



NOTES OF THE CANAL & RIVER TRUST 10TH COUNCIL MEETING

- Date** Wednesday 08 March 2016 at 1115
Venue Museum Of Liverpool, Pier Head, Liverpool Waterfront, Liverpool, L3 1DG
- Present** Allan Leighton, Chair Trustees and Council
Andrew Phasey, newly elected Member - Boating Business
Andy Tidy, newly elected Member - Private Boating
Ann Farrell, outgoing elected Member - Private Boating
Bob Pointing, Chair North West Waterway Partnership
Brenda Harvey Chair, North Wales & Borders Waterway Partnership
Brian Fender, Chair, London Waterway Partnership
Charles Trotman, Country Land & Business Association
Charlotte Atkins, Chair, Central Shires Waterway Partnership
Chloe Donovan, Co-opted Member, Youth
Clive Henderson, outgoing elected Member - Private Boating
Danny Brennan, Chair, East Midlands Waterway Partnership
David Gibson, Ramblers Association
David Hagg, Chair, South Wales & Severn Waterway Partnership
Ian McCarthy, newly elected Member - Volunteers
Ivor Caplan, outgoing elected Member - Private Boating
Jim Lamb, Chartered Institution of Water & Environmental Management (CIWEM)
John Best, Chair, South East Waterway Partnership
John Ellis, newly elected Member - Employees
John Yates, Institute of Historic Building Conservation
Mark Penny, Chair, North East Waterway Partnership
Matt Mallinder, Cycling Tourists Club (CTC)
Neil Edwards, Inland Waterway Association (IWA)
Nicola Benjamin, Co-opted Member, Friends
Nigel Hamilton, newly elected Member - Boating Business
Peter Brown, Railway & Canal Historical Society
Peter Hugman, Co-opted Member, Freight
Peter Mathews, Chair, West Midlands Waterway Partnership
Phil Prettyman, newly elected Member - Private Boating
Richard Atkinson, British Canoeing
Ruth Hall, Bwrdd Glandŵr Cymru
Stella Ridgway, newly elected Member - Private Boating
Vaughan Welch, elected Member - Private Boating
Walter Menzies, Chair, Manchester & Pennine Waterway Partnership
- Apologies** Alison Ward, Welsh Local Government (SOLACE)
David Kent, The Angling Trust
Jim Harker, Local Government Association
Paul Wilkinson, The Wildlife Trusts
Tamsin Phipps, Chair, Kennet & Avon Waterway Partnership
Tony Matts, outgoing elected member - Boating Business
Nigel Stevens, outgoing elected member - Boating Business

In attendance
Trustees
Jane Cotton
John Dodwell
Lynne Berry
Ben Gordon

Executive Directors/Management Team

Richard Parry, Chief Executive
Sandra Kelly, Finance Director
Stuart Mills, Property Director
Sophie Castell, Marketing, Fundraising & Communications Director
Ian Rogers, Operations & Customer Service Director
Julie Sharman, Executive Head of Asset Management & Performance
Roger Hanbury, Head of Governance Services
Yetunde Salami, Assistant Company Secretary
Brenda Adams, Administrator Governance Services

The Council Meeting was preceded by site visits to Mann Island Lock and Liverpool Canal Link, Liverpool Marina, Brunswick Lock, Liverpool Watersports Centre, Salhouse Docks and Albert Dock.

1. Welcome & Introductions.

Allan Leighton (AL) welcomed everyone, particularly the new Council members to their first meeting. AL thanked the outgoing members for their contributions. Apologies were noted as above.

New members gave brief introductions of themselves.

2. Notes of the 9th Council Meeting (23 September 2015).

The notes were agreed. There were no matters arising.

3. Appointments Committee Update Report.

Lynne Berry (LB), Chair of the Appointments Committee, introduced the paper previously circulated.

3.1 Recruitment of new Trustees – update: LB outlined the process for Trustee recruitment.

Under the rotation rules, Tom Franklin and Simon Thurley would come to the end of their second term at the AGM in September 2016 and were not eligible for reappointment. In addition, Steve Shine had resigned due to other commitments.

We had received a very good response to the publicly advertised search and the high quality of applications was an indication of the success of the Trust. Interviews were well underway and final recommendations will be made by the Appointments Committee at the September meeting when formal appointments will be made by the Council at the AGM.

3.2 Council Elections 2015/16: LB thanked all for participating in the elections. The process had encountered a number of problems and these had been taken up with Electoral Reform Services who had apologised for the errors they made during the elections. Steps were being taken to avoid reoccurrence in future elections.

3.3 Council member appointments to the Appointments Committee: LB explained the need for the new Council to appoint 3 members to the Committee. Alison Ward and Mark Penny were eligible to continue to serve for a second term and both have expressed their willingness to continue as members. The Council **agreed** their appointment.

Clive Henderson had served on the Committee but was not continuing as a Council Member. Two Council Members put themselves forward to serve – Nicola Benjamin and Phil Prettyman.

The Council agreed that a ballot should be arranged to determine who should be appointed. The 2 candidates would be invited to prepare a short statement, not exceeding 150 words, to support their candidacy and an email ballot would be arranged by Roger Hanbury, to be completed **by Friday 18 March**. Council members would be advised of the outcome.

RH

LB thanked Clive Henderson for his immense contribution to the Committee. The report was noted.

4. An Introduction to Canal & River Trust and Update on current activities.

Richard Parry (RP) introduced his presentation noting that it would include an overview of the history of the Trust to provide an induction for new members and also cover recent activities as an update.

RP talked through the Trust's objectives, the targets and three key measures that are required under the government Contract. Certainty of funding provided by the Contract enabled the Trust to plan a 10-year strategy. RP explained the six strategic goals which underpin the Trust's vision to create *living waterways which transform places and enrich lives*, as summarised in the now familiar schematic diagram:



The Trust is working with others to develop credible measures of the outcomes of our work to support future funding negotiations.

RP talked through the main achievements in the current year to date highlighting:

- finances are on track
- Operations - unplanned closures have improved by 23% to the end of January vs last year
- Re-opening plans in place after the winter flooding and the wider programme adapted for the flood impact
- Public safety improving with 21 injuries of which 8% are attributable to the Trust
- Overall employee injury trends are positive but the 18 RIDDOR reportable employee, volunteer and contractor injuries incurred this year are worse than target – action is being taken to address this concern
- Assets – waterway repairs/project spend is up c.7% this year. Asset condition has been improving – 14% principal assets in the D/E 'poor' condition category and all Government targets comfortably met
- Volunteer hours up 10%, community adoptions up 50%, Friends also up 50%
- Regular users estimated as c.4.5 million pa
- Open days programme has attracted 16,000 people this year
- New projects are being delivered with new partners and young people including a Million Hands with the Scouts
- New process for managing boats without home moorings has helped increase compliance
- £10m third party funds have been invested in towpath improvements
- Museums – Heritage Lottery Fund has backed major investments at Ellesmere Port and Gloucester museums
- Environment – a Memorandum of Understanding had been signed with Natural England
- The Trust's stance on HS2 had generated positive comment and support from the Select Committee

RP described the changes in the Trust at all levels – Trustees, Council and Executive, where changes provide greater clarity around the responsibilities and roles in Customer Services & Operations, Asset Management & Delivery and the vital work on maintaining and repairing the Trust's assets.

RP explained that the Growing Our Trust Programme is the Trust's culture and behaviours change programme. It was also noted that a consultation had been carried out on the proposed closure of the defined benefit pension scheme from 30 September 2016 with accrued benefits protected.

Looking ahead, the Trust is working with the Environment Agency to assess the viability of a transfer of EA navigations and we are looking at how we can support the Northern Powerhouse and devolution in Wales.

In discussion, it was noted that:

- in a recent survey over 90 % of volunteers were satisfied with the Trust's offer. The Trust is looking into how to continue to manage and motivate volunteers

- and develop the volunteering offer
- the Trust will work with Council members to engage more with their constituents in order to improve participation in future elections

5. Flooding Update – Impact on the Trust and Response.

Julie Sharman (JS) introduced her presentation and she explained the Trust's response to the December 2015 floods. The damage had been identified and the scale and volume of work required was assessed. JS described the damage to the Rochdale Locks 5-8, Hebden Bridge, Calder & Hebble, Stainton Aqueduct and L&L Springs branch landslip of a third party's land.

JS explained that the estimated repair cost was put at £15m adding that the Trust had allowed for £1m in its 2015 budget and £6m budget provision for 2016 priority program with a view to deferring non-urgent works. In addition, £5.5m had been promised by the government for Elland Bridge and some other works. The Trust will continue talking to local authorities for additional funding opportunities. It was noted that some of the repair works had commenced.

It was noted that volunteer response was tremendous with over 3200 volunteer hours achieved. There was a large turnout of volunteers who repaired towpaths eg, completing temporary surfacing repairs in Todmorden.

JS stated that in order to fund flooding repairs, projects, including £1m of dredging, have been deferred and would be reprioritised next year. JS described the repair programme and listed some of the projects including the breach repairs on the Rochdale and the landslip near Lock 15. A number of projects have been deferred from 2016/17 including Vale Royal small swing bridge, River Avon Weir Booms and Aqueduct 11 on the Peak Forest Canal. Dredging priorities still in the plan include Staffs & Worcs spot dredging, Barton Turns dredging and Birmingham & Fazeley spot dredging. It is expected that navigation through Elland Bridge and Crowther Bridge would reopen by June 2016. However, there is no date yet for the landslip on the Rochdale Canal as the ground investigation was still underway. JS explained that the Trust had engaged with the local communities and informed them of the timeline of the repairs.

In discussion it was noted that the Trust

- had engaged with the owner of the landslip and steps are being taken to ensure that the Trust gets access to investigate the landslip
- is assessing possible steps to build more resilience into its structures within its limited funds and looking at the EA's flood models and how resilience could be designed in
- is reviewing the emergency response procedures to learn from the experience of these floods

6. Financial Review and Business Plan 2016/17 Update.

Sandra Kelly (SK) introduced her presentation.

2015/16 Forecast: SK gave an overview of the 2015/16 year end forecast in terms of the financial shape and likely outcome and described the components and use

of the general fund and the protected endowment fund. It was noted that the income, surplus and capital gains forecast for the year end is £190m, £0.1m and £30m respectively. SK explained and gave a breakdown of the income forecast from property, non-property investments, donations, enterprise and conditional grant, and steady income streams including the Defra grant. It was noted that returns from property joint ventures are expected to dip in 2016/17 as the development sites are almost built out by the end of the current financial year. The next phases are not planned to be on stream until 2017/18 and beyond. SK described the Trust's charitable activities and the proportion of funds spent on these activities in relation to income. It was noted that a consistent proportion of income is spent on the waterways.

2016/17 Business Plan: SK talked through the Plan noting that the challenge was the balance between volatile incomes and spend on the waterways. The key deliverables in the plan were noted as:

- Asset management strategy including the flood repairs
- Investment programme - restocking the growth portfolio and a water development strategy
- Productivity - cost savings and efficiency initiatives
- People - staff engagement, development and apprenticeship programmes
- Customers - introduction of a customer relationship management programme in order to improve customer experience
- Volunteers - data collection and improved engagement in order to improve the offer and to get the best value for the Trust
- Visitors - destination management, and
- Brand development - development of a digital strategy and brand preposition

Looking ahead, the long term issues would be determining a reserves policy, addressing the pension deficit as well as financial planning towards 2027 when the current Defra funding agreement ends.

In discussion, it was noted that the Trust is taking steps to make the waterways more attractive to people from all backgrounds and younger age groups.

7. Fundraising Overview and Update.

Sophie Castell (SC) introduced herself and her presentation.

Fundraising overview: SC described that marketing the Trust is about engaging the public to foster support for the waterways by working with a wide range of stakeholders. SC explained the need to develop and deliver a strong brand promise and create a network of ambassadors who can advocate passionately for the Trust in a persuasive way. SC explained further that it is important for everyone in the room to think of themselves as part of the Trust's network and that everyone is an ambassador for the Trust.

Flood Appeal: SC described the national voluntary fundraising campaign to raise funds and attract volunteers to support the re-building of our network and the communities that were affected by the floods. The appeal proposition was for support to rebuild the canals in the heart of flood-hit communities and to help get those communities back on their feet. The appeal was not positioned as an

emergency appeal and the messaging has been designed so that it focused on generating support for the flood affected areas. SC described the channels through which the message was put out, eg, on the Trust's website, social media and appeal mailing to donors. It was noted that it was a persuasive appeal which to date had raised £64.89k and reached about 200,400 people on social media. The monies raised would be used to fund work materials for volunteers.

Fundraising Governance: SC informed members that recent incidents have stimulated scrutiny into issues around fundraising governance, practices, lobbying and pay. Concerns raised led to the creation of the Etherington review of fundraising activities which established that there was failure in fundraising governance. It was noted that a new universal regulatory regime would be established and funded by charities – including the Trust – as well as a move to an 'opt in' system of permissions rather than the 'opt out' that is more common at present.

SC described the direct impact of the new regime on the Trust noting that the indirect impact cannot be assessed at present. The establishment of a strong brand would mitigate against the risk of increased public negative attitudes towards charities. SC explained the current fundraising governance arrangements including the establishment of a Fundraising Committee and the review and approval of ethical and fundraising policies by the Committee. It was noted that risks around fundraising are captured in the Corporate Risk Register.

In discussion, it was noted that:

- the enterprise and fundraising teams would be merged to create a voluntary income generation team. This team would look at new income streams as well as fundraising and enterprise products
- the Friends regular giving product is being redesigned as an advocacy product
- the customer relations management system is being developed in order to improve engagement with Friends, Volunteers and customers

8. Future Agenda Topics.

In an open plenary session, Allan Leighton (AL) asked Council members for feedback on the format of the meeting and to suggest topics for consideration at future meetings.

It was noted that this first meeting of the new Council had included a larger than usual body of briefing material but Members agreed that future meetings should have interactive sessions for Members to contribute their perspective and experience.

A wide range of topics were suggested including:

- Update on possible transfer of EA navigations and how the Trust works with other navigation authorities
- Update on development of Outcomes Measurement Framework to capture wider benefits of the waterways/canals
- Reporting by the Partnership Chairs on their activities
- The developing role and responsibilities of Waterway Managers

- Towpath funding opportunities and how to connect with the health and well-being agenda
- The Trust's role in supporting conservation and biodiversity
- CRT's engagement in catchment management planning
- How to attract and encourage younger boaters

Given inevitable limitations on time, AL proposed future agendas could be structured to include:

- an operations-based topic
- a topic of broad interest for discussion
- a challenging topic with which the Trust is grappling

This approach should mean that at most meetings members will engage with material directly relevant to each of the stakeholder groups represented on the Council and gain a wide perspective of the Trust's work.

It was agreed that Roger Hanbury will circulate a draft agenda about 2 months ahead of each meeting with suggested topics prior to the formal notice of the meeting.

The full meeting presentation can be found [here](#).

9. Close of Meeting.

In bringing the meeting to a close, AL noted the progress and momentum evident in all the Trust was doing. The government sees strength in our progress, the Board of Trustees are positive, the Executive has been renewed, the financial position is robust, measures of engagement are strong with about 4.5 million regularly using the waterways each year, and we have many opportunities to increase inclusion and diversity.

He thanked all members for their many and varied contributions, in particular the outgoing Council members for their support over the last 4 years.

The meeting closed at 1615.

10. DATE OF NEXT MEETING – Thursday 22 September 2016, in Birmingham.