been updated to ensure that water resources drought and compliance activities were prioritised, and that measures were in place to ensure that water companies managed their water resources. It was expected that this target would be green again by year end.
- 7.7 **Decision: The board approved** the Quarter 1 Corporate Scorecard.
- 7.8 **Decision: The board approved** the Quarter 1 Balanced Scorecard.
- 7.9 **Decision: The board approved** the proposed approach to flash reporting.

Item 8: Winter Preparedness

- 8.1 The board welcomed Paul Clements and Mike O'Neill to the meeting, where they provided an update on preparations and planning in place to manage incidents over the winter ahead.
- 8.2 The board noted the collaboration with bodies such as the Met Office to develop advance warning where forecast intense rain may lead to surface water flooding.
- 8.3 The board noted the arrangements in place for winter incident preparedness.
- 8.4 The board discussed the exacerbating effects that drought and prolonged dry weather may have, where heavy rainfall on very dry land raised the risk of flash flooding, increased surface runoff or embankment instability.
- 8.5 The board discussed the risk of potential concurrence between flooding and environmental and/or drought related incidents, and the potential they had to affect preparedness and response activities.
- 8.6 The board discussed the improved protocols in place for engagement with MPs and local authorities regarding winter preparedness and flood incident management.
- 8.7 The board highlighted the need for appropriate and cohesive comms/media handling in situations where the Area and water boundaries did not align.
- 8.8 The board discussed the role and targeted use of social media in communicating and engaging with communities, the public, stakeholders and MPs.

Item 9: Business Continuity Management and Asset Failure

- 9.1 The board welcomed Ian Hodge to the meeting.
- 9.2 The board discussed Strategically Important Assets (SIAs) and the contingency plans and systems in place to protect them. The board noted the close work with the relevant national cyber security assessment centre, and that detailed plans were in place for a range of threats at these SIA assets.
- 9.3 The board discussed the consequences of asset failure, such as flooding, exceedance, and saline intrusion onto protected areas or into SIAs.
- 9.4 The board discussed some of the challenges to decommisioning or decommissioning assets that were no longer physically or economically viable.

- 9.5 The board noted how changes were being planned for the FCRM programme to bring investment and maintenance into one programme which would allow greater flexibility to address maintenance and refurbishment in some cases.
- 9.6 The board expressed concern regarding declining asset condition and the cumulative effects of multiple events raising the risk of asset failure over time, along with the need to communicate this risk appropriately with ministers. However, the board was reassured that while some assets may be below optimum condition, they would still operate as expected during an incident.
- 9.7 The board noted the recent record of impact of asset failure on the environment and nature.
- 9.8 The board noted the work being undertaken to address the risk, deliver mitigations and improve resilience.
- 9.9 **Action:** Secretariat to add Asset Security to the Board forward programme, once the current security review is complete.

Sebastian Catovsky left the meeting.

Item 10: Environment Agency Sustainability Plan - eMission

- 10.1 The board welcomed Chris Austin and Becky Hibbert to the meeting.
- 10.2 The board sought assurance on the progress being made towards carbon reduction targets and requested confirmation that circular economy principles were being effectively applied in procurement and construction. The board noted the challenges and acknowledged the ongoing efforts through marginal abatement and advancing circular economy strategies.
- 10.3 The board noted the challenges with fully electrifying the fleet, and that plans were in place to improve this area including the roll out of more electric vehicles and charging points whilst acknowledging that some 4x4 vehicles were not suitable for electrification at this time.
- 10.4 The board discussed the social equity elements of the refreshed draft strategy, reflecting whether the right balance had been struck. The board discussed return on investment in social equity, particularly in terms of tangible benefits for people and communities. The board felt that a more powerful narrative could be developed to better illustrate the positive social equity impacts delivered, as a consequence of the organisation's activities.
- 10.5 **Action:** Deputy Director, Sustainable Business to review the language and vocabulary used within the eMission strategy to ensure it was clear

and unbiased and to rework the narrative to clarify where social equity benefits resulted as outcomes rather than as objectives of the strategy.

10.6 **Action:** Deputy Director, Sustainable Business to liaise directly with Board member Stewart Davies for his advice on the conflation of climate resilience with delivering government net zero targets.

10.7 **Action:** Deputy Director, Sustainable Business to make the edits to the EA Sustainability Plan: eMission strategy based on discussion at Board, and to return to Board for approval.

Item 11: AOB, forward programme, review of meeting, and date of next meeting

Any other business

11.1 No other business was raised.

Forward Programme

11.2 The board noted the upcoming items on the forward programme.

Review of the meeting

11.3 The Board reviewed the meeting.

Date of next meeting

11.4 The dates of the next meetings were noted as 23 October 2025 and 17 December 2025.

Summary of evening and next day arrangements

11.5 The Chair summarised the evening arrangements and timings for the following day's visit.

The meeting closed at 17:00pm.