

Broads Authority Annual Governance Statement 2019/20 and Action Plan 2020/21

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About this Statement

As a public body, the Broads Authority is responsible for making sure its governance and internal control systems are robust, up-to-date and in line with the principles of good governance. This is about conducting our business in accordance with the law and with proper standards, using public money wisely and efficiently, and having the right arrangements in place to protect our assets and meet our strategic aims. It is also about our staff and Members representing the shared values and culture of the organisation.

To show how we are complying with good governance, we prepare an **Annual Governance Statement**¹ and publish it alongside our annual Statement of Accounts. The Statement is guided by '[Delivering Good Governance in Local Government](#)', which includes principles on integrity, ethical values and the rule of law; stakeholder engagement; sustainable economic, social and environmental benefits; leadership and resources; risk and performance; and transparency, reporting and review.

The Statement includes an annual action plan to address any weaknesses identified by internal and external audit, self-assessment and other reporting including our [Code of Corporate Governance](#) (Appendix 2).

This Annual Governance Statement was adopted in May 2020. Our action plan for 2020/21 and a review of last year's action plan are at Appendices 1(a) and 1(b).

1 Our governance framework

1.1. Purposes and duties

The Broads Authority is a statutory body with similar responsibilities to those of the English, Welsh and Scottish National Park Authorities². It is the local planning authority, and a harbour and navigation authority. It has a duty to manage the Broads to conserve and enhance its natural beauty, wildlife and cultural heritage, to promote opportunities for the public to understand and enjoy its special qualities, and to protect the interests of navigation.

In managing the area, the Authority must have regard to the national importance of the Broads for its natural beauty and opportunities for open-air recreation, the desirability of protecting its natural resources from damage, and the needs of agriculture and forestry and economic and social interests of those who live or work in the area. The Authority also has the duty to maintain the navigation area to such standard as appears to be reasonably required and to develop and improve it as it thinks fit.

¹ Regulation 6(1)(a) and (b) of the Accounts and Audit Regulations 2015

² The Broads Authority was established under the Norfolk and Suffolk Broads Act 1988.

Further provisions for the management of the area were made through the Broads Authority Act 2009.

1.2. Strategy and policy

The [Broads Plan](#) is the key partnership strategy for the Broads, setting out a long-term vision and short-term objectives to benefit of the environment, local communities and visitors. The current Plan was adopted in March 2017 and we publish 6-monthly [progress updates](#) in May and November.

The [Broads Local Plan](#) adopted in 2019 sets out the policies used in determining planning applications for the plan period up to 2036. We are also producing supporting supplementary planning documents and guidance to help with the interpretation and implementation of some policies.

Sitting under the Broads Plan are more detailed [guiding strategies](#), generally focusing on a single theme and covering a short-term period. In the last year we reviewed and updated the Broads Integrated Access Strategy and the Broads Biodiversity & Water Strategy.

Our [Annual Business Plan](#) outlines our work priorities for the coming year and summarises last year's progress. The Plan is a link between the strategies for the Broads and our Directorate work plans. The Plan for 2020/21 is deferred until we have more information on the financial impact to the Authority as a result of the COVID-19 lockdown (see section 3).

Each year we also identify a small set of strategic priorities, focused on Authority-led projects that have high resource needs or a very large impact on the Broads, or that are politically sensitive. This helps us target our resources and make the most of partnership working and external funding opportunities. We report on their progress at each Broads Authority meeting.

2 External factors influencing our governance arrangements

2.1. Coronavirus (COVID-19) pandemic

Government measures put in place at the end of 2019/20 in response to the coronavirus (COVID-19) outbreak are significantly affecting the Broads Authority's operations, including its governance processes. Under the provisions of the [Coronavirus Act 2020](#), temporary standing orders for remote meeting procedure rules will be in place to May 2021. Some scheduled meetings were cancelled pending the remote meeting rules being in place.

The main impact to the Authority at the time of writing is the loss of income from tolls, especially from the hire boat industry. The Authority is liaising with the Government to seek support from Defra towards this loss, as well as support for the local tourism industry.

We may need to update this Annual Governance Statement with any further significant governance issues arising from the COVID-19 outbreak later in the year.

2.2. Brexit

Leaving the European Union has been overshadowed by the COVID-19 crisis. However, it remains a significant change for the country and will impact on the Authority, such as

closing off a source of funding for joint projects with European partners. The timescale for CANAPE, our current EU-funded project, has been extended.

2.3. Landscapes Review

The [Landscapes Review Final Report](#) was published in September 2019, setting out 27 proposals to protect and improve England's protected landscapes. We await the Government's full response to the report, but have started to identify what we can do within our existing resources.

2.4. Peer Review

In May 2018, we implemented changes to our governance processes in response to the recommendations of a commissioned **Peer Review**. In 2019/20 a desk-based review of the effectiveness of the changes was carried out by a Lead Member and a Managing Director from two of the Norfolk local authorities. Their report made a number of suggestions, including the following:

- (a) The Authority's Chair and Chief Executive would attend the Norfolk Leaders and Chief Executives meeting every six months to give an update on progress and to hear challenges or concerns;
- (b) The Authority's Chief Executive would attend the Norfolk Chief Executives' meeting on a quarterly basis to update on areas of concern, discuss any proposal issues impacting or within the potential to impact on other Local Authorities;
- (c) The monthly Broads Briefing from the Authority's Chief Executive would be circulated to all Local Authorities and Parish Councils.
- (d) The Authority had engaged the support of the LGA and the Regional Peer (Cllr William Nunn) to support the leadership of the Authority in its relationship with the Local Authorities. This work includes:
 - Helping Authority members, particularly Local Authority appointees, to better understand their roles and responsibilities;
 - Supporting improved ways of working between the Local Authorities and understanding each other's values; and,
 - Supporting the Authority in operating within a complex political environment both locally and nationally.

3 Our committees and executive

3.1. Committees

The **Broads Authority** has unique governance arrangements, reflecting the interests of both national and local stakeholders. Of its 21 Members, ten are appointed by the Secretary of State, nine are locally elected County and District Councillors, and two are co-opted from

the Navigation Committee. Other than Planning Committee and those matters specifically delegated to the Chief Executive, all matters are dealt with by the full Broads Authority as the prime decision maker. Routine decision making is delegated by Members to Officers of the Authority through the Scheme of Delegated Powers.

As mentioned above, the COVID-19 pandemic will impact our governance processes on a temporary basis. Committee meetings will be held remotely through video-conferencing, with live streaming for the public. Times of meetings may differ to those shown on the committee timetable for 2020/21.

Normally, the Broads Authority meets six times a year. Two of the scheduled meeting dates are allocated for site visits or workshops, to give Members more time to interact informally outside the main business meetings, and to see what is happening out in the Broads. There is a transparent process for the annual appointment of Chairs and Vice-Chairs, committee membership and appointments to outside bodies, which allows Members to express their preferences for serving on Committees and outside bodies. The Chairs' Group gives all Chairs and Vice-Chairs an active role in maintaining an overview of the work of the various committees, and supporting the Chair and Chief Executive.

The **Audit and Risk Committee (ARC)** is an advisory committee meeting three times a year. It is responsible for examining our governance, internal control and risk management framework, and taking a strategic view on whether our allocated resources are being used effectively.

Our functions as a [Local Planning Authority](#) are carried out by the **Planning Committee**, with powers delegated to Officers in line with national legislation. It is a decision-making committee and normally meets every four weeks. Planning decisions, whether made at Committee or through delegated powers, are published on our Planning website.

The **Navigation Committee** advises the Authority's on significant matters affecting the navigation area. While it does not make decisions, if the Authority does not accept the Committee's recommendations it must give reasons. There are five meetings a year, and members are also invited to the Authority's site visits and workshops.

The **Broads Local Access Forum** is a semi-independent body that advises the Authority on improving public access to land within the Broads executive area. It meets at least twice a year.

The Authority has two **Independent Persons**, appointed for a 4-year period, who are regularly consulted to help the Authority achieve high ethical standards. The current postholders were appointed in July 2016. Any new appointments may be on hold until the COVID-19 lockdown restrictions are eased.

3.2. Officers

The Authority has 132 full-time equivalent staff. There are four **statutory officers** who carry out specific duties. They are the Head of Paid Service (Chief Executive), Section 17 Officer

(Chief Financial Officer), Navigation Officer (Head of Ranger Services) and Monitoring Officer. The Chief Executive, Chief Financial Officer, Director of Strategic Services and Director of Operations make up our Management Team. We are also required to have a Data Protection Officer, and this role is currently held by the Director of Operations as a qualified Data Practitioner.

3.3. Financial arrangements

It is considered that the Authority's financial management arrangements conform with CIPFA's [Statement on the Role of the Chief Financial Officer in Local Government](#) (2016). As a key member of the Management Team, the Chief Financial Officer is actively involved in material business decisions to help the Authority develop, resource and implement its strategic plans sustainably and in the public interest.

We have a number of procedures in place to make sure we obtain best value for money in all we do, and we review them all on a regular basis. The Financial Regulations, reviewed in March 2018, were updated to reflect that the Section 17 Officer and Treasury is now managed in-house. Our Counter Fraud, Corruption and Bribery Strategy was updated in March 2018 and our Standing Orders Relating to Contracts in May 2018. We also reviewed our Vehicle Procurement Strategy in October 2019 and our Capital, Treasury and Investment Strategy in March 2020. Work is underway to update the Procurement Strategy and Standing Orders Relating to Contracts following recommendations from the Procurement Audit.

We monitor the effectiveness of our internal financial control systems through the consideration of regular internal audits, performance management and budget monitoring reports, and through ARC reports.

4 Decision making and openness

Our arrangements for decision making are set out in publicly available documents. These include Standing Orders, Scheme of Delegated Powers and a Protocol on Member and Officer Relations. In 2019/2020 we commissioned Birketts LLP to carry out a review of our constitutional and governance documents to make sure they are fit for purpose, in line with best practice and legislation, and easy to understand. This work is not completed. As mentioned above, we may be required to make temporary revisions to processes under the Coronavirus Act 2020.

Our committees each have distinct terms of reference. Meetings are held in public, apart from agenda items that are exempt under legislative guidance, and members of the public may ask questions. Our committee meetings are audio recorded and the public may request a copy of the recording.

Staff roles and responsibilities are defined through job descriptions and regularly updated policies and procedures, including an officer code of conduct and annual performance appraisals. In 2019/2020 we started to use the Best Companies Employee Survey. Our first

Best Companies Index score was classed as 'good', which in terms of accreditation means we are 'one to watch'. We plan to run the next survey at the end of 2021, funding permitting, and aim to improve our baseline score.

The Freedom of Information Act (FOIA) and the Environmental Information Regulations (EIR) give rights of public access to information held by public authorities, including the Broads Authority. Our [Publication Scheme](#) highlights the information we publish, how we make it available, and our charging policy. Our commitment to protecting people's privacy and processing personal data in accordance with data protection legislation is set out within our [Data Protection Policy](#).

5 Ethics and integrity

Under the Localism Act 2011 we have the duty to promote and maintain high standards, and we work to embed this throughout our governance and internal control systems. The seven principles of public life (known as the Nolan Principles) are incorporated in the **Members' Code of Conduct**. Our Independent Persons provide external scrutiny of our standards processes.

We also have our own set of corporate **core values** which we promote to our staff and Members through posters and screen savers, codes of conduct and protocols, recruitment and appraisal processes, and development programmes.

Our Core Values

We show commitment - Working together for a common purpose; Showing flexibility, trust and enthusiasm; Delivering on our promises

We are caring - Setting realistic and properly resourced workloads; Supporting each other to get things done; Giving praise and daring to challenge

We are exemplary – Being visible, approachable and professional; Making sound judgements on strong evidence; Aiming higher, smarter and always inspiring

We are open and honest – Being fair and consistent in our words and actions; Always willing to ask, listen and respond; Doing what's right and being accountable

We are sustainable – Looking after our resources wisely; Understanding the impact of our choices; Doing work that adds real value

6 Engaging with stakeholders

We encourage our partners, interest and user groups and local communities to engage with us in various ways. This includes drop in events such as partnership working groups and Parish Forums, direct contact such as officers or members attending user group meetings, public events, digital and social media, and formal written consultations. We also seek

public opinion through surveys and the user analysis of our website and Facebook and Twitter feeds.

[Broads Engage](#) brings together many of the ways people can hear about and have a say on the use and management of the Broads. Due to the COVID-19 social distancing requirements, we are developing ways to engage with stakeholders through remote means.

7 Managing risk and performance

The Audit and Risk Committee's (ARC) responsibilities include gaining assurances from a range of measures and reports that the Authority is obtaining value for money in the use of its resources, and that risk and performance are being actively managed to achieve best results. Actions in this year's Action Plan to strengthen our risk management processes have been completed. We updated our Corporate Risk Register (previously called the Strategic Risk Register) and Directorate Risk Registers in 2019 and they are monitored every six months by ARC and by Management Team.

In 2019/20, we tested our **IT Disaster Recovery Infrastructure** and are updating our **Business Continuity and Emergency Response Plan**, which has been put into practice in response to the current COVID-19 situation.

We have **internal financial controls** to reflect good practice and make sure our finances are managed securely to minimise risk. These include approved budgets, separation of duties and authorised signatures. We also maintain a database of all our land and property assets and an Asset Management Strategy that includes an asset disposal policy, to help us plan our maintenance and replacement programme and reduce the risk of unexpected costs.

Our **performance** across our operations is assessed at regular Management Team meetings, with financial reports and budgets considered monthly and reports provided to Members at each Authority meeting.

There is a **whistleblowing policy** for our staff, and the Monitoring Officer has a duty to write a report if the Authority or any of its committees proposes action that would be unlawful or amount to maladministration.

8 Internal and external audit

Our **internal and external auditors** are the main independent sources of assurance on the operation of our governance framework and the Statement of Accounts.

An external provider reviews the effectiveness of our **internal control systems**, which includes our **internal audit function**. This helps to emphasise audit's key role and its connection to governance, risk management and internal control. The broad categories for internal audit are annual opinion, corporate governance, fundamental financial systems, service area audits and significant computer systems. The Head of Internal Audit (HIA) develops an annual **strategic audit plan** using a risk-based approach. The annual opinion is

given on the overall adequacy and effectiveness of the Authority's internal control environment, highlighting significant issues.

The Management Team responds to each recommendation in the internal audit report, stating whether it is agreed and what action will be taken. The ARC receives a summary of internal audit work during the year and progress on implementing audit recommendations. Any significant concerns are reported up to the Broads Authority. The Authority is also informed of the work of the appointed External Auditors, including the Annual Audit letter from the External Auditors.

The **HIA's overall audit opinion** in relation to the framework of governance, risk management and controls at the Broads Authority is **reasonable**, with all audits concluding with a positive opinion. There are therefore no issues raised by internal audit that are significant enough for inclusion in the Annual Governance Statement.

In providing the opinion, the Authority's risk management framework and supporting processes, the relative materiality of the issues arising from the internal audit work during the year and management's progress in addressing any control weaknesses identified from this were taken into account. The opinion was discussed with the Section 17 Officer prior to publication.

Note: The internal audit report and the Annual Governance Statement for 2018/19 highlighted an incident when the Authority had been subject to an invoice fraud, which resulted in the Authority making a payment erroneously. This incident took place in 2019/20. External Audit was also informed about this incident, and the CFO carried out a formal investigation and acted to protect the Authority against this happening again. External Audit subsequently requested that this incident also be noted in this year's Statement. This addition was reported to the Broads Authority on 20 November 2020.

9 Action Plans

Our Annual Governance Statement Action Plan for 2020/21 and a summary of progress against last year's plan are in Appendices 1a and 1b.

This year's Action Plan focuses on performance monitoring and further refinements to our risk management policy and corporate risk register. We are satisfied that the Action Plan will address the identified weaknesses, and will report back on its implementation as part of our next Statement.

Signed Bill Dickson

Chair of the Authority

Date 20 November 2020

Signed John Packman

Chief Executive

Date 20 November 2020

Appendix 1a - Broads Authority Annual Governance Statement

Audit recommendations - Action Plan 2020/21

Audit recommendations	Lead Officers	Target date
Accountability and monitoring of performance		
<p>Performance indicators:</p> <p>Report annual National Park Authority 'family' indicators composite data to Management Team to compare and address any adverse areas of performance. Review how indicators align to Broads Plan and Annual Business Plan priorities and whether meaningful targets can be set for each indicator. Publish annual NPA family indicator outturn data relating to Broads Authority on BA website.</p> <p>Clarify how DEFRA uses and publicises family indicator data.</p> <p>Consider whether State of the Park indicators (where BA is data source) can be collected annually and reported in annual business planning process.</p>	Head of Governance	By 31/08/20
<p>Complete Operations Directorate Risk Register as part of Individual Performance Review process.</p>	Director of Operations	By 31/05/20
Risk Management		
<p>Define specific risk appetite statement within Risk Management Policy to complement risk tolerance levels, to provide more definite basis over level of risk BA is prepared to accept and which risks require additional action/mitigation.</p> <p>Assign target risk score to show risk level BA is aiming for. Report any risks sitting over tolerance/risk appetite and monitor until mitigated below tolerance levels.</p>	Head of Governance	Risk appetite statement updated in Risk Management Policy. No further action.

Ensure links to BA website pages in Annual Business Plans (ABP) are correct and update where necessary.	Head of Governance	Updated in this year's ABP
Procurement		
Review procurement strategy and Standing Orders Relating to Contracts to ensure both documents are up to date whilst reflecting current practices and revised job titles. In addition, the procurement strategy provides guidance on high risk/high value contracts and additional risks associated with such contracts. Refresher training to be rolled out to all relevant staff.	Chief Financial Officer	By 31/08/20
Review standard terms and conditions for contracts (goods and services) to provide template for all contracts over £5,000 in conjunction with the Authority's legal provider.	Chief Financial Officer	By 31/07/20
Communications and branding		
Continue updating of BA Communications Policy and guidance, and roll out of associated member and officer training.	Head of Comms	Work in progress (carried forward from 2019/20 action plan)
Governance		
Adopt revised constitutional documents following external review by Birketts LLP.	Chief Executive	Work delayed by COVID-19 crisis. Restart after Authority meetings are held in person.
Human Resources		
Continue preparation of report on equality assessment of employment policies and practices (Equalities Working Group)	Head of HR	By 31/3/21

Appendix 1b Broads Authority Annual Governance Statement

Audit recommendations – progress against Action Plan 2019/20

Actions	Lead Officers	Target date	Progress
Governance			
Commission external team to assess effectiveness of Peer Review Action Plan a year after its implementation	Chief Executive	31/07/19	Completed. Reviewed by Trevor Holden (CEO Broadland District Council and South Norfolk Council) and Steve Blatch (CEO North Norfolk District Council)
Commission Birketts LLP to review BA's constitutional documents to make sure they are fit for purpose, represent best practice, are in line with up-to-date legislation and are simpler to understand.	Chief Executive	Report to BA in Nov 2019	Consultant delays – work in progress (c/f to 2020/21 action plan)
Legal services			
Review performance of current legal services contractor and consider future arrangements, including potentially tendering for the work	Chief Financial Officer	6-month review in Sept 2019	Completed. Exempt report to BA 31/01/20
Risk management			
Update Risk Management Policy to reflect governance arrangements and responsibilities for risk, including those assigned to Audit & Risk Committee (ARC). Following Authority approval, publish policy on BA intranet.	Management Team	29/11/19	Completed
Review Strategic Risk Register (SRR) to identify which risks are strategic and which are operational/service level. Score all strategic risks and state which strategic objective they relate to, with colour coding clarifying 'risk appetite'.	Management Team	01/11/19	Completed. Strategic Risk Register is now called 'Corporate Risk Register'

Actions	Lead Officers	Target date	Progress
<p>Define scoring criteria for high/medium/low (H/M/L) risk in relation to severity/impact (for categories such as financial, reputation and service provision) and to likelihood.</p> <p>Explain changes from previous SRR in reports to ARC.</p>		12/11/19	Completed
<p>Update Risk Management page on BA intranet, incorporating revised documents and how risks are managed. Identify training needs across Authority.</p>	Head of Governance	29/11/19	Completed
<p>Introduce standard risk implications section on committee report template.</p>	Head of Governance	31/01/20	'Risk implications' on committee report templates and reported if required.
<p>Make sure senior managers are aware that Business Continuity recovery timelines of up to 24 hours may not be achievable if such recovery has to be undertaken using tape backups stored at Dockyard. Formally document staff acceptance (or otherwise) to support this.</p> <p>Look at options to enhance Data Replication (DR) service so it covers priority services such as Finance and Tolls.</p> <p>Formally document all DR testing in test reports to relevant senior managers and use lessons learned to inform updating of DR plans.</p> <p>Update relevant project management processes to include work to understand DR requirements for new or changed infrastructure.</p> <p>Move server rack containing DR infrastructure from Dockyard to more appropriate location.</p>	Head of IT & Collector of Tolls	31/07/19	All actions completed

Actions	Lead Officers	Target date	Progress
Communications and branding			
Update Communications Team workplan to include completion of Broads National Park branding strategy and work in relation to audit recommendations including training, updating intranet communications page and issuing internal guidance on use of BA and Broads National Park logos.	Head of Comms	05/07/19	Completed
<p>Following approval of NPA branding guidelines, update Communications Policy to include roles/responsibilities for overseeing management of correct branding, and include in separate branding section of policy.</p> <p>Include information on role of Communications Team and on updated branding policy within BA induction checklist.</p> <p>Produce guidance for staff on criteria for applying either BA or Broads National Park logo (or both) including reference to partnership/project work and to Broads National Park brand standards and branding strategy.</p> <p>Revise and relaunch Communications page on BA intranet, to include strategy and associated documents, Communications Team details, and provision of staff and member training on branding.</p>	Head of Comms	31/10/19	Work in progress (c/f to 2020/21 action plan)
Human Resources			
Continue preparation of report on equality assessment of employment policies and practices (Equalities Working Group)	Head of HR	31/03/20	Work in progress (c/f to 2020/21)
Complete Phase 2 of updating internal HR policies and procedures	Head of HR	31/03/20	Process ongoing; key policies and procedures updated.