

Minutes of the meeting of the Board of Trustees of The Inland Waterways Association held on 14<sup>th</sup> November 2009 at Rowington Village Hall, Rowington, Warwickshire.

Present:

Ray Carter	Clive Henderson (chairman)	Peter Scott
Alastair Chamber	Alan Platt	Paul Strudwick
Doug Beard	John Pomfret	Vaughan Welch
Les Etheridge	Paul Roper	

In Attendance: John Bedingfield [Promotions & Communications Committee] (to item 9324 only), Neil Edwards [Chief Executive], Helen Elliott-Adams [Finance Manager], Jo Gilbertson [Campaign and Communications Manager], Jerry Sanders [Chairman, Promotions & Communications Manager] and Roger Squires [Chairman, Navigation Committee]

Apologies for absence were received from Ian West.

9319

#### CHAIRMAN'S OPENING REMARKS

The national chairman:

- (a) Welcomed Alastair Chambers and Peter Scott to their first meeting as trustees;
- (b) Led trustees in recording, with sadness, the death of former trustee Julia Hones;
- (c) Led trustees in thanking Jude Palmer for catering at meetings held at Rowington.

9320

#### MINUTES

Trustees approved the minutes of the Board's meetings held on 12<sup>th</sup> and 26<sup>th</sup> September, including the edited version for publication.

9321

#### CONFIRMATION OF OFFICERS

Trustees confirmed the appointments for the next 12 months of (a) Clive Henderson as national chairman, (b) Les Etheridge, John Pomfret and Vaughan Welch as deputy national chairmen, and (c) Les Etheridge as national treasurer.

9322

#### BUDGET FOR 2010

Les Etheridge introduced a paper that he had prepared, and a proposed budget for 2010, which had been discussed at meeting of the Finance Committee earlier that day. In introducing the paper, and in answering questions from other trustees, Les Etheridge made the following points:

- (i) There had a meeting on 10<sup>th</sup> November of members of the board of Inland Waterways Enterprises Ltd and Ray Carter, prior to the board meeting that day, at which agreement had been reached on staff costs and other financial arrangements for IWA Festivals;
- (ii) Finance Committee was anxious that trustees' review, currently being progressed by a working group, on the purposes of holding Festivals be completed as soon as possible;
- (iii) Finance Committee was concerned at the amount of the proposed deficit budget, but noted that in recent years the financial outturn had usually been much better than the budget, and there was a risk that charitable work could be unnecessarily constrained if expenditure was cut.

- (iv) A paper, prepared by Nick Parker, covering proposed arrangements for preparing 2011 and future budgets, had been welcomed at Finance Committee and was being progressed. The paper proposed that budget setting be aligned more closely to strategy set by trustees. Copies would be circulated to trustees.
- (v) WRG did not wish to commit allocations from restricted funds to help cover staff costs in future, and some of the costs previously allocated for this might be reversed; this would adversely affect the general fund forecast deficit.
- (vi) The 2010 budgets for Essex Waterways Ltd and Inland Waterways Enterprises Ltd had not yet been approved; the former was expected to be neutral, and the latter to show a modest surplus.

After a short discussion, trustees:

- (a) Approved the 2010 budget as circulated, with one vote against (one trustee wished to record his opposition to the level of deficit on the general fund); and
- (b) Approved that the Association fund the cost of providing space at the national festival for charitable waterway organisations (e.g. waterway societies, WRG groups, IWA branches) from 2009 until further notice.

9323

#### SEMINAR FOR BRANCH OFFICERS

Jerry Sanders and John Bedingfield introduced plans to hold a seminar, primarily aimed at attendance from branch officers, on 6<sup>th</sup> February. The likely venue would be in Stoke-on-Trent. The objectives of the seminar would be (i) to encourage membership recruitment and retention, (ii) to stimulate active volunteers within branches and help make them feel appreciated, and (iii) to assist the SOS 2010 campaign. Trustees expressed their support for the planned seminar, and their enthusiasm for the positive message to branch officers being put forward. After a short discussion, trustees:

- (a) Commended the proposed seminar and asked that region chairmen encourage a minimum of four representatives from each branch to attend;
- (b) Noted with pleasure the increase in membership recruitment from branches, as well as at shows and other events, so far during 2009, although remained concerned that lapses and resignations continue to exceed overall recruitment;
- (c) Asked that a twice-annual report be presented on membership recruitment activity.

9324

#### IWA PURPOSES IN HOLDING NATIONAL FESTIVALS

Clive Henderson explained that Ian West was unable to attend the meeting owing to pressure of paid work, and had not been able to progress the requested report in time for this meeting. The working group had not met since the previous meeting of trustees. The agenda item was held over until the January meeting. Trustees noted Ian West's report on achievement of the 2009 National Festival's objectives.

9325

#### BRITISH WATERWAYS 2020 VISION

Clive Henderson reported to trustees that Navigation Committee had discussed a draft letter to be sent to British Waterways to give some comment on the presentation given to the previous meeting of trustees by Robin Evans and Simon Salem, and on BW's proposals in general. Clive Henderson also reported that the topic had been discussed at the recent meeting of British Waterways' Advisory Forum, and he showed a

slide presentation from BW's consultants that had been given at that meeting. Trustees agreed not to discuss the detail of the letter at this meeting, but were asked to make written comments to Clive Henderson and Jo Gilbertson, so that the letter could be finalised and submitted.

9326

### RISK MANAGEMENT

A paper by the chief executive, which had resulted from a discussion at Finance Committee, had been circulated with the agenda. The recommendations in the paper had been endorsed by Finance Committee at its meeting that morning. After a short discussion, trustees:

- (a) Noted their responsibility for risk management;
- (b) Approved that the existing Risk Policy, as slightly amended by Finance Committee, should be as follows:
  - The Association will seek to identify risks to which it might be exposed;
  - These risks will then be assessed as to their likelihood and impact;
  - Those risks with high impact and highest likelihood will be addressed immediately;
  - Contingency plans will be considered for risks with highest impact and lowest likelihood;
  - Actions will be considered to address risks with lowest impact but highest likelihood;
  - Risks with lowest likelihood and lowest impact will be kept under review;
  - Progress on risk reduction and containment will be kept under an annual review cycle.
- (c) Agreed that the analysis of risks given in the paper was correct;
- (d) Noted the areas of risk that need to be kept under closest review, as resources permit;
- (e) Did not wish for any further risks to be added to those already assessed;
- (f) Did not wish to form a sub-committee of representatives from each area of the Association to review risks, consider mitigating actions and to prepare reports showing mitigating actions and the plans in place to avoid the individual risks considered the most likely and having the greatest impact, as had been recommended by Finance Committee. Instead, trustees felt that individual committees should be asked to comment on the risks pertaining to them.

9327

### OBJECTIVES FOR 2010

A paper by the chief executive, suggesting possible objectives for 2010 had been circulated with the agenda. Trustees considered the merits of the recommendations, and asked for some amendments and additional wording, and the Objectives for 2010 were agreed to be as follows:

- (a) To maintain the Association's exemplary Health & Safety record by ensuring that the safety of all employees, volunteers and other supporters is given the highest priority.
- (b) To continue IWA's existing activities to campaign for the conservation, restoration and appropriate use and development of the inland waterways, actively encouraging and inspiring the widest possible audience to support the Association's objectives, and maintaining the current enthusiasm for waterways issues amongst parliamentarians, in particular with a substantial number of likely retirements of previously supportive MPs at the General Election.
- (c) To improve the Association's communications with members and other supporters, particularly through the launch of a new web site, and to further develop electronic communications through revised web site and server arrangements, so as to be able to better deliver the Association's

campaigning message, and news of the Association's activities, to a wider audience in a timelier manner.

- (d) To encourage and facilitate greater engagement in the Association's activities through an increasing number of active members and supporters, through (a) giving greater focus and guidance on activities at branch level, (b) encouraging campaign and fund-raising events, and (c) maintaining the high level of public interest and new volunteers drawn to Waterway Recovery Group.
- (e) To improve the Association's long-term financial position by (a) further addressing new income-generating opportunities, notwithstanding the continuing difficult economic situation, (b) better promoting membership recruitment, (c) ensuring the financial viability of activities and events where campaigning objectives are not the main remit, and (d) better controlling costs in all areas.
- (f) To continue the orderly and responsible management of the Chelmer & Blackwater Navigation by Essex Waterways Limited, and bring further improvements to the waterway for the widest community benefit.
- (g) To continue to manage risk in a diligent manner and to comply with charitable law and other appropriate and relevant regulation.
- (h) To make progress towards the Association's long-stated aim of a National Conservancy for the inland waterways.

Clive Henderson reported to trustees that a paper on strategy for the Association was under preparation, and that he hoped this would be the major discussion item at the January meeting of trustees.

9328

#### USE OF PERSONAL DATA

David Forrester, Operations and Information Systems Manager at Head Office, had circulated a paper with the agenda. After a short discussion, trustees agreed that the following wording should be used for all IWA publications where personal data was being collected, whether on paper, via e-mail or on the Internet.

There would be publications that did not need the membership request (e.g. membership leaflets). The reason for suggesting this wording was to ensure consistency across the Association and subsidiary companies both in terms of application of the policy and in applying a standard wording, so as to avoid confusion and doubt about what is permissible and what is not.

We promise not to sell your details to anyone else. IWA may send you information about membership and/or current campaigns from time to time.

If you are **not** a member and do not wish to receive this information, please tick this box.

If you would like more information about joining IWA please tick this box.

The Inland Waterways Association / Inland Waterways Enterprises Ltd / Essex Waterways Ltd. may, from time to time, send you information about special promotions and events, and seasonal offers sold in support of our campaigning activities.

If you prefer not to receive information about such promotions/events, please tick this box.

Such data, whether collected at region or branch meetings or events, or via national events, should be communicated to Head Office for recording in the Association's membership database. As the options exercised by respondents must be respected, no part of the Association should keep its own database of members' or other respondents' personal data in any form, but obtain an up-to-date listing of the relevant

membership and/or contacts immediately prior to use and destroy it electronically and/or physically after use.

Trustees asked that David Forrester arrange to convey this requirement to all relevant parts of the Association in a friendly manner.

9329

#### RESERVES POLICY

On a recommendation from Finance Committee, trustees approved the following Reserves Policy for 2010:

*The Association's unrestricted funds comprise the following:*

- *The General Fund, which comprises the accumulated surplus on unrestricted funds and is available for use in furtherance of the charitable objectives of the Association.*
- *The Regions' and Branches' Fund, a designated fund that represents funds held to enable each region and branch to carry out its regional and local activities within the scope permitted by the articles of Association and the byelaws.*

*Movements in unrestricted funds referred to above are detailed in the Notes to the annual Financial Statements.*

*Restricted funds represent monies set aside for particular projects or purposes and are administered in accordance with the instructions or intentions of the donors. Movements in restricted funds are detailed in the Notes to the annual Financial Statements.*

*The Association's income may vary from year to year due to unforeseen changes, for example in the value of legacies received, in the value of the Association's investments, in the income from Inland Waterways Enterprises Ltd and in membership income. Similarly its expenditure can change, for example due to needs for major legal advice or urgent expenditure on campaigning or on waterway restoration. The Association therefore holds reserves that enable it to continue its activities whenever the need arises and irrespective of any financial or operational difficulty the Association may be experiencing at the time.*

*The reserves consist of the General Fund less the funds invested in tangible fixed assets and less the value of all commitments made from the General Fund. Based on the risk assessments that it has carried out, Finance Committee has concluded that its reserves should lie between £325,000 and £650,000.*

*Each year's Financial Statements will set out the level of the reserves on the first day and the last day of the year. If either figure is outside the desirable range the action that Finance Committee has taken to correct the position will be recorded.*

*The Board of Trustees will review its reserves policy annually.*

9330

#### INVESTMENT POLICY

On a recommendation from Finance Committee, trustees approved the following Investment Strategy and Policy for 2010:

##### ***Strategy - Aim and Objectives***

*IWA's aim, in furtherance of its objects, is "to invest the moneys of the Association not immediately required for the furtherance of its objects in or upon such investments, securities or property as may be*

*thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law.” - Memorandum of Association, Clause 3(j).*

*In exercising this aim, IWA’s principal objectives are to:*

- a. create income to enable the Association to support its objects year by year with due and proper consideration to future needs,*
- b. maintain and, if possible, enhance the value of the invested funds whilst they are retained, and*
- c. maintain a sufficient reserve to allow for short and medium term fluctuations in income and expenditure.*

### ***Strategy - Tasks***

*To achieve its aim and objectives, and to comply with the terms and spirit of the law relating to charities, IWA will:*

- a. retain professional investment managers to handle the IWA investment portfolios, although any significant cash investments will be handled by Head Office,*
- b. maintain an Investment Working Group of members to act as the interface between the IWA and the investment managers,*

*and, through the Investment Working Group, will:*

- c. ensure that investment is carried out in a prudent manner with the appropriate degree of diversification and avoiding undue speculation,*
- d. ensure that the Association does not invest in companies or other bodies whose activities are directly contrary to IWA’s purposes and against the interests of its beneficiaries,*
- e. draw up an investment policy, to be reviewed annually and agreed by Finance Committee and the Board of Trustees.*

### ***Investment Policy for 2010***

- 1. Investments will take account of all known financial commitments. The market value, including cash, of the investment portfolios relating to unrestricted funds, plus the value of other funds in deposit accounts, shall be maintained as far as possible within the desirable range set out in IWA’s reserves policy.*
- 2. There shall be no investment in futures, forwards, options, swaps, foreign currency assets, hedge funds and other derivatives.*
- 3. No investment other than cash shall be made that takes the total value of any one holding to more than 5% of the value of the portfolio. Where through investment performance any holding exceeds 5% there will be no immediate requirement to sell the excess.*
- 4. Investments to the value of at least the restricted and designated funds shall be held in cash, short-term deposits, index-linked stocks, or fixed interest stocks with a maximum outstanding term to redemption of 5 years.*
- 5. The investment managers shall report to the Investment Working Group at quarterly intervals, or more often if necessary, providing full details of the portfolio including*
  - List of individual investments, listing purchase price and date, current market value, yield, % of overall portfolio value*
  - Overall portfolio value, broken down to show sector classifications*
  - List of transactions since previous report*
  - Performance of portfolios including comparisons with appropriate benchmarks*
  - Statements of capital and income transactions during the period under review*

- *Any further information, comment or recommendations as the Investment Working Group may at any time request.*
6. *At least at annual intervals or more often if necessary the investment managers shall review with the Investment Working Group (a) the financial performance and future prospects of the portfolio and (b) the overall management of the portfolios in the light of the IWA's then current investment strategy and policy.*
  7. *The Investment Working Group shall report in writing half-yearly to IWA's Finance Committee, or more often as appropriate, on the operation of IWA's investment strategy and policy and on portfolio changes.*

9331

#### COMMITTEE APPOINTMENTS

The chief executive had circulated a paper with the agenda, and following ratification of relevant recommendations at Navigation Committee and Finance Committee, confirmed by Roger Squires and Les Etheridge respectively, trustees:

- (i) Approved the reappointment of David Carrington, Gordon Harrower and Ian West to Finance Committee, each for a further term of three years.
- (ii) Approved the terms of office for members of the Investment Working Group as to November 2010 for Les Etheridge, to November 2011 for Nick Parker and Mike Dyer and to November 2012 for David Carrington.
- (iii) Approved the reappointment and appointment, for one year each, to Remuneration Committee of Gillian Smith and Paul Roper respectively.
- (iv) Noted Eastern Region's appointment of Alastair Chambers as its representative on Navigation Committee in place of Paul Strudwick, and approved the appointment of Paul Strudwick to the committee's list of corresponding members.
- (v) Approved the appointment of Ivor Caplan as a member of Promotions & Communications Committee for a term of three years, and noted that Jerry Sanders was to continue as chairman of that committee for a further year.
- (vi) Approved the reappointment, for a further three years, of Tony Hinsley and Luke Walker to Restoration Committee.
- (vii) Approved the appointment of Ray Buss (November 2012), Mike Valiant (November 2010) and Martin Smith (November 2012) to Restoration Committee.
- (viii) Noted the retirement of Andy Screen from Restoration Committee and approved his appointment to the committee's advisory panel for a term of three years.
- (ix) Noted that the board of Inland Waterways Enterprises Ltd had approved the following formalisation of appointments to the Canalway Cavalcade committee:
  - (a) Maria Alderman, Allan Scott, Jerry Sanders and Mike Harlock be appointed for a term of one year until September 2010.
  - (b) Robin Bishop, Steve Haywood, Dave Hearnden and Ray Carter be appointed for a term of two years until September 2011.

(c) Christine Smith, Kevin Woods, Libby Bradshaw and Liz Wilson be appointed for a term of three years until September 2012.

(x) Approved the reappointments to the committee of Waterway Recovery Group (the 'WRG board') as follows:

Rick Barnes	November 2012
John Baylis	November 2010
Mick Beattie	November 2010
Malcolm Bridge	January 2010
Spencer Collins	November 2010
Chris Davey	November 2010
George Eycott	November 2012
John Hawkins	November 2011
Jude Palmer	November 2011
Mike Palmer (chairman)	November 2011
Jonathan Smith	November 2011

(xi) Approved the appointment of James Butler and Harry Watts to the committee of Waterway Recovery Group (the 'WRG board') for terms of three years, and noted the resignation of Jen Leigh.

9332

#### COMMITTEE AND COMPANY MINUTES

Trustees accepted the following committee and company minutes:

Finance Committee	12 <sup>th</sup> September (including edited minutes, for publication)
Navigation Committee	12 <sup>th</sup> September (including edited minutes, for publication)
Restoration Committee	20 <sup>th</sup> August (including edited minutes, for publication)
Promotions and Communications	1 <sup>st</sup> August (including edited minutes, for publication)
Waterway Recovery Group	13 <sup>th</sup> September (including edited minutes, for publication)
Inland Waterways Enterprises Ltd	12 <sup>th</sup> September (including edited minutes, for publication)
IWA Festivals	(none)
Essex Waterways Ltd	(none)

9333

#### MATTERS ARISING FROM PREVIOUS MEETINGS

Neil Edwards had prepared, and circulated with the agenda, a paper covering matters arising from previous meetings. This was noted, with [one confidential item].

9334

#### POTENTIAL APPEAL

Vaughan Welch had prepared a paper on behalf of Restoration Committee setting out initial 'in principle' proposals to launch an appeal to fund [a project]. Vaughan Welch further explained that all funding for the appeal was to come from the appeal itself, so that there should not be an implication on the Budget approved earlier in the meeting. Trustees agreed, however, that a paper needed to be submitted to Finance Committee for consideration to cover procedures for handling finances of the appeal and other legal aspects. Jerry Sanders advised that Promotions & Communications Committee did not have the resources to manage the appeal, and that arrangements for this would need to be put forward.

9335

#### HONORARY LIFE MEMBERSHIPS

In recognition of the particularly long-standing and meritorious service to the Association, trustees agreed that honorary life membership should be awarded to John Fletcher, John Baylis, Tony Harrison and John Reeve, all recently retired trustees. The national chairman would send a congratulatory letter.

9336

NEXT MEETING

Trustees noted that the next meeting of the board of trustees would take place on Saturday 30<sup>th</sup> January at Rowington Village Hall. Subsequent meetings, in 2010, are due to take place at:

27 <sup>th</sup> March	(at Rowington)	9 <sup>th</sup> October	(at Rowington)
12 <sup>th</sup> June	(at Rowington)	4 <sup>th</sup> December	(at Lapworth)
31 <sup>st</sup> July	(at Rowington)		

There being no further business, the meeting concluded at 4.20 p.m.