

# Broads Authority

15 March 2024

Agenda item number 8

## Capital Programme 2024/2025

Report by Chief Executive and Director of Finance

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### Purpose

This report updates Members on capital funding from Defra and sets out a programme for expenditure in 2024/25.

### Broads Plan context

All strategic actions within the plan.

### Recommended decision

1. Following on from the Authority's unanimous support for the 'Funding the Waterways of the Broads National Park' paper, recently submitted to the Minister, the Authority explicitly adopts the principle that National Park Grant, capital and revenue, can be used on items where there is a co-benefit for navigation as long as the funding is primarily used to deliver National Park purposes. This is on the basis that the current recreational use of the waterways is consistent with the Authority's second National Park purpose of "*promoting opportunities for the understanding and enjoyment of the special qualities of the Broads by the public*".
  2. Subject to Defra's confirmation of a capital grant of £500,000 the Authority implements the capital expenditure set out in Table 1. The income and expenditure will be treated as National Park income and expenditure even though there is a co-benefit to the maintenance of the waterways.
  3. Delegate authority to the Management Team to amend the list of items to ensure that the funding is spent before 31 March 2025.
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# 1. Background

- 1.1. Members will recall that in August 2022 Defra officials invited the Authority to submit a bid for one-off capital funding to support the management of SSSIs and species recovery in the Broads. The bid was successful and the Department provided £1,215,000 for 8 projects: the purchase of a Truxor T250, three Whaly work boats, 30 acres of fen habitat, a Loglogic soft track system, a long reach 360 excavator, a third water plant cutting machine, ancillary items to support the moving and locating of plants and the replacement of the drainage structure at Strumpshaw Fen, part of the Water Mills and Marshes project.
- 1.2. Although the timescale was tight the Authority was able to deliver the programme on time and within budget except for the purchase of the Hulver Ground which was held over to this financial year because of an historical legal requirement.
- 1.3. Members will be aware that the Authority normally funds capital purchases from earmarked reserves with annual contributions from the revenue budgets. In November 2023 when the Authority decided on the level of tolls for 2024/25 it selected an option that involved making a nil contribution for one year only to the earmarked reserves to reduce the level of increase.
- 1.4. In December 2023, again at very short notice, the Authority was invited to submit another proposal for capital funding, this time under the Water in Protected Landscapes scheme. This was a competitive process open to all 44 Protected Landscapes in England. Officers explored with Defra officials whether there were limitations on the scope of the items that could be purchased from this capital funding. The response was that as long as the funding was primarily used to deliver National Park purposes, it would not be an issue if it happened to co-benefit navigation.
- 1.5. The “Funding for the Waterways in the Broads National Park” paper, unanimously supported by all Members and recently submitted to the Defra Minister, makes the case that as all use of the waterways is for recreational purposes its maintenance is congruent with the Authority’s second National Park purpose of *“promoting opportunities for the understanding and enjoyment of the special qualities of the Broads by the public”*.
- 1.6. On that basis officers submitted a bid to Defra’s Water in Protected Landscapes scheme for £706,500 which included the purchase of items such as a concrete pump for dredging and the design of a replacement launch for the Rangers.
- 1.7. On 14 February we were informed that the bid had been unsuccessful. Officials responded: “the direct and specific outcomes and benefits for water body status were not clear enough. Thank you to you and the team for preparing the bid and being so responsive to our queries. While we are not able to take this particular project forward at this time, we look forward to continuing our work with you in this space.”

## 2. Capital Programme 2024/25

- 2.1. Officers now understand that a third tranche of capital funding is likely to become available in the form of a further £10 million for the 44 Protected Landscapes in England, £5 million for the AONBs and £5 million for the National Parks, divided equally between them.
- 2.2. Table 1 contains a list of the five items all of which were in the list for the Water in Protect Areas funding. The 2024/25 budget paper in January highlighted these items to be replaced from the Plant, Vessel and Equipment earmarked reserves.

**Table 1**

2024/25 Capital Expenditure

Item	Cost £	Comment
1. Development and build a replacement Ranger launch	200,000	The Authority has 8 patrol launches, 3 of which need replacing because they are between 30 and 40 years old. We are looking into new engines that will reduce the carbon output. This funding would cover the research, development and purchase of the first new launch.
2. Concrete pump	173,000	A concrete pump is an integral part of the Authority's dredging operation and needs replacement. While there will be biodiversity and water quality benefits from the deployment of the concrete pump, there is a significant benefit in improved public access through the maintenance of the waterways.
3. Replacement of four Hilux (Rangers and CME)	120,000	Replace vehicles at end of life.
4. Dipper Arm Extension and Weed Bucket for Fen Excavator	16,000	These would facilitate on-going fen management on the Authority's own land and sites we manage for third parties.
5. Steel welfare unit	8,000	To replace a previous wooden welfare hut and upgrade facilities for staff welfare working in remote locations in the Broads.
	517,000	

- 2.3. All the items listed above would normally be funded from ear-marked reserves where the contributions from revenue and the expenditure are shared between National Park

and Navigation. The one exception is the replacement Ranger Launch. While the Ranger's time is funded 20:80 National Park: Navigation to reflect the 20% of their time devoted to managing countryside sites, education etc., the cost of the launches and patrolling is funded 100% from navigation income reflecting the nature of the activity. The Authority has struggled and failed to fund replacement of these vital pieces of capital equipment and the annual costs of maintaining and operating our ageing fleet have been rising. If this were to be funded in one year from navigation income it would require an additional and unacceptable 5% increase in tolls.

- 2.4. The Ranger launches are the equivalent of the Land Rovers in the upland National Parks. They are the workhorses of the frontline staff who engage with the public and also carry out the critical management and maintenance of the Park, that can involve removing dangerous overhanging trees adjacent to the Broads waterways and providing advice to visitors. There is therefore a strong argument that the first replacement launch can be funded from National Park capital monies on the basis that it directly contributes to "*promoting opportunities for the understanding and enjoyment of the special qualities of the Broads by the public*", the Authority's second National Park purpose.
- 2.5. Whilst the Authority's vehicles are maintained in good operational condition, many are of necessity kept in service past the Authority's replacement policy of 10 years. If the funding is agreed it is proposed to replace those in most urgent need of replacement.
- 2.6. As with the expenditure in 2022/23 it is important to spend all the money on time and within budget to deliver the maximum benefit for the management of the Broads. It may prove necessary at short notice to replace items in the above list in response to changes in the availability and delivery of times of specific products. It is proposed that such changes be delegated to the Management Team.

### 3. Financial implications

- 3.1. If the capital funding is confirmed it would be treated as National Park income and expenditure. There would be a benefit to the navigation funding lines in that capital items which would normally have been partly funded from the earmarked reserves would be paid for out of the National Park capital income.

### 4. Risk implications

- 4.1. The risk of DEFRA not approving the additional £500,000 capital grant is minimal and will only impact the ability to fund two of the additional vehicles in line 3 of the table above. These will be delivered in 2025/26 instead. The remainder of the items will be delivered from the earmarked reserves during 2024/25.

## 5. Conclusion

- 5.1. The Authority practices an integrated approach to the management of the Broads and this initiative is entirely consistent with that and its recent approach to the Ministers for support in funding the Maintenance of the Waterways.

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Background papers: Funding the Waterways of the Broads National Park

[Broads Plan](#) strategic objectives: All