



MEETING OF THE BOARD OF TRUSTEES

Minutes of a meeting of the Board of Trustees (the *Trustees*) of Canal & River Trust (*the Trust*) held at the Worcestershire County Cricket Club New Road Events, New Road, Worcester, WR2 4QQ on Thursday 12 May 2016 at 8.30a.m

Present :

Allan Leighton	Chairman
Tom Franklin	Trustee
Jane Cotton	Trustee
John Dodwell	Trustee
Ben Gordon	Trustee
Frances Done	Trustee

Apologies:

Manish Chande	Trustee
Lynne Berry	Trustee and Deputy Chair
Simon Thurley	Trustee

In attendance

Richard Parry	Chief Executive
Stuart Mills	Property Director
Sandra Kelly	Finance Director
Sophie Castell	Marketing, Communications & Fundraising Director
Ian Rogers	Customer Services and Operations Director
Julie Sharman	Executive Head of Asset Management and Performance
Simon Bamford	Executive Head of Asset Delivery
Peter Walker	National Infrastructure Services Manager
Jason Leach	Midlands Enterprise and Restoration Team Manager
Yetunde Salami	Assistant Company Secretary (Minutes)

Action

16/130 APOLOGIES

As noted above.

CHAIRMAN'S WELCOME & REMARKS

The Chairman welcomed all those present to the meeting.

16/131 REGISTER OF INTERESTS & DECLARATION OF INTERESTS IN ANY MATTER ON THE AGENDA [CRT189]

Trustees declared their interests as follows:

- Jane Cotton as a Pension Fund Trustee.
- Lynne Berry as a licenced boat owner.
- John Dodwell as the Chair of Montgomery Canal Partnership, a Licenced Boat owner, Pension Fund Trustee, Committee member Commercial Boat Operators Association and as Managing Director Rolandon Water & Sea Freight Advisory Services.
- Manish Chande is a founding member and Senior Partner at Clearbell Capital LLP. Under its discretionary mandate, Partners Capital (the Trust’s fund manager) has allocated capital via pooled investments to CP Real Estate Holdings Limited, a property company advised by Clearbell. Partners Capital has also invested in CPBM Finance Limited (Project Monza) a joint venture, which includes a fund managed by Clearbell.

The register was noted and no other interests were declared.

16/132 Commercially confidential material removed

Commercially confidential material removed

Commercially confidential material removed

16/133 MINUTES

The minutes of the meeting held on 9th March, **commercially confidential material removed** were agreed.

Matters arising:

It was noted that some of the matters arising from previous meetings held would be considered during the course of this meeting and most of the outstanding matters were either ongoing or completed.

Diversity (Minute 15/030): Catherine Kirkland the senior HR Business Partner is working with Stuart Mills to progress a robust measure and action plan on diversity. The achievements made in this area would be communicated to board members as they progress.

RP

Succession Planning and Staff Training Programme (Minute 15/030): the reports would be presented at the September Board Remuneration Committee meeting.

RP

Commercially confidential material removed

16/134 Commercially confidential material removed

16/135 Commercially confidential material removed

16/136 Commercially confidential material removed

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16/138 **Commercially confidential material removed**

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16/139 **UPDATE ON ADVISORY GROUPS [CRT196]**

The report was noted.

16/140 **REVISED TERMS OF REFERENCE FOR BOARD COMMITTEES [CRT197]**

The Board approved the Board Committees revised Terms of Reference.

16/141 **GOVERNANCE APPOINTMENTS [CRT198]**

The Board received and noted a paper from the Company Secretary and the Head of Governance Services and

- approved the appointment of Alan Lloyd as a director of British Waterways Marina Limited
- approved the appointment of Celia Jenkins to Bwrdd Glandŵr Cymru
- noted new appointments to the Partnerships to fill casual vacancies and renewals. These appointments were ratified by the Board:
South East_- Matthew Hunt, 3 years to 13 June 2019

North Wales & Borders - Alan Platt (2nd term) – extension from 1 year to 3 years

- noted the Orders made by the Charity Commission for disposals of land to connected persons in line with the Commission's advice that the Board should be made aware of such orders
- noted the Consents of Secretary of State to disposals of land pursuant to the Trust Settlement And Transfer Scheme

Commercially confidential material removed

Commercially confidential material removed

16/142 CHIEF EXECUTIVE'S REPORT (CRT199)

Richard Parry presented his written report which also incorporated the individual Director reports as appendices.

Richard gave an update of the Trust's response to the Defra consultation on the implementation of the Water Act 2003 which was submitted in April.

The rest of the report was noted.

KPIs: Richard Parry reported that the relative performance of the KPIs compared to target was largely the same as reported at the last meeting with several behind the target set. It was noted that the electricity consumption measure target had turned 'red' and steps to understand the reason for this decline and to improve it are being progressed.

Health and Safety: Julie Sharman presented her report to the Board adding that the emergency response review had been carried out, lessons learnt noted and a business continuity action plan is being progressed.

The Board noted the rest of the report.

Operations and Customer Service: Ian Rogers presented his report and gave an update on

- a proposal to review the Central Shires waterways in view of the vacant waterway manager's post
- **Commercially confidential material removed**

Asset Management & Delivery: Simon Bamford presented his report and gave an update on the flood repairs programme. **Commercially confidential material removed**

Commercially confidential material removed

Marketing, Communications and Fundraising: The report was noted.

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Commercially confidential material removed

16/143 Commercially confidential material removed

Commercially confidential material removed

Commercially confidential material removed

16/144 BOARD COMMITTEES

Commercially confidential material removed

16/145 ANY OTHER BUSINESS

Richard Parry informed the Board that the programme for the July board meeting will be slightly different from the usual. The site visits would be in Wales and the meeting will be held in Chester. The itinerary would be circulated later.

16/146 DATES OF FUTURE MEETINGS

Thursday 23 June 2016 (Conference call to approve accounts)

Thursday 14 July 2016 ((NW& Borders - Llangollen)

16/147 CLOSE OF MEETING

There being no further business, the Chairman closed the formal proceedings at 12.34p.m.

Chairman

NATIONAL ADVISORY GROUPS UPDATE

Report by the Chief Executive

May 2016

1. Purpose of the Paper.

The purpose of this paper is to give the Board visibility of the role and current work of the Trust's Advisory Groups, for information.

2. Overview.

- 2.1 Expert National Advisory Groups were set up at the time Canal & River Trust was established to provide advice to the Trust's Executive. The Groups have a reporting line to the Chief Executive and are outside our main governance structures – Trustees, Council and Partnerships.
- 2.2 All the Groups are working productively. Their Chairs and Members value the support they are able to provide and the opportunity to contribute to the development of the Trust.
- 2.3 This paper provides a briefing on the range of Groups, their recruitment and management, and the contribution they are making to the development of Trust.

3. The Groups.

- 3.1 There are currently 9 Groups detailed below with the the executive and managerial leads and the current Chair.

Advisory Group	Lead Manager	Lead Executive	Chair
Arts on the Waterways	Tim Eastop	Sophie Castell	Jonathan Watkins
Environment	Peter Birch	Julie Sharman	Vacant
Freight	Richard Rutter	Stuart Mills	David Quarmby
Heritage	Nigel Crowe	Julie Sharman	Sir Neil Cossons
Navigation - Operations	Tony Stammers	Julie Sharman	Mike Carter
Navigation - Licensing & Mooring	Mike Grimes	Ian Rogers	Mike Annan
National Angling	Caroline Killeavy	Ian Rogers	David Kent
Volunteering	Caroline Killeavy	Ian Rogers	Vacant
Youth Engagement	Caroline Killeavy	Ian Rogers	Chloe Donovan

- 3.2 Groups meet as required, typically 3 times a year, but the pattern is varied to meet need. The Freight Group, for example, is not currently meeting as a group but members provide their specialist support as required. The Groups work to agendas jointly agreed by the Lead Manager and Chair and they each periodically report to the Chief Executive on their work.

4. Appointments.

- 4.1 When first established, Chairs and Members were recruited by personal invitation from the Chief Executive. However, we now operate an open process which includes public

advertisement and interview in line with processes and procedures applied for governance appointments.

4.2 Members are selected to provide a broad-based range of experience and expertise relevant to each topic. Appointments are made by the Chief Executive for a 3-year term renewable for a second term.

4.3 Short biographies for each of the groups and its current members are presented in **Commercially confidential material removed.**

5. Contribution.

5.1 All the Groups provide the Trust with access to a wide range of experience, expertise and perspective that goes beyond that available to the management team and executive. In many areas we are able to benefit from national experts prominent in their field.

5.2 Each of the groups has played a valuable role in building capacity within the Trust and in the development of specialist areas of policy, strategy and practice. We also benefit greatly from the advocacy and support of these expert groups in novel and potentially contentious areas of policy and practice.

5.3 Outputs are focused on management need but the open conduct of the Advisory Groups' business, supported and enabled by volunteers prominent in their field, has helped to strengthen relationships with key stakeholders.

5.4 **Commercially confidential material removed**

6. Conclusions and Recommendations

6.1 The Board is invited to note this paper. A further update will be provided in May 2017.

**Richard Parry
Chief Executive
May 2016**

REVISED TERMS OF REFERENCE FOR BOARD COMMITTEES

Jackie Lewis
May 2016

1. PURPOSE

- 1.1. To enable the Board to agree and publish revised Terms of Reference (ToR) for all Board Committees

2. RECOMMENDATIONS FOR THE BOARD

- 2.1. The Board is asked to approve the attached ToR for each Board Committee.

3. KEY ISSUES

- 3.1. In November 2015, the Board approved a revised Scheme of Delegation at Board level. One of the main changes to this Scheme related to Board Committees. Internal Audit advised, and the Executive agreed, that the Scheme of Delegation should set out the delegated powers to each Board Committee, and then the ToR for each Committee should reflect these.
- 3.2. The Executive committed to bring back revised ToR for each Board Committee in a consistent format for subsequent agreement. Such ToR are now attached as Appendices to this report, again following recommendations from Internal Audit.
- 3.3. With the exception of the ToR for the Nominations Committee, which has not met recently, each Board Committee has had the opportunity to discuss the suggested revisions at a meeting, and/or by email. The following sections set out the main changes from previous ToR.

4. ALL COMMITTEES

- 4.1. The Executive propose that each Board Committee ToR follow a standard format proposed by Internal Audit.
- 4.2. We further suggest that the Board adopts a consistent formula for determining the quorum for each committee – at the moment all Committees have a quorum of 2 regardless of the number of members. The General Counsel has advised that the Charity Commission and the Institute of Chartered Secretaries and Administrators recommends that a quorum for a Trustees meeting should be a minimum of one third of the total number of committee members plus one. The quorum for Committees with 5, 6 or 7 members is therefore 3 and the quorum for Committees with 3 or 4 members is therefore 2.

4.3. The remaining suggestions affecting all Committees include:

4.3.1. Clarifying that the notice of each meeting and its agenda should be sent to each Committee member no less than 5 working days before the meeting.

4.3.2. Clarifying that it is the Chair of each Committee who initiates certain actions, such as the annual review of Committee performance or arranging special meetings.

5. AUDIT AND RISK COMMITTEE

5.1. The suggested revised ToR for the Audit and Risk Committee have been completely re-ordered and revised to make more sense, particularly regarding the respective roles of the external auditor and the Finance Director in relation to the preparation of the Trustees' Annual Reports and Accounts.

5.2. The previous references to "Fair Trading" have been replaced with references to compliance with Competition Law, on the advice of General Counsel.

5.3. The previous requirement for the Committee to have 5 members has been replaced with the requirement to have "at least 4" to give additional flexibility.

6. FUNDRAISING COMMITTEE

6.1. The main change to the ToR for the Fundraising has been to correct the previous assumption that one of the main functions of the Committee was to advise the Executive (since normal governance would expect this to be the other way round).

7. INVESTMENT COMMITTEE

7.1. The suggested ToR spell out more clearly the responsibilities given to the Investment Committee in the Statement of Group Investment Policy for the Canal & River Trust Protected Endowment Portfolio.

8. NOMINATIONS COMMITTEE

8.1. The Nominations Committee ToR had not been updated since the move from British Waterways to the Trust. The suggested revised ToR included in the Appendix have therefore been amended considerably to ensure consistency with the current governance arrangements, including:

8.1.1. Removal of references to Government Ministers

8.1.2. Removal of references to the Nominations Committee having any role in the appointment of Trustees to Board Committees or in the appointment of management.

8.1.3. Removal of an unnecessary restriction in the membership of the Committee. The current ToR do not allow a Board member to be a member of both the Nominations Committee and the Audit and Risk Committee, or of both the Nominations Committee and the Remuneration Committee. Not only does this serve no purpose, it has not been adhered to over recent years.

8.1.4. Removal of an unnecessary requirement that the Chair of the Board of Trustees must also chair this Committee. Not only does this serve no purpose, it has not been adhered to over recent years.

8.1.5. Enabling the Chair of the Committee to convene meetings as necessary, rather than having to hold them at least once per year.

9. REMUNERATION COMMITTEE

9.1. The main changes have been made to reflect the more precise delegations to the Committee approved by the Board in November 2015. In addition it is the Company Secretary who will act as the Secretary to the Committee.

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XXXX COMMITTEE: DRAFT TERMS OF REFERENCE

1 CONSTITUTION

- 1.1 The *[insert as appropriate]* Committee is a Committee of the Board of Trustees.
- 1.2 The Delegations to all such Committees including the *[insert as appropriate]* Committee is laid down in the Board of Trustees' Scheme of Delegation.

2 PURPOSE

- 2.1 The Committee:
 - 2.1.1 *[insert summary purpose specific to each committee here]*
 - 2.1.2 The Committee shall identify any matters where it considers that action or improvement is needed, make recommendations as to the steps to be taken and report its work, conclusions and any recommendations to the Trust.

3 DELEGATIONS

- 3.1 The Board has delegated specific decisions to Board Committees, including the Remuneration Committee, via its formal Scheme of Delegation. These delegations are reproduced in Appendix 1.

4 DUTIES AND RESPONSIBILITIES

Sub-heading

- 4.1 *List here the specific duties and responsibilities of the Committee.*

Annual Review

- 4.2 The Committee Chair shall ensure that Committee members conduct an annual review of their work and these Terms of Reference, and make any recommendations to the Trust.

5 MEMBERSHIP

- 5.1 The Committee shall normally comprise *[insert number as appropriate]* Trustees, all of whom shall be appointed by the Board of Trustees. The Chair of the Board of Trustees may attend and *may/may not* be a member of the Committee.
- 5.2 The Committee Chair shall be appointed by the Board of Trustees.
- 5.3 At least one member of the Committee shall have significant, recent and relevant *[insert as appropriate]* experience.

- 5.4 The quorum for meetings shall be set as one plus one third of the number of Committee members (rounded to the nearest number), members of the Committee¹.
- 5.5 The Committee Chair will ensure there will be an induction programme for new Committee members and that training takes place on an ongoing and timely basis for all members.
- 5.6 In accordance with paragraph 10.2.4, the Committee may co-opt an external non-Trustee with relevant experience to assist the Committee with its work.
- 5.7 If a regular member is unable to act due to absence, illness or any other cause, the Chair of the Trustees may appoint another member of the Board of Trustees to serve as an alternate member provided that at any time there is only one alternate member.

6 ATTENDANCE

- 6.1 The [*insert management/Executive as appropriate*] may attend meetings at the standing invitation of the Committee, but in accordance with the delegations set out in paragraph 10.2.6 may be asked not to attend.
- 6.2 The Committee may invite other Trustees, Council members, other executive directors, staff or advisers to attend meetings when appropriate in accordance with paragraph 10.2.6.
- 6.3 The Company Secretary (or his/her nominee) shall act as the Secretary of the Committee.
- 6.4 In determining whether Committee members are participating in a Committee meeting, it is irrelevant where any Trustee is or how they communicate with each other provided that they communicate with one another simultaneously.
- 6.5 Professional advisers appointed under paragraph 10.2.5 may also attend meetings.
- 6.6 Except as outlined above, the meetings of the Committee shall be conducted in accordance with the provisions of the Trust's Articles of Association governing the proceedings of the Board of Directors.

7 FREQUENCY OF MEETINGS

- 7.1 The Committee shall meet not less than [*insert as appropriate*] times a year and at such other times as it considers necessary.
- 7.2 The frequency and timing is decided by the Committee Chair. Any member of the Committee, the Chief Executive or the Chair of the Trust may ask the Committee Chair to hold a meeting.
- 7.3 Notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded to each member of the Committee prior to the date of the meeting no less than five working days prior to the meeting.

8 RECORD OF MEETINGS AND DECISIONS

¹ The quorum for Committees with 5, 6 or 7 members is therefore 3 and the quorum for Committees with 3 or 4 members is therefore 2.

- 8.1 The Secretary shall minute the proceedings and recommendations of all meetings of the Committee and keep appropriate records. Minutes of the meetings shall be circulated to all Trustees.
- 8.2 If an urgent decision is required between meetings, the Committee Chair may deem it appropriate for such a decision to be ratified by email. Where this is the case, the Secretary shall record this as an addendum to the minutes of the previous meeting.

9 REPORTING

- 9.1 The Committee Chair shall report the proceedings of the Committee to the next following meeting of the Board of Trustees.
- 9.2 The Committee's duties and activities during the year shall be disclosed in the annual report of the Trust.

10 DELEGATIONS

- 10.1 The Board of Trustees has formally delegated certain decision to its Board Committee, via its approved Scheme of Delegation.
- 10.2 All Board Committees have the power to:
 - 10.2.1 Approve its own agenda (via the Committee Chair)
 - 10.2.2 Investigate any activity within its Terms of Reference
 - 10.2.3 Seek information from any employee of the Trust
 - 10.2.4 Co-opt independent members from outside the Trust Board, provided that Trustees remain in a majority on the Committee. Independent members may serve for a maximum period of 3 years, with the ability to be re-appointed for a further period of one term
 - 10.2.5 Appoint independent professional advisers relevant to its Terms of Reference at the Trust's expense
 - 10.2.6 Require any member of the Executive, or any employee nominated by a member of the Executive to attend their meetings, or ask them to not attend meetings.
- 10.3 The Board's Scheme of Delegation gives the following powers to the [*insert as appropriate*] Committee:
 - 10.3.1 *Copy the summary delegations specific to each committee here.*



AUDIT AND RISK COMMITTEE: DRAFT TERMS OF REFERENCE

1. CONSTITUTION

- 1.1. The Audit and Risk Committee is a Committee of the Board of Trustees.
- 1.2. The Delegations to all such Committees including the Audit and Risk Committee is laid down in the Board of Trustees' Scheme of Delegation.

2. PURPOSE

- 2.1. The Committee shall provide assurance and recommendations to the Trust on the effectiveness of its governance, internal control and risk management framework, including ensuring that risk management does not inhibit innovation.
- 2.2. The Committee shall identify any matters where it considers that action or improvement is needed, make recommendations as to the steps to be taken and report its work, conclusions and any recommendations to the Trust.

3. DELEGATIONS

- 3.1. The Board has delegated specific decisions to Board Committees, including the Audit and Risk Committee, via its formal Scheme of Delegation. These delegations are reproduced in Appendix 1.

4. DUTIES AND RESPONSIBILITIES

Risk management

- 4.1. The Committee shall:
 - 4.1.1. Consider and make recommendations to the Board on the effectiveness of the Trust's risk management framework by an informed assessment of the risks to the Trust's objectives and by reference to a clear definition of the types and levels of risk considered acceptable and of compliance with the appropriate controls, standards and processes and regulatory requirements
 - 4.1.2. Review reports from management and Internal Audit on the effectiveness of risk management
 - 4.1.3. Challenge management's identification and assessment of gross and residual risk, by bringing their own experiences- and the experiences of others- to bear.

External audit

- 4.2. The Committee shall:

- 4.2.1. Make recommendations to the Board to Trustees regarding the appointment, resignation or dismissal of the external auditor
- 4.2.2. Approve the remuneration and terms of engagement of the external auditors (following delegation to the Board at the Annual General Meeting)
- 4.2.3. Agree in advance the external audit strategy
- 4.2.4. Review the performance of the external auditors, including:
 - the cost effectiveness of the audit
 - the independence and objectivity of the external auditor, ensuring that key partners are rotated at appropriate intervals
 - whether the external auditor has delivered the agreed audit strategy including understanding any changes in perceived audit risks and the work undertaken by the external auditors to address those risks
 - the external auditors' quality control procedures and steps taken by the auditor to respond to changes in regulatory and other requirements
 - the robustness and perceptiveness of the external auditors in their handling of the key accounting and audit judgements identified and in responding to questions from the Committee
 - feedback about the conduct of the external audit from key people involved, including the Finance Director and the Head of Audit & Risk.
- 4.2.5. Approve any fees in respect of non-audit services provided by the external auditor in excess of the limit approved by the Committee¹ and to ensure that the provision of non-audit services does not impair the external auditors' independence or objectivity.

The Trustees' Annual Report and Accounts

- 4.3. The Committee shall approve the Trust's accounting policies before the Annual Report and Accounts are prepared.
- 4.4. The Committee shall review the statement on internal control and management of risk for inclusion in the Trustees' Annual Report and Accounts.
- 4.5. The Committee will receive the auditor's report.
- 4.6. The Committee shall review the Trustees' Annual Report and Accounts before submission to the Board, taking account of:
 - 4.6.1. All relevant reports made by the external auditor, and management's response to those reports
 - 4.6.2. All relevant reports made by the Finance Director, including those which relate to compliance with the appropriate Statement of Recommended Practice, and other regulatory requirements including Charity Commission requirements.

¹ In June 2014 the Audit and Risk Committee set this limit at £20,000

- 4.6.3. Key accounting and audit judgements, particularly decisions or estimates requiring a major element of judgement, or proposed accounting treatment for significant or unusual transactions
 - 4.6.4. Levels of errors identified during the audit, obtaining explanations from management and, where necessary the external auditors, as to why certain errors might remain unadjusted
 - 4.6.5. the extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed
 - 4.6.6. the Going Concern assumption.
- 4.7. The Committee will receive and review the draft letter of representation before signature by management and give particular consideration to matters where representation has been requested that relate to nonstandard issues. The Committee should consider whether the information provided is complete and appropriate based on its own knowledge.

Internal audit

- 4.8. The Committee shall:
- 4.8.1. Approve the Internal Audit Charter, Strategy and annual plans, in advance
 - 4.8.2. Ensure that the internal audit function is adequately resourced and has appropriate standing within the Trust.
- 4.9. Consider annually the effectiveness of Internal Audit, and feedback the results to the Head of Audit & Risk.
- 4.10. Give prior approval to the Finance Director in relation to the appointment or termination of appointment of the Head of Audit & Risk.
- 4.11. Review reports from management and Internal Audit on the effectiveness of systems for internal control, financial reporting and risk management.

Governance and internal control

- 4.12. The Committee shall:
- 4.12.1. Consider and make recommendations to the Board on the effectiveness of the Trust's governance and internal control framework
 - 4.12.2. Ensure that the Trust complies with Charity Commission requirements relating to Serious Incident reporting
 - 4.12.3. Review the effectiveness of procedures for handling allegations from whistleblowers
 - 4.12.4. Review standards and processes for preventing or detecting fraud, corruption and bribery
 - 4.12.5. Ensure that management have devised, implemented and published a Competition Law Compliance Code of Practice

- 4.12.6. Monitor any complaints of non-compliance with the Competition Law Compliance Code of Practice made under the internal complaints procedure or Waterways Ombudsman Scheme, or any threatened or actual legal action against the Trust which alleges breaches of competition law, and where considered appropriate to make recommendations in a timely manner.

Annual Review

- 4.13. The Committee Chair shall ensure that Committee members conduct an annual review of their work and these Terms of Reference, and make any recommendations to the Trust.

5. MEMBERSHIP

- 5.1. The Committee shall normally comprise at least 4 Trustees, all of whom shall be appointed by the Board of Trustees. The Chair of the Board of Trustees may attend but may not be a member of the Committee.
- 5.2. The Committee Chair shall be appointed by the Board of Trustees.
- 5.3. At least one member of the Committee shall have significant, recent and relevant financial experience.
- 5.4. The quorum for meetings shall be set as one plus one third of the number of Committee members (rounded to the nearest number)².
- 5.5. The Committee Chair will ensure there will be an induction programme for new Committee members and that training takes place on an ongoing and timely basis for all members.
- 5.6. In accordance with paragraph 10.2.4, the Committee may co-opt an external non-Trustee with relevant experience to assist the Committee with its work.
- 5.7. If a regular member is unable to act due to absence, illness or any other cause, the Chair of the Trustees may appoint another member of the Board of Trustees to serve as an alternate member provided that at any time there is only one alternate member.

6. ATTENDANCE

- 6.1. The Chief Executive, Finance Director, General Counsel, Head of Audit & Risk and the external auditors may attend meetings at the standing invitation of the Committee, but in accordance with the delegations set out in paragraph 10.2.6 may be asked not to attend.
- 6.2. The Committee may invite other Trustees, Council members, other executive directors, staff or advisers to attend meetings when appropriate in accordance with paragraph 10.2.6.
- 6.3. The Company Secretary (or his/her nominee) shall act as the Secretary of the Committee.

² The quorum for Committees with 5, 6 or 7 members is therefore 3 and the quorum for Committees with 3 or 4 members is therefore 2.

- 6.4. In determining whether Committee members are participating in a Committee meeting, it is irrelevant where any Trustee is or how they communicate with each other provided that they communicate with one another simultaneously.
- 6.5. Professional advisers appointed under paragraph 10.2.5 may also attend meetings.
- 6.6. Except as outlined above, the meetings of the Committee shall be conducted in accordance with the provisions of the Trust's Articles of Association governing the proceedings of the Board of Directors.

7. FREQUENCY OF MEETINGS

- 7.1. The Committee shall meet not less than 3 times a year and at such other times as it considers necessary. Meeting should coincide with key dates in the Trust financial reporting and audit cycle.
- 7.2. The frequency and timing is decided by the Committee Chair. Any member of the Committee, the Chief Executive or the Chair of the Trust may ask the Committee Chair to hold a meeting.
- 7.3. External auditors or the Head of Audit & Risk may request the Committee Chair to convene a meeting if they consider that one is necessary.
- 7.4. There shall be at least one meeting a year during which the Committee can meet the external auditors without management present.
- 7.5. There shall be at least one meeting a year during which the Committee can meet the Head of Audit & Risk without management present
- 7.6. The Head of Audit & Risk shall be given the right of direct access to the Chair of the Committee.
- 7.7. Notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded to each member of the Committee no less than 5 working days prior to the meeting.

8 RECORD OF MEETINGS AND DECISIONS

- 8.1 The Secretary shall minute the proceedings and recommendations of all meetings of the Committee and keep appropriate records. Minutes of the meetings shall be circulated to all Trustees.
- 8.2 If an urgent decision is required between meetings, the Committee Chair may deem it appropriate for such a decision to be ratified by email. Where this is the case, the Secretary shall record this as an addendum to the minutes of the previous meeting.

9 REPORTING

- 9.1 The Committee Chair shall report the proceedings of the Committee to the next meeting of the Board of Trustees.
- 9.2 The Committee's duties and activities during the year shall be disclosed in the Trustees' Annual Report and Accounts.

10 DELEGATIONS

- 10.1 The Board of Trustees has formally delegated certain decision to its Board Committee, via its approved Scheme of Delegation.
- 10.2 All Board Committees have the power to:
 - 10.2.1 Approve its own agenda (via the Committee Chair)
 - 10.2.2 Investigate any activity within its Terms of Reference
 - 10.2.3 Seek information from any employee of the Trust
 - 10.2.4 Co-opt independent members from outside the Trust Board, provided that Trustees remain in a majority on the Committee. Independent members may serve for a maximum period of 3 years, with the ability to be re-appointed for a further period of one term
 - 10.2.5 Appoint independent professional advisers relevant to its Terms of Reference at the Trust's expense
 - 10.2.6 Require any member of the Executive, or any employee nominated by a member of the Executive to attend their meetings, or ask them to not attend meetings.
- 10.3 The Board's Scheme of Delegation gives the following powers to the Audit and Risk Committee:
 - 10.3.1 Make recommendations to the Board for the appointment of external auditors
 - 10.3.2 Approve the remuneration and terms of engagement of the external auditor (following delegation to the Board at the AGM)
 - 10.3.3 Approve the external audit strategy
 - 10.3.4 Approve Internal Audit Charter, Strategy and annual plans
 - 10.3.5 Make recommendations to the Board on the effectiveness of the Trust's risk management and internal control framework
 - 10.3.6 Review the Trustees' Annual Report and Accounts before submission to the Board, and to receive the Auditor's report and the draft letter of representation
 - 10.3.7 Make recommendations to the Board on the publication of the statement on internal control and management of risk for inclusion in the Trustees' Annual Report and Accounts
 - 10.3.8 Approve the method of appointment and termination of the Head of Audit & Risk, including determining (through the Committee Chair) the involvement, where appropriate, of Trustees in the appointment process
 - 10.3.9 Approve changes to accounting policies.



FUNDRAISING COMMITTEE: DRAFT TERMS OF REFERENCE

1. CONSTITUTION

- 1.1. The Fundraising Committee is a Committee of the Board of Trustees.
- 1.2. The Delegations to all such Committees including the Fundraising Committee is laid down in the Board of Trustees Scheme of Delegation.

2. PURPOSE

- 2.1. The Committee shall provide assurance and recommendations to the Trust on the effectiveness and appropriateness of its fundraising programme and policies, encompassing both voluntary and statutory fundraising. It shall recognise that the authority to decide the charity's overall approach to income generation and mission remains the responsibility of Trustees, despite day to day decision making being delegated to authorised decision-makers in accordance with the Schedule of Delegation.
- 2.2. The Committee shall identify any matters where it considers that action or improvement is needed, make recommendations as to the steps to be taken and report its work, conclusions and any recommendations to the Trust.

3. DELEGATIONS

- 3.1. The Board has delegated specific decisions to Board Committees, including the Fundraising Committee, via its formal Scheme of Delegation. These delegations are reproduced in Appendix 1.

4. DUTIES AND RESPONSIBILITIES

Fundraising policies and ethical standards

- 4.1. Keep under review all fundraising policies ensuring that they remain fit for purpose as the charity evolves.
- 4.2. Proactively identify the need for new policies when issues arise that demand a consistent position.
- 4.3. Review the relevance and support the implementation of the Ethical Policy.
- 4.4. Keep under review our position with regard to regulatory bodies such as the Professional Fundraising Regulatory Authority (PFRA) and the Fundraising Standards Board (FRSB) and other areas that affect the public perception of both us and the charitable sector as a whole.

Fundraising strategy and investment

- 4.5. Monitor, evaluate, develop and challenge the fundraising strategy adopted by the Trustees, focusing on both income generated within each financial year and long-term growth in regular support.
- 4.6. Monitor, evaluate, develop and challenge the enterprise strategy.
- 4.7. Monitor KPIs about gross and net income, supporter numbers and retention rates, ensure that investment into fundraising is delivering the expected returns and that all assumptions underpinning the fundraising strategy remain valid.
- 4.8. Request independent reviews of the fundraising strategy and performance as deemed fit. This can include specific areas of the fundraising portfolio.
- 4.9. Monitor KPIs for enterprise income.
- 4.10. Oversee the coordination and promotion of fundraising through an integrated Marketing Strategy that ensures that overall marketing activity works seamlessly to maximise active engagement in the Trust.

Restricted and designated funds

- 4.11. Review the regular restricted funds report and discuss implications of any balances with the Executive.

Proactive support for fundraising

- 4.12. To ensure that the charity's business planning and strategy development process delivers suitable philanthropic propositions to enable successful fundraising.
- 4.13. In discharging their responsibilities the Committee Chair, and to a lesser extent the other Committee members should keep in touch on a continuing basis with the key people involved in Trust fundraising, including the Head of Fundraising, Head of Enterprise and the Marketing, Communications & Fundraising Director.

Annual Review

- 4.14. The Committee Chair shall ensure that Committee members conduct an annual review of their work and these Terms of Reference, and make any recommendations to the Trust.

5. MEMBERSHIP

- 5.1. The Committee shall normally comprise at least 3 Trustees, all of whom shall be appointed by the Board of Trustees. The Chair of the Board of Trustees may attend and may be a member of the Committee.
- 5.2. The Committee Chair shall be appointed by the Board of Trustees.
- 5.3. At least one member of the Committee shall have significant, recent and relevant Fundraising experience.

- 5.4. The quorum for meetings shall be set as one plus one third of the number of Committee members (rounded to the nearest number)¹.
- 5.5. The Committee Chair will ensure there will be an induction programme for new Committee members and that training takes place on an ongoing and timely basis for all members.
- 5.6. In accordance with paragraph 10.2.4, the Committee may co-opt an external non-Trustee with relevant experience to assist the Committee with its work.
- 5.7. If a regular member is unable to act due to absence, illness or any other cause, the Chair of the Trustees may appoint another member of the Board of Trustees to serve as an alternate member provided that at any time there is only one alternate member.

6. ATTENDANCE

- 6.1. The Chief Executive, the Marketing, Communications & Fundraising Director, the Head of Fundraising and the Head of Enterprise may attend meetings at the standing invitation of the Committee, but in accordance with the delegations set out in paragraph 10.2.6 may be asked not to attend.
- 6.2. The Committee may invite other Trustees, Council members, other executive directors, staff or advisers to attend meetings when appropriate in accordance with paragraph 10.2.6.
- 6.3. The Company Secretary (or his/her nominee) shall act as the Secretary of the Committee.
- 6.4. In determining whether Committee members are participating in a Committee meeting, it is irrelevant where any Trustee is or how they communicate with each other provided that they communicate with one another simultaneously.
- 6.5. Professional advisers appointed under paragraph 10.2.5 may also attend meetings.
- 6.6. Except as outlined above, the meetings of the Committee shall be conducted in accordance with the provisions of the Trust's Articles of Association governing the proceedings of the Board of Directors.

7. FREQUENCY OF MEETINGS

- 7.1. The Committee shall meet not less than 3 times a year and at such other times as it considers necessary.
- 7.2. The frequency and timing is decided by the Committee Chair. Any member of the Committee, the Chief Executive or the Chair of the Trust may ask the Committee Chair to hold a meeting.
- 7.3. Notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded to each member of the Committee no less than 5 working days prior to the meeting.

¹ The quorum for Committees with 5, 6 or 7 members is therefore 3 and the quorum for Committees with 3 or 4 members is therefore 2

8. RECORD OF MEETINGS AND DECISIONS

8.1. The Secretary shall minute the proceedings and recommendations of all meetings of the Committee and keep appropriate records. Minutes of the meetings shall be circulated to all Trustees.

8.2. If an urgent decision is required between meetings, the Committee Chair may deem it appropriate for such a decision to be ratified by email. Where this is the case, the Secretary shall record this as an addendum to the minutes of the previous meeting.

9. REPORTING

9.1. The Committee Chair shall report the proceedings of the Committee to the next following meeting of the Board of Trustees.

9.2. The Committee's duties and activities during the year shall be disclosed in the annual report of the Trust.

10. DELEGATIONS

- 10.1. The Board of Trustees has formally delegated certain decision to its Board Committee, via its approved Scheme of Delegation.
- 10.2. All Board Committees have the power to:
 - 10.2.1. Approve its own agenda (via the Committee Chair)
 - 10.2.2. Investigate any activity within its Terms of Reference
 - 10.2.3. Seek information from any employee of the Trust
 - 10.2.4. Co-opt independent members from outside the Trust Board, provided that Trustees remain in a majority on the Committee. Independent members may serve for a maximum period of 3 years, with the ability to be re-appointed for a further period of one term
 - 10.2.5. Appoint independent professional advisers relevant to its Terms of Reference at the Trust's expense
 - 10.2.6. Require any member of the Executive, or any employee nominated by a member of the Executive to attend their meetings, or ask them to not attend meetings.
- 10.3. The Board's Scheme of Delegation gives the following powers to the Fundraising Committee:
 - 10.3.1. Ensure that there are appropriate and ethical standards and processes for receiving and refusing donations and fundraising
 - 10.3.2. Monitor spend on restricted and designated funds to ensure these funds meet their stated objectives.



INVESTMENT COMMITTEE: DRAFT TERMS OF REFERENCE

1 CONSTITUTION

- 1.1 The Investment Committee is a Committee of the Board of Trustees.
- 1.2 The Delegations to all such Committees including the Investment Committee is laid down in the Board of Trustees' Scheme of Delegation.

2 PURPOSE

- 2.1 The Committee:
 - 2.1.1 Provides non-executive oversight and assurance for the Trust in respect of the investment and other commercial activities of the Trust, including more particularly the Group Investment Policy (GIP) for the Protected Endowment Portfolio, investments in subsidiaries and associates, the property business and utilities business (together "the commercial business")
 - 2.1.2 In respect of the GIP, has responsibility for oversight of the execution of the agreed strategy
 - 2.1.3 Manages the ongoing relationship with the Protector who is jointly appointed by the Trust and Defra under the terms of the Grant Agreement
 - 2.1.4 The Committee shall identify any matters where it considers that action or improvement is needed, make recommendations as to the steps to be taken and report its work, conclusions and any recommendations to the Trust.

3 DELEGATIONS

- 3.1 The Board has delegated specific decisions to Board Committees, including the Remuneration Committee, via its formal Scheme of Delegation. These delegations are reproduced in Appendix 1.

4 DUTIES AND RESPONSIBILITIES

General

- 4.1 The Committee's non-executive strategic oversight in respect of the commercial business of the Trust shall include recommendations and reports to the Board of Trustees on the GIP of the Trust and other strategies and policies in respect of the commercial business of the Trust.
- 4.2 The Committee shall exercise powers or authority delegated by the Board of Trustees in connection with the commercial business of the Trust.

4.3 The Committee shall:

- 4.3.1 Keep under review the performance (benchmarked as appropriate) of the commercial business of the Trust and from time to time report the outcome of such reviews to the Board.
- 4.3.2 Review and challenge where necessary, the actions and judgements of the Trust management in relation to the management of the commercial business.
- 4.3.3 From time to time, review the policies, plans and business procedures of the Trust in the management and mitigation of material risk arising from its commercial business, and where necessary or appropriate to make recommendations to the Board of Trustees.
- 4.3.4 Review the specified GIP performance information provided by the Executive, in particular the management accounts, cash flow forecasts, performance analysis and commentary, and taking account of the need to:
 - Review at least once every two years the Investment Objectives & Parameters under which the Property & Joint Venture Investment Assets will be managed, which is normally reported as an Appendix to the GIP
 - Review currency exposures on a quarterly basis to ensure compliance with the targets set out in the GIP.
 - Receive and approve in advance any proposal by the investment manager to invest more than 5% of the total value of the Non-Property Investment Assets.
 - Review annually the Tactical Asset Allocation plan required by the GIP.
 - Contribute to the Protector's annual review of Investment Plans
 - Periodically review the Debt Gearing Strategy and make a recommendation about its approval to the Trustees, taking into account the:
 - the need for interest hedging strategies
 - the need for phased repayment dates
 - the avoidance of excessive dependence on particular debt markets or providers
 - appropriate long-term debt sources
 - arrangements to match the long-term planning requirements for operational expenditure
- 4.3.5 Make or commission such inquiries, reports or investigations as it considers necessary in respect of any transactions made or proposed by the Trust, or any of its subsidiaries or associates, in relation to the commercial business (including as to the provision of professional or other services concerning the commercial business)

- 4.4 The Committee shall be responsible for the Trust's relationship with the Protector appointed jointly by the Trust and Defra to provide assurance to the Secretary of State in respect of the strategies and management of the Protected Endowment Portfolio in accordance with the terms of the Grant Agreement. The Committee will take such actions as are necessary on the part of the Trust to enable the Protector to fulfil his duties.

Annual Review

- 4.5 The Committee Chair shall ensure that Committee members conduct an annual review of their work and these Terms of Reference, and make any recommendations to the Trust.

5 MEMBERSHIP

- 5.1 The Committee shall normally comprise at least 3 Trustees, all of whom shall be appointed by the Board of Trustees. The Chair of the Board of Trustees may attend and may be a member of the Committee.
- 5.2 The Committee Chair shall be appointed by the Board of Trustees.
- 5.3 At least one member of the Committee shall have significant, recent and relevant experience of the management of investment portfolios and/or significant commercial business enterprises.
- 5.4 The quorum for meetings shall be set as one plus one third of the number of Committee members (rounded to the nearest number)¹.
- 5.5 The Committee Chair will ensure there will be an induction programme for new Committee members and that training takes place on an ongoing and timely basis to all members.
- 5.6 In accordance with paragraph 10.2.4, the Committee may co-opt an external non-Trustee with relevant experience to assist the Committee with its work.
- 5.7 If a regular member is unable to act due to absence, illness or any other cause, the Chair of the Trustees may appoint another member of the Board of Trustees to serve as an alternate member provided that at any time there is only one alternate member.

6 ATTENDANCE

- 6.1 The Chief Executive, Property Director and Finance Director may attend meetings at the standing invitation of the Committee, but in accordance with the delegations set out in paragraph 10.2.6 may be asked not to attend.
- 6.2 The Committee may invite other Trustees, Council members, other executive directors, staff or advisers to attend meetings when appropriate in accordance with paragraph 10.2.6.

¹ The quorum for Committees with 5, 6 or 7 members is therefore 3 and the quorum for Committees with 3 or 4 members is therefore 2.

- 6.3 The Company Secretary (or his/her nominee) shall act as the Secretary of the Committee.
- 6.4 In determining whether Committee members are participating in a Committee meeting, it is irrelevant where any Trustee is or how they communicate with each other provided that they communicate with one another simultaneously.
- 6.5 Professional advisers appointed under paragraph 10.2.5 may also attend meetings.
- 6.6 Except as outlined above, the meetings of the Committee shall be conducted in accordance with the provisions of the Trust's Articles of Association governing the proceedings of the Board of Directors.

7 FREQUENCY OF MEETINGS

- 7.1 The Committee shall meet not less than 4 times a year and at such other times as it considers necessary.
- 7.2 The frequency and timing is decided by the Committee Chair. Any member of the Committee, the Chief Executive or the Chair of the Trust may ask the Committee Chair to hold a meeting.
- 7.3 Notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded to each member of the Committee no less than five working days prior to the meeting.

8 RECORD OF MEETINGS AND DECISIONS

- 8.1 The Secretary shall minute the proceedings and recommendations of all meetings of the Committee and keep appropriate records. Minutes of the meetings shall be circulated to all Trustees.
- 8.2 If an urgent decision is required between meetings, the Committee Chair may deem it appropriate for such a decision to be ratified by email. Where this is the case, the Secretary shall record this as an addendum to the minutes of the previous meeting.

9 REPORTING

- 9.1 The Committee Chair shall report the proceedings of the Committee to the next following meeting of the Board of Trustees.
- 9.2 The Committee's duties and activities during the year shall be disclosed in the annual report of the Trust.

10 DELEGATIONS

- 10.1 The Board of Trustees has formally delegated certain decision to its Board Committee, via its approved Scheme of Delegation.
- 10.2 All Board Committees have the power to:
 - 10.2.1 Approve its own agenda (via the Committee Chair)
 - 10.2.2 Investigate any activity within its Terms of Reference
 - 10.2.3 Seek information from any employee of the Trust
 - 10.2.4 Co-opt independent members from outside the Trust Board, provided that Trustees remain in a majority on the Committee. Independent members may serve for a maximum period of 3 years, with the ability to be re-appointed for a further period of one term
 - 10.2.5 Appoint independent professional advisers relevant to its Terms of Reference at the Trust's expense
 - 10.2.6 Require any member of the Executive, or any employee nominated by a member of the Executive to attend their meetings, or ask them to not attend meetings.
- 10.3 In accordance with Article 10 of the Articles of Association the Trustees may delegate the management of investments to an Expert or Experts provided that:
 - 10.3.1 the investment policy is set down in Writing for the Expert or Experts by the Trustees
 - 10.3.2 timely reports of transactions are provided to the Trustees
 - 10.3.3 the performance of the investments is reviewed regularly with the Trustees
 - 10.3.4 the Trustees are entitled to cancel the delegation arrangement at any time
 - 10.3.5 the investment policy and the delegation arrangements are reviewed regularly
 - 10.3.6 all payments due to the Expert or Experts are on a scale or at a level which is agreed in advance
 - 10.3.7 the Expert or Experts must not do anything outside the powers of the Trustees.
- 10.4 The Board's Scheme of Delegation gives the following powers to the Investment Committee:
 - 10.4.1 Make recommendations to the Board for the appointment of investment managers
 - 10.4.2 Management of the relationship with the Protector jointly appointed by the Trust and Defra under the terms of the Grant Agreement

- 10.4.3 Approve investments in and disposals of investment assets with an individual value between £5m and £10m². This includes equity investments in Joint ventures, subsidiaries and all entities controlled by the CRT Group.
- 10.4.4 Approve property leases, licences and premia with a nominal value of between £5m and £10m³
- 10.4.5 Make recommendations to the Board on the Investment Strategy and the commercial activities of the Trust.

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² This is measured as: Gross purchase price of an investment asset plus any capitalised fees and purchase taxes but excluding any recoverable VAT. Gross Selling price of a disposal of an investment asset excluding any recoverable VAT and before deduction of costs of sale. Investments at cost in JV's and Subsidiaries by way of either equity (shares) or debt (loans) or a combination or both where the cumulative cost of investment by the charity exceeds £10m

³ This is measured on the basis of the Net Present Value of the receipts at a 6% discount rate



NOMINATIONS COMMITTEE: DRAFT TERMS OF REFERENCE

1 CONSTITUTION

- 1.1 The Nominations Committee is a Committee of the Board of Trustees.
- 1.2 The Delegations to all such Committees including the Nominations Committee is laid down in the Board of Trustees' Scheme of Delegation.

2 PURPOSE

- 2.1 The Committee provides support and advice to the Council's Appointments Committee.
- 2.2 The Committee shall identify any matters where it considers that action or improvement is needed, make recommendations as to the steps to be taken and report its work, conclusions and any recommendations to the Trust.

3 DELEGATIONS

- 3.1 The Board has delegated specific decisions to Board Committees, including the Remuneration Committee, via its formal Scheme of Delegation. These delegations are reproduced in Appendix 1.

4 DUTIES AND RESPONSIBILITIES

Appointments

- 4.1 Review the Board composition (its mix of skills, experiences and characteristics) from time to time and may make reports or recommendations (via the Chair) to the Appointments Committee.
- 4.2 To assist the Appointments Committee, prepare a description of the role and capabilities required for a particular vacancy.
- 4.3 Satisfy itself with regard to succession planning, that the processes and plans are in place with regard to the Board.
- 4.4 Ensure that the Company Secretary on behalf of the Board has formally written to any appointees, detailing the role and time commitments and proposing an induction plan produced in conjunction with the Chair of the Board of Trustees.

Annual Review

- 4.5 The Committee Chair shall ensure that Committee members conduct an annual review of their work and these Terms of Reference, and make any recommendations to the Trust.

5 MEMBERSHIP

- 5.1 The Committee shall normally comprise the Chair and the Vice-Chair of the Board of Trustees plus at least 1 additional Trustee, who shall be appointed by the Board of Trustees.
- 5.2 The Committee Chair shall be appointed by the Board of Trustees.
- 5.3 The quorum for meetings shall be set as one plus one third of the number of Committee members (rounded to the nearest number)¹.
- 5.4 The Committee Chair will ensure there will be an induction programme for new Committee members and that training takes place on an ongoing and timely basis for all members.
- 5.5 In accordance with paragraph 10.2.4, the Committee may co-opt an external non-Trustee with relevant experience to assist the Committee with its work.
- 5.6 If a regular member is unable to act due to absence, illness or any other cause, the Chair of the Trustees may appoint another member of the Board of Trustees to serve as an alternate member provided that at any time there is only one alternate member.

6 ATTENDANCE

- 6.1 The Committee may invite other Trustees, Council members, Executive Directors, staff or advisers to attend meetings when appropriate in accordance with paragraph 10.2.6.
- 6.2 The Company Secretary (or his/her nominee) shall act as the Secretary of the Committee.
- 6.3 In determining whether Committee members are participating in a Committee meeting, it is irrelevant where any Trustee is or how they communicate with each other provided that they communicate with one another simultaneously.
- 6.4 Professional advisers appointed under paragraph 10.2.6 may also attend meetings.
- 6.5 Except as outlined above, the meetings of the Committee shall be conducted in accordance with the provisions of the Trust's Articles of Association governing the proceedings of the Board of Directors.

7 FREQUENCY OF MEETINGS

- 7.1 The Committee shall meet at such times as the Committee Chair considers necessary.
- 7.2 The frequency and timing is decided by the Committee Chair. Any member of the Committee may ask the Committee Chair to hold a meeting.
- 7.3 Notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded to each member of the Committee prior to the date of the meeting no less than 5 working days prior to the meeting.

8 RECORD OF MEETINGS AND DECISIONS

¹ The quorum for Committees with 5, 6 or 7 members is therefore 3 and the quorum for Committees with 3 or 4 members is therefore 2.

- 8.1 The Secretary shall minute the proceedings and recommendations of all meetings of the Committee and keep appropriate records. Minutes of the meetings shall be circulated to all Trustees.
- 8.2 If an urgent decision is required between meetings, the Committee Chair may deem it appropriate for such a decision to be ratified by email. Where this is the case, the Secretary shall record this as an addendum to the minutes of the previous meeting.

9 REPORTING

- 9.1 The Committee Chair shall report the proceedings of the Committee to the next following meeting of the Board of Trustees.
- 9.2 The Committee's duties and activities during the year shall be disclosed in the annual report of the Trust.

10 DELEGATIONS

- 10.1 The Board of Trustees has formally delegated certain decision to its Board Committee, via its approved Scheme of Delegation.
- 10.2 All Board Committees have the power to:
 - 10.2.1 Approve its own agenda (via the Committee Chair)
 - 10.2.2 Investigate any activity within its Terms of Reference
 - 10.2.3 Seek information from any employee of the Trust
 - 10.2.4 Co-opt independent members from outside the Trust Board, provided that Trustees remain in a majority on the Committee. Independent members may serve for a maximum period of 3 years, with the ability to be re-appointed for a further period of one term
 - 10.2.5 Appoint independent professional advisers relevant to its Terms of Reference at the Trust's expense
 - 10.2.6 Require any member of the Executive, or any employee nominated by a member of the Executive to attend their meetings, or ask them to not attend meetings.
- 10.3 The Board's Scheme of Delegation gives the following powers to the Nominations Committee:
 - 10.3.1 Make recommendations to the Appointments Committee in relation to candidates for appointment to the Board of Trustees.



REMUNERATION COMMITTEE: DRAFT TERMS OF REFERENCE

1. CONSTITUTION

- 1.1. The Remuneration Committee is a Committee of the Board of Trustees.
- 1.2. The Delegations to all such Committees including the Remuneration Committee is laid down in the Board of Trustees' Scheme of Delegation.

2. PURPOSE

- 2.1. The Committee:
 - 2.1.1. Oversees the remuneration policies for the Trust, with particular focus on the remuneration of the Executive Directors.
 - 2.1.2. The Committee shall identify any matters where it considers that action or improvement is needed, make recommendations as to the steps to be taken and report its work, conclusions and any recommendations to the Trust.

3. DELEGATIONS

- 3.1. The Board has delegated specific decisions to Board Committees, including the Remuneration Committee, via its formal Scheme of Delegation. These delegations are reproduced in Appendix 1.

4. DUTIES AND RESPONSIBILITIES

- 4.1. The Committee shall:
 - 4.1.1. Determine the overall reward and remuneration strategy for the Trust
 - 4.1.2. Determine the total annual or periodic pay award
 - 4.1.3. Determine the annual or periodic bonus pool, if any, for staff below Executive Directors
 - 4.1.4. Approve the design of, and determine targets for, any performance related pay scheme operated by the Trust for any Executive Directors; to review performance accordingly and approve the total annual payments made under such scheme
 - 4.1.5. Determine the remuneration and terms of service, including of the Executive Directors
 - 4.1.6. Determine the policy for, and scope of, the pension arrangements for the Executive Directors
 - 4.1.7. Ensure that the terms of termination of the service of any Executive Director, and any payments made, are fair to the individual, and to the Trust

- 4.1.8. Ensure that failure is not rewarded and that the duty to mitigate loss is fully recognised
- 4.1.9. Keep under review the appropriateness and relevance of the remuneration policy of the Trust
- 4.1.10. Oversee any major changes in employee benefits structures throughout the Trust group
- 4.1.11. Be responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee, and to obtain reliable, up-to-date information about remuneration in other organisations. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations.

Annual Review

- 4.2. The Committee Chair shall ensure that Committee members conduct an annual review of their work and these Terms of Reference, and make any recommendations to the Trust.

5. MEMBERSHIP

- 5.1. The Committee shall normally comprise at least 3 Trustees, all of whom shall be appointed by the Board of Trustees. The Chair of the Board of Trustees may attend but may not be a member of the Committee.
- 5.2. The Committee Chair shall be appointed by the Board of Trustees.
- 5.3. The quorum for meetings shall be set as one plus one third of the number of Committee members (rounded to the nearest number)¹.
- 5.4. The Committee Chair will ensure there will be an induction programme for new Committee members and that training takes place on an ongoing and timely basis for all members.
- 5.5. In accordance with paragraph 10.2.4, the Committee may co-opt an external non-Trustee with relevant experience to assist the Committee with its work.
- 5.6. If a regular member is unable to act due to absence, illness or any other cause, the Chair of the Trustees may appoint another member of the Board of Trustees to serve as an alternate member provided that at any time there is only one alternate member.

6. ATTENDANCE

- 6.1. The Chief Executive, Finance Director and the Head of HR may attend meetings at the standing invitation of the Committee, but in accordance with the delegations set out in paragraph 10.2.6 may be asked not to attend.

¹ The quorum for Committees with 5, 6 or 7 members is therefore 3 and the quorum for Committees with 3 or 4 members is therefore 2.

- 6.2. The Committee may invite other Trustees, Council members, other executive directors, staff or advisers to attend meetings when appropriate in accordance with paragraph 10.2.6.
- 6.3. The Company Secretary (or his/her nominee) shall act as the Secretary of the Committee.
- 6.4. In determining whether Committee members are participating in a Committee meeting, it is irrelevant where any Trustee is or how they communicate with each other provided that they communicate with one another simultaneously.
- 6.5. Professional advisers appointed under paragraph 10.2.5 may also attend meetings.
- 6.6. Except as outlined above, the meetings of the Committee shall be conducted in accordance with the provisions of the Trust's Articles of Association governing the proceedings of the Board of Directors.

7. FREQUENCY OF MEETINGS

- 7.1. The Committee shall meet not less than once a year normally in May, and at such other times as it considers necessary.
- 7.2. The frequency and timing is decided by the Committee Chair. Any member of the Committee, the Chief Executive or the Chair of the Trust may ask the Committee Chair to hold a meeting.
- 7.3. Notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded to each member of the Committee no less than 5 working days prior to the meeting.

8 RECORD OF MEETINGS AND DECISIONS

- 8.1 The Secretary shall minute the proceedings and recommendations of all meetings of the Committee and keep appropriate records. Minutes of the meetings shall be circulated to all Trustees.
- 8.2 If an urgent decision is required between meetings, the Committee Chair may deem it appropriate for such a decision to be ratified by email. Where this is the case, the Secretary shall record this as an addendum to the minutes of the previous meeting.

9 REPORTING

- 9.1 The Committee Chair shall report the proceedings of the Committee to the next following meeting of the Board of Trustees.
- 9.2 The Committee's duties and activities during the year shall be disclosed in the annual report of the Trust.

10. DELEGATIONS

- 10.1. The Board of Trustees has formally delegated certain decision to its Board Committee, via its approved Scheme of Delegation.
- 10.2. All Board Committees have the power to:
 - 10.2.1. Approve its own agenda (via the Committee Chair)
 - 10.2.2. Investigate any activity within its Terms of Reference
 - 10.2.3. Seek information from any employee of the Trust
 - 10.2.4. Co-opt independent members from outside the Trust Board, provided that Trustees remain in a majority on the Committee. Independent members may serve for a maximum period of 3 years, with the ability to be re-appointed for a further period of one term
 - 10.2.5. Appoint independent professional advisers relevant to its Terms of Reference at the Trust's expense
 - 10.2.6. Require any member of the Executive, or any employee nominated by a member of the Executive to attend their meetings, or ask them to not attend meetings.
- 10.3. The Board's Scheme of Delegation gives the following powers to the Remuneration Committee:
 - 10.3.1. Determine the overall reward and remuneration strategy for the Trust, including for Executive Directors
 - 10.3.2. Make the required annual or periodic decisions required to implement the overall reward and remuneration strategy, such as annual pay increases and bonus pools
 - 10.3.3. Approve the design of, and determine targets for, any performance related pay scheme operated by the Trust for any of the Executive Directors; to review performance accordingly and approve the total annual payments made under such a scheme
 - 10.3.4. Approve the terms of termination of service of any Executive Director, and any payments made
 - 10.3.5. Approve any major changes in employee benefits structures throughout the Trust group.

GOVERNANCE

Report by the Company Secretary and Head of Governance Services

May 2016

1. TRUSTEE RECRUITMENT

- 1.1 As reported in March, the Appointments Committee is managing the recruitment of Trustees in anticipation of changes that will take effect by September 2016. **Annex 1** provides a brief summary of the situation that will apply in September.
- 1.2 Following the search undertaken at the end of 2015, initial interviews reduced a long list of 15 candidates to a final short list of 6.
- 1.3 Arrangements are in hand for these candidates to meet Allan Leighton and Lynne Berry. All candidates have met the Chief Executive.
- 1.4 Second interviews will be concluded in May. Final recommendations of the Committee will be reported to the next meeting of Trustees in July and to the Council in September when formal appointments will be made at the AGM.

2.0 APPOINTMENT OF DIRECTORS

- 2.1 The Board of British Waterways Marina Limited approved the appointment of the Company's Finance Director, Alan Lloyd, as a director of the Company in June 2015.
- 2.2 In the Trust's Scheme of Delegation, one of the matters reserved for the Trust's Board is to "approve appointment or removal of directors of subsidiaries". **Trustees are asked to approve the appointment of Alan Lloyd as a director of British Waterways Marina Limited.**

3. APPOINTMENT OF BWRDD GLANDŴR CYMRU MEMBERS

- 3.1 Appointments to BGC were reported to the meetings held in July and September last year. Since then, one further appointment has been made by the Committee in April. Celia Jenkins will join BGC from May 2016. A biography and full list of appointments is attached at **Annex 2. Trustees are asked to confirm Celia Jenkins appointment.**
- 3.2 Recruitment will continue to complete the membership of the Board.

4.0 PARTNERSHIP MEMBERS

- 4.1 Partnership Member appointments are the responsibility of each Partnership Chair. However, appointments are subject to ratification by Trustees. Members are usually appointed for 3 years but some shorter terms of appointment are being made to enable rotation. Members may serve a maximum of 6 years.
- 4.2 Since the March 2016 Trustees meeting, 1 new appointment has been made to fill a casual vacancy and 1 renewal. These now require ratification by Trustees.

4.3 Appointments to fill casual vacancies.

4.3.1 South East

Matthew Hunt, 3 years to 13 June 2019

Commercially confidential material removed

4.4 Partnership Renewals.

4.4.1 North Wales & Borders

Alan Platt (2nd term) – extension from 1 year to 3 years

Commercially confidential material removed.

4.4.2 **Annex 3** sets out the number of Partnership members, their remaining terms of office, and the number serving a second term.

5.0 Commercially confidential material removed

5.1 Commercially confidential material removed

5.2 Commercially confidential material removed

6.0 Commercially confidential material removed

6.1 Commercially confidential material removed

6.2 Commercially confidential material removed

7.0 RECOMMENDATION

Trustees are asked to note this report and

- approve the appointment of Alan Lloyd as a director of British Waterways Marina Limited
- approve the appointment of Celia Jenkins to BGC
- ratify the Partnership member appointments set out in Section 4
- Commercially confidential material removed

**Jackie Lewis and Roger Hanbury
May 2016**

NOTE ON TRUSTEE NUMBERS AND ROTATION

The total number of Trustees cannot exceed 12 and must not fall below 8. There are currently 9 Trustees.

At the September AGM, under the rotation arrangements, one third of the total number, selected as the longest serving since appointment or re-appointment, must resign and may stand for re-appointment unless they have already completed a second term of office. The Chair of Trustees is eligible to serve up to 3 terms of office.

- Tom Franklin and Simon Thurley are the longest serving, last re-appointed in September 2013. Having served a second term they are not eligible for reappointment and must resign
- Allan Leighton and Ben Gordon were first appointed in September 2014 and either is eligible for re-appointment for a second term. Allan has agreed that he will stand for reappointment at the September AGM

At the AGM there will be up to 5 vacancies on the Board. It is expected that a total of 4 appointments will be made from the short listed candidates currently under consideration.

Under Article 22.4, Trustees may co-opt Trustees onto the Board between AGMs.

BWRDD GLANDŴR CYMRU

CELIA JENKINS BIOGRAPHY

Commercially confidential material removed

The complete list of appointees is as follows:

Carys Howell

Commercially confidential material removed

Helen Paterson

Commercially confidential material removed

Ruth Hall

Commercially confidential material removed

Philip Thomas

Commercially confidential material removed

Peter Ogden

Commercially confidential material removed

Duncan Smith

Commercially confidential material removed

Paul Thomas

Commercially confidential material removed

Celia Jenkins

Commercially confidential material removed

TABLE PARTNERSHIP MEMBERS' TERMS OF OFFICE

PARTNERSHIP	CURRENT MEMBERSHIP NOS - TOTAL	REMAINING TERM OF OFFICE			NO. ON 2 ND TERM
		Less than 12 months	12-23 months	24-36 months	
Central Shires	8	-	2*	6	6*
East Midlands	10	-	3*	7	7*
Kennet & Avon	8	2*	3	3	4
London	14	2	3*	9	6*
Manchester & Pennine	12	-	12*	-	8*
North East	10	-	4*	6	7*
North Wales & Borders	12	1	11*	-	4
North West	11	3	5*	3	2
South East	11	2	3*	6	4*
South Wales & Severn	8	3	4*	1	6
West Midlands	11	-	10*	1	7*
TOTAL	115	13	60	42	61

* Includes Chair

CHIEF EXECUTIVE'S REPORT MAY 2016

1. INTRODUCTION

- 1.1 This report covers the period to the end of March 2016, including a review of the year as a whole, with updates for recent weeks where available.

2. PERFORMANCE

- 2.1 Appendix 1 sets out performance in the year to date across the range of KPIs. Some of the KPIs that we were concerned about during the year improved towards the year end to meet target, notably public safety; volunteer hours; school children participating in education sessions, thanks to excellent efforts from the teams concerned. The first boater survey gave a customer satisfaction score of 68% which, together with the higher towpath visitor satisfaction score, meant we met the overall customer evaluation target.
- 2.2 Nevertheless, 7 of the measures tracked through the year failed to meet target, including one – the Electricity consumption measure - which worsened towards the year end; the causes of this are still being investigated. Regular visitor numbers came in slightly below the target due largely to the poor December/January weather affecting numbers in those months.
- 2.3 Looking at the annual performance measures, we have comfortably met the Defra contract targets, although average towpath condition measure is still to be confirmed. The two annually recorded 'red' status measures are employee engagement (as flagged to the Board earlier in the year), and 'heritage' where the very high % target means just two or three non-compliances out of two hundred or so interventions causes a fall below the 99%+ target. Follow-up action has been undertaken in these cases, which were of a minor nature.

3. EXECUTIVE REPORTS

- 3.1 The Executive's reports feature as Appendices 2 to 8. The main points to draw to the Board's attention are:
- Appendix 2 (Health & Safety) contains details of the Emergency Response action plan
 - Appendix 3 (Customer Service and Operations) describes the busy national 'Share the Space' week campaign and a number of successes in volunteering and engagement.
 - Appendix 4 (Asset Delivery) reports ongoing good progress on the Flood repairs with the demolition of Elland Bridge underway, and details the considerable work completed prior to the year end.
 - **Commercially confidential material removed**

- Appendix 6 (Marketing/Communications/Fundraising) updates on our successful HLF bids for the River Severn fish passes, the Pocklington and the Wendover Arm as well as the CIM award for marketing campaign of the year for our 'Duck Food' campaign.
- **Commercially confidential material removed.**
- **Commercially confidential material removed.**

4. UPDATE ON OTHER ACTIVITIES

4.1 The Rochdale Canal remains closed with no certain date for opening the section between Hebden Bridge and Todmorden. The Calder & Hebble is on schedule to open throughout next month when the two failed bridges are demolished. We have agreed that **Commercially confidential material removed** of additional funding secured by Calderdale will be spent on the canal; in Leeds the Government funding was less satisfactory with little prospect of funding for the works outstanding at Knostrop. **Commercially confidential material removed.**

4.2 The Trust's response to the Defra consultation on the implementation of the Water Act 2003 was submitted in April. The response focused on three key areas of concern:

- Inclusion of 'hands off flow' conditions on all licences issued under the transitional regulations, preventing the Trust from abstracting under low flow conditions when flow in a river falls to a defined threshold;
- Inclusion of abstraction volumes on transfer licences – which would affect the maximum amount of water that the Trust can abstract to support its waterways – when most existing transfer licences do not include volumes;
- Exclusion of navigation authorities from eligibility to claim compensation, even though most abstractors will be able to claim compensation if the licence reduces the volume of a current abstraction, which seems blatantly unfair.

Since the Trust's response was submitted, an MP briefing campaign has been prepared. This has already prompted Defra officials to offer an urgent meeting and to indicate some movement on the first two points above.

4.3 The issues concerning future availability of water resources for the Monmouthshire & Brecon canal has progressed, with a high level engagement with Welsh Water senior management initiated. This has led to a potential long term approach to mitigate the water restrictions in the Usk valley. This is now being socialised with other partners before a joint approach to Welsh Government.

4.4 **Commercially confidential material removed**

4.5 The Board was briefed on the significant issues for the Trust arising from the proposals contained in the Housing & Planning Bill, and specifically DCLG's Technical Consultation last month. Our response to the DCLG Technical Consultations was sent in last month, and this has been followed up with correspondence to Brandon Lewis MP, Minister of State for Housing and Planning from the Chair. A response is awaited and is being pursued with senior civil servants. The Chief Executive has also written in response to further draft guidance in relation to housing needs assessments; whilst recognising houseboats as a form of housing, we are concerned that it makes no reference to the capacity of inland waterways to meet the demand for the mooring of houseboats and, specifically, that the views of navigation authorities are not specifically referred to as a "data source" in the draft Guidance (citing instead the National Bargee Travellers Association who represent a small minority of boaters).

- 4.6 Since the last formal Executive meeting, our Northern Prospectus has been shared with senior level policy/ decision-makers to gain their buy-in prior to any wider distribution.
Commercially confidential material removed
- 4.7 The Trust has been subject to a number of public challenges of its treatment of live-aboard boaters including items on Radio 4's Broadcasting House and Radio 2's Jeremy Vine show. The Trust will also be targeted for a public demonstration at its Milton Keynes and Leeds offices on 10 May. Thus far the balance of public / boater reaction has been reasonably understanding of the Trust's position.

RICHARD PARRY
Chief Executive
May 2016

Schedule of KPIs for 2015/16

Bi-monthly Performance Measures	Actual 2015/16	Target 2015/16	Actual 2014/15
Employee, Volunteer and Contractor Safety: RIDDOR Accident Frequency Rate (accidents per 100,000 hours)	0.34	0.18	0.23
Public Safety: Proportion of injuries directly associated with infrastructure condition	7.8%	8%	8.5%
№ of days of unplanned closures to navigation	630	850	925
% of planned High Priority Customer Service/ Safety related Infrastructure Defects cleared	50%	95%	81%
Users - % satisfied with experience (Towpath only, will be 50% boaters, 50% towpath visitors in 2016)	83%	70%	n/a
№ of individual visitors to our waterways in typical two week period (over last 12 months)	4.4 m	4.6 m	4.3 m
№ of children participating in face to face 'Explorer' educational sessions	63,944	50,000	43,586
№ of Volunteer Hours worked	481,722	475,000	411,419
Volunteers - % satisfied / that would recommend	88%	88%	87%
Total № of Community Adoptions	147	125	104
% of people surveyed who are aware of the Trust - 'brand awareness' (over last 12 months)	29%	35%	30%
% of people surveyed who say they are likely to support the Trust (over last 12 months)	23%	25%	22%
№ of active Friends/ regular donors	15,800	17,000	9,754
Carbon Emissions Plan – Electricity Consumption (GWH)	24.3	22	23.4
Annual Government Contract Performance Measures	Actual 2015/16	Target 2015/16	Actual 2014/15
Number of principal assets in Condition A - C (requirement to be above 77% threshold)	86.2%	85%	85.9%
Towpath Condition - % at Grade A - C (requirement to be above 60% threshold)	TBD	74%	74.5%
Flood Management - % of principal culverts/ embankments in Condition grades A - C (requirement to be above 96% threshold)	tba	98.5%	98.6%
Other Annual Performance Measures	Actual 2015/16	Target 2015/16	Actual 2014/15
Environment: overall environment performance measure (combining compliance, incident management and enhancements delivered)	91%	90%	90.0%
Heritage: % Compliance for all works to designated heritage assets	98.45%	99.5%	98.0%
Annual total return on our endowment portfolio (to exceed market benchmark)	14.06%	12.68%	21.3%
Annual Return from non-property investments	(3.06%)	6.64%	13.0%
Non-investment income to grow by more than CPI plus 1% (on a three year rolling basis)	2.81%	1.44%	
Routine controllable expenditure is to grow by no more than CPI minus 1%	tba	(0.56%)	
Employees - Employee engagement score	40.00%	48.0%	46.0%

Green indicates that the KPI is ahead of target

Yellow indicates that the KPI is behind target

Red indicates that the KPI target cannot be achieved



APPENDIX 2: HEALTH & SAFETY

Report by Executive Head of Asset Management & Performance May 2016

1. INTRODUCTION

1.1. This report covers the period of February and March and summarises the operating year to 31st March 2016. The report covers Visitors, Employees, Volunteers and Contractors.

2. VISITOR SAFETY

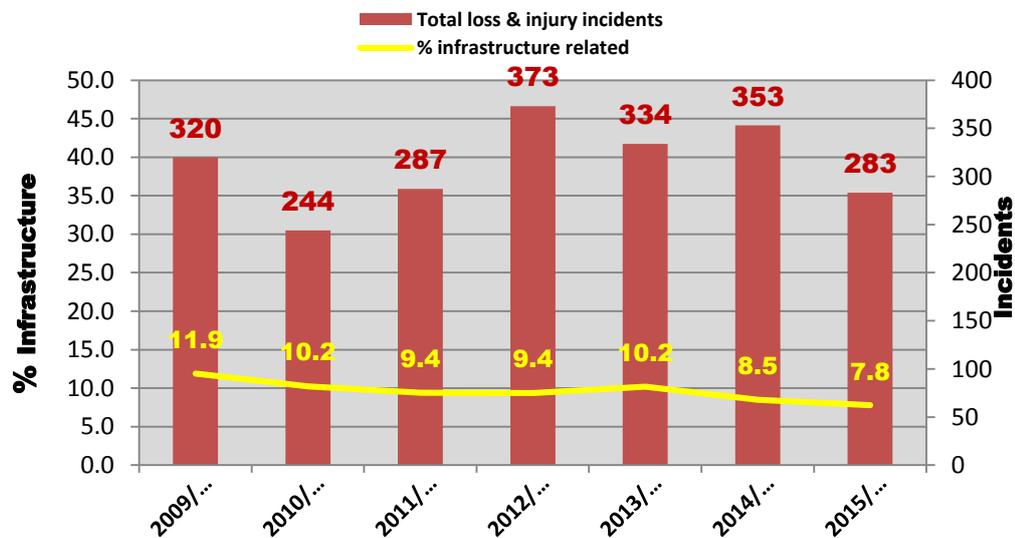
2.1. There were 53 fatalities in 2015/16 on our property with none being as a result of infrastructure failings or other cause attributable to the Trust. This is an increase on last year but in line with the long term average

2.2. Infrastructure related issues

2.2.1. During the period there were no reportable visitor incidents. The analysis of incidents involving members of the public reported during 2015/16 shows 264 incidents were reported where loss or injury occurred, 22 incidents were related to infrastructure i.e. 7.8%.

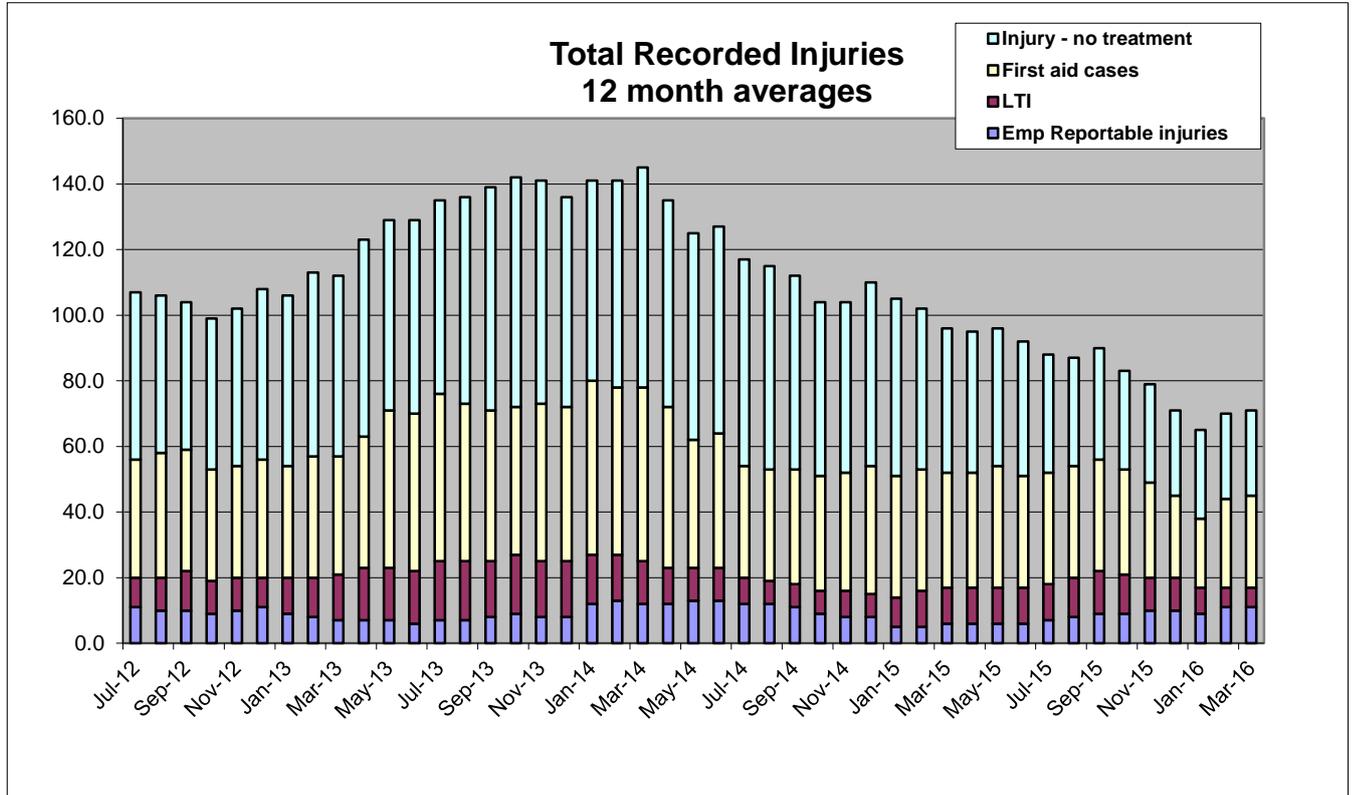
- **8 pedestrians injured** – 3 walked into a low hanging branch, 5 from towpath defects
- **6 boaters injured** – 1 fell from quadrant, 3 fell on uneven towpath, 1 cut hand on defective water point, 1 struck by low branch on bend
- **5 cyclists injured** – 1 fell from cycle due to deep gravel on towpath, 2 hit a low branch, 2 thrown of bike by pothole
- **1 angler injured** - fell into hole at fishing peg.
- **1 boat damaged** – collision with a low branch
- **1 cycle damaged** – towpath defect

2.2.2. The following chart shows the trend in Infrastructure related injuries and incident type:



3. EMPLOYEES

3.1. The chart below shows the continuation of a 2 year general trend of improvement in the number of all reported injuries. Within the figures are the Riddor reportable injuries but these are a small proportion of the total. We will continue to monitor into 2016 to confirm the trend as the last 2 months of the financial year show a slight increase in numbers overall:



3.2. There were a total of 12 Riddor incidents recorded over the year, one in this period

3.2.1. 2/3/2016, Customer Operations, Central Shires – Operative received a serious laceration to his finger when an exterior door blew shut in high winds. The door is being fitted with a soft close mechanism to prevent future injuries.

4. OCCUPATIONAL HEALTH

4.1. There has been no Riddor reportable case of occupational ill health in the year.

4.2. The new occupational health provider, Medigold, has taken over provision of medical services to the Trust

5. VOLUNTEERS

5.1. In the period there has been no reportable volunteer injury. There were a total of 5 for the year

6. CONTRACTORS

6.1. In the period there has been no reportable contractor injury. There were a total of 2 for the year

7. OVERALL SAFETY PERFORMANCE

7.1. Accident Frequency Rates per 100,000 hours worked (AFR)

7.1.1.AFR is our main safety key performance indicator and the table below shows AFR for each component of the Trust's workforce - employees, contractors, and volunteers. The target overall performance for 2015/16 is an AFR of 0.18. Following a significant improvement in 2014/15 the increase in the number of employee Riddor reportable injuries has contributed to the combined rate increase although no single root cause has been identified. Our focus is on ensuring the working environment and safety behaviour of our employees and volunteers. We believe greater integration into the Trust's teams is important to reduce harm to volunteers and better planning will improve both employee and volunteer's injury rates.

The AFR rates will be finalised when the outturn figures for employee, volunteer and contractor hours are known

CRT People	AFR	Number of Injuries	Target AFR
CRT Employees [1800 FTE]	0.31	11	
CRT Volunteers [280 FTE]	0.88	5	
CRT Contractors [600 FTE]	0.17	2	
ALL CRT	0.34	18	0.18

8. **Commercially confidential material removed**

Julie Sharman
Executive Head of Asset Management & Performance



APPENDIX 3: CUSTOMER SERVICE AND OPERATIONS

Report by the Customer Service and Operations Director

1.0 WATERWAYS

1.1 People

The Waterway Manager for Central Shires, Darren Green, left the trust at the end of March. A review is underway to consider options as a result of this vacancy.

1.2 Planned Preventative Maintenance – YTD

The waterways have completed 83% of their planned maintenance, with 78% completed within a week of the scheduled dates. There is a marked variation in reported performance with the East Midlands waterway reporting 96% completion versus London at 42%. Proposed changes to the management of PPM and a focus on task completion should flush out the cause of the large variation.

1.3 Customer Service Project Status

The Waterways delivered the bulk of customer projects as planned, spending £749k within year against the expected £800k, with £22k of commitment remaining. In the final period £439k of expenditure was completed, a greater focus on planned delivery throughout the financial year will be given in 16/17 to avoid placing additional stresses on the organisation. Amongst the improvements delivered, customer facilities and services, visitor moorings, signage and welcome stations featured in many waterways.

1.4 Waterway Improvement Programme

Waterway Programme Planning

A review of planning and task allocation in the Waterways is underway, early evidence suggests that by placing emphasis on task completion, allows the move of ownership of planning from the central team to the waterway line management which markedly simplifies the process by removing steps, reduces duplication of effort whilst more clearly defining accountabilities & responsibilities across functions. The proposed process would establish control of team mobilization within the Waterway, empowering the teams to deliver their tasks in a collaborative, efficient and effective way.

The review team are now tasked to discuss their proposals directly with the waterway teams throughout April, presenting a defined option for final decision in early May.

The proposal follows feedback provided by colleagues in the Growing our Trust sessions.

Online Map Update

The online map has been substantially updated with key customer service information (Elsan, Pump outs, Water Points, moorings etc.) and it is now 'live'.

Destination Management Plans

7 pilot management plans have now been completed. A peer group looking at wider destination development will now review the actions plans and coordinate delivery.

1.5 Signage

Total list of 128 sites to be audited and re-signed by April 2017, with a total budget of c£314k

The project focus is on raising brand awareness by summer 2016, with Trust branded banners to be installed at key sites to increase the Trust's presence.

Implementation plans will be compiled for each waterway and will set out a programme of works for each site which will be based on the following order of priority:

- Removing redundant/inaccurate/'unfriendly' signage
- Installing new welcome signs focussing on increasing Trust brand presence
- Installing/updating additional signage (heritage/points of interest/maps/operational signs)

The project team is already working closely with waterway leads to establish the support they require to meet project requirements and to provide assistance with auditing sites.

1.6 Share the Space

The Share the Space, Drop you Pace project has continued to build momentum since it's successful 'week of action' (numerous national events and social media push) in October.

New maplets have been created for each waterway which include the towpath code, a large waterway map and several zoomed in maps of popular or issue areas (such as routes around tunnels). Furthermore, a series of short videos have been created to promote (internally and externally) the project's message.

To relaunch the campaign this April we focussed on the theme of bringing good 'old-fashioned' manners back to the towpath with a Getty images photo shoot that combined both old-fashioned and modern bicycles and costume to generate some great PR - generating regional print and online articles, 50 episodes across all regional BBC radio stations, five pieces on regional TV and live coverage on BBC Breakfast. On social media it reached nearly 20k people. Our Share the Space messages have also been retweeted by campaign endorsers including British Cycling who have 119k followers.

2.0 PARTNERSHIPS

Partnership Projects

At 31st March 2016 56% of planned Local Projects have been completed, an increase from 23% at the February review. 7% have been mothballed, and 7% were not achieved. The remaining 30% of the projects are deemed to be ongoing into 2016/17 and beyond, with 28% classed as on target, and 2% considered to be behind plan but still achievable.

Delivery Status of all 220 Partnership Projects	Total № of Partnership Projects	% of Total
Completed	124	56%
On Target	62	28%
Behind Plan, Still Achievable	4	2%
Will not be achieved	15	7%
Mothballed	15	7%
Grand Total	220	100%

3.0 COMMUNITY ENGAGEMENT

3.1 Volunteering

Volunteering Key Performance Indicators

With volunteering targets for the year met, we have engaged over 2,500 directly recruited volunteers and over 320 groups. Over 36k hours (7% total volunteering effort) were given by young volunteers.

Volunteer Journey Research

Final Volunteer Journey report and associated research has been received. Whilst the overall view of our current volunteering offer is favourable, the recommendations propose how the Trust might clarify relationships with groups/ volunteer partners and applying a more 'person centred' approach to our volunteering offers.

Volunteer Lockkeeper Recruitment

Training and induction for the new intake of Lock keepers has commenced. 850 induction packs have been sent out and all should be receiving consistent local induction sessions.

3.2 Education

LL200 – 200 schools for 200 years

Thousands of children who attend a primary school within two miles of the Leeds & Liverpool Canal are being invited to join in the 2016 canal bicentenary celebrations by taking part in our education programme. Explorers teams from Bingley, Burnley and Sefton/Liverpool are seeking to work with 200 schools. So far 52 schools have signed up for school visits.

NEC Education Show

In March, Explorers enjoyed a busy three days exhibiting at the Education Show again. The team signed up 311 teachers to the Explorers newsletter, all of whom were interested in the programme and keen to find out more in order to book a visit for their school.

Winter Water Safety Campaign

From January to March, Explorers have run a Winter Water Safety Campaign, offering free water safety assemblies to primary schools across the country. There is a lull in outdoor visits during these winter months so the campaign aimed to maintain Explorers activity during this time, with well over 10,000 children engaged through the assemblies.

3.3 Youth Engagement

Youth Engagement Training

Training has been offered throughout February and March to waterway staff to develop their skills and confidence in relation to youth engagement. The response to the training, delivered by NCVYS, has been very favourable with some waterways requesting more dates.

Youth Engagement - John Muir Award

The national youth team is developing a national partnership with John Muir, the providers of a national environmental award for young people. It is hoped that a national framework can be developed to assist local teams to deliver the John Muir Award, at all levels, and offer this to the youth groups they are working with. An internal working group is being established to support the development of this framework and to pilot the awards across the organisation.

3.4 Angling and Fisheries

Angling 'Go Fish' Campaign 2016

Over 20 different event locations have now been identified nationally. These events will be held during National Fishing Month (23rd July to 29th August) with one flagship event per waterway, supported by additional local events that individual clubs may wish to organise.

Cormorant Shooting

Natural England have issued a shooting licence for use at Tringford and Calf Heath reservoirs and we have consented to shooting operations, initially under our supervision.

4.0 **Commercially confidential material removed**

5.0 MUSEUMS

5.1 Museums Update

Gloucester Waterways Museum

The HLF-funded project from Birmingham to the Sea progresses with a July target opening date. The owner of a major exhibit, Bluebird, given to the museum on "permanent loan" has requested its return, which is currently being resisted as moving such a large exhibit from the 1st floor will have an adverse impact on the already tight project deadline. The Heritage Advisory Group has been invited to view the site to consider the proposed new entrance.

Sabrina 5, the wide berth dumb barge due to be completed by summer 2017 will go into dry dock to be refurbished this month. Application has been made to the Gloucester Environmental Trust for **Commercially confidential material removed** towards the cost of the work.

National Waterways Museum, Ellesmere Port

Successful re-opening weekend in February with over 1100 visitors in two days. A series of events and activities held including Francesca Millican-Slater (artist in residence) Heather Wastie (Worcestershire poet Laureate), Chalice Media (theatre performance), a Ceilidh and real ale. Secondary sales were good with admissions income low as local residents given free entry to encourage return visits.

Challenges with the work on "George", including the steaming of planks to fit the tight radius of the bow, have caused a revised delivery date in mid-July, a substantial delay against the original plan and will impact plans for "George" to attend a number of events in the summer

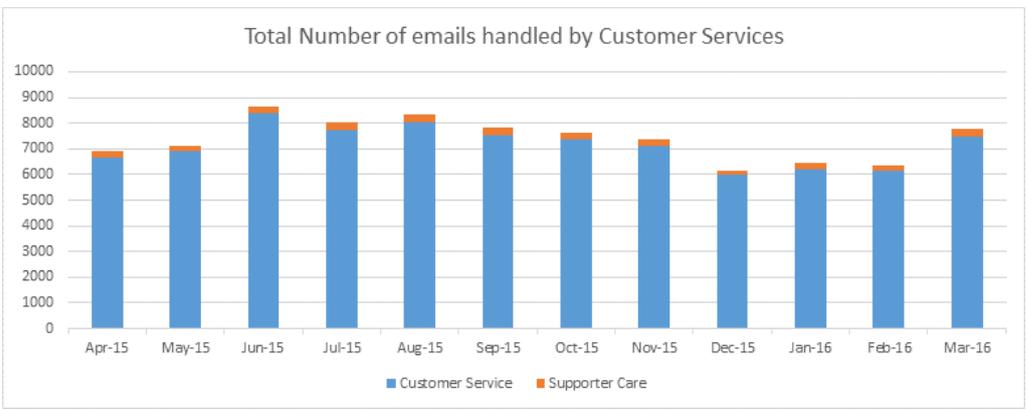
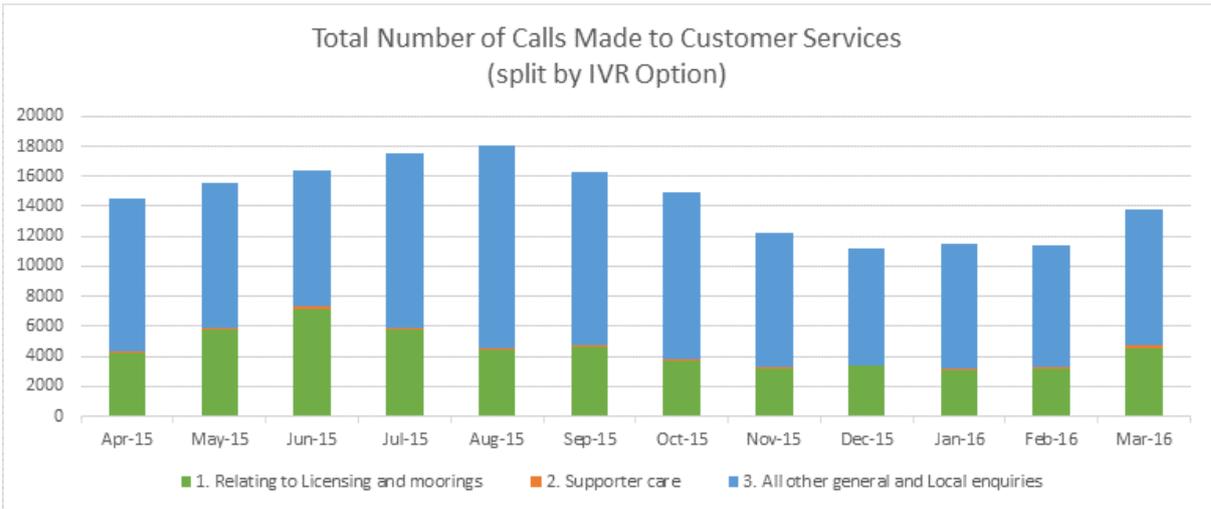
Accreditation

Our application was taken to the Accreditation panel on 25th February 2016, confirming award of Provisional Accreditation with actions to report against in March 2017. Action plan to be drawn up and progress to be carefully monitored.

Aspects of the Accreditation plan have benefited from small grants from AIM (£6,000 towards the Development Plan), and Museum Development North West (£5,000 for lighting for the new temporary exhibition space). We have also had a first round pass from Arts Council England (£300k) for boat storage, moving costs, and development of a dry dock.

6.0 Customer Experience

Both calls received and emails handled in March increased after the relative lull in the winter.



CRM Review

Consultants (Ember) presented a first draft of their CRM review in April; the most significant recommendation is a consolidation of our current customer facing systems to Salesforce (one of the systems already in use).

APPENDIX 4: ASSET REPORT

Report by the Executive Head of Asset Delivery

May 2016

1. Introduction

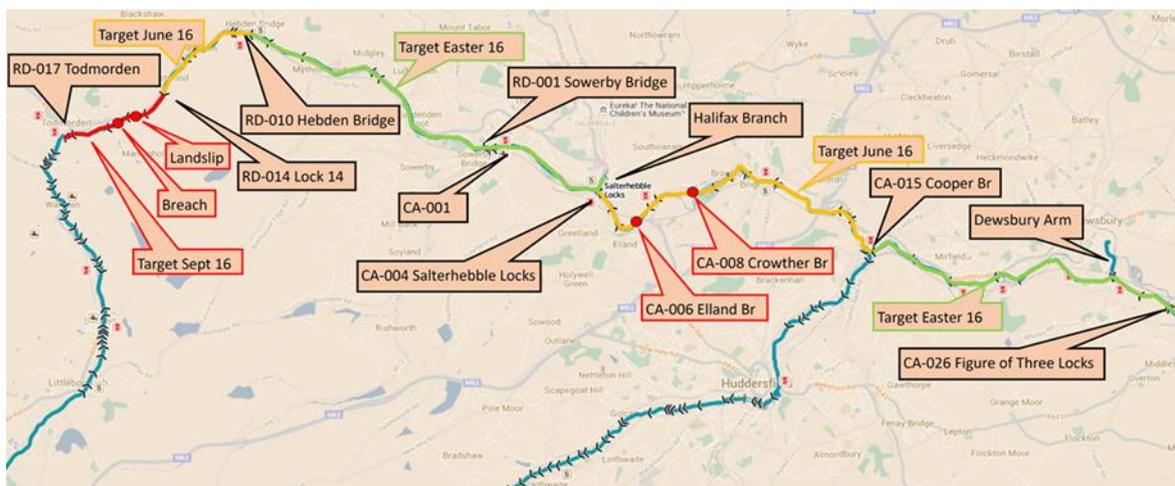
1.1 This appendix provides an update on the Asset repair and works programme.

2. Flood Response Update

2.1 Work to develop the recovery programme continues to progress in accordance with the programme below:

- Lock 14 to Todmorden – tbc, date dependent on resolution of landslip issues;
- Hebden Bridge to Lock 14 – On Target for opening June 16;
- Sowerby Bridge to Hebden Bridge – Open;
- Sowerby Bridge to Salterhebble Locks – Open;
- Salterhebble Locks to Cooper Bridge – On target for opening June 16;
- Cooper Bridge to Figure of 3 Locks – Open.

The map below shows the area concerned, with the colour code reflecting this programme.



2.2 Financial Forecast

Commercially confidential material removed. The cost to CRT for the work required to open the navigation is significantly reduced with additional funding of £3.5m** from Calderdale Council in addition to the £5.5m* of funding for the re-build of Elland and Crowther Bridges. Calderdale require that £1m of the funding provided by them is spent on waterway wall repairs and flood resilience measures.

Commercially confidential material removed

2.3 Progress Update

Works are progressing at pace with the design and development of a solution for both Elland Road & Crowther Bridges. Demolition commenced on the 18 April at Elland Bridge & it is anticipated to take four weeks to remove the structure with the demolition of Crowther Bridge commencing on the 9 May. Preparation work is progressing well so we are still on plan to complete the foundations for both bridges by the end of June and reopen the canal with bridge reconstruction following on.

Dredging works on the Calder & Hebble is complete except for the section between Elland & Crowther Bridges which will be completed before the end of June.

Dredging continues on the Rochdale Canal and the section to lock 14 will be complete by mid-May as planned. Works to the repair the embankment breach, waste weir and waterway walls west of lock 14 commence early May.



Demolition of Elland Bridge underway

Commercially confidential material removed

Work has commenced on the stabilisation of Stainton Aqueduct with the clay dams in place and backfilling to support the wing wall started in the last week of April



Stainton Aqueduct - Temporary stabilisation works

3. Waterway Infrastructure Maintenance and Repair (WIMR)

Commercially confidential material removed

3.1 Priority Projects - IDT

Commercially confidential material removed

Outcome – Priority Projects delivered

	B15	Actuals - Complete	Actuals - Partial	% - Complete by no.	% - Complete + Partial by no
New Projects	74	66	5	92%	96.84%
Carry over projects	21	21			
Arising & Emergency Works	0	23		100%	
Total projects delivered	95	110	5	116%	121%

23 arising projects were delivered including Lune Aqueduct, Rufford Arm, Kennet and Avon embankment and Flood Response.

Seend Wharf Bridge has seen the completion of the concrete works to support the bridge and the team are working closely with Wessex Water and Wiltshire County Council to reopen to road traffic on 6th May. The navigation was opened as advertised and the site team developed an alternative temporary works method to

install the concrete whilst minimising disruption to navigation to mitigate delays in the supply of lightweight concrete. **Commercially confidential material removed.**



3.2 Priority Works – Direct Services

In B15 135 winter stoppages were delivered below the planned budget with three not delivered Figure of Three Calder & Hebble (December floods); Lock 13 Rochdale (December floods) and Tinsley No.2 (Site logistics). In addition, 10 arising stoppages were also completed.

Over the year and as part of the stoppage programme 2,299 planned notifications and 228 arising notifications were completed.

The Floating Plant Hire Desk has started operating with all floating plant being managed as a single fleet to improve utilisation, maintenance and repair and cost management.

The management of the workboat Capital programme by the M&E Delivery team has introduced greater consistency and improved delivery with the result that all planned work was completed.

Work is underway on the B16 programme and includes the completion of a number of B15 carry over jobs including Tinsley Lock 2 and Rochdale Lock 13 stoppages.

The construction teams have continued to develop and adapt to the new way of working with mobilisation supervisors now deployed to improve the planning and preparation of sites, sub-contractors used to augment resources and more costs savings being realised through the use of stock materials and reuse of materials.

The photographs below illustrate the work undertaken during the period:



Damaged wall above Tinsley lock No.4 wall rebuilt plus concrete coping



Trent and Mersey, Marbury – 80m Bank Repairs

Good progress is being made on the Grantham Canal HLF Scheme with the first blocks laid to the lock chamber walls.

WRG held a work weekend in March with eleven members in the party on both days and over the Easter Weekend the Grantham Canal Society arranged a site visit for people interested in the site.

Pictures showing the first blocks laid on the project as rebuilding the lock starts



3.3 Operational Contracts

As is the nature of the principally customer facing operational contracts programme, many thousands of routine statutory and maintenance tasks were undertaken during B15 together with a planned and arising project works.

Headlines include:

National Vegetation & Environmental Services Contract:

- 100% completion of grass cutting programme without any issues
- 3,096 individual task orders completed **commercially confidential material removed**
- 183,083 Individual core tasks completed **commercially confidential material removed**
- Around 80 miles of offside vegetation was cleared during the winter
- 2,743 High Priority trees highlighted from the surveys and dealt with over the winter.
- 892 Windblown reactive tree incidents

MEICA Contract:

- A total of 516 service visits and 256 task orders completed – 100% of plan all planned servicing completed.
- 9 projects delivered including West India Quay Footbridge, automation of West Mills Swing Bridge and Norton Green Lift Bridge, customer improvements at Glovers and Brewery Swing Bridges and operator improvements at Sharpness Docks and Manchester Road (Docklands).
- Reduction in call-outs and reactive jobs of about 10%

Property Maintenance Term Contract:

- All statutory and compliance works completed
- A total of 23,991 Core Tasks completed (contract wide) **commercially confidential material removed**
- 20,337 Core Tasks for Operational Contracts **commercially confidential material removed.**
- 838 Task Orders completed contract wide **commercially confidential material removed.**

- 34 Operational Contracts Priority Works Projects completed including Customer Service Facility refurbishments.
- 3,448 reactive calls for Operational assets **commercially confidential material removed**

Electric Vehicle Charging Points installed at 11 locations (Newark, Fazeley, Hatton, Northwich, Leeds, Stanley Ferry Workshop, Diglis, Lincomb Lock, Tardebigge, London Docklands and Gloucester Docks).



3.4 Open Days

The last open day of the winter works programme was at Lock 63 on the Trent & Mersey with a good turnout of 228 visitors and a total for the 2015/16 year of 20,738 at 22 events.

Simon Bamford
Executive Head of Asset Delivery

APPENDIX 6: MARKETING, COMMUNICATIONS AND FUNDRAISING Report by Director of Marketing, Communications and Fundraising May 2016

1. INCOME PERFORMANCE HEADLINES

- a) **Enterprise / Statutory Income:** at year end 2015/ 16 Enterprise Income (including work completed by third parties on our estate) was just ahead of target at £14.70m. vs. a target of £13.32.
- b) **Voluntary Income:** at year end 2015/ 16 Voluntary Income was just ahead of target at £2.51m vs. a target of £2.47m. The above budget performance was driven by strong Corporate and Major Donor giving.

2. Commercially confidential material removed

Commercially confidential material removed

3.1.1 Commercially confidential material removed

- a) Commercially confidential material removed.

3.1.2 Commercially confidential material removed

3.2 Commercially confidential material removed

3.2.1 Commercially confidential material removed

3.2.2 Commercially confidential material removed

3.2.3 Commercially confidential material removed

3.2.4 Commercially confidential material removed

3.3 Marketing & communications

3.3.1 Corporate & Public Affairs Current Key Project Updates.

- a) **Media profile:** 2015/16 saw the highest volume of media coverage since launch with 3,684 episodes explicitly mentioning the Trust. This represents a 7.8% increase on last year with 84.8% of episodes positive, 12.6% neutral and only 2.6% negative.
- b) **Campaigns: Restoration & Repair Campaign** - Our 2015/16 open days have been the most successful to date; most visitors (20,738); highest number of Friends recruited (320) and highest volume of media episodes (260). **'What lurks beneath'** - on the back of our open days we launched a story raising awareness of the impact of rubbish thrown in the waterways; more than 85 episodes of coverage, 99% of which name-checked the Trust, including BBC Breakfast, R2 Chris Evans Breakfast Show, R5 Live, BBC Asian Network, the Guardian, Huffington Post and 30 pieces of regional TV and radio coverage. **Ducks Campaign** – part of the Spring 'Value Exchange' programme; strong response with more than 180 pieces of media coverage, 95% of which name-checked the Trust including: 14 national newspaper articles, 25 pieces of regional print coverage and broadcast on BBC Breakfast, Sky News TV, R2 Chris Evan's show, R5 Live and 10 broadcasts on regional radio and TV. **Share the Space** – the latest phase of our towpath etiquette campaign has gone down well with the media with around 50 episodes on regional radio and live coverage on BBC Breakfast.

- c) **Corporate:** The 2016 Living Waterways Awards has closed to entries and the assessment panel, chaired by Christopher Rodrigues, is now reviewing projects.
- d) **Public Affairs: Local MP Engagement** continues. A number of successful visits by MPs to their local waterways have taken place since the last board meeting: with local teams meeting Victoria Prentis, Conservative MP for Banbury; Philip Davies, Conservative MP for Shipley; Rachael Maskell, Labour MP for York Central; and Clive Betts, Labour MP for Sheffield South East. Richard Parry will meet with Nigel Huddleston, Chair of the APPG on Visitor Economy and member of the Select Committee on Media, Culture & Sport, in Westminster on 9 May.
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- e) **Arts on the Waterways:** 2016 **Super Slow Way** programme launches on 29 April in Burnley.
- f) **Filming:** Filming income for 2015/2016 totalled £178,678 (second best year to date). The latest series of John Sergeant's *Barging around Britain* on ITV hits the screens in April.

3.3.2 Marketing and Brand Current Key Project Updates

- a) **Awards success:** We have won the Customer Education Award at the Chartered Institute of Marketing's prestigious Marketing Excellence Awards for our 'Ducks need a Healthy Diet too' campaign, up against stiff competition, including the Arts Council, HSBC and Legal & General. Chris Daly, CEO of CIM commented: "This year's winners are varied and innovative, and showcase a range of exceptional campaigns – and the Canal & River Trust should feel proud to be standing amongst such talented teams."
- b) **Summer campaign:** We are preparing to roll out our summer campaign in June. We will be encouraging people (especially children) to get away from the TV and Tablets this summer and get outdoors by the waterways with a helpful guide. This year we will be working with popular TV programme 'Ben & Holly' to get the message across to new audiences - driving visitor numbers, increasing brand awareness and encouraging new regular givers.
- c) **The national signage project:** The initiative to roll-out new signage at our top 100+ destinations has accelerated. As of the end of March 56 sites were either complete or near completion and a remaining 62 are in progress and are scheduled to be completed this financial year. Additional high footfall locations are also being looked at to identify gaps in our signage presence in key locations.
- d) **Digital:** We have successfully applied to have our free Google Grants PPC (paid search) account upgraded to a GrantsPro account resulting in an increase from \$10,000 a month to \$40,000 a month of free budget. We have appointed **digital strategy** consultant Brani Milosevic to work with us on drawing up a forward-looking digital strategy and action plan for the Trust. Brani has worked on digital strategy with a number of charities and non-profit organisations, including Chatham House and NCVO.
- e) **Social media:** We have now reached over 41,000 followers on Facebook, which represents a 7,000% increase on the following we had when the Trust launched with a few hundred followers.
- f) **Brand development:** We have started working with 'Good Agency' to help develop our brand proposition, aligned with our vision. We are in the intelligence gathering stage and our aim is to have the work completed by July for to implement from September and as input into 17/ 18 business planning.