

# Broads Authority

## Minutes of the meeting held on 28 January 2022

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## Present

Bill Dickson – in the Chair, Harry Blathwayt, Stephen Bolt, Matthew Bradbury, Nigel Brennan, Andrée Gee, Paul Hayden, Tristram Hilborn, Tim Jickells, James Knight, Michael Scott, Matthew Shardlow, Simon Sparrow and Vic Thomson

## In attendance

Natalie Beale – Planning Policy Officer (item 11), Chris Bing – Monitoring Officer, Andrea Kelly – Environment Policy Adviser (item 8), Emma Krelle – Director of Finance, John Packman – Chief Executive, Rob Rogers – Director of Operations, Marie-Pierre Tighe – Director of Strategic Services and Sara Utting – Senior Governance Officer

## 1. Welcome and apologies

The Chairman welcomed everyone to the meeting.

**Apologies** were received from Gail Harris, Leslie Mogford, Greg Munford, Simon Roberts, Nicky Talbot, Melanie Vigo di Gallidoro and Fran Whymark.

## 2. Chairman's announcements

### 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 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.

### Member annual appraisals

The Chair reminded members that the annual appraisal process would commence shortly and he encouraged all members to participate, acknowledging that it was mandatory for Secretary of State appointees. He added that the form had been amended, with a focus on self-appraisal against set criteria, and hoped members would consider this a more meaningful and useful approach. Members were welcome to speak to him and/or the Vice-Chair for an informal chat before the appraisal process started, and members should liaise with Sarah Mullarney, Governance Officer.

### Water Mills and Marshes

The Chair informed members that the Six Mile House project was a contender in the Conservation and Regeneration category for the Construction in Excellence Awards which were taking place that night in London. Sir Peter Dixon, former Vice-Chair, had kindly agreed to represent the Broads Authority. The Chair congratulated Andrew Farrell, the Authority's project manager on achieving such success which was a tremendous achievement.

### **3. Introduction of members and declarations of interest**

Members provided their declarations of interest as set out in Appendix 1 to these minutes and in addition to those already registered.

### **4. Items of urgent business**

There were no items of urgent business.

### **5. Public question time**

No public questions had been received.

### **6. Minutes of last meeting**

The minutes of the meeting held on 19 November 2021 were approved as a correct record and signed by the Chairman.

### **7. Summary of actions and outstanding issues**

Members received the latest summary of actions and outstanding issues following decisions at previous meetings. Verbal updates were provided at the meeting on some of the items as follows:

**National Parks Review: response** – the member workshop had been arranged for 24 February at 2pm.

**Wherryman’s Way footpath** – recruitment was underway for the vacant post of Waterways and Recreation Officer. A meeting was scheduled with Norfolk County Council in March to discuss how the CIL money would be spent and if the BA element of the project had been successful. Some works had already been undertaken, such as the dredging of the Chet, and the costs of this work would be refunded to the Broads Authority if the bid was successful. The County Councillor for the area stated that the £0.5m involved in these three projects was much needed, particularly for improvement works to the footpaths at the river’s edge. One of the paths was currently permissive but it was hoped this would be redesignated a public footpath and realign Wherrymans Way with it. He expressed his appreciation of the former Waterways and Recreation Officer for all his hard work on the project.

**Responding to Climate Change Emergency** – all 14 National Parks had signed up to the “Count Us In” initiative. The work by Smallworld Consulting Ltd was almost complete and a report would be presented to the Authority in the near future. A workshop on the outcome of the feasibility study into sustainable boating was being planned for April. An application for funding under the second round of the Clean Maritime Programme would be made in the summer.

**Nature for Climate Peatlands Discovery Grant** – an internal Board meeting had been held on Monday and officers were pleased with the progress being made with the project.

**Farming in Protected Landscapes (FiPL)** – a Land Management Board meeting had taken place on Monday, and while there were no applications for consideration, the Board had reviewed all grants awarded in the first year and considered guidance on how the grants should be dispersed for the coming year. In year 1, 15 projects had been awarded a grant, ranging from £2,900.77 for sedge harvesting equipment up to £75,000 for the construction of a reservoir. Of the total budget of £280,661.41, approximately £6,000 would remain unspent as it had proven possible to keep the advice and administration costs very low. The Chief Executive thanked Andrea Kelly and Kylie Moos for all their hard work, together with Hannah Norman, the new Catchment Officer who had taken over the FiPL work from Andrea. Next year would see only half the amount of money compared to year 1, which was disappointing. Therefore, the Board had agreed to reduce the maximum grant threshold from £75,000 to £50,000 with the aim of funding around ten projects. In response to a question on the future years' budget, the Chief Executive advised that the total pot of money for the National Parks and AONBs was £50m, with £25m allocated by the Treasury for year 1 and the remaining £25m over the next two years. Defra prioritised the uplands and AONBs so therefore the Broads was one of the smaller allocations which was disappointing, given the importance of farming in the Broads. Some of the uplands, together with some of the AONBs, had been unable to spend their money and it had been initially hoped this unspent cash could be transferred to other areas but this had not ultimately been agreed by the Treasury who had decided a carry forward into future years. The plan was to hold a site visit in the summer to show members the funded projects. A member questioned if match funding was being sought and the CE responded that, in the first year, most of the grants had some level of match funding and it had been possible to fund 100%. However, one of the discussions at the recent Board meeting was moving towards a requirement for all potential projects to find some level of match-funding, except those involved in education and training.

A member questioned if the use of a Conservation Covenant had been looked at to protect the investment, and create a nature benefit to the National Park through an agreement in perpetuity and whether the Authority had considered registering to be a Responsible Body under the legislation. The Environment Policy Adviser (EPA) commented that whilst the Authority had little previous experience in this area, it was quickly learning through its work with Palladium, and this would increase officers' knowledge of such opportunities to fund the aspirations of the Broads Plan. A high level of engagement was essential. In terms of Conservation Covenants, there had not yet been any schemes relevant so far but as the pace picked up, with the Government wanting to fund landscape scale change and the Authority wanting to lock its money into long-term schemes, there was a real need to make this money work on a larger scale. However, this was a small pot of funding and the Board had talked about small scale farmers and sedge cutters etc and the opportunities this could provide for them by accessing regular funding to continue their business, in what was an increasingly unviable market. It was hard enough for farmers to continue with their business, let alone be innovative and it was important to support that innovation, as well as deliver what farmers wanted and needed. The CE added that it was pleasing to note that a young person had been employed by a reed and sedge cutter as a result of this funding.

In response to a question about applications from parish councils, the EPA advised that none had been received as yet. The new Project Manager would be doing more engagement, with newsletters, talks etc to encourage smaller land owners and it was recognised that parish councils did have a lot of contact with farmers.

A member congratulated the staff on delivering the programme in such a short space of time and during what was a difficult time for farmers, with the loss of the Basic Payment Scheme and Countryside Stewardship Scheme etc. He felt that the success should be highlighted to feed into the design of future national schemes. Leverage of funding was very important and it was mentioned that the LEP was shifting its focus to a more climate friendly approach and he recommended officers make contact. The EPA replied that she had recently spoken to the LEP re food branding – the economics of farming was on a knife edge in the Broads, eg profitability as the price of beef was down dramatically. There was a need to provide additional funding, possibly through biodiversity net gain from the high level of development in the area, and if that were to be prioritised across landscape, with all the opportunities available, the Broads and the AONBs needed continued investment.

A member referred to carbon credits and whether officers had looked into as a potential source of income. The CE responded that Palladium was the Authority's link and that would be picked up through the next item on the agenda.

Another member endorsed the congratulations but also referred to the need to be clear in the messaging about the longer-term availability of funding from the Authority. The CE referred to the discussions at the recent Land Management Board meeting about the available money, particularly as it would be half in subsequent years, and so there would be a delicate balance in encouraging people to apply but in ensuring only the right schemes applied, particularly those working in partnership to try out innovative ideas. He concurred that the communications messaging would be delicate and as mentioned previously, the long-term future of agricultural support was still uncertain but FiPL had provided a mechanism to highlight the usefulness of National Parks in delivering such schemes. The EPA added that under the two test and trials projects, the Authority had developed a good relationship with Defra's Environment Land Management team and discussions were taking place at a national level about the fundamental economics of the Broads.

**The report was noted.**

## **8. Peatland Discovery Grant update and Framework Procurement**

The Director of Strategic Services (DSS) introduced the report, which provided an update on the implications of the successful award of a Peatland Discovery Grant and consideration of the use of appropriate procurement frameworks, given the very tight timescale and the nature of the work required. She advised members that the Terms of Reference for the Peat Partnership Board had now been agreed, the partnership agreement was ready to be signed by all partner authorities and a risk register had been produced. There was also now a page

on the Authority's [website](#). The biggest constraint with the project was the deadline to spend the grant by March 2023.

The Director of Finance outlined the proposals for the procurement framework, advising that these types of frameworks had already been used by the Authority (mainly through the Crown Commercial Services) for the procurement of insurance, legal services and the HR system. The proposals, if approved, would require an amendment to the Standing Orders for Contracts as detailed in the report. A key benefit would be a reduction in the amount of officer time required to procure the required services and expertise, as well as advance knowledge of the likely costs.

A member congratulated officers on securing the grant and endorsed the use of a procurement framework, as this was considered to be essential in delivering the project within the timescale. He invited officers to give a short explanation of what would be the next steps for the project. The DSS advised that the restoration phase would be next, with the aim of having some sites ready in 2023. The Environment Policy Advisor added that not all of the 13 schemes would go forward for restoration. The restoration phase would be open to applications in April 2023 for delivery over 1.5 years. Some schemes would not have all the Permits in place and there may also be legal agreements required with landowners. However, the Authority was engaging with the Environment Agency and there may be other methods and grant opportunities available in the future. Therefore, whilst restoration was a logical next step, there would be other things integrated: finance and landscape recovery, which would all take time and possibly beyond the 13 sites referred to in the report

A member commented that he acknowledged the advantages with procurement via frameworks but there were also risks, which he considered were not mentioned in the report. Peatland work was very specialist and it was hard to get the right contractors with the right equipment and experience etc, being a tough market. Officers might find that a site may require particular expertise and equipment which sometimes smaller contractors and not large, had expertise in, as well as the required equipment. He had concerns at the level of staff resource allocated and hoped this was sufficient to deliver. The EPA replied that local contractors had been engaged and were being procured through the existing tender process for a substantial amount of work. The framework element was for those elements where local contractors were unable to deliver the work through their competencies and experiences, such as engineering. They would also be engaging with other initiatives, like pump replacements being commissioned by the IDBs. In addition, with regard to the recently announced tender for the Water Resources East project "Water for Tomorrow", officers had been campaigning for the water resources associated with peatland change to be recognised in the strategic approach. A lot of work was going on and this was being localised from strategic level right down to the sites themselves. The DSS added that two new staff were being recruited for this project: a Project Manager (interviews next week) and a Peat Project Officer in support. The EPA advised that she had received confirmation that the officer role would be filled by a secondment from Suffolk Wildlife Trust, subject to contract.

Another member referred to the discussions at the last meeting regarding Public Sector Cooperation Agreements and how these could potentially also be used for some of the practical works, eg the IDBs, local authorities, EA etc could undertake some of the practical works at a fraction of the cost (on a not-for-profit basis) of large engineering firms and he would like to see that recognised as part of this project.

Tim Jickells proposed, seconded by Harry Blathwayt, and

**It was resolved unanimously to:**

- i) note the update and**
- ii) delegate to the Director of Finance the choice and use of appropriate procurement frameworks for the Nature for Climate Peatland Grant Scheme and other projects and amend the Authority's Standing Orders relating to Contracts to allow for this process.**

## **9. Budget 2022/23 and financial strategy to 2024/25**

The Director of Finance (DF) introduced the report, which provided a strategic overview of current issues and items for decision. She referred to the assumptions for the budget and financial strategy (para 11 in the report) and highlighted a number of key points, together with a verbal update (as at end of December 2021) as follows:

- Table 1, p27 – total variance was now £659,314.
- Toll income was £184,000 above the annual budget - forecast indicated a figure of £195,000 at the end of the financial year.
- Earmarked Reserves were now £2.4m due to higher than profiled as income had been received for the Heritage Lottery Fund project.
- Flat cash settlement from Defra for the National Park Grant had been assumed and the 3.6% increase on tolls had been included.
- Paragraph 6.3 identified the relevant factors which were considered when setting the budget and pay remained a difficult one to predict particularly in view of the outstanding pay award settlement for 2021/22.
- Salary costs were also further impacted by the introduction of the National Insurance increase towards health and social care. Staff costs were 68% of total budget for 2022/23.
- Impact of increase in inflation and increased costs of energy – CPI at 5.4%, CPIH 4.8% and RPI 7.5%. The CPI was previously 3.2% when toll charges were being set.
- At the time of setting the budget for 21/22, it was forecast that 20 boats would be removed from the fleet but this did not happen, based on information shared by hire boat operators and so the forecast for 22/23 anticipated a further 40 would be removed.
- Table 5 - Operations budget included increases due to rising costs of materials and increased tax rate on red diesel; increased costs of hire boat licensing due to additional staffing hours agreed as part of the tolls setting.
- Strategic Services and Finance & Support Services also had salaries increased due to staff costs and the additional posts to strengthen the tolls and finance sections.
- Table 6 – the split between costs remained broadly the same for 21/22 and 22/23.



- There may be concern by the deficit budget but this was balanced in the short-term through the use of reserves. For National Park in 23/24 costs will need to be carefully balanced to maintain reserve minimum (£100,000 + 10%). Navigation budget would return to a surplus from 24/25.
- Future level of charges and expenditure would be refined later that year due to close relationship with NP costs.

A member questioned when it was likely the Authority could balance its books to which the DF responded that the budget was based on posts being filled 100% continuously but, for a number of reasons including the recent pandemic, a number of employees had decided to leave and so there had been a higher than usual turnover of staff. When the post became vacant there was always a gap before a new starter joined and this was forecast as a salary saving in the budget and the budget was always based on a worst case scenario, but officers would always prefer vacant posts to be filled as soon as possible.

Another member referred to the underspend in the previous year and asked if the right balance had been achieved between savings and expenditure, or had the Authority been too conservative with budgeting, but he acknowledged the challenges faced. The DF responded that under the Financial Management Code, officers would look at adjustments to forecasts, as there had been in-year savings or vacancies and these would be reinvested. However, this had not happened this year and for a number of reasons: 1) being short-staffed which had a huge impact; 2) budget holders were reluctant to release unspent budgets believing they would be spent at year-end, although there may only be three months left, and 3) the Authority's budgets were set early in order to agree the level of tolls. This meant that when other things came along, like the Nature for Peatlands Discovery Grant, it was necessary to re-prioritise. The Chief Executive commented that these were very pertinent comments by members. The Authority had traditionally been cautious, with its budget facing huge uncertainty. There were questions over the level of next year's grant, and the salary costs for not only this year but next year as well. As mentioned previously, salary costs made up 68% of the Authority's total costs and so any increase, even a difference from 1.5% to 2%, would have a significant impact on the salary budget. In addition, materials had also increased in cost above inflation but income had remained fixed and, in real terms, actually fallen. That was why a very cautious approach had been taken to the budget for members' approval. A member drew attention to the reference in paragraph 13.1 of the report, saying it would be disappointing if the Authority had reached its limit for project capacity. The CE responded that he had discussed this issue with other National Parks and Defra – looking back to 2010/11 figures for the NP grant and inflation, the Authority now received 46% less. This point had been made to Defra: the fact that the Authority depended on central grant for its core activity. Core staff, such as HR, IT and finance, had been constrained to the lowest level possible due to the reduction in grant. There were opportunities for expanding but projects would need to be carefully managed. Staff such as the Environment Policy Adviser had limited capacity and were already under pressure so the Authority had to be realistic about the scale of work staff could take on. There was a delicate balance between continuing to be ambitious and not taking on more than could realistically be achieved. The member responded there was consequently an argument to push for full costs recovery for all projects so officer time was funded from projects and not National Park grant. The CE commented that this was being done to some extent, such as through the finance team, but it must be acknowledged that

this was against a background of the core staff shrinking as a result of the decrease by 46% of Authority funding, which was certainly a challenge.

Another member referred to the costs of replacement vehicles and vessels (paragraph 12.4) and questioned if second-hand or refurbished replacements had been considered. The Director of Operations advised that the launches were beyond the end of their life and the wherry had been repaired significantly over time but was now in a very poor condition. He added that officers did look at the second-hand market and very rarely bought brand new service vessels, although sometimes buying second-hand could be a false economy.

Matthew Bradbury proposed, seconded by Stephen Bolt, and

**It was resolved unanimously to note the actual income and expenditure figures and adopt**

- i) the 2022/23 budget, including endorsement of the assumptions made applied in preparation of the budget and**
- ii) the Earmarked Reserves and Financial Strategy for the period 2022/23 to 2024/25.**

## 10. Strategic Priorities update

The Chief Executive introduced the report, which set out the latest progress in implementing the Broads Authority's set of annual strategic priorities, which were mostly on track or completed. He advised that a consultant had now been appointed for the Habitats Regulations Assessment and referred to the recent member workshop on the Broads Plan which had been very successful. It was planned to present the draft Plan at the May meeting for approval as a consultation draft.

**The report was noted.**

## 11. Recreation Impact Avoidance and Mitigation Strategies (RAMS)

The Planning Policy Officer (PPO) introduced the report, which sought approval for the Norfolk RAMS and Suffolk Coast RAMS schemes. At its meeting on 7 January 2022, the Planning Committee had recommended the schemes to the Authority for approval.

A member questioned how much money was expected to be received; what would happen to the money collected by the Broads Authority and the arrangements for deciding how the money would be spent. The PPO responded that once the scheme was ready to commence the Authority would collect the money for its area and ringfence. Once the governance arrangements had been agreed, it was anticipated the money would sit with a holding body, such as Norfolk County Council. As it was a county-wide approach, the new Board would decide how to spend the money, with input from all partner organisations through both officer and member representation.

In response to comments about whether the sums would be sufficient to manage the impacts, and in perpetuity, together with the disparity between the Norfolk and Suffolk tariffs, the PPO advised that the project was evidence-based as identified in the Strategy appended to the

report, which had been produced by an experienced consultant. A very similar approach had been applied throughout the country and this approach had been endorsed by Natural England. She added that similar concerns had been expressed by some members on the Norfolk Strategic Planning Member Forum. In terms of the differing tariffs, this was explained in the report and evidenced in the Strategy, and included issues such as the number of houses proposed, different types of area etc. In addition, the Authority had not been involved in the Suffolk scheme until much later in the process.

A member commented that it should be acknowledged that the Authority had no control over the level of the tariff. However, he considered it to be a blunt instrument, covering not just residential properties but tourist accommodation as well. He questioned if it was supported by a nationwide mechanism, similar to CIL for example. The PPO responded that it was covered by the Habitats Regulation Assessments under the various Regulations transposed into UK law from the EU, to cover the likely significant impacts of people visiting protected sites etc.

A member who had attended meetings of the Norfolk Member Forum advised that the Norfolk scheme was the result of several years of negotiation between all the district councils and county council which had been a difficult process at times. It was accepted that this was an imperfect blunt instrument but recognised the impact of development and provided a mechanism from the CG Directive. Another member commented that North Norfolk District Council was already collecting the tariff and no particular problems had been encountered; all national developers were paying elsewhere in the country and Norfolk was behind other counties.

Another member stated that, whilst he had some concerns, it should be accepted that progress had been made, and this was a small step in the right direction and would hopefully follow the success of other projects in the country and put pressure on to promote mitigation and the damage which might be caused, particularly in view of the scale of development proposed and increased popularity of staycations.

Matthew Bradbury proposed, seconded by Tim Jickells, and

**It was resolved unanimously to endorse the Suffolk Coast and Norfolk RAMS schemes.**

## 12. Items of business raised by the Designated Person in respect of the Port Marine Safety Code

There were no matters to report under this item.

## 13. Minutes to be received

Members received the minutes of the following meetings:

Broads Local Access Forum – 1 September 2021

Navigation Committee – 21 October 2021

Planning Committee – 5 November 2021

Planning Committee – 3 December 2021

## 14. Other items of business

None.

## 15. Formal questions

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

## 16. Date of next meeting

The next meeting of the Authority would be held on Friday 18 March 2022 at 10.00am.

The meeting ended at 11.35am

Signed by

Chairman

## Appendix 1 – Declaration of interests: Broads Authority, 28 January 2022

<b>Member</b>	<b>Agenda/minute</b>	<b>Nature of interest</b>
Vic Thomson	7 (Wherryman's Way footpath – CIL application)	County Councillor for Surlingham & Bramerton. Other Registerable Interest.