

Risk, Audit and Governance Committee

Minutes of the meeting held on 24 February 2026

Contents

1.	Apologies and welcome	1
	Openness of Local Government Bodies Regulations 2014	2
2.	Introductions and declarations of interest	2
3.	Items of urgent business	2
4.	Minutes of last meeting	2
5.	Investment Strategy and Performance report 2025/26 and Draft Capital, Treasury and Investment strategy 2026/27	2
6.	Consolidated income and expenditure – 1 April to 31 December 2025 actual and 2025/26 forecast outturn	3
7.	External funding	5
8.	Implementation of Internal Audit Recommendations: Summary of progress	6
9.	Corporate Risk Register	7
10.	Other items of business	8
11.	Formal questions	8
12.	Date of next meeting	8

Present

Tristram Hilborn – in the Chair, Harry Blathwayt, Tony Grayling, Gail Harris, Curig Johnston, Tim Munday and Matthew Shardlow.

In attendance

Jason Brewster – Governance Officer, Emma Krelle – Director of Resources, Izabela Foley – Senior Accountant, John Packman – Chief Executive, and Lorraine Taylor – Head of Governance.

1. Apologies and welcome

The meeting commenced at 11:13am following a briefing on Internal Audit Standards. The Chair welcomed attendees, noting that it was the first meeting for Curig Johnston and Tim

Munday, and the final meeting for the Chief Executive (CE) prior to his retirement. The Chair thanked the CE for his support to both him, as Chair of the committee, and to the committee itself.

Apologies were received from Alan Goodchild, Siân Limpenny and Gurpreet Padda.

Openness of Local Government Bodies Regulations 2014

The Chair explained that the meeting was being audio-recorded. All recordings remained the copyright of the Broads Authority and anyone wishing to receive a copy should contact the Governance Team. The minutes remained the formal record of the meeting. He added that the law permitted any person to film, record, photograph or use social media in order to report on the proceedings of public meetings of the Authority. This did not extend to live verbal commentary. The Chair needed to be informed if anyone intended to photograph, record or film so that any person under the age of 18 or members of the public not wishing to be filmed or photographed could be accommodated.

2. Introductions and declarations of interest

No additional declarations of interest were declared.

3. Items of urgent business

There were no items of urgent business.

4. Minutes of last meeting

The minutes of the meeting held on 25 November 2025 were approved as a correct record and signed by the Chair.

5. Investment Strategy and Performance report 2025/26 and Draft Capital, Treasury and Investment strategy 2026/27

The Director of Resources (DoR) introduced the report which detailed the Broads Authority's investment of surplus cash, including the investment principles adopted and performance during the ten months to 31 January 2026 and the draft Capital, Treasury and Investment Strategy 2026/27.

The DoR indicated that interest earned to the end of March was likely to be slightly greater than the previously forecast £260,000 as further investments were due to complete during that time.

The Draft Capital, Treasury and Investment Strategy was updated and approved annually. The DoR explained that work to engage a Treasury Management provider, although not progressed in 2025/26, was still required to help formulate the Authority's next investment strategy. Once the new Chief Executive was in position from August 2026, the DoR was hopeful that progress would be made to identify a Treasury Management provider.

The Authority was awaiting Defra's confirmation of the 2026/27 National Park Grant, an assumption, within capital expenditure, had been applied that Defra's 2026/27 Capital Departmental Expenditure Limits (CDEL) allocation would remain unchanged from 2025/26.

The 2026/27 Investment Strategy introduced a new Minimum Revenue Provision (MRP) policy following feedback from the 2024/25 Statement of Accounts audit. Although the Authority was already carrying out the related activities, the formal inclusion of this policy clarified the chosen methodology and addressed the external auditor's comments.

The Draft Capital, Treasury and Investment strategy 2026/27 would be presented for approval at the Broads Authority meeting on the 27 February 2026.

A Member asked whether the investment strategy provided enough flexibility regarding the use of capital and whether the stated low risk appetite could impose a constraint. The DoR explained that the strategy was intended to be as general as possible to avoid precluding any appropriate investment strategies. Defra had imposed restrictions on last year's CDEL allocation, it remained to be seen what restrictions would apply for 2026/27. The low risk appetite related to investing excess cash, would not limit possible capital projects and would be revisited once projects had been prioritised by the Authority.

A Member asked whether the Government's proposal to provide the National Park Authorities and the Broads Authority with the General Power of Competence (GPC) would restrict the investment strategy. The Chief Executive indicated that legal advice regarding the GPC proposal was that it largely overlapped with the powers already conferred on the Authority by the Norfolk and Suffolk Broads Act 1988. In this regard the GPC would not restrict the existing powers of the Authority. The GPC did provide Local Authorities with the ability to invest in buildings and property outside their executive area and this proposed new power would provide opportunities for the Broads Authority.

Tim Munday proposed, seconded by Tony Grayling

It was resolved unanimously to recommend the Draft Capital, Treasury and Investment Strategy to the Broads Authority for approval.

The DoR confirmed that the 2024/25 Statement of Accounts had been signed off and the Authority had achieved a qualified audit opinion that, in the context of the local audit backlog (as discussed at the previous meeting on 25 November 2025), was the best possible outcome.

6. Consolidated income and expenditure – 1 April to 31 December 2025 actual and 2025/26 forecast outturn

The Senior Accountant (SA) presented the report which detailed actual income and expenditure for the nine month period to 31 December 2025, and a forecast of the projected expenditure at the end of the financial year (31 March 2026).

The SA provided updates on the figures up to 31 January 2026. The total variance for Actual consolidated income and expenditure by directorate, stated in Table 1, had reduced by

£916,147 which was largely due to the early receipt of a National Park Grant payment in December (which had been profiled for January 2026). There were no adjustments to the Latest Available Budget figures.

There was no update to the Adjustments to the Forecast Outturn stated in Table 3 since the report was published with the forecast surplus remaining at £61,032.

Since the last meeting, the total reserve balance had reduced by £96,000 and would continue to reduce as commitments were met prior to the financial year end. Capital grant expenditure for the year to date was £997,255 out of a total grant from Defra of £1,385,085.

There were no further changes during January 2026 to the Prudential Indicators stated in Table 5 of the report or the figures stated in the report's conclusion, section 7.

A Member noted the lack of progress on replacing the Authority's planning system and asked whether this was a cause for concern. The Chief Executive (CE) responded that the delay reflected time required to identify an optimum solution from a number of providers, none of which met all the Authority's needs. A Member noted that Artificial Intelligence was expected to deliver enormous benefits within the planning sector and asked whether there was scope to extend this delay to take advantage of this emerging technology. The CE explained that the replacement of the Authority's planning system was due in part to the current system coming to the end of its supported lifespan as it had been superseded by a cloud hosted version. He added that coincidentally the Government were proposing a national IT solution for Local Planning Authorities (LPAs) although providing the functionality to support the range of LPAs across England would prove challenging. The Member recommended that whatever solution was chosen by the Authority, it should ensure that the resulting data within the system could be openly accessible and avoid solutions that siloed the data. Having open data would maximise the opportunities for future process improvements provided by new technologies and reduce/eliminate significant costs to access this data.

A Member asked what the implications of the Practical Maintenance actuals being below the profiled budget would be. The Director of Resources (DoR) responded that maintenance work was planned for the visitor off season and that in the meantime capital spending had taken priority. The CE noted that planned works at Hickling Broad were delayed due to a prolonged saline incursion and subsequent freezing weather, requiring other tasks to be re-prioritised. The DoR added that some lease agreements had restricted occupancy dates which added to the complexity of completing works before visitors returned. In response to a follow-up question, the DoR confirmed that, if the delayed maintenance could not be completed before year end, the underspend would be transferred to the earmarked reserves.

A Member asked what savings had been achieved through the purchase of the underwater drone. The CE reported that while no precise figure was available, the drone had significantly reduced the Authority's reliance on commercial divers, which could lead to substantial cost savings. By way of example, the most recent use of divers, used to recover a sunken vessel, had cost £70,000. The drone was now supporting maintenance at Mutford Lock and was proving effective in identifying underwater obstructions. It was noted that the equipment had

been funded by grant via National Parks England. A Member also queried whether the drone could be used to provide chargeable services to other organisations. The CE advised that this was not currently feasible due to limited staffing capacity.

The report was noted.

7. External funding

The Chief Executive (CE) introduced the report summarising the Authority's multiple income streams and the opportunities to gain further external funding. The CE provided an update on the main income streams, noting that each had its own reporting timescales and welcomed Members' feedback.

The CE provided an update on the grant funding from Defra for 2026/27 and explained that the settlement had not yet been confirmed. The expectation was that the Resource Departmental Expenditure Limits (RDEL) allocation would remain the same as 2025/26 which equated to a flat cash allocation and a real term reduction. The Capital Departmental Expenditure Limits (CDEL) allocation was also expected to be similar to the previous year's allocation. There was expected to be an indication that both these allocations might be maintained at the agreed levels over three years, which was a notable change.

The national spend for Access for All was expected to be £6.8 million and the CE had no further information to confirm what allocation the Authority would receive.

The Farming in Protected Landscapes (FiPL) programme had been extended for a further three years with a budget of £30 million. The CE expected the Authority's FiPL allocation to be similar to that received for the previous three year period.

A new Wildlife Rich Habitat Fund had been announced which was open to National Parks and National Landscapes with £10 million available for 2026/27. The CE explained that this scheme was similar to FiPL, with the Authority being allocated a pot of money for external projects to deliver habitat improvements in the Broads. The Authority had submitted a request for £400,000 of funding based on projects identified with partner organisations.

Defra had recently indicated possible additional revenue funding for National Parks. This funding could be used to offset current non-government-funded income, allowing the released funds to be carried into 2026/27. The CE explained that this approach disadvantaged the Authority, as it had limited earned income from its National Park function and navigation income was not eligible. The proposed method would therefore favour the National Park Authorities with higher earned income and disadvantage those most in need of the additional funding. The CE had written to Defra to challenge the equity of the proposal, and Members supported this action. The CE also noted the irony that this unexpected funding could have helped avoid staff reductions resulting from Defra's reduced funding for 2025/26.

A Member asked whether the Authority was recovering staff costs for capital projects. The Director of Resources advised that, due to the ad-hoc nature of recent CDEL allocations, no staff costs had been recovered for 2025/26. The CE noted that a system for staff to record the

time spent on individual workstreams would be required to enable cost recovery and meet related audit requirements.

A Member proposed developing a land acquisition strategy to set out principles for assessing future land purchases in line with the Authority's objectives and those of other Broads stakeholders. The strategy would help the Authority take a longer-term approach to land acquisition to support biodiversity and mitigate climate change impacts. The CE supported this proposal and highlighted the need to maintain strong relationships with partners.

The CE noted that landowners were interested in using the Authority's equipment, such as the underwater drone and the fen harvester, which could generate income. However, the Authority currently had no spare capacity to provide these services, and the Management Team were considering options to redeploy existing staff or recruit additional staff to address this.

A Member raised the possibility of using capital to invest in property, including a suggestion for a visitor centre at Hoveton where a potential site and partner had been identified. The CE reported that a recent managers' workshop had put forward a proposal for a new office building, which would require significant capital investment beyond current allocations.

A Member asked whether longer-term planning of investments could support larger funding goals and whether there were more immediate investments to improve the efficiency of partnership projects.

A Member queried whether the new CDEL allocation could support further investment in the navigation. The CE believed there was scope for further investment; other items of equipment had been identified and the Head of Operations had suggested purchasing a tug.

The CE thanked Members for their feedback and agreed that further engagement was needed before finalising the report for the Broads Authority meeting on 15 May 2026. A workshop, to be held both online and in person, would be arranged for Broads Authority Members.

The report was noted.

Harry Blathwayt left the meeting.

8. Implementation of Internal Audit Recommendations: Summary of progress

The Senior Accountant (SA) introduced the report summarising progress in implementing Internal Audit recommendations arising from audits performed during 2023/24 and 2024/25. Since the previous meeting, further work to complete the recommendation associated with the Port Marine Safety Code (PMSC) audit 2023/24 had been undertaken as indicated in table 1 of Appendix 1 of the report. The Port, Marine & Facility Safety Code (PMFSC), which had replaced the PMSC, was nearing completion ready to meet the Maritime and Coastguard Agency's compliance window which would close on 31 March 2026. Further progress had been made regarding recommendations associated with the 2024/25 internal audit, namely

Corporate Governance and Risk Management as indicated in Table 2 of Appendix 1 of the report and Cyber Security Maturity Assessment as indicated in table 3 of Appendix 1 of the report.

The 2025/26 internal audit programme had commenced with the Tolls System and Income collection audit achieving a “substantial assurance” audit opinion and no audit recommendations. The Risk and Management and Governance audit had commenced in February 2026 and the Planning and Enforcement audit was due to the following month.

The Chair acknowledged the outstanding result achieved for the Tolls System and Income Collection audit and thanked all those involved.

A Member asked whether the delay completing the Cyber Security Maturity Assessment recommendation posed any additional risks to the Authority. The Director of Resources responded that ICT had engaged Government Security Centre for Cyber to provide advice and guidance for IT supply chain security and were awaiting a response.

A Member noted the reformatting required to create the PMFSC and asked whether this work had resulted in significant changes in comparison to the preceding PMSC document. The Chief Executive explained that despite the differing format associated with the PMFSC there were only minor changes to the Authority’s Safety Management System (SMS). This document had subsequently been audited by ABPMer, a specialist marine consultancy, and they had confirmed they were largely content with the SMS. There was an additional wording to be included as a foreword to the SMS summarising the Authority’s obligations under the PMFSC, this wording would be emailed to Members of the Broads Authority shortly.

The report was noted.

9. Corporate Risk Register

The Head of Governance Officer (HoG) introduced the report which provided the latest version of the Corporate Risk Register (CRR) with changes marked since the previous meeting. The HoG confirmed that the feedback provided at the previous meeting had been incorporated into the CRR as detailed in sections 2.4 and above of the report and highlighted that the score for Risk 3, Reduction in income and increase in costs, had updated from 9 to 12 reflecting the uncertainty regarding funding.

A Member asked whether the Risk Management Policy (RMP) would be reviewed in March 2026 as stated on page 7 of the policy. The HoG reminded Members that this document had been updated last year, had been reviewed and endorsed by the committee on 23 July 2025 and subsequently approved at the Broads Authority meeting on 25 July 2025. She apologised for this mistake in the RMP.

The Member asked whether the score associated with Risk 9, Devolution and Local Government Reorganisation (LGR), would be revised in light of recent announcements from some of the key stakeholders. The Chief Executive (CE) responded that the Authority was a

small player in LGR and as previously agreed with Members, it would maintain a watching brief on this process. In this context there was no change required to the risk score.

A number of Members believed the score associated with Risk 4, Failure to meet statutory purposes or requirements of other relevant legislation, was not an accurate assessment of the challenges faced by the Authority. The green rating underplayed the risk given the lack of a settled and secure funding arrangement, it gave the impression to external stakeholders and the public that there was no future risk to the Authority's continuing work on protecting and restoring the Broads, promoting public access and its other responsibilities. The CE explained that revising this score could be perceived as a failure of the organisation when in reality, apart from planning, there were no clear targets for the Authority to meet its legislative obligations, these areas were difficult to measure and the Authority was not uniquely responsible for these areas. Members agreed that the increased risk score should not be attributed to a failure of the Authority. A Member added that even though the wider biodiversity loss in the Broads was not in the Authority's control it did undermine the Authority's ability to fulfil its statutory obligations. Another Member added that without clearly flagging the problems caused by the reduced National Park Grant, the Authority was absolving the Government of its responsibilities. A Member suggested reframing this risk to ensure that it could not be perceived as an organisational failure and recommended making this change without delay. The CE agreed to recast Risk 4 and the HoG suggested a revised amber risk score of 9 with a further revision once Defra's funding decision for 2026/27 had been finalised.

10. Other items of business

There were no items of urgent business for consideration pursuant to Section 100B (4) (b) of the Local Government Act 1972.

11. Formal questions

There were no formal questions of which notice had been given.

12. Date of next meeting

The next Risk, Audit and Governance Committee meeting would be on Tuesday 21 July 2026 at Yare House, 62-64 Thorpe Road, Norwich, commencing at 10.00am.

The meeting ended at 12:36pm.

Signed by

Chair