

Broads Authority

Agenda 22 November 2019

10.00am

Yare House, Thorpe Road, Norwich, NR1 1RY

Introduction

1. To receive apologies for absence
2. Chairman's announcements
3. Introduction of members and declarations of interest
4. To note whether any items have been proposed as matters of urgent business
5. Public question time – to note whether any questions have been raised by members of the public
6. **To receive and confirm the minutes of the Broads Authority meeting held on 27 September 2019** (Pages 4-16)
7. **Summary of actions and outstanding issues following decisions at previous meetings – to note the schedule** (Pages 17-27)

Strategy and policy

8. **Responding to Climate Change emergency update - presentation and update**
Presentation by Asher Minns, the Executive Director at the Tyndall Centre for Climate Change at UEA.
Update report by CANAPE Project Manager (Pages 28-44)
9. **Proposed navigation charges for 2020/21 in the navigation area and adjacent waters** (Pages 45-59)
Report by Chief Executive, Chief Financial Officer and Head of IT and Collector of Tolls
10. **Financial Performance and Direction** (Pages 60-160)
Statement of Accounts 2018/19
Consolidated Income and Expenditure from 1 April 2019 – 30 September 2019
Report by Chief Financial Officer
11. **National Parks Branding Exercise - presentation**
by Head of Communications and Communications and Marketing Manager

12. **Strategic Direction** (Pages 161- 177)
Report by Head of Governance

Governance

13. **Peer Review update** (Pages 178-181)
Report by Chief Executive
14. **Chairs' Group – Draft Terms of Reference** (Pages 182-185)
Report by Chief Executive
15. **Corporate Partnerships Register** (Pages 186-197)
Report by Head of Governance
16. **Risk Management policy and register** (Pages 198-208)
Report by Head of Governance

Reports for information

17. The Port Marine Safety Code: To consider any items of business raised by the designated person in respect of the Port Marine Safety Code

Minutes to be received

18. **To receive the minutes of the following meetings:**

[Navigation Committee 5 September 2019](#)

[Planning Committee 13 September 2019](#)

[Planning Committee 11 October 2019](#)

19. **Feedback from Members appointed to represent the Authority on outside bodies**

Outside bodies

Broads Tourism, How Hill Trust, National Parks UK and National Parks England, Norfolk and Suffolk Broads Charitable Trust, Upper Thurne Working Group.

Local Authorities

Broadland, North Norfolk, South Norfolk, East Suffolk, Norwich City, Great Yarmouth, Suffolk County, Norfolk County Councils.

20. To consider any other items of business which the Chairman decides should be considered as a matter of urgency pursuant to section 1008 (4)(b) of the Local Government Act 1972
21. To answer any formal questions of which due notice has been given
22. **To note the date of the next meeting Friday 31 January 2020 – at 10.00 am at Yare House, 62/64 Thorpe Road, Norwich**

23. Exclusion of the public

The Authority is asked to consider exclusion of the public from the meeting under Section 100A of the Local Government Act 1972 for the consideration of the item below on the grounds that it involves the likely disclosure of exempt information as defined by Paragraphs 1 and 3 of Part 1 of Schedule 12A to the Act as amended, and that the public interest in maintaining the exemption outweighs the public benefit in disclosing the information.

24. To receive the Exempt Minutes of the Navigation Committee from the meeting on 5 September 2019 (Pages 209-210)

25. Visitor Services Review (Pages 211-217)
Report by Head of Communications

Broads Authority

Minutes of the meeting held on 27 September 2019

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Present

Bill Dickson – in the Chair, Louis Baugh, Harry Blathwayt, Julie Brociek-Coulton, Jacquie Burgess, Andree Gee, Tristram Hilborn, Tim Jickells, James Knight, Leslie Mogford, Simon Roberts, Simon Sparrow, Vic Thomson, Fran Whymark.

In attendance

John Packman – Chief Executive, Natalie Beal – Planning Policy Officer (For Minutes 10 and 11) Sandra Beckett – Administrative Officer (Governance), Steven Bell – Monitoring Officer, Maria Conti – Head of Governance, Emma Krelle – Chief Financial Officer, Rob Leigh – Head of Communications, Harry Mach – CANAPE Project Manager, Rob Rogers – Director of Operations, Cally Smith – Head of Planning (Minutes 10 – 12), Marie-Pierre Tighe – Director of Strategic Services.

1. Apologies and welcome

The Chairman welcomed everyone to the meeting.

Apologies received from Kelvin Allen, Matthew Bradbury, Lana Hemsall, Bruce Keith, Greg Munford, Nicky Talbot, Melanie Vigo di Gallidoro.

2. Chairman's announcements

Openness of Local Government Bodies Regulations 2014

The Chairman reminded Members that the meeting would be recorded as a back-up for accuracy. The Broads Authority retained the copyright. If a member or a member of the public wished to receive a copy of the recording, they should contact the Governance team. No one else indicated that they would be recording or filming the meeting.

Dates to note

Parish Forum – 16 October 2019 at 6.00 pm in Yare House

Audit and Risk Committee – 19 November 2019

General proceedings

The Chairman commented that this meeting was scheduled as a workshop although it was important to deal with some business items beforehand. Following formal business, the workshop would focus on:

- **Response to climate change emergency and how the Authority could link in with the Local Authorities**
- **Preliminary discussion on the Final Report of the Landscape Review**

3. Introduction of members and declarations of interest

Members indicated they had no further declarations of interest other than those already registered, and as set out in Appendix 1 to these minutes.

4. Items of urgent business

There were no items of urgent business.

5. Public question time

A question had been received from Claudia Dickson, on behalf of Reedham Parish Council, relating to the footpath at Reedham and Agenda Item 12 - Extinguishment of Public Rights of Way. Claudia Dickson met with the Authority's Waterways and Recreation Officer, Lewis Treloar, on 25 September 2019 and was satisfied with the response given. The response had been circulated to all Members for information and was attached to these minutes at Appendix 2.

6. Minutes of Broads Authority meeting held on 26 July 2019

The minutes of the meeting held on 26 July 2019 were approved as a correct record and signed by the Chairman, subject to an amendment under those Present to add "and 2" as follows: 'Haydn Thirtle – in the Chair for Minutes 1 and 2', as well as an amendment to the order in the format at the end of Minute 2 to read: 'Haydn Thirtle stepped down, Bill Dickson in the Chair. Fran Whymark took Haydn Thirtle's place at the table as the new member appointed by Norfolk County Council.'

7. Summary of actions and outstanding issues following decisions at previous meetings

The Authority received and noted a schedule of progress/actions taken following decisions of previous meetings. The Chief Executive provided further updates and drew attention to:

National Parks Review: Response – The Glover Review team's report on the Designated Landscapes National Parks and AONBs 2018 had been published as 'The Landscapes Review' on 21 September 2019. The most significant change would be the establishment of a National Landscape Service with overall responsibility for National Parks, AONBs and other designated landscapes. The review would be a main focus for the National Parks UK meeting on 30 October 2019, which would include a meeting of all the Chairman and Chief Executives of the National Parks with Lord Gardner, the Minister responsible for National Parks.

Hosting National Parks' Communications Unit – The unit was now up and running and had begun work to develop a three-year strategy for communications on behalf of all the National Parks. Alastair Barber, Marketing and Communications Manager, had been having interviews with all the National Park communication officers and Tobie Galvin, Digital Communications Officer, had begun a survey on the performance of the UK website. The Authority was due to host a meeting of the National Parks' Heads of Communications in the first week of October.

Pilot agri-environment scheme for the Broads Authority – The local working group had been set up and its first meeting was planned for October.

Members agreed that it would be helpful if the actions within the schedule were dated.

It was resolved to note the report.

8. Responding to climate change emergency

The Authority received a report proposing a formal recognition of the existence of a climate emergency and commitment of the Authority to reducing its CO₂ emissions to zero by 2040, in response to the Government's declaration of climate emergency. The Chief Executive provided the context for the report with recent events such as the UN Climate Action Summit, the ICC report on global sea level rises, and reports from the World Meteorological Organisation. He emphasised that, given the expansiveness and complexities of the subject, it was intended that this would be the first in a series of reports, this time focussing on mitigation at a strategic level, and suggesting a framework of principles to be adopted. He explained that the Authority, together with the other National Park Authorities (NPAs), had been considering and actively participating in climate change adaptation over the last 20 years or so. However, since funding cut backs for the NPAs this had slipped in the priorities, but it was now reenergised. The Authority's ability to influence was relatively small and, given that a number of local authorities had declared climate emergency, it was suggested that the Authority should engage with its constituent local authorities, businesses, residents and stakeholders to explore practical ways to reduce CO₂ emission from within the Broads area. This would be explored in more detail in the workshop session. It was intended that reports, including those on adaptation, would be prepared for future Authority meetings.

The CANAPE Project Manager drew attention to and explained in more detail the proposed principles, as well as how the Authority was actively reducing carbon emissions and the timescales involved. Members discussed these in more detail.

All members welcomed the report. Although it was recognised that a strategic approach was required and collaboration with other organisations was vital, it was also considered important to start at the grass roots and effect change with relatively small issues to help change attitudes and behaviour such as recycling, reducing use of plastics, as well as through building regulations and planning regulations.

Members noted the importance of the Broads ecosystems in mitigating climate change, due to their large carbon stores and capacity to act as a carbon sink. Members considered that the aspiration should be to offset carbon emissions within the executive area rather than through crediting schemes elsewhere.

There was debate on the first principle, with some members advocating the use of the same wording as Norfolk County Council and considering that the term 'emergency' was very emotive. Other members strongly disagreed, given that the statement was from Government, and it was an emergency that required a fundamental response as to how we live now. The statement provided a framework from which to develop policy and practical work. It was recognised that there was undeniable support for the paper overall. A member commented that, unless there was a substantial reason to amend the wording in (i), the statement should be adopted.

Jacquie Burgess proposed, seconded by Harry Blathwayt and **it was resolved** by 10 votes in favour and 4 against, **to adopt the Climate Change Emergency Statement for the Broads at Appendix 1 of the report and to add an additional principle (vii) to include an aspiration for offsetting carbon emissions locally. The principles are outlined as follows:**

- (i) Recognises a climate emergency and adopts the Statement in Appendix 1 of the report.
- (ii) Pledges to work towards making the Broads Authority 'carbon neutral' by 2030, with a further objective of reducing all carbon emissions to zero by 2040.
- (iii) Establishes a baseline for CO₂ emissions using a common methodology with the National Park Authorities and develops an Action Plan and monitoring system.
- (iv) Works with its constituent local authorities to reduce emissions from domestic, travel and other sources in the Broads and across the two counties.
- (v) Works with farmers, land managers, the National Farmers Union and Defra to influence land management practices, to maintain and build organic matter and carbon in soil, to improve biodiversity and store water to protect against flooding and drought.
- (vi) Works with boating and tourism organisations to continue promoting and developing environmentally friendly boating and sustainable tourism.

With the additional principle

- (vii) Aspires to offsetting carbon emissions locally within the Broads via a Broads offsetting scheme.

9. Financial performance and direction

The Authority received a report providing a strategic overview of the key financial issues and items for decision. It also included the first report for this financial year 2019/2020 on the consolidated income and expenditure figures up to 31 July 2019. The Chief Financial Officer also gave the updated figures for 31 August 2019. The favourable variance of £237,916 (a 10.83% difference from the profiled latest available budget) at the end of July had reduced to £170,983 (9.37%) at the end of August. The reason for this movement was predominantly related to toll income. Whilst in July toll income had been higher than predicted (+£87,088), at the end of August it was now broadly in line (+£344) with the profiled budget. There were no changes to the latest available budget or forecast at the end of August. The favourable variances in the Operations, Strategic Services budgets were largely due to timings and favourable variances in the Chief Executive's budget due to savings on salaries and delayed income now received in August. The earmarked reserves had increased to £1,983,438 due to the Water, Mills and Marshes Heritage Lottery Fund and CANAPE grant claims being received.

Members considered the proposal to create a new earmarked reserve for the newly created UK Communications team, recognising that all 15 National Park Authorities and National Park Partnerships had made up-front contributions and such a creation would be consistent with

other partnership work such as CANAPE, Heritage Lottery Fund (HLF) and Catchment Management.

They also considered three virements totalling £85,801 relating to salary budgets transferred between Directorates following staff review and transfer of responsibilities from Strategy and Projects to Construction and Maintenance, to Governance for the new Head of Governance role and to the Development Management Team.

Members also considered the proposed increase in reserve expenditure from the Plant, Vessels and Equipment Reserve for increasing the pool fleet for electric vehicles and to remove the need for hiring an extra van during water plant surveying. The additional reserve expenditure in total would be £32,675.

The Chairman of the Audit and Risk Committee confirmed that the proposals were consistent with the Authority's financial policies.

It was resolved unanimously:

- (i) To note the income and expenditure figures from 1 April to 31 July 2019**
- (ii) To support the creation of a new earmarked reserve, as set out in paragraph 3.2 of the report for the UK communications Team Funding**
- (iii) To approve the virements in paragraph 3.4 of the report and as outlined above**
- (iv) To approve the increased reserve expenditure in paragraph 5.3 of the report, as outlined above.**

10. Norfolk Strategic Planning Framework – version 2

The Authority received a report containing Version 2 of the Norfolk Strategic Planning Framework, which was designed to illustrate how the Norfolk Local Authorities were cooperating on cross boundary/strategic matters, mainly through agreements on the various strategic issues. The Framework was prepared by officers from the LPAs with the involvement of relevant bodies such as the Environment Agency. It was overseen by a member level group, the Norfolk Duty to Cooperate Member Forum, who approved the version at its meeting on 8 July 2019 and asked the Norfolk Local Planning Authorities to endorse it. The Authority's Planning Committee on 16 August 2019 recommended that it be endorsed by the Authority. It was noted that the Framework was a living document and work on version 3 had already started.

It was resolved to endorse the Norfolk Strategic Planning Framework – version 2.

11. Draft planning documents before consultation

The Authority received a report on two draft Supplementary Planning Documents (SPDs) prepared to help interpret and implement the Broads Local Plan policies adopted in May 2019. It was emphasised that the SPDs did not change or make new policies but were there to give additional guidance. The report also presented the updated Statement of Community

Involvement. It was proposed that all the documents be subject to consultation from 27 September to 22 November 2019. Members noted that all the documents were considered at the Planning Committee on 13 September 2019 and endorsed for public consultation.

Marketing and Viability SPD: The Planning Committee discussion had been wide ranging and a number of comments were made, as were highlighted in the report. The Committee endorsed the SPD for consultation and agreed that it should be with a wide group of stakeholders to obtain as much relevant expertise and input as possible. The Committee also suggested that certain areas be highlighted for attention in the consultation. It was also agreed that once the consultation comments were collated, and proposed Authority responses and potential amendments prepared, a further report setting these out be discussed by the Planning Committee, potentially in a workshop format. A member had serious concerns about the Marketing and Viability SPD and was disappointed that it had not been discussed further before being approved for consultation.

The Chairman put the Planning Committee's recommendation to the vote, and **it was resolved** by 13 votes in favour and 1 against

(i) to approve the draft Marketing and Viability SPD for public consultation.

Flood Risk SPD: This involved the review of the Broads Flood Risk SPD adopted in 2017 and amendments to the details in the Strategic Flood Risk Assessment based on updated information and to be consistent with the policies in the adopted Local Plan.

Jacquie Burgess proposed, seconded by Simon Sparrow and **it was resolved unanimously**

(ii) to approve the draft Flood Risk SPD for public consultation.

Draft Statement of Community Involvement (SCI) – This had been reviewed and updated since it was last adopted in 2014, in line with the requirement for a review every five years. The SCI set out how the Authority would engage with stakeholders and the local community in the production and review of the Broads Local Plan and Broads Plan, and in the planning application process. Although there was no requirement to consult on the SCI, the Authority previously did so and it was proposed to continue with this approach. The aim was to give stakeholders the opportunity to suggest how they wished to be engaged and consulted.

Tim Jickells proposed, seconded by Jacquie Burgess and **it was resolved unanimously**

(iii) to approve the draft Statement of Community Involvement (SCI) for public consultation.

12. Extinguishment of public rights of way

The Authority received a report on the current situation regarding the Public Rights of Way (PROWs) diverted as a result of the Broadland Flood Alleviation Project (BFAP) due to be completed in 2021, and the need to extinguish the previous routes. Since the report had been considered at the Planning Committee on 13 September 2019 it had been clarified that diversions had already been completed in one of the locations. Therefore, there was now a

need to divert sections of PROW at 12 locations, not 13, where they were no longer relevant. The majority of the legal diversions had been completed. It was confirmed that only when the new footpaths were in place would the old routes be extinguished. There were various means of carrying out the process.

The Head of Planning reported that one of the major concerns discussed at the Planning Committee was the issue of funding and apportionment of costs. Each of the extinguishment orders cost £1,800 and therefore the total cost would now be in the region of £22,000. It had been proposed that the costs be divided three ways between the Authority as the planning authority, BESL as the contractors for the BFAP and Norfolk County Council who would be undertaking the work. Norfolk County Council did not have a specific budget allocated. Although they had declined to contribute to the cost, they had suggested there may be alternative ways of managing the process. The Authority was still in negotiations with the County Council on how to pursue the process in the most cost-effective way possible. Members of the Committee had agreed to take a pragmatic approach so as to finalise and conclude these as part of the completion of the BFAP. The conclusion of the diversions would benefit all parties involved and have wider benefits for the public, especially those using the footpaths and the Broads generally.

Members concurred with the Planning Committee's views but expressed disappointment at having to deal with the unintended consequences of certain factors not undertaken at the design stage of a government-funded contract.

Harry Blathwayt proposed, seconded by Jacquie Burgess and **it was resolved unanimously to approve the preparation of the Public Path Extinguishment Orders for the PROWs which have been diverted under the Broads Flood Alleviation Project.**

13. Water Resources East

The Authority received a report on the Broads Authority's relationship with Water Resources East (WRE) and whether the Authority should join the WRE Board or the Strategic Advisory Group. The initiative, led by the water companies, to have a collaborative approach to water resources planning with a wide range of organisations was welcomed as it was considered vital for the future of the region, society, environment and economy. Given the importance and critical significance of water resources management in the Broadland Catchment, Members agreed that the Broads Authority should support and engage with the WRE. Some members supported joining the Strategic Advisory Group, given the limited resources available to the Authority and the costs involved in joining the Board, particularly given it was a new organisation. Other members considered that the Authority should have a high profile at the outset and therefore join at the Board level, at least for the first year. It was considered appropriate that the funds should come from the National Parks reserve.

Jacquie Burgess proposed, seconded by Tim Jickells and **it was resolved by 11 votes in favour, 3 against to join the WRE's Water Resources Board at a cost of £15,000 per year to support the work and connect initiatives in the catchment to the wider Eastern Region and this be reviewed after a year. The funds to come from the National Parks Reserve.**

14. The Port Marine Safety Code: To consider any 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.

15. Minutes received

The Chairman indicated that he would assume that members had read these minutes and were invited to ask any questions.

It was resolved to receive and note the minutes from:

Audit and Risk Committee meeting on 5 March 2019

Broads Local Access Forum 5 June 2019

Navigation Committee 13 June 2019

Planning Committee 19 July and 16 August 2019

16. Formal questions

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

17. Date of next meeting

The next meeting of the Authority would be held on Friday 22 November 2019 at 10.00 am at Yare House, 62 – 64 Thorpe Road, Norwich.

18. Exclusion of the public

The Authority **resolved** to exclude the public from the meeting under Section 100A of the Local Government Act 1972 for the consideration of the following items on the grounds that they involved the likely disclosure of exempt information as defined by Paragraph 1 and 3 of Part 1 of Schedule 12A to the Act as amended, and that the public interest in maintaining the exemption outweighs the public benefit in disclosing the information.

The public left the meeting and the recording was suspended.

19. Exempt minutes Broads Authority – 26 July 2019

The exempt minutes from the Broads Authority meeting held on 26 July 2019 were agreed as a correct record and signed by the Chairman.

20. Exempt minutes Navigation Committee – 13 June 2019

The exempt minutes from the Navigation Committee meeting held on 13 June 2019 were received and noted.

The meeting ended at 11.45 am.

Signed by

Chairman

Appendix 1

Declaration of interests Broads Authority, 27 September 2019

Member	Agenda/minute	Nature of interest
Leslie Mogford	-	No specific Interest
James Knight	6	As previously declared
James Knight	14 - Minutes of Planning Committee 16 August 2019	Owner of the subject of the Planning application
Simon Sparrow	-	As previously declared
Tim Jickells	-	As previously declared
Tristram Hilborn	-	As previously declared
Louis Baugh	-	As previously declared

Appendix 2

Public Question

Broads Authority Friday 27 September 2019, agenda Item 5

Public Question submitted by Mrs Claudia Dickson on behalf of Reedham Parish Council.
Please can the Broads Authority confirm that the proposed closure of Reedham FP1, as detailed in the Head of Planning's Extinguishment of Public Rights of Ways paper, section 3.1, is the old route of a now diverted footpath and that there will be no break or gap in Reedham FP1 from Cantley FP18 to Brit House, Station Road?

Broads Authority response

The process for the Extinguishment of Public Right of Way (PROW) would not result in any loss of PROW, as the Dedication Agreements for the diverted sections will have to be completed before we proceed with the formal process for extinguishment. This is covered under paragraph 7.3 of the report.

Regarding the section FP1 in Reedham, the Dedication Agreement has not yet been completed (section 3.3). It falls under the category of PROWs for which the process for the legal diversion is underway but not yet complete. Therefore, we would not proceed with the extinguishment of this section until the legal diversion is complete.

It is confirmed that the proposed extinguishment at Reedham FP is the old route of a now diverted footpath (the work has been done).

The Broads Authority Waterways and Recreation Officer met with Claudia Dickson on 25 September 2019, and she confirmed that she was happy with the Broads Authority response.

Broads Authority

22 November 2019

Agenda item number 7

Summary of Progress

Report by Administrative Officer

Title	Meeting date	Lead officer	Summary of actions	Progress so far	Target date
Transfer of Mutford Lock	26/01/2018	John Packman	Responsible Officer: Chief Executive The two Harbour Revision Orders are submitted and the tripartite agreement noted in the report be completed in all respects, to give effect to completing the transfer of the Lock in the Navigation Area and the ownership to the Broads Authority.	The two Harbour Revision Orders were published for a 42 day public consultation on 3 August 2018. No objections have been raised under either order. The MMO is progressing the HROs. It was anticipated that these would be determined by the end of July 2019. Final determination still awaited.	31/07/2019
Pilot agri-environment scheme for the Broads	16/03/2018	Andrea Kelly	Responsible Officer: Head of Strategic Services/Senior Ecologist Contents of submission to Defra for pilot agri-environment scheme for the Broads,	The Broads has been registered for a test/trial of evolving elements of the new agri-environment scheme. Defra has allocated a Project Officer.	

Title	Meeting date	Lead officer	Summary of actions	Progress so far	Target date
			which builds on the partnership work with the National Farmers Union and local land managers and prepared with assistance of local conservation NGOs welcomed and noted.	Detailed planning of work packages is being finalised for submission and sign off by Defra. Working Group set up with first meeting scheduled to take place on 8 October 2019. First workshop with farmers and landowners held on 13 November 2019.	
Acle Bridge	28/09/2018	John Packman	Chief Executive delegated: <ul style="list-style-type: none"> • to continue discussions with the neighbouring landowner over the possibility of purchasing additional land at the Acle Bridge site; • to continue discussions with Great Yarmouth Borough Council for the acquisition of the toilet block; • to proceed with the essential repairs to the moorings at the Acle Bridge site subject to the views of the Navigation Committee; • to investigate whether the development of a Visitor and Education Centre could form an 	Item on the Agenda – 25 Visitor Services Review	31/01/2020

Title	Meeting date	Lead officer	Summary of actions	Progress so far	Target date
			<p>important element in a wider more ambitious project to improve the infrastructure for Broads tourism and raise awareness of the special qualities of the area in future; and in the context of reviewing the Sustainable Tourism Strategy;</p> <ul style="list-style-type: none"> to consider with members options for a wider project to enhance tourism in the Broads. 		
National Parks Review: Response	28/09/2018	John Packman	<p>The Chairs' Group together with the Chief Executive consider and provide a robust response for submission to the Review Team based on the eight areas required of the team and guidance from Members as indicated. The deadline response submission 18 December 2018 . Chairs' Group to meet meeting again on 5 December 2018 to finalise the response and consider the points raised. Members were encouraged to submit any comments they wished to make individually to that group.</p>	<p>The Landscapes Review was published on 21 September 2019. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/833726/landscapes-review-final-report.pdf</p> <p>Awaiting Government response to the review.</p> <p>Report planned to go to meeting in January 2020</p>	31/01/2020

Title	Meeting date	Lead officer	Summary of actions	Progress so far	Target date
Collaboration with Norfolk County Council	01/02/2019	John Packman	<p>The Authority supports Norfolk County Council's aspiration for a single management structure for the Norfolk Coast Area of Outstanding Natural Beauty and the Wash, and North Norfolk Coast Natura 2000.</p> <p>The areas of co-operation with Norfolk County Council and the progress that is being made is noted.</p> <p>Officers to explore the possibility of more formal yet flexible platforms for future collaboration with Norfolk County Council focussing on procurement, bidding for external funding and staffing arrangements. (eg: A Memorandum of Understanding)</p> <p>Project proposal to be submitted to Norfolk County Council to be a partner in the EU Interreg programme Experience.</p> <p>This 3 year project involves taking forward the recent Discover England project to French and US markets and extending National Park branding. The draft budget is c £270,000 for over 3 years with a match</p>	<p>Collaborative Work with Norfolk County Council on going.</p> <p>Site visit to Norfolk Coast in association with Norfolk Coast Partnership on 4 July 2019.</p> <p>Project proposal for BA to be a partner in the Interreg EXPERIENCE project was successful. Kick-off meeting is expected in December 2019.</p> <p>BA is involved in the development of Norfolk & Suffolk Environment Plan, which is led jointly by Norfolk and Suffolk County Councils. UEA is developing an asset inventory with a set of indicators. The aim is to communicate the outcome of the work in spring 2020.</p>	31/05/2020

Title	Meeting date	Lead officer	Summary of actions	Progress so far	Target date
			funding contribution from the Authority of £75,013.		
UK National Parks Charity Foundation	01/02/2019	John Packman	To authorise the Chief Executive, in consultation with the Authority's Chair, to submit formal application to apply for membership and take all such incidental and consequential steps as are reasonably necessary to implement this decision, including entering into any agreements and signing any legal documentation to give effect to this decision. To delegate to the Chief Executive, in consultation with the Authority's Chair, the taking of any decisions on behalf of the Authority in the running of UK National Parks Charity Foundation, including nomination or seconding of Trustees and bringing back regular reports to the Authority as necessary.	The Broads Authority's nominee, Sir Peter Dixon, has been appointed as one of five Trustees for the new charity. They are in the process of setting up a bank account.	
Hosting National Parks' Communications Unit	22/03/2019	Rob Leigh	Authority hosting the UK National Parks' Communications Service on the basis set out in the report and Appendix 1 of the report approved.	Broads Authority hosted the National Parks Heads of Communication Officers meeting on 1 - 3 October 2019.	

Title	Meeting date	Lead officer	Summary of actions	Progress so far	Target date
				<p>Communications Strategy is drafted following interviews with all CEO's and in consultation with the Heads of Comms group. This will be presented to the English CEO and Chairs groups for approval in November.</p> <p>Internal roll out of National Parks branding / messaging launched.</p> <p>Broads Authority Staff briefed at Staff Development Day, Oct 16.</p> <p>Members to be briefed on 22 November 2019.</p>	
Permissive footpath at Reedham: Recommendation from Broads Local Access Forum	26/07/2019	Rob Rogers	To instruct Broads Authority officers to continue discussions with Norfolk County Council, Reedham Parish Council and the landowner to find a collaborative solution to the missing permissive footpath link at Reedham.	<p>Further discussions with Reedham Parish Council have revealed that a great deal of progress has been made on this permissive footway.</p> <p>The Parish Council and the landowner have had continuing dialogue and many of the issues preventing this permissive footway being reinstated have been resolved.</p> <p>Reedham PC hope to have the footway repaired and open within</p>	22/11/2019

Title	Meeting date	Lead officer	Summary of actions	Progress so far	Target date
				the 2019/20 financial year.	
External Funding	26/07/2019	John Packman	<p>The proposed principles and key areas of work for external funding agreed as set out in report, to be developed by officers for further discussion with members to include the immediate next steps:</p> <ul style="list-style-type: none"> • Recruit a replacement Waterways and Recreation Officer with external funding bid writing experience; • Continue to work with Broads Charitable Trust to align priorities; • Through the Broads Charitable Trust, submit bids for funding to charities already identified as having the potential to support the Water Mills and Marshes programme; • Explore with Norfolk County Council opportunities for further joint submissions for external funding; • And continue discussions with the Norfolk Coast Partnership on potential areas for joint working and collaboration, including external fund raising. 	<ul style="list-style-type: none"> • Lewis Treloar appointed as Waterways and Recreation Officer from September 2019 • Discussions with the Broads Charitable Trust on-going. • See above – collaboration with the County Council continuing. • Director of Strategic Services attending Partnership meetings. 	22/11/2019

Title	Meeting date	Lead officer	Summary of actions	Progress so far	Target date
Weavers Way footpath on the River Chet	26/07/2019	Rob Rogers	Weavers Way footpath by the River Chet included in the priorities for the new Waterways and Recreation Officer. Discussions with Norfolk County Council taking place.	The new Waterways & Recreation Officer has started with the Authority (2 Sept 2019) and is undertaking his induction training. He has a priority list of areas to deal with and this footway is on that list. Further updates will follow once progress has been made.	27/09/2019
Draft Planning Documents for Consultation	27/09/2019	Natalie Beal	Draft Marketing and Viability Supplementary Planning Document approved for public consultation - response and further report to be considered by Planning Committee, potentially in workshop format. Draft Flood Risk SPD and Draft Statement of Community Involvement SCI approved for public consultation.	All documents submitted for public consultation between 30 September and 22 November 2019.	31/01/2020
Extinguishment of public rights of way	27/09/2019	Cally Smith	To approve the preparation of the Public Extinguishment Orders for the PROWS which have been diverted under the Broads Flood Alleviation Project (BFAP).	In October 2019, the Head of Planning discussed the first bundle of 5 sections of PROWs for which diverted footpaths all have Dedication Agreements in place. The Waterways and Recreation Officer is	31/05/2021

Title	Meeting date	Lead officer	Summary of actions	Progress so far	Target date
				supporting the work.	
Water Resources East	27/09/2019	Marie-Pierre Tighe	Broads Authority to join the Water Resources East (WRE) Water Resources Board at a cost of £15,000 for 2019/20 to support the work and connect initiatives in the catchment to the wider Eastern Region. The funds to come from National Park Reserves. BA to review membership in September 2020.	<p>WRE Directors' Board meeting attended by Director of Strategic Services on 8 October 2019, where she got appointed as Board member. On the agenda: board and governance matters, appointments, technical programme, engagement. The next meeting is 14 January 2020. The overall aim is to agree a Water Management Plan by December 2021.</p> <p>WRE Strategic Advisory Group attended by Director of Strategic Services and Catchment Officer on 15 October 2019, which was an opportunity to engage with a wide range of stakeholders.</p> <p>WRE was added on the BA partnership register in October 2019.</p>	30/09/2020

Title	Meeting date	Lead officer	Summary of actions	Progress so far	Target date
Responding to Climate Change Emergency	27/09/2019	John Packman	<p>To adopt the Climate Change Emergency Statement for the Broads included as Appendix 1 of the First Report and the principles outlined.</p> <ul style="list-style-type: none"> • Recognition of climate emergency • to work toward making the Broads Authority 'carbon neutral' by 2030, with further objective of reducing all carbon emissions to zero by 2040. • Establish base line for CO2 emissions using a common methodology with NPAs and develops an Action Plan and Monitoring system • Work with constituent local authorities to reduce emissions from domestic, travel and other sources in the Broads across the two counties • work with farmers, land managers, NFU and Defra to influence land management practices, to maintain and build organic matter and carbon in soil, improve biodiversity and store water to protect against flooding and drought. 	<p>Principles agreed in September, first in a series of items dealing with climate change.</p> <p>Update provided in the agenda for 22 November 2019.</p>	

Title	Meeting date	Lead officer	Summary of actions	Progress so far	Target date
			<ul style="list-style-type: none"> • work with boating and tourism organisations to continue promoting and developing environmentally friendly boating and sustainable tourism ; and • aspires to offsetting carbon emissions locally within the Broads by a Broads offsetting scheme. 		

Author: Sandra Beckett

Date of report: 11 November 2019

Broads Authority

22 November 2019

Agenda item number 8

Responding to Climate Change emergency update

Report by CANAPE Project Manager

Summary

This report provides an update on action to progress the Broads Authority's commitment to respond to the climate change emergency, made at the Authority's meeting in September.

Recommendation

To note the report.

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1. Introduction

- 1.1. At its last meeting on 27 September, the Broads Authority adopted a Climate Change Emergency Statement for the Broads. This report provides an update on taking forward actions identified at that meeting.
- 1.2. The report outlines the proposed governance of the Carbon Reduction project, the creation of a baseline for the Broads as a whole, the National Parks England Climate Position Statement, and the timeline for developing an Action Plan.

2. Developing an action plan

- 2.1. The priority for the rest of this financial year is to produce a detailed internal action plan covering the next 10 years, and establish key performance indicators to track progress towards our 'zero carbon' ambition. Officers are taking steps to reduce the Authority's carbon emissions, including options to reduce electricity consumption at the Dockyard, and engaging with the landlord of Yare House on lighting in the building and the provision of more electric charging points for our pool vehicles.
- 2.2. We will calculate a baseline for our own emissions where data is available, and make sure other relevant data will be available in future years.
 - 2.2.1. All our teams are being asked to review their carbon use, and we will identify where carbon savings of 5% can be made compared to the 2019/20 baseline. Our overall objective is to reduce our Scope 1 and 2 emissions by at least 15 tonnes of CO₂ in 2020/21. (Scope 1 refers to emissions directly emitted by our actions, such as burning diesel in the engine of an Authority vehicle. Scope 2 refers to emissions generated in producing electricity for the Authority.)
- 2.3. For emissions in the wider Broads area, we will begin by planning a series of events to find out how the public want us to approach this issue. We want to place particular emphasis on engaging young people, who tend to be less likely to take part in other processes such as Broads Engage workshops. The timeline is to be determined, but we would like to present the public with the outcome of the Carbon Audit before consulting on specific measures. It may be helpful to align with the Broadland Futures Initiative's plans for engagement events in summer 2020.
- 2.4. An additional priority for this year is to get a better understanding of the potential for carbon crediting within the Broads, in collaboration with the other National Parks. A possible 'off the shelf' option is the [UK Peatland Code](#). The main challenge would be to identify potential sites to include in such a scheme.

- 2.5. The action plan will be presented to the Broads Authority meeting in March 2020.

3. Carbon audit and baseline

- 3.1. National Parks England has proposed the use of a methodology developed by the Lake District National Park and Lancashire University, through a company called Small World Consulting. This method would produce a consumption-based baseline for each National Park.
- 3.1.1. This consumption-based audit would include emissions from activity within the Broads, such as from boat engines. It would also include emissions associated with consumption within the area, such as food grown outside the Broads but eaten in a Broads pub.
- 3.1.2. A consumption (rather than emission) measure provides a better picture of the impact of activity in a certain area. It avoids the risk of exporting emissions to other areas or countries rather than reducing them. From our perspective, it means we would consider the emissions of tourists driving to the Broads, as well as the emissions from driving within the Broads.
- 3.2. A copy of the Small World Consulting Proposal is at Appendix 1.
- 3.3. Our next step is to define the parameters of the report. For example, where the Broads passes between Hoveton and Wroxham, it may be worth including these parishes in the scope of the report, rather than cutting closely to the executive boundaries of the flood plain. As a first step in understanding emissions throughout the Broads, we have used the National Atmospheric Emissions Inventory Datasets to create emission maps on a square kilometre basis within the Broads (Appendix 3).

4. National Parks England Climate Position Statement

- 4.1. The Climate Change Position Statement at Appendix 2 was agreed at National Parks England's Annual General Meeting on 30 October. This follows the ambition agreed by the Authority at its last meeting.

5. Project governance and reporting

- 5.1. We will update the Authority annually on progress against Key Performance Indicators, the following year's work programme and targeted emissions savings.

6. Financial implications

- 6.1. The proposed Carbon Audit will cost between £5,000 and £10,000 depending on how many National Park Authorities agree to use the method.

Author: Harry Mach

Date of report: 22 November 2019

Background papers: Report to BA 27 September 2019

[Broads Plan](#) objectives:

Appendix 1 – Carbon footprint analysis proposal

Appendix 2 – National Parks England: Climate Change Position Statement

Appendix 3 – GHG emission maps for the Broads Area

Appendix 1 - Carbon footprint analysis proposal

Costed options from Small World Consulting: October 2019

Background

In 2010 Small World Consulting carried out a baseline consumption-based greenhouse gas audit for the Lake District National Park. By adopting consumption-based metrics alongside more traditional production-based, the Lake District opened up policy areas such as food, shopping, business supply chains and travel by both residents and visitors to and from the Park. The study led to a carbon budget being set each year, with a target to reduce annual emissions by 1% per year compared to business as usual (therefore 6% by 2016). Each year, actions taken to cut emissions have been collated from members of the Park's strategic partnership and assessed in terms of their contribution to the target. Overall, such emission reduction actions are thought to have led to annual savings of around 3% per year, compared to business as usual (50% of the targeted reduction).

The consumption-based emissions reporting adopted by the Park was later used elsewhere, (including Manchester, West Sussex, Cornwall, South Downs National Park and Cumbria), leading to carbon reduction initiatives covering aspects of human consumption that would not have been covered by more traditional production-based carbon accounts. The policy applications adopted by some of these local areas formed a substantial section of the Select Committee for Energy and Climate Change's report on Consumption-Based Emissions Reporting in 2012. More recently, progress in many local areas has been hampered, and in some cases curtailed, by budget cuts. However, the Lake District has continued its leading role.

Seven years after the baseline study, quite a lot had changed, including reporting methods, underlying model data, the numbers and behaviours of residents and visitors, and the evolution of the climate change agenda. We therefore refreshed the baseline in 2017.

In the last 12 months climate change has moved up almost everyone's agenda, with increasingly worrying science, the arrival of protests and strikes, the UK strengthening its production-based targets to net zero by 2050, and a flood of local area declarations of climate emergency.

Here we provide costed options for a consumption-based analysis of carbon in all the UK's national parks, on the same basis as that carried out for the Lake District in 2017, although taking account of some expected variation between parks in the data available.

Options

1. A baseline for residents and visitors

We propose updating the baseline consumption-based carbon emissions assessment for the Park, covering the same boundaries as the 2010 original baseline and refreshed in the following ways:

- The underlying environmentally extended input-output carbon model will be updated reflecting latest data from the Office of National Statistics, UK Environmental Accounts, and local area energy and emissions data (including new sector categorisations).
- Local data will be based on currently available sources:
 - Office of National Statistics – for population, energy use, and resident incomes.
 - Most recent visitor surveys Visitor Survey – for visitor numbers, expenditure breakdowns, UK visitor home locations, and travel modes and distances (within and to and from each Park).
 - Cumbria Visitor Survey – for overall numbers and the most recent available International Visitor Surveys, to understand countries of origin and modes of travel to the UK (sense checked against local Visitor Survey data on port of entry into the UK).
 - Economic data as available in each park (such as the Lake District’s local plan review).
 - Traffic Count data if available – which can be used to track changes in emissions from driving in the Park (although the baseline figure will be derived from other means).
 - Annual municipal waste statistics
 - STEAM reports

We also recommend the purchase of Civil Aviation Authority Air Passenger Survey data to assess emissions from resident (rather than visitor) flights. This would bring the methodology into line with our work for Manchester, West Sussex, Cornwall, and the South Downs National Park. Judging by the 2010 survey data, we can expect to receive 60 to 80 responses for each park, weighted to reflect all resident flights. This should be reasonably representative and give an improved estimate of this part of the baseline.

For local data there are choices over the depth of sources to trawl. It would be possible to further explore the use of other local data sources, but the return is likely to be small, given the likely questions over data quality.

Costs per park (without purchase and analysis CAA passenger data):

Number of Parks	Cost
1 Park	£9,000
2 Parks	£17,000 (£8,500 each)
3 Parks	£24,000 (£8,000 each)
4 Parks	£30,000 (£7,500 each)

Number of Parks	Cost
Per subsequent park	£6,000

Additional fee for purchase and analysis of CAA passenger data: £1250 + VAT for 1 Park, plus £600 per additional Park, provided the data is purchased in one batch.

2. An outline consumption-based carbon baseline for industries registered in the Park
This will be based on turnover data, broken down by sector, and categorised by GHG Protocol scopes 1,2, supply chain scope 3, according to data available in each park (for example in the Lake District we used an 18 sector breakdown District Local Plan Review). This outline estimate will be based simply on generic modelling of the carbon intensity of different UK industries, scaled to the turnover within each Park, and not the specific characteristics of the actual businesses. It will give an approximate sense of perspective of the carbon from different industries and a comparison of the significance of industry compared to residents and visitors.

Note that this study will look at businesses that are registered in the parks, therefore omitting, for example high street chain stores, chain accommodation providers based outside the Park, and national transport companies.

It should also be noted that the industry 'footprint' will overlap with the footprint of residents and visitors to the significant extent that they buy the goods and services provided within the Park.

Costs per park:

Number of Parks	Cost
1 Park	£2,000
2 Parks	£3,750 (£1,875 each)
3 Parks	£5,250 (£1,750 each)
4 Parks	£6,750 (£1,625 each)
Per subsequent park	£1,500

All costs are exclusive of VAT.

October 2019

Appendix 2 - National Parks England: Climate Change Position Statement

2019

Introduction

It is now well understood that we are facing a global crisis of climate change and ecological collapse. Urgent action is needed to reduce greenhouse gas (GHG) emissions and mitigate further warming, adapt to the changes we are already seeing, and raise awareness amongst decision makers and the wider public of what they can do to address this challenge. England's nine National Park Authorities and the Broads Authority (NPAs) have a central role to play in each of these areas. NPAs are uniquely situated to lead on addressing the climate crisis. We are place-based and landscape focused, with the passion, knowledge, and public support to deliver.

Climate Change and our National Parks

The climate crisis is a serious threat to England's National Parks, their special qualities, communities, biodiversity, and natural environment. We are already beginning to see the impacts of the climate crisis in our National Parks and the wider countryside, and these effects are expected to increase. They include:

- warmer wetter winters, hotter drier summers, and increased extreme weather events
- increased risk of wildfire and drought, and increased pressure on water resources
- increased risk of flooding, subsidence, and erosion, especially along coasts and river corridors
- declining soil health and loss of critical habitats and species, including through a rise in pests and diseases
- damage to infrastructure, traditional buildings, and archaeological features from extreme weather events
- threats to traditional farming caused by changing growing conditions and weather patterns

The effects of climate change will have a cumulative impact on the National Parks that will go beyond the isolated changes noted above.

However, our National Parks are not just passive recipients of climate change, they can and should be powerful drivers of the solution. Protecting the special qualities of our National Parks from the impacts of climate change and helping them adapt is central to fulfilling our statutory purposes, as is helping others understand how they can help. We see National Parks as a critical element of driving a national step-change in behaviour and inspiring collective action that meets the scale of the challenge we face.

National Parks also play a key role in mitigating the worst impacts of climate change and driving adaptation to the changes we're already facing, and this was acknowledged and supported in the recent Landscapes Review¹. Through targeted efforts to restore habitats and increase ecosystem functionality, National Parks will be central in providing increased carbon sequestration, ecological resilience, biodiversity, and other public benefits such as flood mitigation.

Our Commitment to Climate Action

National Park Authorities committed to leading the way on addressing the climate crisis, as outlined in the National Parks Vision and Circular².² We are already tackling the climate crisis in several ways, but we are ambitious to do more.

1. We are committed to achieving carbon neutrality, in line with government net-zero³ targets. **We have agreed an ambition achieve net-zero as NPAs by no later than 2030.**
2. We are committed to working across boundaries, with National and Local Government, partners, stakeholders, Areas of Outstanding Natural Beauty and the Welsh and Scottish National Parks to meet the scale of the challenge before us.

The NPAs are committed to leading on addressing the climate crisis through:

3. **Mitigation** – reducing GHG emissions and increasing carbon sequestration.
4. **Adaptation** – increasing ecosystem resilience, habitat creation, and restoring natural landscape functions.
5. **Education** – increasing awareness among residents and visitors and demonstrating solutions.
6. **Research** – providing a focus for academic and scientific research into pioneering sustainable land management techniques like moorland restoration.

Meeting the Challenge

Reducing our carbon footprint

We are committed to increasing our efforts to mitigate GHG emissions by reducing the carbon footprint of NPAs and operations within our National Parks. NPAs have already taken steps to reduce their carbon footprints through increased efficiency, reduced consumption, and carbon accounting. Through the Sustainable Development Fund, NPAs have also provided vital financial support to schemes that explore ways to reduce GHG emissions.

¹ See: [Landscapes Review Final Report 2019](#)

² See: [English National Parks and the Broads – UK Government Vision and Circular 2010](#)

³ We have adopted the [Committee on Climate Change definition](#) of net-zero: 'the total active removals from the atmosphere offsets any remaining emissions'

We will:

- agree a common set of metrics, targets, and methodologies across NPAs to monitor emissions reductions
- further reduce our energy consumption through additional efficiency efforts and the increased use of renewable energy sources
- improve the environmental performance of our vehicle fleet by switching to low and zero emission vehicles
- reduce car mileage through greater use of car sharing, carpools, public transport, and alternative working arrangements

Enhancing and restoring nature

National Park Authorities actively influence the management of almost 10% of England's land area and play an important role in raising awareness of the challenges and opportunities the climate crisis poses to our protected landscapes, and the role they can play in addressing the challenge.

We will continue to work alongside farmers, landowners and land managers to increase climate mitigation and adaptation efforts. This can be done by increasing sustainable farming and land management practices and through nature recovery, including habitat restoration and the creation of large carbon sinks through peatland restoration and woodland creation. In England's National Parks, peatlands alone hold 153 mt of carbon⁴, more than 40% of the UK's annual CO₂ emissions. These ecosystems must be protected and restored so they can continue to sequester carbon.

We will:

- support appropriate woodland planting and peatland restoration projects
- support landscape scale habitat restoration and nature recovery efforts, following the Lawton Report⁵ principles of more, bigger, better, and connected habitats
- support farming practices in upland and lowland landscapes that protect and deliver climate benefits
- promote local food produced to high environmental standards to reduce the need to import food with high carbon footprints

Planning for a low carbon future

National Park Authorities are planning authorities, and through this role have been encouraging renewable energy schemes, sustainable housing and transport, and low carbon land management. The National Planning Policy Framework (NPPF) includes meeting the

⁴ See [Landscapes Review: Final Report](#) 2019

⁵ [Making Space for Nature: A review of England's Wildlife Sites and Ecological Network](#)

challenge of climate change as a major priority⁶, and NPAs will continue to use their planning role to address the climate crisis. Through planning, NPAs will also continue to support the energy hierarchy, seeking to reduce consumption, improve efficiency, and increase use of renewable energy.

We will:

- actively support the development of renewable energy generation in National Parks where appropriate
- support projects that promote energy conservation and efficiency
- support and encourage the use of sustainable and efficient design, materials, and locations in new development
- seek to reduce the need to travel and increase access to sustainable forms of transport
- support community inspired schemes that reduce emissions, including through renewable energy and increased efficiency
- support initiatives that deliver economic benefits to rural economies from low carbon practices and technologies

Raising awareness and demonstrating solutions

Over 90 million people visit England's National Parks and their surrounding areas every year. Through our visitor centres, guided walks, education programmes, and outreach efforts, NPAs are informing visitors and residents of the impacts of climate change on our National Parks, and what they can do to help.

We will:

- support sustainable tourism practices that limit GHG emissions
- explain to visitors and residents how National Parks are impacted by climate change and what they can do to help
- provide opportunities to get involved in mitigation and adaptation projects
- continue to encourage the use of public transport by visitors and local communities
- collaborate on research and demonstration projects to pioneer new approaches

The Tools to Deliver

Meeting our ambitions and tackling a challenge of this scale will require the resources, tools, and powers to deliver.

⁶ See: [NPPF 2019](#)

National Park Management Plans

National Park Management Plans are a key mechanism for driving action and collaboration on climate change, both within and beyond National Park boundaries. These should be strengthened and given statutory weight.

We will:

- include clear, ambitious targets on climate change mitigation, adaptation, and nature recovery in National Park Management Plans
- work with partners to provide robust assessments of the effects of climate change on the special qualities of the National Parks within State of the National Park Reports
- report annually and transparently on progress made to deliver targets

Environmental Land Management Schemes

Agri-environment schemes, particularly the forthcoming Environmental Land Management Scheme (ELMS) are a critical tool to protect and enhance National Park landscapes, increase sustainable land management, drive carbon sequestration, and promote low carbon agriculture.

We will:

- work alongside our farming community to deliver emissions reductions and habitat improvements through the delivery of ELMS agreements

Nature Recovery Network

The forthcoming Nature Recovery Network will be key to increasing habitat connectivity and resilience, ecosystem functionality, and biodiversity across our protected landscapes. NPE believes National Parks and Areas of Outstanding Natural Beauty should be at the centre of the future Nature Recovery Network and we are ready to work with Government to deliver nature recovery across our landscapes.

NPAs play an important role in supporting the implementation of local nature recovery strategies, supporting decision making that prioritise climate adaptation and mitigation using the best available data and evidence. NPAs also work closely with Local Nature Partnerships to develop and deliver local nature recovery strategies through our Local Plans.

Planning Structures and Standards

It is important that existing planning tools and standards support action on the climate emergency. This can be done in several ways, through Local Plans, National Green Infrastructure Standards, and green infrastructure planning frameworks, which have already proven to be an important mechanism for delivering climate change action in National Parks.

We will:

- develop clear assessments of the changes required to protect the special qualities of National Park landscapes

- implement landscape scale approaches to managing habitat and wildlife that supports adaptation, connectivity, increases biodiversity, and minimises losses
- play a proactive role on the Nature Recovery Network Steering Group

Working Together

While we know that NPAs and National Parks have a critical role to play in addressing the climate crisis, this is a challenge that requires large-scale collective action. We stand ready to work with our partners, stakeholders, and all levels of Government to meet this challenge together.

We look to Government to:

- recognise the valuable contribution of National Parks in climate mitigation and adaptation, through sequestering carbon and increasing the resilience and function of ecosystems
- provide the resources and funding required to help NPAs deliver on this agenda
- provide support from across key departments to ensure a comprehensive and joined up approach
- support NPAs in monitoring carbon emissions and measuring progress
- support NPAs in efforts to improve understanding and awareness of how to address the climate crisis

We look to:

- Local Authorities and other relevant bodies to support NPA planning policies
- Local Enterprise Partnerships (LEPs) to assist NPAs in assessing the needs of rural communities and the potential for low carbon economic development
- LEPs and Utilities to support NPAs in promoting small scale, community-owned renewables
- Natural England to work with NPAs on supporting land management techniques that protect carbon sinks and adapt to a changing climate
- The tourism sector to engage with NPAs in promoting sustainable tourism that reduces emissions and protects our special qualities
- All other bodies and local organisations whose work contributes to the implementation of National Park Management Plans to actively support this agenda

National Parks England (NPE) provides a collective voice for the National Parks. This statement sets out their shared position on Climate Change. Each Authority works to implement the Management Plan for its area, and so each NPA will need to implement this and other policies in ways that are compatible with this plan and appropriate to local circumstance.

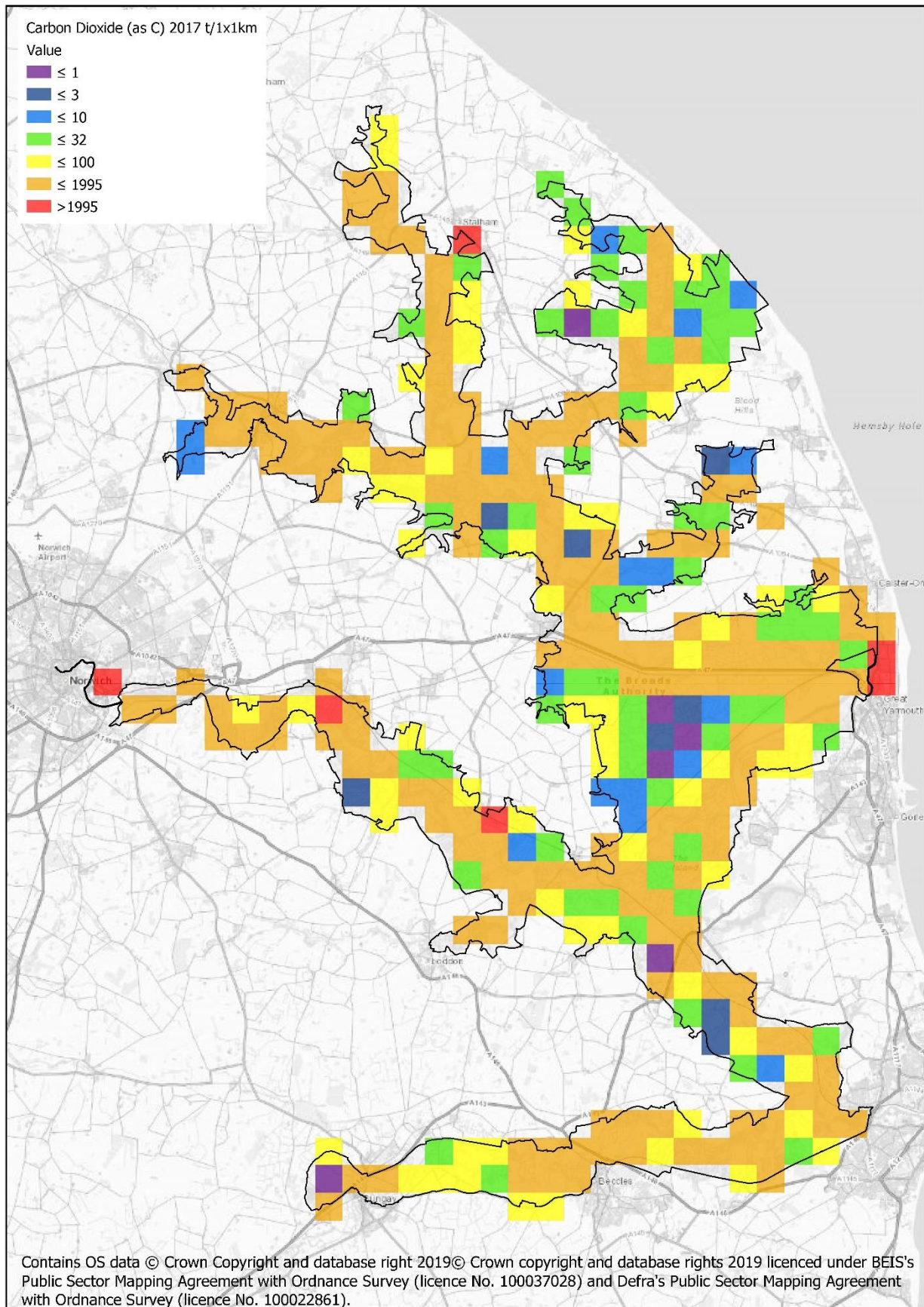
November 2019

Appendix 3 - GHG emission maps for the Broads Area

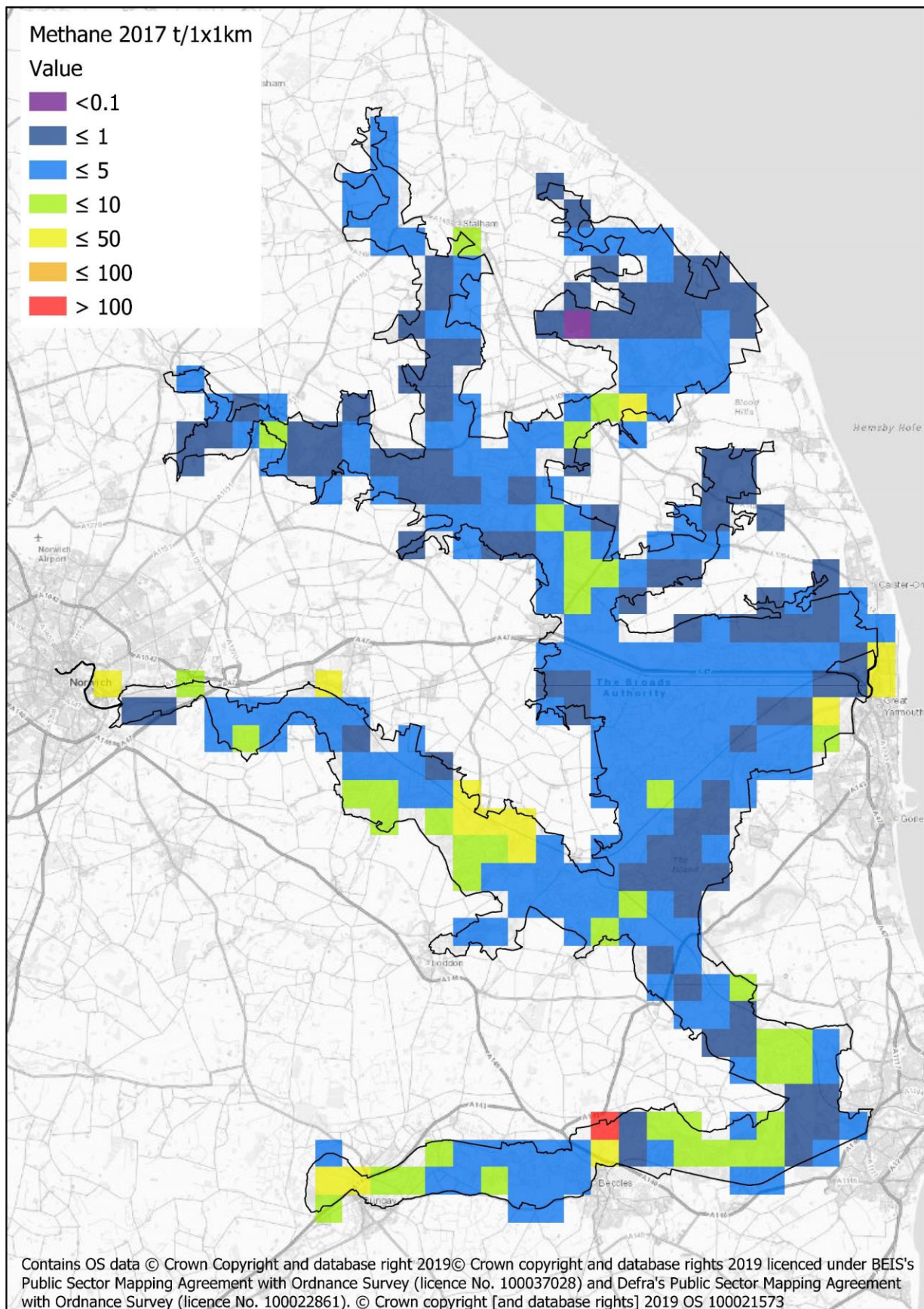
These maps have been produced using data from the National Atmospheric Emissions Inventory. This produces emissions for the entire UK on a kilometre square basis. A full UK version is available at: <https://naei.beis.gov.uk/emissionsapp/>

We have chosen initially to look at Carbon Dioxide, Methane and Nitrous Oxide as the most prominent Greenhouse Gases.

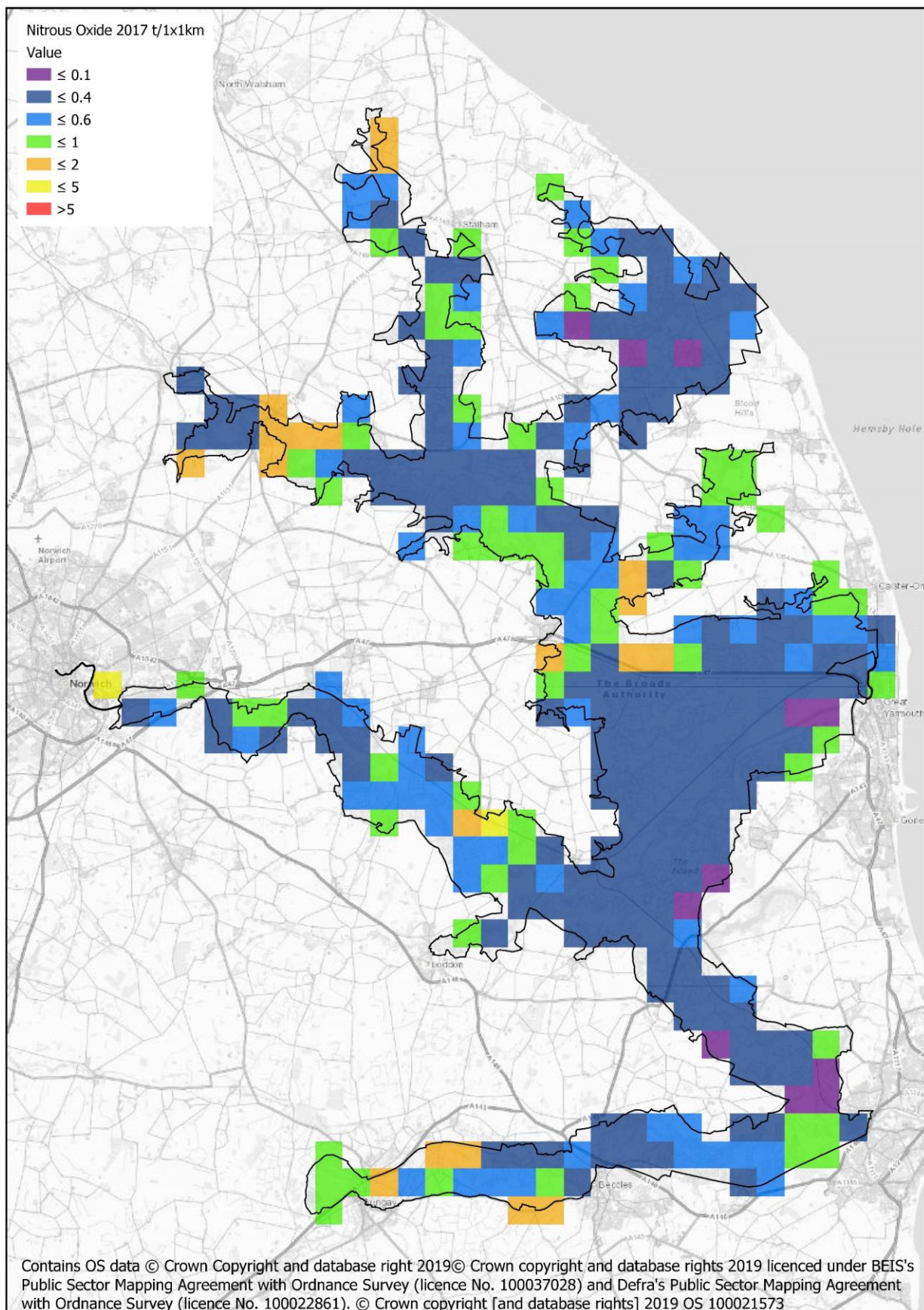
Carbon Dioxide



Methane



Nitrous Oxide



Broads Authority

22 November 2019

Agenda item number 9

Proposed navigation charges for 2020/21 in the navigation area and adjacent waters

Report by Chief Executive, Chief Financial Officer and Head of IT and Collector of Tolls

Summary

This report presents the options for navigation charges for 2020/21 developed with the assistance of the Tolls Review Group, and with the views of the Navigation Committee following formal consultation on 31 October.

Recommendation

Taking account of the options developed with the Tolls Review Group and the views of the Navigation Committee, members are invited to:

- i. Change the structure of the tolls such that electric powered auxiliary yachts pay the same as sailing boats;
 - ii. Determine which, if any, of the proposed additional projects should be funded by an increase in tolls; and
 - iii. Decide whether there should be a differential increase in tolls such that unpowered, electric and hybrid craft have lower increases than diesel or petrol-powered craft.
-

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1. Introduction

- 1.1. The Broads Authority is the only major inland navigation authority that does not receive annual direct grant to support the maintenance of its waterways. The Broads Authority Acts 1988 and 2009 require that “taking one year with another navigation expenditure is equal to navigation income”. Thus, with the exception of one-off grants such as those derived from the EU-funded PRISMA and CANAPE projects, the Authority is dependent on the charges it levies on vessels (tolls), income from yacht stations and sales of tide tables, etc., and interest on balances invested.
- 1.2. Over the years the Authority has taken a prudent approach to budgeting. It has balanced the demands of boat owners and the hire boat industry for more investment and services with concern for the impact of large above inflation increases on individual boat owners and hire boat companies.
- 1.3. Decisions on the level of charges in any one year has a cumulative impact. The Authority has learned from experience that setting a low level of increase in one year forces the need for much higher increases the following year. For example, the + 0.5% above the base level of +2.1% last year, to fund the installation of electrical charging points at Acle Bridge this winter, has contributed to the low level of increase (+1.8%) required to maintain the existing level of service this year, taking into account the potential loss of 10 cruisers from the hire boat fleet.
- 1.4. The Authority’s officers use a zero-based budget process to assess expenditure for the following year. Individual budget holders are required to submit requests for expenditure split between ‘essential’ and ‘desirable’. Essential spend is to deliver targets agreed with the Members such as maintaining dredging levels and maintaining moorings to keep them safe, and the level of suggested tolls is always based around this. Anything above this minimum is what is considered as ‘desirable’. The additional projects presented to members range between £20k and £50k.

2. Progress in assessing charges for 2020/21

- 2.1. The Tolls Review Group met on 4 October to consider the level of charges for next year. They reviewed the impact of the changes to the structure of tolls made in 2017, the number of vessels in 2018-19, and the pressures on navigation expenditure. They also considered three potential projects for additional expenditure above that required to maintain the existing level of activity. These were:

- **Pontoons to provide a new 24-hour mooring at Peto's Marsh (£30,000)**
 - **Online safety training for boat users (£20,000)**
 - **Sample survey of private boat owners' views (£30,000)**
- 2.2. They supported the provision of new mooring at Peto's Marsh and the on-line safety package but did not think the survey was a priority. Following the Broads Authority's decision to recognise the climate emergency, the Tolls Review Group also recommended that electric and hybrid powered vessels, and unpowered craft, should be given further encouragement through a lower increase in their charges than for the rest of the fleet. The impact of these recommendations would be a 1% increase for electric, hybrid and unpowered craft and a 3.6% for the rest of the fleet.
- 2.3. The views of the Tolls Review Group were incorporated into the report to the Navigation Committee. This is replicated in full in Appendix 1 to avoid unnecessary repetition.
- 2.4. Navigation Committee members were presented with the following three options to help in their discussion.

Option 1

This is based on annual toll income of £3,409,000, a 1.8% increase required to maintain existing services, taking account of the £11,500 allowed for a reduction of 10 hired cruisers and allowing for the proposed change to electric auxiliary yachts.

Option 2

This adds the costs of the pontoons at Peto's Marsh (£30,000) and the on-line safety training tool (£20,000) to Option 1. This would require a +3.4% increase across the board.

Option 3

This takes Option 2 and increases the costs for unpowered, hybrid and electric vessels at a lower rate (+1%) than those using diesel and petrol (+3.6%).

3. Formal consultation with the Navigation Committee

- 3.1. The options for charges were presented to and discussed by the Navigation Committee on 31 October. The following text has been agreed with the Members of the Committee:
- 3.2. The Committee unanimously supported:
- i. the suggestion by the Tolls Review Group that electric powered auxiliary yachts should be charged the same as a sailing boat;
 - ii. the proposal to increase tolls by 1.8% to maintain the existing level of service and account for a reduction of ten hired motor cruisers next year; and

- iii. the view of the Tolls Review Group that the survey of stakeholders was not a priority.
- 3.3. There were differing views on whether there should be a lower level of increase for unpowered, electric and hybrid vessels, with the majority unconvinced that electric powered boats would ultimately be the final solution for vessel propulsion. Overall an across the board increase was preferred.
- 3.4. The Committee did not believe that an on-line safety training package would be effective in reducing the number of accidents, in part because it was unlikely that many hirers would use it before their holiday.
- 3.5. The Committee supported the installation of pontoons for a Broads Authority 24-hour mooring at Peto's Marsh, to provide access for boat owners and hirers to the new facilities at Carlton Marshes due to open next summer and to the Angles Way a short distance to the south.
- 3.6. One member suggested that an increase of 2.3% (1.8% + 0.5%) could part fund the installation of the pontoons. This would account for £15,000, 50% of the cost. Another member suggested that contactless donation posts could be used to invite users to contribute to the costs of the pontoons.
- 3.7. After further engagement with the Committee, it was agreed to recommend a 2.3% increase across the board with the trialling of contactless and on-line donations at various locations and other potential sources of funding used to raise the remaining £15,000 for the Peto's Marsh pontoons project.

4. Analysis and conclusions

- 4.1. There is significant agreement between the Tolls Review Group and the Navigation Committee, namely:
 - There should be a minor amendment to the structure of the tolls such that electric powered auxiliary yachts pay the same as sailing boats;
 - Charges should be raised by a minimum of 1.8% to retain the essential services and account for the loss of 10 motor cruisers from the hire fleet.
 - The repetition of the stakeholder survey is not a priority for the coming year.
 - The provision of a new 24-hour mooring at Peto's Marsh with pontoons providing access to the Angles Way and the new Suffolk Wildlife Trust visitor centre should be supported.
- 4.2. There are different views concerning:
 - The on-line safety package;

- The suggested lower increase for unpowered, hybrid and electric powered craft; and
 - The level of funding from tolls for the new 24-hour mooring at Peto's Marsh.
- 4.3. The officers' view is that the on-line safety package could be an important initiative in briefing visitors to the Broads in advance of their arrival. Such a scheme is in place in Ireland and we had understood that the Broads Hire Boat Federation had been looking for funding for the project for some time. However, without the full support of the industry such a scheme is likely to be less effective.
- 4.4. The Navigation Committee proposed that contactless donation points could be used to encourage voluntary donations towards the funding of the new moorings at Peto's Marsh. Experience at Nene Valley Park, where c. £500 has been raised against a cost of c. £450, for the purchase of the posts and associated fees, suggests this is unlikely to be a viable proposition.
- 4.5. The new visitor centre at Carlton Marshes is due to open in June. Although the expenditure could be split across two years, with the posts and some of the pontoons installed this year and the remaining pontoons in 2021/22, it would involve two lots of mobilisation and additional costs. The Broads Act provides that "expenditure incurred in respect of moorings" is Navigation Expenditure so it cannot be funded from National Park Grant.
- 4.6. Table 1 summarises six options for Members to consider.

Table 1

Toll Increase options	+£15,000 50% Peto's Marsh 24-Hour mooring	+£30,000 Full cost of Peto's Marsh mooring	+£50,000 Peto's Marsh mooring & On-Line Safety Package
Across the Board increase	+2.3%	+2.8%	+3.4%
1% increase for unpowered, hybrid and electric craft	+2.4%	+2.9%	+3.6%

Table 2 illustrates the impact of the six different levels of increase on the most common categories and size of vessel.

Most common category/size of vessels	Current charge	+2.3%	+2.4%/+1.0%	+2.8%	+2.9%/+1.0%	+3.4%	+3.6%/+1.0%
12 m ² Day hired boats – petrol/diesel	£561.84	£12.96	£13.44	£15.72	£16.32	£19.08	£20.28
38 m ² Weekly hired motor craft	£1,162.80	£26.60	£27.74	£32.68	£33.82	£39.52	£41.80
48 m ² Weekly hired motor craft	£1,468.80	£33.60	£35.04	£41.28	£42.72	£49.92	£52.80
5 m ² Private sailing craft	£42.30	£0.95	£0.40	£1.20	£0.40	£1.45	£0.40
11 m ² Private sailing craft	£93.06	£2.09	£0.88	£2.64	£0.88	£3.19	£0.88
5 m ² Private motor boats	£67.95	£1.55	£1.65	£1.90	£1.95	£2.30	£2.45
15 m ² Private motor boats	£203.85	£4.65	£4.95	£5.70	£5.85	£6.90	£7.35
22 m ² Private motor boats	£298.98	£6.82	£7.26	£8.36	£8.58	£10.12	£10.78
38 m ² Private motor boats	£516.42	£11.78	£12.54	£14.44	£14.82	£17.48	£18.62

Authors: John Packman, Emma Krelle, Bill Housden

Date of report: 12 November 2019

Background papers: [Tolls review 2016 and proposed navigation charges for 2017/18](#), [Broads Authority minutes 18 November 2016](#)

[Broads Plan](#) objectives: 4.3, 6.2

Appendix 1 – Report to Navigation Committee 31 October 2019

Appendix 1 - Report to Navigation Committee

Navigation Committee

31 October 2019

Agenda item number 8

Proposed navigation charges for 2020/21 in the navigation area and adjacent waters

Report by Chief Executive, Chief Financial Officer and Head of IT and Collector of Tolls

Purpose

This is the formal consultation with the Navigation Committee on the level of charges for the navigation area and adjacent waters for 2020/21.

The views of the Committee are sought on the following specific matters:

- iv. Following contact with the Broads Hire Boat Federation and the one of the larger yards the calculations in the report make the assumption that there will be a reduction of around 10 in the number of hired cruisers with a consequential impact on income for 2020/21 of a loss of £11,500 using the average toll for these craft of £1,150.
- v. The Tolls Review Group supported additional expenditure of £30,000 for the provision of pontoons to support access from the water at Peto's Marsh and £20,000 for an on-line safety training package for new private boaters and visitors. These will add 1.6% to the level of tolls. Does the Committee support that additional expenditure?
- vi. The Tolls Review Group also supported a differential increase in tolls such that unpowered, electric and hybrid craft have lower increases than diesel or petrol powered craft. The intention of this is to send a signal that the Authority is encouraging a move to electric power, where it is technically feasible.

The report reviews the impact of these issues on charges for 2020/21, presents three options for discussion, and seeks the views of the Committee on charges for next year.

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1. Introduction

- 1.1. This report examines three issues: The impact of the major changes made to the structure of the Broads Authority's navigation charges in April 2017; trends over the last year in boat numbers and finance; and proposals for charges for 2020/21.

2. Impact of the changes introduced in April 2017

- 2.1. In November 2016, the Authority adopted a series of changes to the calculation of navigation charges to provide for a simpler, fairer and more flexible structure. This decision, which was introduced in April 2017, was prompted in part by the declining number of small private motor boats. Table 1 shows the number of private motor boats by size from 2016-19. It indicates that the increase in small vessels following the structural changes has been maintained, with an extra 151 private motor boats under 11m² this year when compared with 2016.
- 2.2. The Table also shows that there has not been a significant change in the number of larger private motor boats.

Table 1

Number of private motor boats 2016-19

Size m ²	2016	2017	2018	2019	Δ ¹ 2018-19	Δ 2016-19
1-10	1,646	1,820	1,818	1797	-21	151
11-20	1,895	1,893	1,867	1861	-6	-34
21-30	1,604	1,609	1,603	1610	7	6
31-40	870	882	865	875	10	5

¹ change

Size m ²	2016	2017	2018	2019	Δ ¹ 2018-19	Δ 2016-19
41-50	374	370	375	370	-5	-4
51-60	67	63	63	69	6	2
61-70	16	14	18	21	3	5
71-80	2	4	6	6	0	4
81-90	3	3	2	2	0	-1
91-100	2	2	1	0	-1	-2
101-110	1	2	1	1	0	0
Total	6,480	6,662	6,619	6,612	-7	132

3. Boat numbers and financial position 2019/20

- 3.1. In April 2019, charges were increased across the board to maintain existing levels of expenditure and to fund the installation of electric charging points at the Acle Bridge moorings. This work is programmed for this winter.
- 3.2. The total number of all privately-owned boats has not changed significantly this year. While at the end of September there were 21 fewer boats, there has not been a reduction in income because of an increase in the average overall size.
- 3.3. The number and level of income provided by the hired boats continues to fall. As of the end of September, the total number of hired boats was down by 21 (motor cruisers -5). Feedback from the industry is that this trend will continue as they invest in newer larger boats and retire more than they build.
- 3.4. Navigation income in the current year to date is broadly in line with what was budgeted. The total variance has remained as a favourable variance of £80,001 or 4.59% difference from the profiled Latest Available Budget (LAB).

Table 2

Actual navigation income and expenditure by directorate to 31 August 2019

Directorate	Profiled Latest Available Budget £	Actual Income and Expenditure £	Actual Variance £
Income	(3,287,133)	(3,285,273)	-1,860
Operations	1,107,577	1,032,836	+74,740
Strategic Services	123,278	118,257	+5,021
Chief Executive	304,341	274,930	+29,411
Projects, Corporate Items and Contributions from	10,417	37,728	-27,311

Directorate	Profiled Latest Available Budget £	Actual Income and Expenditure £	Actual Variance £
Earmarked Reserves			
Net (Surplus)/Deficit	(1,741,521)	(1,821,523)	+80,001

3.5. The LAB has increased since the September meeting of the Navigation Committee, following budget transfer from the mini-restructure. These movements are set out in Table 3 This increase has been offset by: increased investment income (£8,750), salary savings following the delayed recruitment of the Waterways and Recreation Officer (£13,370), the Solicitor and Monitoring Officer vacancy (£16,972), reduction in Insurance premiums (£5,640) and increasing winter capacity within the Tolls team (£6,675).

Table 3

Adjustments to Navigation LAB

Item	Authorisation reference	Amount £
Original Navigation budget 2019/20 (deficit)	Broads Authority 01/02/19 Agenda item number 12	16,830
Approved carry-forwards from 2018/19	Broads Authority 17/05/19 Agenda item number 12	6,189
Transfer from Strategy and Projects Salaries to Construction and Maintenance Salaries	Broads Authority 27/09/19 Agenda item number 9	3,098
Transfer from Strategy and Project Salaries to Governance Salaries	Broads Authority 27/09/19 Agenda item number 9	8,552
Transfer from Strategy and Projects to Development Management	Broads Authority 27/09/19 Agenda item number 9	(2,380)
LAB as at 31 August 2019	n/a	32,289

3.6. The forecast outturn for 2019/20 is shown in Table 4, being £38,057 less than the LAB.

Table 4

Budget compared to Forecast Outturn for 2019/20

Category	Latest Available Budget 2019/20 £	Forecast Outturn 2019/20 £
Income	(3,440,000)	(3,448,750)
Expenditure	3,472,289	3,442,982
(Surplus) / Deficit	32,289	(5,768)

Category	Latest Available Budget 2019/20 £	Forecast Outturn 2019/20 £
Transfer of accrued interest to earmarked reserves	7,500	11,875
Opening Reserves	(425,985)	(425,985)
Closing Reserves	(386,196)	(419,878)
Reserves as % of Expenditure	11.1%	12.2%

4. Pressures on 2020/21 Navigation expenditure

4.1. On 4 October 2019 the Tolls Review Group considered the level of charges for next year, and reviewed a number of pressures on navigation expenditure including:

- Unknown pay increase for staff as negotiated by the National Joint Council (NJC) for Local Authorities. Trade Unions have opened negotiations asking for 10%, draft budget is currently 2%.
- Uncertainty around pension costs. The draft results of the triennial valuation will not be known until late November/early December.
- Responsibility for moorings and the cost of dredging.

An increase in income of £45,000 (1.3% increase in tolls across the fleet) is required to maintain the existing level of services.

- On-going reduction in the hire fleet (estimated loss of income at £11,500)
It is difficult to predict changes in the hire boat fleet. However, the Authority is aware that there will be a further decline next year which has a significant impact on the calculation of next year's charges. The loss of these craft has in the past been partly offset by ex-hire craft entering the private fleet, with a lower contribution to the maintenance of the waterway, and the fact that the newer craft have tended to be larger and pay an increased toll. At this stage it is proposed that an allowance for the loss of 10 hire boats at an average loss of income of £1,150 per vessel is made.

An increase of 1.8% in tolls across the fleet is required to maintain the existing level of services and account for the loss of income.

And the potential for the following additional expenditure:

- **Pontoons to provide access for boats at Peto's Marsh (£30,000)**
The Suffolk Wildlife Trust, supported by the Broads Authority with dredged material from Oulton Broad is landscaping Peto's Marsh and developing through recent acquisition one of the largest nature reserves in the Broads together with a new visitor centre. The provision of pontoons will provide access to a marvellous new site for visitors and private boat owners.

- **Online safety training for boat users (£20,000)**

Development of an on-line tool for boat users but especially hirers to complete an on-line course giving them a basic understanding of some of the key features of boating in the Broads – such as the necessity to wear a life jacket, the importance of taking care when getting on and off a boat, the dangers posed by low bridges and awareness of tidal conditions. It is hoped that this will lead to an increased understanding of the risks involved with boating on the Broads and thereby a lower level of accidents.

- **Sample survey of private boat owners' views (£30,000)**

In January 2015 the Authority had: “supported the ambition to repeat the exercise in five years’ time as part of the strategic approach in formulating its Broads Plan and its priorities, provided finances allowed”. In discussion with Members of the Review Group they supported the funding of the pontoons and the online safety training but felt that the survey was not a priority.

4.2. Following the decision by the Broads Authority to recognise the climate emergency, the Review Group also recommended that electric and hybrid powered vessels, and also unpowered craft, should be given further encouragement through a lower increase in their charges than the rest of the fleet. This proposal is mostly for the purposes of sending a message about the desirability of a switch to electric. There's no realistic prospect of tolls being able to fund a proper network of charging points and it will need significant external funding for the infrastructure to support them. One option might be for the Authority to fund a review of the costs of installing charging points at each of its 24 hour mooring sites to identify those which are economically feasible. The Group recommended that motorised sailing craft with an electric engine should be charged the same as sailing boats to similarly encourage a switch to electric propulsion. This change is included in all three options set out below.

4.3. If the existing standard of service is to be maintained and the £11,500 for the projected loss of 10 hired motor cruisers accounted for then the annual toll income will need to increase from £3,364,000 to £3,463,000, an extra £99,000. (Note: This does not include interest, short visits and other toll income in total navigation income). Taking these pressures and the change to the charges for electric auxiliary yachts into account would require a 3.4% increase across the board.

4.4. In order to facilitate the discussion with the Committee three options are presented.

Option 1

This is based on annual toll income of £3,409,000, a 1.8% increase, required to maintain existing services and taking account of the £11,500 allowed for a reduction of 10 hired cruisers and allowing for the proposed change to electric auxiliary yachts.

Option 2

This adds the costs of the two projects, pontoons at Peto’s Marsh (£30,000) and the on-

line safety training tool (£20,000) to Option 1. (This would require a +3.4% increase across the board).

Option 3

This takes Option 2 and increases the costs for unpowered, hybrid and electric vessels at a lower rate (+1%) than those using diesel and petrol (+3.6%).

5. Draft income and expenditure for 2020/21

- 5.1. Based on the above proposition, a draft income and expenditure budget for all Navigation Income has been developed for 2020/21 as set out in Table 5 following a zero-based budgeting exercise. We are budgeting for a deficit to maintain reserves close to the recommended 10% figure of expenditure. Options 2 and 3 have the same overall levels of income and expenditure.

Table 5

Draft income and expenditure

Category	Draft Budget 2020/21 Option 1 (£)	Draft Budget 2020/21 Options 2 & 3 (£)
Navigation Income	3,491,600	3,546,600
Expenditure	3,544,147	3,594,147
(Surplus) / Deficit	52,547	47,547
Transfer of interest to earmarked reserves	10,250	10,250
Opening Reserves	419,878	419,878
Closing Reserves	357,081	362,081
Reserves as % of expenditure	10.1%	10.1%

6. Options for charges for 2020/21

- 6.1. Proposed charges for hire craft and private vessels are set out in Tables 6 and 7. The impact of the increases on the most common size of craft is shown in Table 8.

Table 6

Proposed charges for 2020/21 – Hired craft

No	Category	Current charge	Option 1	Option 2	Option 3
1.	Weekly hired motor craft	£30.60 per m ²	£31.15	£31.64	£31.70
2	Weekly hired motor craft – electric and hybrid	£21.46 per m ²	£21.85	£22.19	£21.67
3.	Day hired – petrol/diesel	£46.82 per m ²	£47.66	£48.41	£48.51

No	Category	Current charge	Option 1	Option 2	Option 3
4	Day hired Electric	£32.66 per m ²	£33.25	£33.77	£32.99
5.	MCA Passenger Boats and small passenger boats	£40.27 per m ²	£40.99	£41.64	£41.72
6.	Hired Motorised Sailing Craft – diesel	£24.84 per m ²	£25.29	£25.68	£25.73
-	Hired Motorised Sailing – electric Note: Change to same as Hired Sailing	£24.84 per m ²	£18.83	£19.13	£18.69
7.	Hired Sailing Boats	£18.50 per m ²	£18.83	£19.13	£18.69
8.	Hired Houseboats	£15.80 per m ²	£16.08	£16.34	£15.96
9.	Hired Rowing, canoes etc.	£69.44	£70.69	£71.80	£70.13

Table 7

Proposed charges for 2020/21 – Private craft

No	Category	Current charge	Option 1	Option 2	Option 3
10.	Private Motor Boats - petrol & diesel	£13.59 per m ²	£13.83	£14.05	£14.08
11.	Private Motor Boats Electric	£10.57 per m ²	£10.76	£10.93	£10.68
12	Private Motorised Sailing Craft - petrol & diesel	£10.05 per m ²	£10.23	£10.39	£10.41
-	Private Motorised Sailing Craft – electric Note: Change to same as Sailing	£10.05 per m ²	£8.61	£8.75	£8.54
13.	Private Sailing Boats	£8.46 per m ²	£8.61	£8.75	£8.54
14.	Private Houseboats	£5.45 per m ²	£5.55	£5.64	£5.50
15.	Private Rowing, canoes etc.	£34.72	£35.34	£35.90	£35.07

Table 8

Impact of proposed charges for typical sized vessels

Vessels	Number of vessels	Current charge	Option 1	Option 2	Option 3
12 m ² Day hired boats – petrol/diesel	72	£561.84	£571.92	£580.92	£582.12
38 m ² Weekly hired motor craft	60	£1,162.80	£1,183.70	£1,202.32	£1,204.60
48 m ² Weekly hired motor craft	61	£1,468.80	£1,495.20	£1,518.72	£1,521.60
5 m ² Private sailing craft	504	£42.30	£43.05	£43.75	£42.70
11 m ² Private sailing craft	143	£93.06	£94.71	£96.25	£93.94
5 m ² Private motor boats	721	£67.95	£69.15	£70.25	£70.40
15 m ² Private motor boats	256	£203.85	£207.45	£210.75	£211.20
22 m ² Private motor boats	336	£298.98	£304.26	£309.10	£309.76
38 m ² Private motor boats	108	£516.42	£525.54	£533.90	£535.04

Authors: John Packman, Emma Krelle, Bill Housden

Date of report: 21 October 2019

Background papers: [Tolls review 2016 and proposed navigation charges for 2017/18](#), [Broads Authority minutes 18 November 2016](#)[Broads Plan](#) objectives: 4.3, 6.2

Broads Authority

22 November 2019

Agenda item number 10

Financial Performance and Direction

Report by Chief Financial Officer

Summary

This report contains the Statement of Accounts for the year ended 31 March 2019 and the income and expenditure figures to 30 September 2019.

Recommendation

- i. To adopt the Statement of Accounts for 2018/19.
 - ii. To note the income and expenditure figures.
-

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Appendix 1 - Statement of Accounts 2018/19 (excluding the Audit Report and Annual Governance Statement)

Appendix 2 - Consolidated income and expenditure charts to 30 September 2019

Appendix 3 - Financial Monitor: Consolidated Income and Expenditure 2019/20

1. Introduction

- 1.1. The Statement of Accounts and Annual Audit Results were considered by the Audit and Risk Committee on 19 November. A verbal update will be provided at this meeting.
- 1.2. The Financial Performance and Direction report to the Authority on 17 May 2019 provided the draft year-end figures for 2018/19, which detailed a surplus of £84,760. These figures were used to produce the Statement of Accounts.
- 1.3. There have been no subsequent changes to these figures, and the draft Statement of Accounts was signed on 30 May 2019. The Authority's external auditors Ernst and Young undertook their onsite work between 14 October and 8 November 2019. Where amendments are notified up to this date they have been incorporated into the final document, included at appendix 1. Amendments required after this date will be provided in a verbal update at this meeting.

2. Changes to the 2018/19 Accounts

- 2.1. While the draft surplus of £84,760 has remained unchanged, there have been two changes to the year-end adjustments. These have impacted the allocation of interest to the closing reserve balances, following a missed accrual for CANAPE claim 2 (£107,057) and adjustments to the Pension liability (£332,000). Members were made aware of the Pension adjustment at the July meeting, following receipt of the revised actuary report based on the impact of the two court rulings on the McCloud case and Guaranteed Minimum Pension (GMP).
- 2.2. These adjustments have been summarised in the tables below.

Table 1

Summary Income and Expenditure by Directorate 2018/19

Income and Expenditure 2018/19	Operations £	Strategic Services £	Chief Executive £	HLF & CANAPE £	Corporate Amounts £	Total £
Fees charges and other service income	(245,921)	(441,383)	(30,185)	(674,374)	(3,396,348)	(4,788,211)
Contribution from reserves	0	0	0	0	(188,395)	(188,395)
Government Grants	0	0	0	0	(3,356,348)	(3,356,348)
Total Income	(245,921)	(441,383)	(30,185)	(674,374)	(6,941,091)	(8,332,954)
Employee Expenses	2,054,687	1,742,820	422,569	170,753	78,444	4,469,273
Other service expenses	1,675,120	794,090	674,488	635,223	0	3,778,921
Total Expenditure	3,729,807	2,536,910	1,097,057	805,976	78,444	8,248,194
Net Expenditure (Surplus)/ Deficit	3,483,886	2,095,527	1,066,872	131,602	(6,862,647)	(84,760)

2.3. The missed CANAPE accrual means that the fees and charges figure has increased while the contribution from reserves figure has decreased, resulting in a nil movement on the net expenditure previously reported in July.

2.4. Table 2 provides an overview of the year-end adjustments and agrees back to the Comprehensive Income and Expenditure Statement on page 14 in the Statement of Accounts.

Table 2

Detailed adjustments of the Income and Expenditure 2018/19

Type of Income and Expenditure	Service Analysis £	Not reported to Management £	Not included in CIES £	Costs of Services £	Other Operating Expenditure, Financing and Investment Income and Government Grants £	Deficit on Provision of Services £
Fees, charges and other service income	(4,751,158)	0	0	(4,751,158)	0	(4,751,158)
Interest and investment income	(37,053)	0	37,053	0	(37,053)	(37,053)
Contributions from reserves	(188,395)	0	(305,007)	(493,402)	0	(493,402)
Government Grants	(3,356,348)	0	3,356,348	0	(3,356,348)	(3,356,348)
Total Income	(8,332,954)	0	3,088,394	(5,244,560)	(3,393,401)	(8,637,961)
Employee expenses	4,469,272	770,524	0	5,239,796	215,000	5,454,796
Other service expenses	3,743,765	0	(331,863)	3,411,902	0	3,411,902

Type of Income and Expenditure	Service Analysis £	Not reported to Management £	Not included in CIES £	Costs of Services £	Other Operating Expenditure, Financing and Investment Income and Government Grants £	Deficit on Provision of Services £
Depreciation, amortisation and impairment	0	395,175	0	395,175	0	395,175
Interest payments	35,157	0	(35,157)	0	35,157	35,157
Expenditure in relation to investment properties	0	0	0	0	(130,000)	(130,000)
Gain on disposal of Fixed Assets	0	0	0	0	(5,663)	(5,663)
Total Operating Expenditure	8,248,194	1,165,699	(367,020)	9,046,873	114,494	9,161,367
(Surplus) / Deficit on Provision of Services	(84,760)	1,165,699	2,721,374	3,802,313	(3,278,907)	523,406

- 2.5. Items in the second column 'Not reported to management' under employee expenses include the year end adjustment for the pension scheme. The Accounts are adjusted to reflect the difference between the actual costs as assessed by the actuary and the contributions paid over during the year. Further adjustments are made for untaken staff leave, depreciation and movements on revaluations of fixed assets. The figure reported for employee expenses has increased by £195,000 as a result of the revised actuary report since the draft Statement of Accounts was issued.
- 2.6. The third column 'Not included in the CIES' includes the removal of the DEFRA grant, interest and investment income, interest payable and expenditure in relation to investment properties (Ludham Fieldbase). These items are added back in the lines under the fourth column 'Cost of Services'. Expenditure adjustments relate to the accounting treatment of capital expenditure, reserve expenditure and finance leases.

3. Balance sheet

- 3.1. Following the adjustments for the missed income accrual and the pension adjustment, the net liability has moved from £2,394,418 in the draft Statement of Accounts to £2,619,360. This has resulted in Short Term Debtors increasing from £701,230 to £808,287, Other long liabilities increasing from £10,708,249 to £11,040,249, Earmarked Reserves increasing from £1,803,475 to £1,911,064 and the Pension Reserve increasing from £10,708,0000 to £10,812,000.
- 3.2. The bottom section of the balance sheet on page 17 splits the reserves between useable and unusable reserves. This year sees the introduction of the Capital Receipts Reserve within the useable reserves. This reserve has been created following the sale of the Fieldbase at Ludham, previously classified as Investment Property held for Sale. This can be used for future capital purchases or the repayment of debt. The other useable reserves can be used to fund future operating expenditure, while the unusable reserves are kept to manage accounting processes such as unrealised gains or acquisitions of Fixed Assets and the movements on the Pension Reserve.
- 3.3. The closing position on the National Park (General), Navigation and Earmarked reserves has moved slightly since those reported in July following the reallocation of interest. The individual balances that make up the Earmarked reserve are in the Statement of Accounts under note 10, page 39. The year end balances of the reserves are:
- National Park £1,063,776
 - Navigation £425,848
 - Earmarked £1,911,064 of which £786,890 relates to Navigation

4. Annual Governance Statement

- 4.1. The Accounts and Audit (England) Regulations 2015 contain a requirement that an Annual Governance Statement, prepared in accordance with proper practices in relation to internal control, must be approved by the relevant body and must accompany the Statement of Accounts. The Annual Governance Statement was approved for issue on 26 July 2019 by the Broads Authority and is on the website at <https://www.broads-authority.gov.uk/about-us/spending/annual-accounts>.

5. Audit of the Statement of Accounts

- 5.1. The Authority's auditors Ernst and Young are undertaking their audit, and at the time of writing this report have not completed their work. Their draft audit results are under agenda item 9. A verbal update of their progress will be provided at the meeting.
- 5.2. Upon completion of any outstanding items detailed in their audit report, the report will be signed and incorporated into the Statement of Accounts.

6. Financial implications

- 6.1. The Statement of Accounts for 2018/19 shows revenue reserves of £1,489,624 (general reserves £1,063,776, navigation reserves £425,848) that are considered to be adequate. The navigation reserve at the end of 2018/19 stands at 12.9% of net expenditure. This is higher than the Financial Strategy forecast for the end of 2018/19. With these taken alongside the earmarked reserve balances, the Authority's reserves are therefore considered to be sound. The outturn figures for 2018/19, and their implication for the overall level of reserves, will be taken into account in future budgeting proposals, and when making decisions about income and expenditure in 2019/20.

7. Overview of Actual Income and Expenditure 2019/20

Table 1

Actual consolidated income and expenditure by directorate to 30 September 2019

Directorate	Profiled Latest Available Budget £	Actual Income and Expenditure £	Actual Variance £
Income	(5,886,039)	(5,899,371)	+ 13,332
Operations	2,167,695	2,003,936	+ 163,759
Strategic Services	829,682	774,318	+ 55,364
Chief Executive	877,870	803,444	+ 74,426
Projects, Corporate Items and Contributions from Earmarked Reserves	(75,900)	34,789	- 110,689

Directorate	Profiled Latest Available Budget £	Actual Income and Expenditure £	Actual Variance £
Net (Surplus) Deficit	(2,086,692)	(2,282,884)	+ 196,192

7.1. Income is slightly above the profiled budget at the end of month six. The overall position as at 30 September is a favourable variance of £196,192 or a 9.4% difference from the profiled latest available budget (LAB). This is principally due to:

- An overall favourable variance of £13,333 within core income:
 - Hire Craft Tolls is £10,121 behind the profiled budget.
 - Private Craft Tolls is £18,700 above the profiled budget.
 - Short visit/other tolls is £727 behind the profiled budget.
 - Interest is £5,481 above the profiled budget.
- A favourable variance within Operations relating to:
 - Construction and Maintenance Salaries is under the profiled budget by £13,442, due to a number of vacancies that have arisen throughout the year which have now been filled.
 - Equipment, Vehicle and Vessels is under the profiled budget by £13,414, due to increased income from the sale/hire of the tug Cannonbrook. This income has been added to the earmarked reserve.
 - Water Management is under the profiled budget by £11,742 due to timing differences.
 - Land Management is under the profiled budget by £25,728 due to income being ahead from the Rural Payments Agency.
 - Ranger Services is under the profiled budget by £10,961, this is predominantly due to an underspend on salaries following vacancies.
 - Premises is under the profiled budget by £41,563 due to a timing difference on the contract for design of the concrete pad being issued. This is offset by the corresponding Premises Reserve variance.
 - Project Funding is under the profiled budget by £38,424 due to the uncertain nature of when projects will be submitted.
- A favourable variance within Strategic Services relating to:
 - Development Management is under the profiled budget by £13,781 due to the Local Plan Inspection coming in less than expected. This is offset by the corresponding Planning Delivery Grant reserve variance. It should also be

noted that income from Planning fees is under budget, which has reduced the overall variance.

- Strategy and Projects is under the profiled budget by £25,331 due to a delayed Catchment project. This is likely to slip into 2020/21 as its delivery is dependent on warmer weather. This is offset by the corresponding Catchment Reserve variance.
- Communications is under the profiled budget by £22,584 due to timing differences within the events and education budgets.
- Visitor Centres and Yacht Stations is above the profiled budget by £11,519 due to the trip boat Liana requiring a replacement engine ahead of the annual refit and repairs.
- A favourable variance within Chief Executive relating to:
 - Legal is under the profiled budget by £33,182 due to salary savings.
 - Asset Management is under the profiled budget by £12,811 due to timing differences on leases payments and consultancy.
 - Finance and Insurance is under the profiled budget by £21,288 due to salary savings following a vacancy and a reduction in insurance premiums.

7.2. The charts at Appendix 1 provide a visual overview of actual income and expenditure compared with both the original budget and the latest available budget.

8. Latest available budget

8.1. The Authority's income and expenditure is monitored against the latest available budget (LAB) for 2019/20. The LAB is based on the original budget for the year, with adjustments for known and approved budget changes such as carry-forwards and budget virements. Full details of movements from the original budget are set out in Appendix 2.

Table 2
Adjustments to LAB

Item	Authorisation Reference	Amount £
Original budget 2019/20 - deficit	Broads Authority 01/02/19 Agenda item number 12	44,381
Approved budget carry-forwards	Broads Authority 17/05/19 Agenda item number 12	15,094
Cybercrime	Broads Authority 17/05/19 Agenda item number 25	36,000
Water Resources East	Broads Authority 27/09/19	15,000

Item	Authorisation Reference	Amount £
membership	Agenda item number 13	
LAB as at 30 September 2019	n/a	110,475

9. Overview of forecast outturn 2019/20

9.1. Budget holders were asked to comment on the expected income and expenditure at the end of the financial year in respect of all budget lines for which they are responsible. A summary of these adjustments is in Table 3.

Table 3

Adjustments to Forecast Outturn

Item	Amount £
Forecast outturn deficit as per LAB	110,475
Decrease to Hire Craft Toll income	10,000
Increase to Private Craft Toll income	(10,000)
Increase to Interest income	(17,500)
Decrease to Waterways and Recreation following a restructure and vacancy	(23,560)
Increase Climate Change work two days per week	9,265
Decrease to Legal Services following the Solicitor vacancy	(26,430)
Decrease to Insurance premiums	(12,000)
Increase to the winter capacity within Collection of Tolls	6,675
Forecast outturn deficit as at 30 September 2019	46,925

10. Reserves

10.1. As with previous years, the Authority's contributions to the reserves have all been made in full at the end of quarter one. This has resulted in the reserves showing increased balances at the end of September. This will reduce as planned purchases take place throughout the year.

10.2. £913,086 of the current reserve balance below relates to Navigation reserves.

Table 4

Consolidated earmarked reserves

Reserve name	Balance at 1 April 2019 £	In-year movements £	Current Reserve balance £
Property	(569,960)	(72,462)	(642,422)
Plant, Vessels and Equipment	(275,291)	(116,143)	(391,434)
Premises	(195,398)	(78,250)	(273,648)
Planning Delivery Grant	(269,393)	59,311	(210,082)
Upper Thurne Enhancement	(120,453)	(21,000)	(141,453)
Section 106	(103,430)	(4,580)	(108,010)
HLF	(89,739)	207,044	117,305
Catchment Partnership	(89,021)	(9,073)	(98,094)
CANAPE	(79,309)	(72,591)	(151,900)
Computer Software	(11,481)	(10,000)	(21,481)
Total	(1,803,475)	(117,744)	(1,921,219)

11. Conclusion

11.1. The forecast outturn position for the year suggests a deficit of £52,693 for the national park side and a surplus of £5,768 on navigation. This will result in an overall consolidated deficit of £46,925. This would indicate a general fund reserve balance of £1,011,000 and a navigation reserve balance of approximately £432,000 at the end of 2019/20 before any transfers of interest. This will mean that the navigation reserve will be above the recommended level of 10% of net expenditure during 2019/20.

Author: Emma Krelle

Date of report: 7 November 2019

Background papers: Draft Statement of Accounts 2018/19

[Broads Plan](#) objectives: None

Appendix 1 –Statement of Accounts 2018/19 (excluding the Audit Report and Annual Governance Statement)

Appendix 2 –Consolidated actual income and expenditure charts to 30 September 2019

Appendix 3 –Financial Monitor: Consolidated income and expenditure 2019/20

BROADS AUTHORITY

STATEMENT OF ACCOUNTS

2018/19

Presented to Parliament pursuant to Section 20 (2) of the Norfolk and Suffolk Broads Act 1988

Broads Authority Statement of Accounts
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Narrative Report

Introduction

The purpose of the Narrative Report is to provide information on the Authority, its main objectives and strategies and the principal risks that it faces. It also provides commentary on how the Authority has used its resources to achieve its outcomes in line with its objectives and strategies.

About the Broads Authority

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

Its duties, as subsequently amended by the Natural Environment and Rural Communities Act 2006, are to manage the Broads for the purpose of:

- conserving and enhancing the natural beauty, wildlife and cultural heritage of the Broads;
- promoting opportunities for the understanding and enjoyment of the special qualities of the Broads by the public; and
- protecting the interests of navigation.

This brought the first two purposes into line with those of the English National Park Authorities, as recommended in the Department for Environment, Food and Rural Affairs (Defra) report 'Review of English Park Authorities' published in July 2002.

In discharging its function, the Authority should have regard to:

- the national importance of the Broads as an area of natural beauty and one which affords opportunities for open air recreation;
- the desirability of protecting the natural resources of the Broads from damage; and
- the needs of agriculture and forestry and the economic and social interests of those who live and work in the Broads.

In respect of its navigation area the Authority is required to:

- maintain the navigation area for the purposes of navigation to such a standard as appears to it to be reasonably required; and
- take such steps to improve and develop it as it thinks fit.

The Broads Authority Act 2009 amended the 1988 Act and is primarily concerned with augmenting the Authority's powers to ensure safety on the Broads, including the application of the Boat Safety Scheme and compulsory third party insurance. It also made provision for the transfer of responsibility for the navigation in Breydon Water to the Authority which was implemented in 2012. The 2009 Act removed the need for the Authority to maintain a separate navigation account and contained provisions which require the Authority to ensure that, taking one year with another, expenditure on navigation matters is equal to navigation income.

The Broads Plan is a key management plan for the Broads. It sets out a long-term vision for the benefit of the natural and cultural environment, local communities and visitors. Although the Authority is responsible for its production it is a plan for the whole of the Broads, and its success very much depends on a common vision, strong partnership working and the best use of shared resources. The current plan covers the period 2017-22 and is publicly available

via the website. A six monthly newsletter is produced to provide updates and can also be found in the link below.

<https://www.broads-authority.gov.uk/about-us/how-we-work/strategy>

The Authority's Strategic Priorities are set annually by the members in line with objectives in the Broads Plan. Progress against the Strategic Priorities is reported regularly to the Authority and details of 2018/19 can be found in the link below:

https://www.broads-authority.gov.uk/_data/assets/pdf_file/0007/1571497/Strategic-Direction-and-Annual-Business-Plan-ba170519.pdf

All decisions are supported by the Authority's core values. These are enduring beliefs or ideals about what is good or desirable and what is not. They are:

- Sustainable - we take the long-term view, are passionate about our environment and its ability to provide for a vibrant local economy and the well-being of local people;
- Exemplary - we strive for excellence in all we do. We are ambitious, innovative and lead by example;
- Commitment - we are committed to making a difference to the Broads for the benefit of all, and will have the courage of our convictions when faced with difficult issues;
- Caring - we are considerate and respectful of each other, working together to provide the best service we can; and
- Open and Honest - we are open, honest and inclusive in our communication and in making decisions. We are approachable and available, reaching out to all groups.

The Authority is funded from two major sources; National Park Grant from Defra and Navigation Toll Income. These are approximately equal to each other and are used to fund the activities (including staffing) across the organisation.

Governance

The Annual Governance Statement provides details of progress against the current year and provides the new financial year action plan. This is available via the link below:

https://www.broads-authority.gov.uk/_data/assets/pdf_file/0009/1668150/Signed-Annual-Governance-Statement-2018-19.pdf

Following on from the peer review in 2017/18 the Authority agreed a peer review action plan in May 2018. Progress against the action plan has been regularly reported to committee as part of the Strategic Direction report.

In 2018 the Government commissioned a review of National Parks and Areas of Outstanding Natural Beauty (AONBs) looking at coverage of designations, how designated areas deliver their responsibilities, how designated areas are financed, and whether there is scope for expansion. The review team, led by Julian Glover, visited the Broads in November 2018. The team's report is expected in September 2019.

Operational model

The Authority consists of the Chief Executive team and two Directorates; Operations and Strategic Services. The total number of staff employed by the Authority gives a head count of 148 or 129.04 Full Time Equivalents (FTE) as at 31 March 2019. This is split 66 (60.62 FTE) Operations, 68 (58.97 FTE) Strategic Services and 14 (9.45 FTE) Chief Executive. Due to the seasonal nature of the Authority's activities the levels of staff can vary throughout the year and the year end position may vary depending on when Easter falls.

The Chief Executive is supported by the Governance Team who service the Authority's various committees; and the Chief Financial Officer who is responsible for the Asset Management, Finance and Insurance team.

The Operations Directorate consists of; the Construction, Maintenance and Environment team who carry out the practical work on the Broads, from dredging to the maintenance and refurbishment of moorings and land based sites and project managing the Heritage Lottery Fund (HLF) project Water, Mills and Marshes; the Ranger team who patrol the waterways enforcing our byelaws to small scale practical works; Safety Management for both waterways and land based activities; and Volunteer Services which support volunteering opportunities across all areas of the Authority.

The Strategic Services Directorate consists of; Planning - responsible for all planning applications, enforcement and the Local Plan within the Authority's executive area; Strategy and Projects - responsible for setting strategy across all areas including the Broads Plan; Communications - responsible for all publications, events and visitor services; Collection of Tolls - processing the applications and payments of 12,500 boats every year; IT - supporting all of the Authority's IT systems and users; HR - supporting all of the Authority's employees; and the management of the European Regional Development Fund (ERDF) INTERREG project 'Creating A New Approach to Peatland Ecosystems' (CANAPE).

The Authority's income is supplemented by income from planning fees, contributions from landowners towards fen management and from the Rural Payments Agency, staff recharges to Whitlingham Charitable Trust, Visitor Centres and Yacht Station sales and external funding such as HLF and ERDF.

Risks

Whilst the Authority has some degree of confidence over the level of its National Park Grant funding for 2019/20, uncertainty remains about future years' settlements and their duration. In 2015/16 the Authority received a four year settlement which was the first time the Authority had been able to plan for such a period as prior years notifications had been provided on an annual basis. Cuts to National Park Grant in years 2010/11 to 2015/16 has meant the Authority has already restructured from four Directorates to two. If there were future reductions to the National Park grant beyond 2019/20 it would mean difficult decisions would need to be made to determine future services. This uncertainty is further emphasised by the outcome of the Comprehensive Spending Review, which at this stage the timing is still to be determined. Whilst increases from Toll income has helped minimise the impact, this income cannot be spent on National Park purposes. The current level of reserves means that such impact would be cushioned in the short term until the longer vision of services is determined; however this is not sustainable in the longer term.

Risks are reviewed on a regular basis with actions being taken to mitigate any possible impacts. Reports to the Authority highlight risks on potential new areas of activity. The Audit and Risk Committee receive detailed reports on the current risks with details of the individual risks, risk owner and actions. A link to the latest report can be found below.

https://www.broads-authority.gov.uk/_data/assets/pdf_file/0004/1419277/Review-of-Strategic-Risk-Register-arc111218.pdf

Following a recommendation from internal audit's Corporate Governance and Risk Management review the risk register is due to be refreshed for the July committee. This will involve updating our policy and focusing on those risks that are strategic. Detailed actions can be found in the Annual Governance Statement action plan for 2019/20.

Opportunities

External funding opportunities continue to be investigated and supported by National Parks Partnership LLP (NPP). NPP continues to promote corporate partnerships for the UK National Parks with the aim to make a significant, sustainable and discernible contribution to the improved quality of UK National Parks and the benefits they offer for generations to come. There has already been a high level of success including funding from; the HLF for Water, Mills and Marshes, ERDF for CANAPE, Tesco for Broadland Catchment Partnership, Forest Holidays who are partnering on projects that will enable young people to experience and explore the best of the UK countryside and Columbia providing clothing to all front line staff for five years from 2017/18.

The UK National Parks also continue to investigate efficiencies through joint procurement and services and also to create resilience amongst the Parks.

The developments at Acle Bridge over the coming years will seek to further the Authority's National Park purposes and increase income opportunities.

Strategy and Resource Allocation

The current Financial Strategy was drawn up having regard to the Authority's grant settlement and the priorities in the Broads Plan. It sets out a prudent strategy for managing the limited resources available in order to build on the work underway across the organisation and to continue to deliver the Authority's key priorities over the next three years. The focus in developing the Financial Strategy has been to deliver the maximum possible efficiencies and savings in order to minimise the impact on front-line activity. The Authority recognises that without its employees continued commitment and hard work this would not be possible.

In developing the Financial Strategy, a number of assumptions have been made in respect of National Park Grant allocations, future boat numbers and the level of staff pay inflation. The Strategy follows the general principle that the Authority should seek to maintain the general (National Park) reserve at a minimum of £100,000 plus 10% of net expenditure, and the navigation reserves at a minimum of 10% of net expenditure. It also expects that General and Navigation income and expenditure should be broadly in balance across the life of the Financial Strategy.

On 20 November 2007, the Authority took out a £290,000 loan from the Public Works Loan Board. The repayment period of the loan is 20 years at a fixed interest rate of 4.82%, repayable by equal instalments of principal. The Public Works Loan Board has advised that the fair value of the debt as at 31 March 2019 is £146,217.

The purpose of this loan was to finance the purchase of the Dockyard Operation from May Gurney to enable the Authority to continue to dredge the Broads in an economical and efficient manner.

Performance

Performance is assessed against progress made towards the Broads Plan, Strategic Priorities and the Budget with regular updates being provided to the Authority.

General (National Park) Income and Expenditure

The Authority received National Park Grant of £3,356k from Defra (£3,299k in 2017/18). In addition to this, the income received from external grant support, sales, fees, charges and

Broads Authority Statement of Accounts
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interest totalled £1,064k (£726k in 2017/18). Total income for 2018/19 was £4,420k (£4,025k in 2017/18).

The Authority set a budget for 2018/19 with a forecast deficit of £71k (£42k deficit for 2017/18). The Authority monitors its budget throughout the year against a forecast outturn which is updated on a monthly basis. The final forecast outturn for the year 2018/19 indicated an anticipated surplus of £26k. The actual outturn saw a surplus of £12k (an adverse variance of £14k). The Authority has a policy for carry forward requests in respect of underspends. These have been subsequently approved by the Authority for £9k (£1k for 2017/18) and will be added to the 2019/20 budget.

Navigation Income and Expenditure

Income from tolls was £3,336k (£3,230k in 2017/18), other income received for the year from external grant support, yacht stations charges, sales of tide tables, works licences and other miscellaneous services was £263k, (£240k in 2017/18) and interest was £18k (£11k in 2017/18). Total income for 2018/19 was £3,617k (£3,481k in 2017/18).

The Authority set a budget with a forecast deficit of £3k for 2018/19 (surplus of £1k for 2017/18). The Authority monitors its budget throughout the year against a forecast outturn which is updated on a monthly basis. The final forecast outturn for 2018/19, which took account of approved budget changes, indicated an anticipated surplus of £44k. The actual outturn saw a surplus of £73k (a favourable variance of £29k). The Authority has a policy for carry forward requests in respect of underspends. These have been subsequently approved by the Authority for £6k (£1k for 2017/18) and will be added to the 2019/20 budget.

The Statement of Accounts consolidates these results and the combined figures are found in the Comprehensive Income and Expenditure Statement (CIES) and the Expenditure Funding Analysis (EFA). The CIES can be found on page 14 and the EFA on page 13.

Outlook

2019/20 continues to focus on the successful delivery of our two external funded projects from the HLF and ERDF. Although both projects are claimed in arrears the impact and the Authority's cash flows is minimal. However, there is some uncertainty on future exchange rates which are difficult to forecast for the ERDF grant which is contracted in Euro. The use of a prudent exchange rate during the application phase should minimise any future impact of Brexit. Also the Authority is fortunate that it receives a large proportion of its toll income prior to the start of the financial year whilst the National Park Grant is received quarterly. The budget supports this with Navigation funding currently projecting a deficit of £23k in 2019/20 (after taking into account carry forward requests), with reserves at 11.4% of net expenditure at the end of the year. For General (National Park) funding there is a projected deficit of £36k (after taking into account carry forwards requests) in 2019/20, with reserves at 29.4% of net expenditure.

The Strategy also covers capital expenditure with the majority being funded from Earmarked Reserves and the rest from National Park Grant and Navigation income.

There are a significant number of variables – and some unknown quantities, such as future inflation – which could impact on these figures. The Financial Strategy will therefore be reviewed and updated by the Authority, having regard to any changes in circumstances and the annual outturn figures, at its meeting in January 2020. The annual toll increase for 2019/20 was set at an overall 2.6%. When setting the future strategy the Authority will continue to consult with the Navigation Committee and other stakeholders.

Broads Authority Statement of Accounts
Narrative Report

2019/20 continues to focus on the development of partnership work. This incorporates projects at a number of sites; including Acle Bridge. This approach will help determine the funding available to develop Acle Bridge further. Work will also continue with partners to help shape the future of land management schemes post Brexit. Climate change remains a threat to the Authority. Broadland Futures Initiative in collaboration with the Environment Agency will look at engaging with stakeholders.

Changes to the 2018/19 Accounts

There have been no key changes to the Statement of Accounts in 2018/19. Although the introduction of IFRS 9 Financial Instruments will have had an impact on other Authorities, the Authority continues to recognise its assets and liabilities at amortised cost. There are no expected credit losses recognised in 2018/19. Further details can be found in notes (x) and 35.

The Accounting Statements

The Broads Authority's accounts for the year 2018/19 are set out on pages 10 to 73. They consist of:

Statement of Responsibilities for the Statement of Accounts

Statement of Corporate Governance

Expenditure and Funding Analysis – This statement shows how annual expenditure is used and funded from resources (government grants and rents) in comparison with those resources consumed or earned in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Authority's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement. The Expenditure and Funding Analysis is a note to the Financial Statements, however its position next to the Comprehensive Income and Expenditure Statement is to provide a link from the figures reported under Performance within the Narrative Report.

Comprehensive Income & Expenditure Statement – This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices.

Movement in Reserves Statement – This statement shows the movement in the year on the different reserves held by the Authority, analysed into 'usable' reserves and 'other' reserves. The 'surplus / deficit on the provision of services' line shows the true economic cost of providing the Authority's services, more details of which are shown in the Comprehensive Income & Expenditure Statement. The 'net increase / decrease before transfers to earmarked reserves' line shows the statutory General Fund balance before any discretionary transfers to or from earmarked reserves undertaken by the Authority.

Balance Sheet – The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. Reserves are reported in two categories. The first category of reserves are 'usable' reserves, i.e. those reserves that the Authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve may only be used to fund capital expenditure or repay debt). The second category of reserves is those that the Authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold, and reserves that hold

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Narrative Report

timing differences shown in the Movement of Reserves Statement line 'adjustments between accounting basis and funding basis under regulations'.

Cash Flow Statement – The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of tolls and grant income or from the recipients of services provided by the Authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Authority.

These accounts are supported by the Statement of Accounting Policies in Note 1, which follows the Accounting Statements, and various notes to the accounts.

The information included in these accounts incorporates spending relating to the Broads Navigation. The Navigation income and expenditure is separately accounted for in the records to ensure the proper control of income from toll payers and to ensure it is spent primarily to benefit the users of the navigation. Navigation income and expenditure is shown in full at note 37 on page 73.

Statement of Responsibilities for the Statement of Accounts

The Authority's Responsibilities

The Authority is required to:-

- (a) Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Chief Financial Officer.
- (b) Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- (c) Approve the statement of accounts.

The Chief Financial Officer's Responsibilities

The Chief Financial Officer is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (the Code).

In preparing this Statement of Accounts, the Chief Financial Officer has:-

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent; and
- complied with the Local Authority Code.

The Chief Financial Officer has also:

- kept proper accounting records which were up-to-date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Chief Financial Officer's Certificate

I certify that the Statement of Accounts gives a true and fair view of the financial position of the Broads Authority at 31 March 2019 and its income and expenditure for the year ended 31 March 2019.

Emma Krelle (Chief Financial Officer)

Certificate of Committee Resolution

I confirm that these accounts were approved by The Broads Authority at its meeting held 22 November 2019.

Signed on behalf of The Broads Authority:

Mr Bill Dickson

(Chair of meeting approving the accounts)

22 November 2019

Broads Authority Statement of Accounts
Independent Auditor's Report to the Members of the Broads Authority

Independent Auditor's Report to the Members of the Broads Authority

Broads Authority Statement of Accounts
Expenditure and Funding Analysis

Expenditure and Funding Analysis

This statement shows how funding available to the Authority for the year has been used in providing services in accordance with generally accepted accounting practices.

2017/18				2018/19		
Net Expenditure Chargeable to the General and Navigation Fund Balances £000	Adjustments between the Funding and Accounting Basis * £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000		Net Expenditure Chargeable to the General and Navigation Fund Balances £000	Adjustments between the Funding and Accounting Basis * £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000
957	133	1,090	Operations	1,079	12	1,091
1,574	145	1,719	Strategic Services	1,608	123	1,731
617	36	653	Chief Executive	592	30	622
37	0	37	Corporate Amounts	47	109	156
(153)	141	(12)	Broads Navigation Account	(222)	424	202
3,032	455	3,487	Net Cost of services	3,104	698	3,802
(3,283)	210	(3,073)	Other Income and Expenditure	(3,494)	215	(3,279)
(251)	665	414	(Surplus) or Deficit	(390)	913	523
(1,368)			Opening General and Navigation Fund Balance	(1,426)		
(251)			Less/Plus (Surplus) or Deficit on General and Navigation Balance in Year	(390)		
193			Transfer (to)/from Earmarked Reserves	326		
(1,426)			Closing General and Navigation Fund Balance at 31 March	(1,490)		

* Further details on the adjustments between Funding and Accounting Basis can be found in Note 7.

The Expenditure and Funding Analysis is a note to the Financial Statements, however it is positioned here as it provides a link from the figures reported under Performance within the Narrative Report to the Comprehensive Income and Expenditure Statement.

Broads Authority Statement of Accounts
Comprehensive Income and Expenditure Statement

Comprehensive Income and Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices.

2017/18				Note	2018/19		
Gross Expenditure £000	Income £000	Net Expenditure / (Income) £000			Gross Expenditure £000	Income £000	Net Expenditure / (Income) £000
1,263	(173)	1,090	Operations	37	1,317	(226)	1,091
2,233	(514)	1,719	Strategic Services		2,575	(845)	1,730
678	(25)	653	Chief Executive		644	(22)	622
37	0	37	Corporate Items		156	0	156
3,456	(3,468)	(12)	Broads Navigation Account		3,850	(3,647)	203
7,667	(4,180)	3,487	Cost of services		8,542	(4,740)	3,802
		3	(Gains)/Losses on the disposal of non-current assets	11			(6)
		223	Financing and investment income and expenditure				83
		(3,299)	DEFRA National Park grant income				(3,356)
		414	(Surplus) or deficit on provision of services				523
		(36)	(Surplus) or deficit on revaluation of fixed assets				(73)
		(1,000)	Actuarial (gains) / losses on pension assets / liabilities				2,253
		(1,036)	Other comprehensive income and expenditure				2,180
		(622)	Total comprehensive income and expenditure				2,703

Broads Authority Statement of Accounts
Movement in Reserves Statement

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Authority, analysed into 'usable' reserves (i.e. those that can be applied to fund expenditure) and 'other' reserves. The 'surplus or (deficit) on the provision of services' line shows the true economic cost of providing the Authority's services, more details of which are shown in the Comprehensive Income and Expenditure Statement.

2017/18	General Fund and Navigation Fund Balance £000	Earmarked Reserves £000	Total Useable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
Balance at 31 March 2017 (A)	1,368	1,392	2,760	(3,297)	(537)
Total comprehensive income and expenditure	(414)	0	(414)	1,036	622
Adjustments between accounting basis and funding basis under regulations (Note 9)	665	0	665	(665)	0
Transfers to or from Earmarked Reserves (Note 10)	(193)	193	0	0	0
Increase or (decrease) in 2018/19 (B)	58	193	251	371	622
Balance at 31 March 2018 (=A+B)	1,426	1,585	3,011	(2,926)	85

Broads Authority Statement of Accounts
Movement in Reserves Statement

2018/19	General Fund and Navigation Fund Balance £000	Capital Receipts Reserve £000	Earmarked Reserves £000	Total Useable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
Balance at 31 March 2018 (A)	1,426	0	1,585	3,011	(2,926)	85
Total comprehensive income and expenditure	(523)	0	0	(523)	(2,181)	(2,704)
Adjustments between accounting basis and funding basis under regulations (Note 9)	913	405	0	1,318	(1,318)	0
Transfers to or from Earmarked Reserves (Note 10)	(326)	0	326	0	0	0
Increase or (decrease) in 2018/19 (B)	64	405	326	795	(3,499)	(2,704)
Balance at 31 March 2019 (=A+B)	1,490	405	1,911	3,806	(6,425)	(2,619)

Broads Authority Statement of Accounts
Balance Sheet

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets of the Authority (assets less liabilities) are matched by the reserves held by the Authority.

As at 31 Mar 18 £000		Note	As at 31 Mar 19 £000
4,754	Property, Plant & Equipment	12	4,709
275	Investment Property Held for Sale	13	0
37	Intangible Assets	14	28
5,066	Long term assets		4,737
2,505	Short term investments		3,508
91	Inventories	15	88
699	Short term debtors	16	808
1,694	Cash and cash equivalents	17	1,198
4,989	Current assets		5,602
(15)	Short term borrowing		(15)
(1,903)	Short term creditors	18	(1,747)
(66)	Provisions	19	(47)
(1,984)	Current liabilities		(1,809)
(123)	Long term borrowing		(109)
(7,863)	Other long term liabilities	31, 33	(11,040)
(7,986)	Long term liabilities		(11,149)
85	Net assets/(liabilities)		(2,619)
	<u>Useable reserves</u>		
1,058	General Account fund balance		1,064
368	Navigation Account fund balance		426
0	Capital Receipts Reserve		405
1,585	Earmarked Reserves	10	1,911
	<u>Unusable reserves</u>	21	
1,774	Revaluation Reserve		1,950
2,921	Capital Adjustment Account		2,484
(7,571)	Pension Reserve		(10,812)
(50)	Accumulated Absence Reserve		(47)
85	Total reserves		(2,619)

Emma Krelle (Chief Financial Officer)

22 November 2019

Broads Authority Statement of Accounts
Cash Flow Statement

Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

2017/18 £000	Revenue Activities	Note	2018/19 £000
(414)	Net surplus or (deficit) on the provision of services		(523)
1,102	Adjustments to net surplus or deficit on the provision of services for non-cash movements		1,395
(5)	Adjust for items in the net surplus or deficit on the provision of services that are Investing and Financing Activities		(11)
683	Net cash flows from Operating Activities	22	861
(904)	Investing Activities	23	(1,287)
(66)	Financing Activities	24	(70)
(287)	Net increase or (decrease) in cash and cash equivalents		(496)
1,981	Cash and cash equivalents at the beginning of the reporting period		1,694
1,694	Cash and cash equivalents at the end of the reporting period	17	1,198

Notes to the Statement of Accounts

1. Accounting Policies

i. General Principles

The Statement of Accounts summarises the Authority's transactions for the 2018/19 financial year and its position at the year end of 31 March 2018. The Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit (England) Regulations 2015, which those regulations require to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 and the Service Reporting Code of Practice 2018/19, supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

ii. Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amounts is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

iii. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 7 days or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

iv. Exceptional Items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in

Broads Authority Statement of Accounts
Notes to the Statement of Accounts

the notes to the accounts, depending on how significant the items are to an understanding of the Authority's financial performance.

v. Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

vi. Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are debited with the following amounts to record the cost of holding fixed assets during the year:

- depreciation attributable to the assets used by the relevant service;
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off; and
- amortisation of intangible fixed assets attributable to the service.

vii. Employee Benefits

Benefits payable during employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the appropriate service line in the Comprehensive Income and Expenditure Statement when the Authority is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

Broads Authority Statement of Accounts
Notes to the Statement of Accounts

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Authority to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post-Employment Benefits

Employees of the Broads Authority are members of Norfolk Pension Fund for civilian employees (the Local Government Pension Scheme), administered by Norfolk County Council. This is a funded defined benefit final salary scheme, meaning that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

viii. Events After the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events.
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

ix. Fair Value Measurement

The Authority measures some of its non-financial assets such as investment properties and some of its financial instruments such as borrowings at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The Authority measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of a non-financial asset, the Authority takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Authority uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Authority's financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 – quotes prices (unadjusted) in active markets for identical assets or liabilities that the Authority can access at the measurement date;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 – unobservable inputs for the asset or liability.

x. Financial Instruments

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Authority becomes party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement (CIES) for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

Long term loans are shown in the balance sheet as the capital element outstanding at the year end, split between amounts due within the current year and amounts due outside the year. Any interest paid is taken directly to the income and expenditure account. The 'fair value' of any loans is disclosed in the notes to the accounts with accompanying explanations.

Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow characteristics. There are three main classes of financial assets measured at:

- amortised cost
- fair value through profit or loss (FVPL), and
- fair value through other comprehensive income (FVOCI)

The authority's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (ie where the cash flows do not take the form of a basic debt instrument).

Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost are recognised on the Balance Sheet when the authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement (CIES) for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the authority, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the CIES is the amount receivable for the year in the loan agreement.

Broads Authority Statement of Accounts
Notes to the Statement of Accounts

Any gains and losses that arise on the derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

Expected Credit Loss Model

The authority recognises expected credit losses on all of its financial assets held at amortised cost, either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors) held by the authority.

The Authority has not made any material loans.

xi. Foreign Currency Translation

Where the Authority has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date the transaction was effective. Where amounts in foreign currency are outstanding at the year-end, they are reconverted at the spot exchange rate at 31 March. Resulting gains or losses are recognised in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement

xii. Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Authority when there is reasonable assurance that:

- the Authority will comply with the conditions attached to the payments; and
- the grants or contributions will be received.

Amounts recognised as due to the Authority are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ringfenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement.

Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

xiii. Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Authority as a result of past events is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Authority.

Broads Authority Statement of Accounts
Notes to the Statement of Accounts

Internally generated assets are capitalised where it is demonstrable that the project is technically feasible and is intended to be completed (with adequate resources being available) and the Authority will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and is restricted to that incurred during the development phase (research expenditure cannot be capitalised).

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Authority's goods or services.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Authority can be determined by reference to an active market. In practice, no intangible asset held by the Authority meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

xiv. Investment Property

Investment properties are those that are used solely to earn rentals and / or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment properties are measured initially at cost and subsequently at fair value, based on the amount at which the asset could be exchanged between knowledgeable parties at arm's length. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the general reserve balances. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the general reserve balances. The gains and losses are therefore reversed out of the general reserve balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

xv. Inventories

Inventories are included in the Balance Sheet at the lower of cost or net realisable value. The cost of inventories is assigned using the FIFO (first-in, first-out) costing formula.

xvi. Leases

Broads Authority Statement of Accounts
Notes to the Statement of Accounts

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Authority as Lessee

Finance Leases

Property, Plant and Equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Authority are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Lease payments are apportioned between:

- a charge for the acquisition of the interest in the property, plant or equipment – applied to write down the lease liability; and
- a finance charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

Property, Plant and Equipment recognised under finance leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life (where ownership of the asset does not transfer to the Authority at the end of the lease period).

Depreciation and revaluation and impairment losses are therefore substituted by a revenue contribution in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement.

Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefitting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a rent-free period at the commencement of the lease).

The Authority as Lessor

Operating Leases

Where the Authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

xvii. Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred. A de minimis limit of £5,000 is used to recognise fixed assets.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price; and
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Authority does not capitalise borrowing costs incurred whilst assets are under construction.

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Authority). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Authority.

Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the Comprehensive Income and Expenditure Statement, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

Assets are then carried in the Balance Sheet using the following measurement bases:

- infrastructure, community assets and assets under construction – depreciated historical cost.
- all other assets – current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of current value.

Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value.

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to

Broads Authority Statement of Accounts
Notes to the Statement of Accounts

the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to a service.

Where decreases in value are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (i.e. assets under construction).

Depreciation is calculated on the following bases:

- dwellings and other buildings – straight-line allocation between 5 and 50 years, as advised by a professional valuer;
- vehicles, plant, furniture and equipment – straight-line allocation between 5 and 10 years, as advised by a suitably qualified officer; and
- infrastructure – straight-line allocation between 20 and 25 years, as advised by a suitably qualified officer.

Where an asset has been acquired under a finance lease arrangement, and the lease term is shorter than the asset's estimated useful life, the asset is depreciated over the lease term.

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

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Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Receipts below £5,000 arising from the sale of fixed assets are allocated to revenue. The Broads Authority has a policy of not depreciating assets in the first year of ownership.

Disposals and Non-current Assets

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale. When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant or Equipment) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. The balance of receipts is required to be credited to the Capital Receipts Reserve, and can then only be used for new capital investment, or set aside to reduce the Authority's underlying need to borrow (the capital financing requirement) (England and Wales). Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against the general fund, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

xviii. Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the Authority may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Authority becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Authority settles the obligation.

Contingent Liabilities

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A contingent liability arises where an event has taken place that gives the Authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but are disclosed in a note (note 34) to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Authority a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

xix. Reserves

The Authority sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments and retirement and employee benefits and do not represent useable resources for the Authority – these reserves are explained in the relevant policies.

xx. Operating Segments

In accordance with IFRS 8 and the Code, the Broads Authority keeps the general fund and navigation fund separately. Under the Code, the Authority has prepared a single income and expenditure account for 2018/19, however in note 37 to the accounts the navigation income and expenditure is shown.

xxi. Allocation of Costs

Salary, vehicle and other revenue costs are reallocated within the general expenditure to major projects that are grant aided partially or wholly by sources other than Defra grant. The method of allocation is kept as simple as possible and is either made on usage, such as number of hours spent on a project, or estimated on a percentage basis.

Recharges between the general and navigation funds are based on staff time and usage.

xxii. Revenue Expenditure Funded from Capital Under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year.

xxiii. VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

2. Accounting Standards that have been issued but have not yet been adopted

The 2018/19 Code of Practice on Local Authority Accounting adopts the following amendments to International Accounting Standards and International Financial Reporting Standards, which will be required from 1 April 2019:

- IFRS 16 Leases will be a significant change in Local Authority Accounting. Its introduction will remove the distinction between operating and finance leases for lessees. The standard will require assets to be recognised on the balance sheet as well as the liability for outstanding lease payments. This will apply where the right to use the asset exceeds 12 months and it is not considered low value. This will be a significant change to the Authority as it holds a number of operating leases relating to land that is used for moorings.
- The following amendments to the accounting standards are either not relevant or have minor changes which are not expected to have a material effect on the Authority's Statement of Accounts. These include: IAS 40 Investment Property; Transfers of Investment Property, Annual improvements to IFRS Standards 2014-2016 Cycle, IFRIC 22 Foreign Currency Transactions and Advance Consideration, IFRIC 23 Uncertainty over Income Tax Treatments and amendments to IFRS 9 Financial Instruments: Prepayment Features with Negative Compensation.

3. Critical judgements in applying accounting policies

In applying the accounting policies set out in note 1, the Authority has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

- Despite the remaining one year of the original four year settlement from DEFRA there remains a degree of uncertainty about the longer term levels of funding for National Parks. However, the Authority has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Authority might be impaired as a result of a need to close facilities and reduce levels of service provision.
- The Authority is a member of Whitlingham Charitable Trust of which there are four members. The Authority can appoint up to four trustees and there shall be no more than nine in total. The Trust is limited by guarantee in which each member agrees to contribute £1 in the event of it being wound up. Whitlingham Charitable Trust was established to manage and maintain Whitlingham Country Park for public benefit. Whilst the Authority does have significant influence in the management of the Trust, it does not have a controlling influence, and it does not have any share equity, or any share in profits or losses. It is considered therefore that International Accounting Standard (IAS) 28 – Accounting for Investments in Associates - does not apply as the charity has no formal equity structure, and the Authority does not derive any financial benefit from the Trust.

4. Assumptions made about the future and other major sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for the revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The key judgements and estimation uncertainty that have a significant risk of

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causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Item	Uncertainties	Effect if actual results differ from assumptions
Property Plant and Equipment	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Authority will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets fall. It is estimated that the annual depreciation charge would increase by £63,000 for every year that useful lives had to be reduced.
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Authority with expert advice about the assumptions to be applied.	The effects on the net pensions liability of changes in individual assumptions can be measured. For instance, a 0.5% decrease in the discount rate assumption would result in an increase in the pension liability of £4,089,000. Further details are set out in the sensitivity analysis in note 33.

5. Material Items of Income and Expense

There are no material items of expense in relation to 2018/19 which are not disclosed elsewhere within the Statement of Accounts.

6. Events after the balance sheet date

The Statement of Accounts was authorised for issue by the Chief Financial Officer on 22 November 2019. Events that occur after this date are not reflected in the financial statements or notes.

Subsequent to the approval of the draft accounts, the Authority received further information regarding the Defined Benefit Pension Scheme disclosed in note 33 on page 60 and the Contingent Liabilities disclosed in note 34 on page 68.

Defined Benefit Pension Scheme

Following on from the Guaranteed Minimum Pension Indexation and the McCloud Judgement the narrative and the revised liabilities have been updated.

Employment Tribunal Claim

A settlement was reached on this case on 26 June 2019 with a COT3 agreement in place requiring the claimant to withdraw their claims.

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7. Note to the Expenditure and Funding Analysis

Adjustments from General and Navigation Fund to arrive at the Comprehensive Income and Expenditure Statement Amounts

2017/18					2018/19			
Adjustments for Capital Purposes (Note 1)	Net change for the Pensions Adjustments (Note 2)	Other Differences (Note 3)	Total Adjustments		Adjustments for Capital Purposes (Note 1)	Net change for the Pensions Adjustments (Note 2)	Other Differences (Note 3)	Total Adjustments
£000	£000	£000	£000		£000	£000	£000	£000
25	108	0	133	Operations	(96)	110	(2)	12
(31)	179	(3)	145	Strategic Services	(61)	181	3	123
0	34	2	36	Chief Executive	0	32	(2)	30
0	0	0	0	Corporate Items	0	109	0	109
(119)	260	0	141	Broads Navigation Account	85	341	(2)	424
(125)	581	(1)	455	Net Cost of Services	(72)	773	(3)	698
				Other income and expenditure from the Expenditure and Funding Analysis				
0	210	0	210		0	215	0	215
				Difference between General and Navigation Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services				
(125)	791	(1)	665		(72)	988	(3)	913

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Note

1. Adjustments for capital purposes – this column adds in depreciation and impairment and revaluation gains and losses in the services line, and for:
 - Other operating expenditure – adjusts for capital disposal with a transfer of income on disposal of assets and the amounts written off for those assets.
 - Financing and investment income and expenditure – the statutory charges for capital financing ie Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.
2. Net change for the removal of pension contribution and the addition of IAS 19 Employee Benefits pension related expenditure and income:
 - For services this represents the removal of the employer pension contributions made by the authority as allowed by statute and the replacement with current service costs and past service costs.
 - For Financing and investment income and expenditure – the net interest on the defined benefit liability is charged to the CIES.
3. Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute including accumulated absences.

Income received on a segmental basis is analysed below:

Service	2017/18 Income from Services £000	2018/19 Income from Services £000
Operations	(173)	(226)
Strategic Services	(514)	(845)
Chief Executive	(25)	(22)
Corporate Items	0	0
Specialist Ringfenced Account (Navigation)	(3,468)	(3,647)
Total income analysed on a segmental basis	(4,180)	(4,740)

8a. Expenditure and Income Analysed by Nature

The Authority's expenditure and income is analysed as follows:

Expenditure/Income *	2017/18 £000	2018/19 £000
Expenditure		
Employee benefits expenses	5,025	5,454
Other services expenses	2,935	3,412
Depreciation, amortisation, impairment	329	395
Interest payments	38	35
Expenditure in relation to investment properties	(2)	(130)
Loss/(gain) on the disposal of assets	3	(6)
Total expenditure	8,328	9,160
Income		
Fees, charges and other service income	(4,184)	(4,751)
Interest and investment income	(23)	(37)
Contributions from reserves	(408)	(493)
Government grants and contributions	(3,299)	(3,356)
Total income	(7,914)	(8,637)
Surplus or Deficit on the Provision of Services	414	523

* In addition to the amounts reported within the Comprehensive Income and Expenditure Statement the breakdown above also includes income and expenditure funded from the earmarked reserves.

8b. Revenue from Contracts with Service Recipients

Amounts included in the Comprehensive Income and Expenditure Statement for contracts with service recipients:

2017/18 £000		2018/19 £000
262	Revenue from contracts with service recipients	270
262	Total Included in Comprehensive Income and Expenditure	270

Amounts included in the Balance Sheet for contracts with service recipients

2017/18 £000		2018/19 £000
32	Receivables, which are included in debtors (Note 16)	25
32	Total Included in Net Assets	25

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9. Adjustments between accounting basis and funding basis under regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure.

General Fund & Navigation Fund	Capital Receipts Reserve	Movement in Unusable Reserves		General Fund & Navigation Fund	Capital Receipts Reserve	Movement in Unusable Reserves
2017/18	2017/18	2017/18		2018/19	2018/19	2018/19
£000	£000	£000		£000	£000	£000
			Adjustments primarily involving the Capital Adjustment Account:			
			Reversal of items debited or credited to the Comprehensive Expenditure and Income Statement:			
0	0	0	Transfer of non-current asset sale proceeds from revenue to Capital Receipts Reserve	(130)	130	0
312	0	(312)	Charges for depreciation and impairment of non-current assets	372	0	(372)
7	0	(7)	Revaluation losses on property, plant and equipment	14	0	(14)
6	0	(6)	Amortisation of intangible assets	9	0	(9)
8	0	(8)	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	5	0	(5)
			Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:			
(67)	0	67	Statutory provision for the financing of capital investment	(70)	0	70
(392)	0	392	Capital expenditure charged against the General Fund	(273)	0	273

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General Fund & Navigation Fund 2016/17 £000	Capital Receipts Reserve 2017/18 £000	Movement in Unusable Reserves 2016/17 £000		General Fund & Navigation Fund 2018/19 £000	Capital Receipts Reserve 2018/19 £000	Movement in Unusable Reserves 2018/19 £000
0	0	0	Adjustments involving the Capital Receipts Reserve: Cash receipts from disposal of investment property	0	275	(275)
1,475	0	(1,475)	Adjustments involving the Pensions Reserve: Reversal of items relating to post-employment benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement (see note 33)	1,699	0	(1,699)
(684)	0	684	Employer's pension contributions and direct payments to pensioners payable in the year	(711)	0	711
0	0	0	Adjustments involving the accumulated Absences Account: Adjustments in relation to short-term compensated absences	(2)	0	2
0	0	0	Adjustments involving the Capital Grant Unapplied Account: Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	0	0	0
665	0	(665)	Total Adjustments	913	405	(1,318)

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10. Transfers to / from earmarked reserves

This note presents details of the amounts set aside in earmarked reserves to provide financing for future expenditure and the amounts posted back from earmarked reserves to meet expenditure in 2018/19. A description of each of the earmarked reserves follows in the table below.

	Balance at 31 March 2017 £000	Transfers in 2017/18 £000	Transfers out 2017/18 £000	Balance at 31 March 2018 £000	Transfers in 2018/19 £000	Transfers out 2018/19 £000	Balance at 31 March 2019 £000
Property	(429)	(76)	26	(479)	(95)	4	(570)
Plant, Vessels and Equipment	(214)	(170)	182	(202)	(176)	103	(275)
Premises	(179)	(31)	61	(149)	(83)	36	(196)
Planning Delivery Grant	(195)	(43)	11	(227)	(42)	0	(269)
Upper Thurne Enhancement Scheme	(78)	(24)	2	(100)	(23)	3	(120)
Section 106 Agreements	(109)	(1)	8	(102)	(1)	0	(103)
Heritage Lottery Fund	(93)	(205)	184	(114)	(523)	547	(90)
Catchment Partnership	(95)	(32)	27	(100)	(24)	34	(90)
CANAPE	0	(112)	40	(72)	(264)	149	(187)
Computer Software	0	(40)	0	(40)	0	29	(11)
Total	(1,392)	(734)	541	(1,585)	(1,231)	905	(1,911)

Included in the closing balance of £1,911k, £787k relates to Navigation funded reserves.

Earmarked reserves

Property

A reserve account set up to provide for the ongoing maintenance of the Authority's major assets, moorings and operational property assets, including Mutford Lock.

Plant, Vessels and Equipment

Reserve established to provide for the maintenance and replacement of the Authority's plant and equipment, including launches, construction and maintenance vessels and equipment, pool vehicles and fen management equipment.

Premises

A reserve account established to provide for the maintenance and development of the Authority's Dockyard facility and other buildings throughout the Broads.

Planning Delivery Grant

Balance of Defra and OPDM grants awarded to deliver the planning service.

Upper Thurne Enhancement Scheme

Reserve established to hold the balance of ring-fenced Environment Agency funding for enhancement works in the Upper Thurne.

Section 106 Agreements

A reserve account established to hold ring-fenced developers' contributions relating to planning application conditions.

Heritage Lottery Fund

A reserve account established for the Landscape Partnership project funded by the Heritage Lottery Fund.

Catchment Partnership

A reserve account set up to hold ring-fenced income from various partners within the Catchment Partnership.

CANAPE

A reserve account set up for European grant part funded project relating to the Creating A New Approach to Peatland Ecosystems.

Computer Software

A reserve account set up to provide for the ongoing replacement of Authority's Computer Software.

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11. Financing and Investment Income and Expenditure

2017/18 £000		2018/19 £000
38	Interest payable and similar charges	35
210	Net interest on the net defined benefit liability (asset)	215
(23)	Interest receivable and similar income	(37)
(2)	Income and expenditure in relation to investment properties and changes in their fair value including disposal	(130)
223	Total	83

12. Property, Plant and Equipment

Movements on balances 2017/18

Cost or valuation	Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000
At 1 April 2017	2,732	2,942	302	323	30	6,329
additions	180	404	0	0	22	606
revaluation increases / (decreases) recognised in the Revaluation Reserve	(50)	4	0	0	0	(46)
revaluation increases / (decreases) recognised in the Surplus / Deficit on the Provision of Services	(7)	0	0	0	0	(7)
derecognition – disposals	0	(31)	0	0	0	(31)
asset reclassification (to)/from Assets Under Construction	30	0	0	0	(30)	0
At 31 March 2018	2,885	3,319	302	323	22	6,851

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Accumulated depreciation and impairment	Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000
At 1 April 2017	13	1,669	208	0	0	1,890
depreciation charge	23	274	15	0	0	312
derecognition – disposals	(13)	(69)	0	0	0	(82)
depreciation written out to the Revaluation Reserve	0	(23)	0	0	0	(23)
At 31 March 2018	23	1,851	223	0	0	2,097

Net Book Value	Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000
At 31 March 2018	2,862	1,468	79	323	22	4,754
At 31 March 2017	2,719	1,273	94	323	30	4,439

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Movements on balances 2018/19

Cost or valuation	Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000
At 1 April 2018	2,885	3,319	302	323	22	6,851
additions	0	235	0	0	38	273
revaluation increases / (decreases) recognised in the Revaluation Reserve	12	(53)	0	0	0	(41)
revaluation increases / (decreases) recognised in the Surplus / Deficit on the Provision of Services	(4)	(11)	0	0	0	(15)
derecognition – disposals	0	(31)	0	0	0	(31)
At 31 March 2019	2,893	3,459	302	323	60	7,037

Accumulated depreciation and impairment	Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000
At 1 April 2018	23	1,851	223	0	0	2,097
depreciation charge	32	325	15	0	0	372
derecognition – disposals	0	(27)	0	0	0	(27)
depreciation written out to the Revaluation Reserve	(3)	(111)	0	0	0	(114)
At 31 March 2019	52	2,038	238	0	0	2,328

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Net Book Value	Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Assets Under Construction £000	Total Property, Plant and Equipment £000
At 31 March 2019	2,841	1,421	64	323	60	4,709
At 31 March 2018	2,862	1,468	79	323	22	4,754

Depreciation

The following useful lives and depreciation rates have been used in the calculation of depreciation:

Category of Asset	Depreciation method	Depreciation period
Operational Land and Buildings	Straight line. (The split between land and buildings is determined by the Authority's property consultant)	Between 5 to 50 years as per professional advice
Community Land	Not depreciated	Not depreciated
Infrastructure Asset	Straight line	Between 20 to 25 years
Vehicles, Vessels and Equipment	Straight line	Between 5 to 10 Years
Computer and Office Equipment	Straight line	5 years

Capital Commitments

The Authority has no capital commitments as at the balance sheet date.

Impairments

In accordance with IAS 36 and the Code, Directors have undertaken an annual impairment review. No assets were considered to be impaired.

Revaluations

The Authority carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at current value is revalued every five years. Valuations were carried out internally and externally. Valuations of land and buildings were carried out externally by Concertus Design and Property Consultants, in accordance with methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. Valuations of vehicles, plant, furniture and equipment are based on current prices where there is an active second-hand market or latest list prices adjusted for the condition of the asset.

Significant assumptions applied in estimating the current values are:

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Property, Plant and Equipment of a specialised nature were valued on the basis of what it would cost to reinstate the service, suitably adjusted to reflect for age, wear and tear and obsolescence of the existing asset.

Infrastructure Assets and Community Assets have been valued at historic cost rather than fair value.

Property leases have been split between finance and operating leases and valued accordingly depending upon whether the Authority is lessor or lessee.

	Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Infrastructure Assets £000	Community Assets £000	Assets Under Construction £000	Total £000
Carried at historical cost	0	0	64	323	0	387
Valued at current value as at:						
31 March 2019	1,385	363	0	0	60	1,808
31 March 2018	319	477	0	0	0	796
31 March 2017	882	280	0	0	0	1,162
31 March 2016	255	174	0	0	0	429
31 March 2015	0	127	0	0	0	127
Total cost or valuation	2,841	1,421	64	323	60	4,709

13. Investment Properties

The following items of income and expense have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

2017/18 £000		2018/19 £000
21	Rental income from investment property	0
(19)	Direct operating expenses arising from investment property	0
0	Disposals	130
2	Net gain / (loss)	130

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There are no restrictions on the Authority's ability to realise the value inherent in its investment property or on the Authority's right to the remittance of income and the proceeds of disposal.

The following table summarises the movement in the fair value of investment properties over the year.

2017/18 £000		2018/19 £000
275	Balance at start of the year	275
0	Disposals	(275)
275	Balance at end of the year	0

Fair Value Hierarchy

Details of the Authority's investment properties and information about the fair value hierarchy as at 31 March 2018 and 2019 are as follows:

	Significant observable inputs (Level 2) £000s	Fair Value 31 March 2018 £000s	Significant observable inputs (Level 2) £000s	Fair Value 31 March 2019 £000s
Fieldbase (Sold August 2018)	275	275	0	0
	275	275	0	0

Valuation techniques used to determine Level 2 fair values for Investment Properties

The fair value of investment properties has been based on the market approach using current market conditions and recent sales prices and other relevant information for similar assets in the local authority area. Market conditions are such that information for similar properties are actively purchased and sold and the level of observable inputs are significant, leading to properties being categorised at Level 2 in the fair value hierarchy.

There has been no change in valuation techniques used during the year for investment properties.

Highest and best use of Investment Properties

In estimating the fair value of the Authority's investment properties, the highest and best use of the properties is their current use.

Valuation Process for Investment Properties

The investment property was previously valued by Concertus Design and Property Consultants in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution for Chartered Surveyors.

14. Intangible Assets

The Authority internally generated a website www.visitthebroads.co.uk which would be classified as an intangible asset as it meets strict IAS 38 requirements to be recognised on the balance sheet. The useful life of the website is 5 years and the carrying amount is amortised on a straight line basis.

The movement on Intangible Assets balances during the year is as follows:

	Internally Generated Assets	Other Assets	2017/18 Total	Internally Generated Assets	Other Assets	2018/19 Total
	£000	£000	£000	£000	£000	£000
Balance at start of year:						
Gross carrying amounts	43	0	43	46	0	46
Accumulated amortisation	0	0	0	(9)	0	(9)
Net carrying amount at start of year	0	0	0	0	0	0
Additions:						
Internal development	3	0	3	0	0	0
Purchases	0	0	0	0	0	0
Amortisation for the period	(9)	0	(9)	(9)	0	(9)
Net Carrying Amount at the end of the year	37	0	37	28	0	28
Comprising:						
Gross carrying amounts	46	0	46	46	0	46
Accumulated amortisation	(9)	0	(9)	(18)	0	(18)
	37	0	37	28	0	28

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15. Inventories

	Consumable Stores		Maintenance Materials		Total	
	2017/18 £000	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000	2018/19 £000
Balance outstanding at start of year	31	37	57	54	88	91
Purchases	43	35	87	60	130	95
Recognised as an expense in year	(37)	(36)	(90)	(62)	(127)	(98)
Written off balances	0	0	0	0	0	0
Balance outstanding at year-end	37	36	54	52	91	88

16. Debtors

31 March 2018 £000		31 March 2019 £000
127	Trade receivables	79
417	Prepayments and accrued income	592
155	Other receivable amounts	137
699	Total	808

17. Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements:

31 March 2018 £000		31 March 2019 £000
2	Cash held by the Broads Authority	2
1,692	Bank current accounts	1,196
1,694	Total Cash and Cash Equivalents	1,198

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18. Creditors

31 March 2018 £000		31 March 2019 £000
398	Trade payables	313
1,299	Accruals and income in advance	1,211
206	Other payable amounts	223
1,903	Total	1,747

19. Provisions

2017/18					2018/19		
Accumulate Absences Provision £000	Redundancy Provision £000	HMRC Provision £000	Total £000		Accumulated Absences Provision £000	HMRC Provision £000	Total £000
50	13	0	63	Balance at 1 April	50	16	66
50	0	16	66	Additional provisions made in year	47	0	47
(50)	(13)	0	(63)	Settlements or cancellation of provision made at end of preceding year	(50)	(16)	(66)
50	0	16	66	Balance at 31 March	47	0	47

The redundancy provision settled in 2017/18 was for the costs of organisational restructuring. The provision relates to a redundancy payment for a post which left the Authority in April 2017. The post effected was notified in January 2017 and the payment was made during 2017/18. No further redundancy provisions were made in 2018/19.

The HMRC Provision related to the non-taxation of members expenses for attendance at committee meetings during the period 2012/13-2017/18. Settlement was agreed with HMRC in August 2018.

For more information on the Accumulated Absence Account, see note 21.

20. Usable reserves

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement.

21. Unusable reserves

31 March 2018 £000		31 March 2019 £000
1,774	Revaluation reserve	1,950
2,921	Capital Adjustment Account	2,484
(7,571)	Pensions Reserve	(10,812)
(50)	Accumulated Absences Account	(47)
(2,926)	Total unusable reserves	(6,425)

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment (and Intangible Assets). The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost;
- used in the provision of services and the gains are consumed through depreciation;
- or
- disposed of and the gains are realised.
-

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

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2017/18 £000			2018/19 £000
1,641	Balance at 1 April		1,774
258	Upward revaluation of assets	75	
(222)	Downward revaluation of assets	(3)	
1,677	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on Provision of Services		72
97	Difference between current value depreciation and historical cost depreciation	105	
0	Asset disposed of 2017/18, balance still on reserve	(1)	
97	Amount written off to the Capital Adjustment Account		104
1,774	Balance at 31 March		1,950

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert current value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Authority. The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains. Note 9 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

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2017/18 £000			2018/19 £000
2,892	Balance at 1 April		2,921
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:		
0	Transfer of non-current asset sale proceeds from revenue to Capital Receipts Reserve	130	
(312)	Charges for depreciation and impairment of non current assets	(372)	
(7)	Revaluation losses on Property Plant & Equipment	(14)	
0	Movements in the market value of investment properties	(130)	
(9)	Amortisation of intangible assets	(9)	
(8)	Amounts of non-current assets written off on disposal or sale as part of the gain / loss on disposal to the Comprehensive Income and Expenditure Statement	(280)	
(336)		(675)	
(97)	Adjusting amounts written out of the revaluation reserve	(105)	
(433)	Net written out amount of the cost of non-current assets consumed in the year		(780)
	Capital financing applied in the year:		
67	Statutory provision for the financing of capital investment charged against the General Fund	70	
	Removal of Finance Lease Liability for assets returned in year		
395	Capital expenditure charged against the General Fund	273	
462			343
2,921	Balance at 31 March		2,484

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Authority accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Authority makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

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2017/18 £000		2018/19 £000
(7,780)	Balance at 1 April	(7,571)
1,000	Remeasurements of the net defined benefit liability / (asset)	(2,253)
(1,475)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(1,699)
684	Employer's pension contributions and direct payments to pensioners payable in the year	711
(7,571)	Balance at 31 March	(10,812)

Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund balance is neutralised by transfers to or from the Account.

2017/18 £000		2018/19 £000
(50)	Balance at 1 April	(50)
50	Settlement or cancellation of accrual made at the end of the preceding year	50
(50)	Amounts accrued at the end of the current year	(47)
0	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	0
(50)	Balance at 31 March	(47)

22. Cash Flow Statement – Operating Activities

The cash flows from operating activities include the following items:

2017/18 £000		2018/19 £000
(20)	Interest received	(34)
38	Interest paid	35
18	Net cash flows from operating activities	1

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23. Cash Flow Statement – Investing Activities

2017/18 £000		2018/19 £000
(395)	Purchase of property, plant and equipment, investment property and intangible assets	(273)
(500)	Purchase of short term investments	(1,000)
(4)	Other payments from investing activities	(3)
(5)	Proceeds from the sale of property plant and equipment, investment property and intangible assets	(11)
(904)	Net cash flows from investing activities	(1,287)

24. Cash Flow Statement – Financing Activities

2017/18 £000		2018/19 £000
(52)	Cash payments for the reduction of the outstanding liabilities relating to finance leases	(55)
(14)	Repayments of short and long term borrowing	(15)
(66)	Net cash flows from financing activities	(70)

25. Members' Allowances

The Authority paid the following amounts to Members of the Authority during the year:

2017/18 £000		2018/19 £000
36	Allowances	37
7	Expenses	6
43	Total	43

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26. Officers' Remuneration

The remuneration paid to the Authority's senior employees is as follows:

		Salary, Fees and Allowances £000	Bonuses £000	Expenses Allowances £000	Pension Contribution £000	Total £000
Chief Executive	2017/18	85	0	0	16	101
	2018/19	87	0	0	16	103
Director of Planning & Resources ¹ / Director of Strategic Services	2017/18	51	0	0	9	60
	2018/19	58	0	0	11	69
Director of Operations	2017/18	54	0	0	10	64
	2018/19	57	0	0	10	67

The Director of Planning & Resources¹ resigned with effect from 6 August 2017. This role was replaced by the Director of Strategic Services whose employment commenced 18 September 2017.

The number of employees receiving more than £50,000 remuneration for the year (excluding employer's pension contributions) is shown below:

2017/18 Number of Employees		2018/19 Number of Employees
1	£50,000 - £54,999	0
0	£55,000 - £59,999	2
0	£60,000 - £64,999	0
0	£65,000 - £69,999	0
0	£70,000 - £74,999	0
0	£75,000 - £79,999	0
1	£80,000 - £84,999	0
0	£85,000 - £89,999	1

Exit Packages

The number and cost of exit packages agreed, analysed between compulsory redundancies and other departures, are disclosed in the table below:

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Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band	
	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18 £000	2018/19 £000
£0 - £20,000	0	0	0	0	0	0	0	0
£20,001 - £40,000	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0

The total cost in the table above for exit packages have been charged to the authority's Comprehensive Income and Expenditure Statement in the previous year.

27. External Audit Costs

The Broads Authority has incurred the following fees relating to audit of the Statement of Accounts, certification of grant claims and statutory inspections and to non-audit services provided by the Authority's external auditors:

2017/18 £000		2018/19 £000
13	Fees payable to external auditors with regard to external audit services carried out by the appointed auditor for the year	11
13	Total	11

28. Grant Income

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement:

2017/18 £000		2018/19 £000
3,299	Credited to taxation and non-specific grant income: Defra National Park Grant	3,356
144	Credited to services: Heritage Lottery Fund – Landscape Partnership Scheme	459
21	CANAPE – ERDF	202
3,464	Total	4,017

29. Related Parties

The Broads Authority is required to disclose material transactions with related parties, bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate

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independently or might have secured the ability to limit another party's ability to bargain freely with the Authority.

Central Government

Central government has effective control over the general operations of the Authority – it is responsible for providing the statutory framework within which the Authority operates, provides the majority of funding in the form of grants and prescribes the terms of many of the transactions that the Authority has with other parties.

Members

Members of the Broads Authority have direct control over the Authority's financial and operating policies. Members of the Navigation Committee have a consultative role in respect of navigation matters. The Authority wrote to all Members requesting details of any related party transactions. Details of Members' expenses are included in note 25.

A number of members of the Broads Authority are appointed by Local Authorities within the Broads area. The Authority transacts with these other Local Authorities for items such as rates in the normal course of business. There were no material transactions with Local Authorities which are not disclosed elsewhere within the Statement of Accounts.

Mr Alan Goodchild is a member of the Navigation Committee and is a Director of 'Goodchild Marine' which was contracted by the Authority to complete launch refits along with supplying diesel fuel and mooring facilities. The Authority paid £2,251 for refits and £5,547 for fuel and moorings during 2018/19 (£8,131 for refits and £5,649 for fuel and moorings in 2017/18). No amounts were outstanding at 31 March 2019. Goodchild Marine paid £599 in navigation tolls to the Broads Authority in 2018/19 (£582 in 2017/18). Mr Goodchild took no part in the decision-making process associated with these contracts.

Mr James Knight was a member of the Navigation Committee and is a Director of 'Waveney River Centre (2003) Ltd' and 'Ferry Marina Ltd'. Waveney River Centre (2003) Ltd paid £8,019 (£7,570 2017/18) and Ferry Marina Ltd paid £56,573 (£48,393 2017/18) navigation tolls to the Broads Authority in 2018/19. The Authority also made fuel purchases of £1,036 (£880 in 2017/18) and used mooring facilities of £2,400 during 2018/19 which were prepaid in advance during 2017/18. £53 was outstanding at 31 March 2019. Mr Knight took no part in the decision-making process associated with these contracts.

Mr Greg Munford is a member of the Broads Authority and Navigation Committee and is Chief Executive of 'Richardson's Leisure Ltd'. Richardson's Leisure paid £382,281 (£375,116 2017/18) navigation tolls to the Broads Authority in 2018/19. No amounts were outstanding at 31 March 2019. Mr Munford took no part in the decision-making process associated with these contracts.

Mr Simon Sparrow is a member of the Navigation Committee and is Director of Hippersons Boatyard Ltd. Hippersons Boatyard paid £3,826 navigation tolls to the Broads Authority in 2018/19. No amounts were outstanding at 31 March 2019.

Mr Michael Whitaker was a member of the Navigation Committee and was a partner of 'Herbert Woods LLP' until November 2018. Herbert Woods LLP paid £172,457 navigation tolls to the Broads Authority in 2018/19 (£170,538 in 2017/18). The Authority also made fuel purchases of £561 during the year (£1,775 in 2017/18) and paid £264 for lifting (Nil 2017/18). No amounts were outstanding at 31 March 2019. Mr Whitaker took no part in the decision-making process associated with these contracts.

Mr Brian Wilkins is a member of the Navigation Committee and is a contractor via 'Windwood Solutions Ltd' to 'Canham Consulting Ltd', which was contracted for engineering design services. The Authority paid £1,470 during 2018/19 (£8,256 in 2017/18). No amounts were

outstanding at 31 March 2019. Mr Wilkins took no part in the decision-making process associated with this contract.

Officers

The Chief Executive represents the Broads Authority on the board of the Whitlingham Charitable Trust. Officer remuneration is detailed in note 26.

Whitlingham Charitable Trust

During the year the Authority provided administration services for Whitlingham Charitable Trust of £45,555 (£52,664 in 2017/18). The balance outstanding at 31 March 2019 was £15,384 (£21,892 at 31 March 2018).

The Broads Authority also provides a recharge service for purchase invoices and salaries of £82,513 (£64,731 in 2017/18). Up until the end of July 2018 the recharge was net of income collected on behalf of the Trust. From August 2018 Whitlingham Charitable Trust invoiced the Authority for this. The balance outstanding at 31 March 2019 was £10,115 (£9,670 at 31 March 2018).

The Whitlingham Charitable Trust also invoiced the Authority £18,789 (£15,264 in 2017/18) for rental income for the lease of the visitor centre and moorings, £290 for the hire of a flail and tractor and £3,991 (Nil 2017/18) for income collected on behalf of the Trust. The balance outstanding at 31 March 2019 was £2,159 (£864 in 2017/18).

Other Public Bodies

The Authority recharged Broadland District Council for staff time of £12,009 during 2018/19 (£13,542 in 2017/18). The balance outstanding at 31 March 2019 was £1,565 (£1,985 at 31 March 2018).

Norfolk County Council provides legal services to the Broads Authority via its legal practice, NPLaw. The Authority paid £57,249 for legal services in 2018/19 (£71,734 in 2017/18). No amounts were outstanding at 31 March 2019.

Norfolk County Council also provides payroll services to the Broads Authority. The Authority paid £6,952 for this in 2018/19 (£4,685 in 2017/18). No amounts were outstanding at 31 March 2019.

30. Capital expenditure and capital financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases and PFI/PP contracts), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Authority, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Authority that has yet to be financed. The CFR is analysed in the second part of this note.

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2017/18 £000		2018/19 £000
217	Opening Capital Finance Requirement	364
	<u>Capital Investment</u>	
606	Property, Plant and Equipment	273
	<u>Sources of Finance</u>	
	Sums set aside from revenue:	
(392)	Direct revenue contributions	(273)
(67)	MRP	(70)
364	Closing Capital Finance Requirement	294
	<u>Explanation of movements in year</u>	
(67)	Increase / (decrease) in underlying need to borrow (unsupported by government financial assistance)	(70)
214	Assets acquired under finance leases	0
147	Increase / (decrease) in Capital Financing Requirement	(70)

31. Leases

Authority as Lessee

Finance Leases

The Authority has a number of vehicles, plant and office equipment acquired under finance leases. The assets acquired under these leases are carried as Property, Plant and Equipment in the Balance Sheet at the following net amounts:

2017/18 £000		2018/19 £000
0	Other Land and Buildings	0
254	Vehicles, Plant, Furniture and Equipment	190
254	Total	190

The Authority is committed to making minimum payments under these leases comprising settlement of the long-term liability for the interest in the property acquired by the Authority and finance costs that will be payable by the Authority in future years while the liability remains outstanding. The minimum lease payments are made up of the following amounts:

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2017/18 £000		2018/19 £000
	Finance lease liabilities (net present value of minimum lease payments):	
54	• Current	50
181	• Non-current	181
12	Finance costs payable in future years	7
247	Minimum lease payments	238

The minimum lease payments will be payable over the following periods:

	Minimum Lease Payments		Finance Lease Liabilities	
	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000
Not later than one year	60	53	54	50
Later than one year and not later than 5 years	187	134	181	181
Later than 5 years	0	0	0	0
	247	187	235	231

The minimum lease payments do not include rents that are contingent on events taking place after the lease was entered into, such as adjustments following rent reviews. In 2018/19, no (£nil) contingent rents were payable by the Authority (2017/18 £nil).

Operating Leases

The Authority has also established operating leases in relation to land and buildings with typical lives between 5 and 20 years. The future minimum lease payments due under non-cancellable leases in future years are:

2017/18 £000		2018/19 £000
144	Not later than one year	138
446	Later than one year and not later than 5 years	380
49	Later than 5 years	194
639	Total	712

The expenditure charged to the Comprehensive Income and Expenditure Statement during the year in relation to these leases was:

2017/18 £000		2018/19 £000
169	Minimum lease payments	170
169	Total	170

Authority as Lessor

Finance Leases

The Authority has no leased out property on a finance lease.

Operating Leases

The Authority leases out land and property under operating leases for the following purposes:

- For the provision of community services, such as tourism services; and
- For an outdoor education and study centre.

The future minimum lease payments receivable under non-cancellable operating leases in future years are:

2017/18 £000		2018/19 £000
25	Not later than one year	0
0	Later than one year and not later than 5 years	0
0	Later than 5 years	0
25	Total	0

The minimum lease payments receivable do not include rents that are contingent on events taking place after the lease was entered into, such as adjustments following rent reviews.

32. Termination Benefits

The Authority terminated the contract of one employee who was made redundant at the beginning of 2017/18 as part of the Broads Authority's organisational restructuring. In terminating these contracts the Authority incurred liabilities of £13,203, of which £nil related to enhanced pension benefits. This liability was recognised within the Provision Account in 2016/17. No additional liabilities relating to termination benefits were incurred during 2018/19 and no provision for any future redundancy payments was established in the year.

33. Defined Benefit Pension Schemes

Participation in Pension Schemes

As part of the terms and conditions of employment of its officers and other employees, the Broads Authority makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Authority has a commitment to make future payments and thus these need to be disclosed as a future entitlement. The Authority participates in one pension scheme:

- The Norfolk Pension Fund for civilian employees (the Local Government Pension Scheme), administered locally by Norfolk County Council. This is a funded defined benefit final salary scheme, meaning that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

Guaranteed Minimum Pension

Guaranteed minimum pension (GMP) was accrued by members of the Local Government Pension Scheme (LGPS) between 6 April 1978 and 5 April 1997. The value of GMP is inherently unequal between males and females for a number of reasons, including a higher retirement age for men and GMP accruing at a faster rate for women. However overall equality of benefits was achieved for public service schemes through the interaction between scheme pensions and the State Second Pension. The introduction of the new Single State Pension in April 2016 disrupted this arrangement and brought uncertainty over the ongoing indexation of GMPs, which could lead to inequalities between men and women's benefits.

As an interim solution to avoid this problem, GMP rules were changed so that the responsibility for ensuring GMPs kept pace with inflation passed in full to pension schemes themselves for members reaching state pension age between 6 April 2016 and 5 April 2021. This new responsibility leads to increased costs for schemes (including the LGPS) and hence scheme employers.

The fund's actuary has carried out calculations in order to estimate the impact that the GMP indexation changes will have on the liabilities of the Broads Authority for financial reporting purposes. The estimate assumes that the permanent solution eventually agreed will be equivalent in cost to extending the interim solution to all members reaching state pension age from 6 April 2016 onwards.

The estimate as it applies to the Broads Authority is that total liabilities could increase by approximately £116,000 as at 31 March 2019.

These numbers are approximate estimates based on employer data as at 31 March 2016 and will be revised at the upcoming valuation.

The McCloud Judgement

When the LGPS benefit structure was reformed in 2014, transitional protections were applied to certain older members close to normal retirement age. The benefits accrued from 1 April 2014 by these members are subject to an 'underpin' which means that they cannot be lower than what they would have received under the previous benefit structure. The underpin ensures that these members do not lose out from the introduction of the new scheme, by effectively giving them the better of the benefits from the old and new schemes.

In December 2018 the Court of Appeal upheld a ruling ("McCloud/Sargeant") that similar transitional protections in the Judges' and Firefighters' Pension Schemes were unlawful on the grounds of age discrimination. The implications of the ruling are expected to apply to the LGPS (and other public service schemes) as well. The UK Government requested leave to appeal to the Supreme Court but this was denied.

The impact of the ruling is uncertain. It is looking likely that benefits accrued from 2014 may need to be enhanced so that all members, regardless of age, will benefit from the underpin. However, restitution may be achieved in a different way, for example by paying compensation. In either case, the clear expectation is that many more members would see an enhanced benefit rather than just those currently subject to these protections. In this outcome, there would likely be a retrospective increase to members' benefits, which in turn would give rise to a past service cost for the Fund employers when the outcome is known.

Quantifying the impact at this stage is very difficult because it will depend on the compensation awarded, members' future salary increases, length of service and retirement age, and whether (and when) members withdraw from active service. Salary increases in particular can vary significantly from year to year and from member to member depending on factors such as

budget restraint, job performance and career progression. The Government Actuary's Department (GAD) has estimated that the impact for the LGPS as a whole could be to increase active member liabilities by 3.2%, based on a given set of actuarial assumptions. A full description of the data, methodology and assumptions underlying these estimates is given in GAD's paper, dated 10 June 2019.

The Fund's actuary has adjusted GAD's estimate to better reflect the Norfolk Pension Fund's local assumptions, particularly salary increases and withdrawal rates. The revised estimate as it applies to the Broads Authority is that total liabilities (i.e. the increase in active members' liabilities expressed in terms of the employer's total membership) could be 0.4% higher as at 31 March 2019, an increase of approximately £79,000.

These numbers are high level estimates based on scheme level calculations and depend on several key assumptions.

The impact on employers' funding arrangements will likely be dampened by the funding arrangements they have in place. However, if the judgement is upheld then there will be unavoidable upward pressure on contributions in future years.

Transactions Relating to Post-Employment Benefits

The Authority recognises the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge the Authority is required to make against tolls and Defra grant is based on the cash payable in the year, so the real cost of post-employment benefits is reversed out via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and via the Movement in Reserves Statement during the year:

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2017/18 £000		2018/19 £000
	Comprehensive Income and Expenditure Statement	
	Cost of services:	
1,265	• current service cost	1,289
-	• past service cost	195
	Financing and investment income and expenditure	
210	• net interest expense	215
1,475	Total post-employment benefits charged to the surplus or deficit on the provision of services	1,699
	Other post-employment benefits charged to the Comprehensive Income and Expenditure Statement:	
(329)	• return on plan assets (excluding the amount included in the net interest expense)	(710)
-	• actuarial gains and losses arising on changes in demographic assumptions	-
(667)	• actuarial gains and losses arising on changes in financial assumptions	2,945
(4)	• other experience	18
(1,000)	Total post-employment benefits charged to the Comprehensive Income and Expenditure Statement	(2,253)
	Movement in Reserves Statement	
1,475	• reversal of net charges made to the surplus or deficit on the provision of services for post-employment benefits in accordance with the Code	1,699
	Actual amount charged against the General Fund balance for pensions in the year:	
(684)	• employers' contributions payable to scheme	(711)

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Pension Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Authority's obligation in respect of its defined benefit plan is as follows:

2017/18 £000		2018/19 £000
(32,782)	Present value of the defined benefit obligation	(37,640)
25,211	Fair value of plan assets	26,828
(7,571)	Net liability arising from defined benefit obligation	(10,812)

Reconciliation of the Movements in the Fair Value of Scheme (Plan) Assets

2017/18 £000		2018/19 £000
24,108	Opening fair value of scheme assets	25,211
628	Interest income	683
329	Remeasurement gain / (loss): <ul style="list-style-type: none"> The return on plan assets, excluding the amount included in the net interest expense 	710
684	Contributions from employer	711
208	Contributions from employees into the scheme	216
(746)	Benefits paid	(703)
25,211	Closing fair value of scheme assets	26,828

Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)

2017/18 £000		2018/19 £000
31,888	Balance at 1 April	32,782
1,265	Current service cost	1,289
838	Interest cost	898
208	Contributions from scheme participants	216
-	Remeasurement (gains) and losses: <ul style="list-style-type: none"> Actuarial gains / losses from changes in demographic assumptions 	-
(667)	<ul style="list-style-type: none"> Actuarial gains / losses arising from changes in financial assumptions 	2,945
(4)	<ul style="list-style-type: none"> Other 	18
-	<ul style="list-style-type: none"> Past Service Cost 	195
(746)	Benefits paid	(703)
32,782	Balance at 31 March	37,640

Broads Authority Statement of Accounts
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Local Government Pension Scheme Assets

Local Government Pension Scheme assets comprised:

Fair value of scheme assets 2017/18 £000				Fair value of scheme assets 2018/19 £000		
Quoted prices in active markets	Quoted prices not in active markets	Total		Quoted prices in active markets	Quoted prices not in active markets	Total
-	939.4	939.4	Cash and cash equivalents:	-	669.8	669.8
			• All cash and cash equivalents			
			Equity instruments:			
1,657.6	-	1,657.6	• Consumer	1,663.0	-	1,663.0
1,413.7	-	1,413.7	• Manufacturing	1,373.9	-	1,373.9
449.9	-	449.9	• Energy and utilities	600.6	-	600.6
1,406.4	-	1,406.4	• Financial institutions	1,454.6	-	1,454.6
462.0	-	462.0	• Health and care	645.6	-	645.6
790.6	-	790.6	• Information technology	1,312.8	-	1,312.8
-	-	-	• Other	0.9	-	0.9
			Bonds (Debt securities):			
-	-	-	• Corporate bonds (investment grade)	-	-	-
-	-	-	• Corporate bonds (non-investment grade)	-	-	-
379.5	-	379.5	• UK Government	307.4	-	307.4
			Private equity:			
-	1,392.8	1,392.8	• All private equity	-	1,656.3	1,656.3
			Property:			
-	2,211.6	2,211.6	• UK property	-	2,655.6	2,655.6
-	362.6	362.6	• Overseas property	-	512.6	512.6
			Other investment funds and unit trusts:			
6,749.6	-	6,749.6	• Equities	4,616.3	-	4,616.3
6,975.9	-	6,975.9	• Bonds	9,289.4	-	9,289.4
			Derivatives:			
(19.1)	-	(19.1)	• Other derivatives	76.6	-	76.6
38.5	-	38.5	• Foreign exchange	(7.4)	-	(7.4)
20,304.6	4,906.4	25,211.0		21,333.7	5,494.3	26,828.0

Broads Authority Statement of Accounts
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Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. The Fund liabilities have been assessed by Hymans Robertson, an independent firm of actuaries, estimates for the fund being based on the latest full valuation of the scheme as at 31 March 2016.

The principal assumptions used by the actuary have been:

31 March 2018		31 March 2019
	Long term expected rate of return on assets in the scheme:	
2.7%	• Equity investments*	2.4%
2.7%	• Bonds*	2.4%
2.7%	• Property*	2.4%
2.7%	• Cash*	2.4%
	Mortality assumptions:	
	Longevity at 65 for current pensioners:	
22.1 years	• Men	22.1 years
24.4 years	• Women	24.4 years
	Longevity at 65 for future pensioners:	
24.1 years	• Men	24.1 years
26.4 years	• Women	26.4 years
2.4%	Rate of inflation	2.5%
2.7%	Rate of increase in salaries	2.8%
2.4%	Rate of increase in pensions	2.5%
2.7%	Rate for discounting scheme liabilities	2.4%
	Take up of option to convert annual pension into retirement lump sum:	
50%	Pre- April 2008 service	50%
75%	Post- April 2008 service	75%

*The expected rates of return are set equal to the discount rate (per the revised version of IAS19).

The estimation of the defined benefit obligation is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions at the end of the reporting period and assumes for each other change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below are consistent with those adopted in the previous period.

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Sensitivity analysis – impact on the defined benefit obligation in the scheme

Change in assumptions at 31 March 2019	Approximate % increase to employer liability	Approximate monetary amount £000
0.5% decrease in real discount rate	11%	4,089
1 year increase in member life expectancy	3-5%	Dependent on revised assumption
0.5% increase in the salary increase rate	1%	463
0.5% increase in the pension increase rate	9%	3,567

Techniques used to manage risk

The Pensions Committee of Norfolk County Council considers long term liabilities when setting its investment strategy but does not follow a specific liability matching investment approach having taken appropriate professional advice. The Committee has agreed an asset allocation benchmark, a performance target and various controls on the Fund's investments. These reflect their views on the appropriate balance between maximising the long-term return on investments and minimising short-term volatility and risk. The Committee monitors and reviews the performance of investments and the overall strategy on a regular basis, supported by advice from professional advisers as required. A large proportion of the Fund's assets relate to equities (50% of scheme assets) and bonds (36%). These percentages are materially the same as the previous year. The scheme also invests in properties as part of the diversification of the scheme's investments.

Further details of the Fund's investment approach are outlined in the Statement of Investment Principles and Funding Strategy Statement that are published on the Fund's website www.norfolkpensionfund.org.

Impact on the Authority's cash flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The Administering Authority has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the next 20 years. Funding levels are monitored on an annual basis. The next triennial valuation will take place on 31 March 2022.

The scheme will need to take account of the national changes to the scheme under the Public Pension Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales may not provide benefits in relation to service after 31 March 2014. The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits to certain public servants.

The Authority anticipates paying contributions of approximately £711,000 to the scheme in 2019/20.

The weighted average duration of the defined benefit obligation for scheme members is as follows:

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	Liability split	Weighted average duration
Active members	52.7%	21.7
Deferred members	24.9%	23.4
Pensioner members	22.4%	12.0
Total	100.0%	19.0

34. Contingent Liabilities

The Authority has identified two material contingent liabilities:

Postwick Tip

The Authority uses a site "Postwick Tip," which is included in the Authority's Fixed Asset Register, for the treatment of sediment material from dredging operations. This natural treatment process involves the drying of sediment so that mercury content is absorbed. As such there would be no clean-up costs at the end of the site's life. However, if the Authority were to stop using the site, there would be a cost of £33,000 to surrender the license. There is currently no expectation that the Authority will cease using the site. The Authority's use of the site is the subject of a bond / financial provision to the Environment Agency in the amount of £6.4m. This covers the estimated cost of restoration which could arise if there were to be a catastrophic event at the site. Defra are the guarantors for this bond and the Authority would not itself anticipate making any payment under the terms of this agreement.

Employment Tribunal Claim

A former employee has submitted a claim to the Employment Tribunal for constructive dismissal, disability discrimination and whistleblowing. The Authority was required to submit a response by 7 March 2019 and a preliminary hearing has been scheduled for 18 June 2019. Currently the costs of such action cannot be determined.

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35. Financial Instruments

The following categories of financial instrument are carried in the Balance Sheet:

Financial Assets

	Non-Current				Current					
	Investments		Debtors		Investments		Debtors		Total	
	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000
Amortised cost	0	0	0	0	4,197	4,704	452	559	4,649	5,263
Total financial assets	0	0	0	0	4,197	4,704	452	559	4,649	5,263
Non-financial assets	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	4,197	4,704	452	559	4,649	5,263

Financial Liabilities

	Non-Current				Current					
	Borrowings		Creditors		Borrowings		Creditors		Total	
	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000
Amortised cost	304	239	0	0	69	64	1,849	1,697	2,222	2,000
Total financial liabilities	304	239	0	0	69	64	1,849	1,697	2,222	2,000
Non-financial liabilities	0	0	0	0	0	0	0	0	0	0
Total	304	239	0	0	69	64	1,849	1,697	2,222	2,000

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Income, Expense Gains and Losses

	2017/18			2018/19		
	Surplus or Deficit on the Provision of Services £000	Other Comprehensive Income and Expenditure £000	Total £000	Surplus or Deficit on the Provision of Services £000	Other Comprehensive Income and Expenditure £000	Total £000
Interest Expense	38	0	38	35	0	35
Interest Income	(23)	0	(23)	(37)	0	(37)

Fair Values of Assets and Liabilities

Financial liabilities, financial assets represented by loans and receivables and long term debtors and creditors are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments. These valuations are all classified as Level 2, where market prices are not available, with valuation techniques using inputs based significantly on observable market data. The following assumptions should be noted:

- Fixed interest rate of 4.82% over the 20 year PWLB loan;
- No early repayment or impairment is recognised; and
- The fair value of trade and other receivables is taken to be invoices or billed amount.

Broads Authority Statement of Accounts
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The fair values calculated are as follows:

	31 March 2018		31 March 2019	
	Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
Financial Liabilities held at amortised cost:				
PWLB	138	164	123	146
Finance Leases	235	235	180	180
Short Term Creditors	1,849	1,849	1,697	1,697
Total	2,222	2,248	2,000	2,023

The fair value of borrowings is higher than the carrying amount because the authority's PWLB loan is at a fixed interest rate where the interest rate payable is higher than the prevailing rates at the Balance Sheet date. This shows a notional future loss (based on economic conditions as at 31 March 2019) arising from a commitment to pay interest to lenders above the current market rate. Refinancing the loan at lower interest rates would outweigh the early repayment fee.

	31 March 2018		31 March 2019	
	Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
Financial assets held at amortised cost:				
Fixed Term Investments	2,505	2,505	3,508	3,508
Cash at bank	1,692	1,692	1,196	1,196
Short Term Debtors	452	452	559	559
Total	4,649	4,649	5,263	5,263

Short term debtors and creditors are carried at cost as this is fair approximation of their value.

36. Nature and Extent of Risks Arising from Financial Instruments

The Authority's activities expose it to a variety of financial risks:

Credit Risk	The possibility that other parties might fail to pay amounts due to the Authority.
Liquidity Risk	The possibility that the Authority might not have funds available to meet its commitments to make payments.
Market Risk	The possibility that financial loss might arise for the Authority as a result of changes in such measures as interest rates and stock market investments.

Broads Authority Statement of Accounts
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Foreign Exchange Risk	The possibility that financial loss might arise for the Authority as a result of changes in the exchange rate (GBP and Euro).
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The Broads Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to customers. Deposits are only made in line with the Treasury Management Strategy which requires that deposits are not made with banks and financial institutions unless they are highly rated. Therefore the Broads Authority does not consider there to be any quantifiable risk in relation to investments.

The Authority's standard terms and conditions for payment of invoices are 30 days from invoice date. The Authority does not allow credit for customers, and only a small proportion of invoices were overdue and outstanding as at 31 March 2019 for which a bad debt provision had not been put in place.

Liquidity Risk

The remaining one year of the original four year agreement from DEFRA means the Broads Authority has some certainty over the next few years. Longer term uncertainty still remains and future changes in government brings further uncertainty whether future three-year funding will be available. Given the significant cash balances there is no significant risk that it will be unable to meet its commitments under financial instruments. All financial liabilities are due to be repaid within one to five years with the exception of the 20 year PWLB loan. Therefore there is no risk of having to borrow at unfavourable rates in future to replenish borrowings.

Market Risk

With the exception of the PWLB loan, the Broads Authority is debt free. Excess cash is invested at variable or fixed money market rates depending on forecasts for interest rates under the period of review.

Foreign Exchange Risk

The Authority's Annual Investment and Capital Financing Strategy for 2018/19 states that if the Authority enters into any contractual arrangements above £100,000 which involve foreign currency, the advice of the Chief Financial Officer will be sought on the advisability of hedging the exchange risk before entering into the contract.

Broads Authority Statement of Accounts
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37. Navigation Income and Expenditure Account

2017/18				2018/19		
Gross Expenditure £000	Income £000	Net Expenditure / (Income) £000		Gross Expenditure £000	Income £000	Net Expenditure / (Income) £000
2,160	(138)	2,022	Operations	2,445	(214)	2,231
811	(73)	738	Strategic Services	821	(71)	750
460	(10)	450	Chief Executive	466	(8)	458
25	0	25	Corporate Items	117	0	117
0	(3,247)	(3,247)	Navigation Income (Tolls)	0	(3,354)	(3,354)
3,456	(3,468)	(12)	Net cost of services	3,849	(3,647)	202
		(1)	Other operating expenditure			(4)
		109	Financing and investment income and expenditure			51
		96	(Surplus) or deficit on the provision of services			249
		60	(Surplus) or deficit on revaluation of fixed assets			(64)
		(447)	Actuarial (gains) / losses on pension assets / liabilities			994
		(291)	Total comprehensive income and expenditure			1,179

Glossary of Terms

ACCOUNTING PERIOD

The period of time covered by the accounts, a period of twelve months commencing on 1 April. The end of the accounting period is the Balance Sheet date.

ACCOUNTING POLICIES

The basis on which an organisation's financial statements are based to ensure that those statements 'present fairly' the financial position and transactions of that organisation. Accounting concepts include 'materiality', 'accruals', 'going concern' and 'primacy of legislative requirements'.

ACCRUALS

Sums included in the final accounts to recognise revenue and capital income and expenditure earned or incurred in the financial year, but for which actual payment had not been received or made as at 31 March.

ACTUARIAL GAINS AND LOSSES

These may arise on both defined benefit pension scheme liabilities and assets. A gain represents a positive difference between the actuarial assumptions and actual experience (e.g. liabilities during the period were lower than estimated). A loss represents a negative difference between the actuarial assumptions and actual experience (e.g. liabilities during the period were higher than estimated).

AMORTISATION

The measure of the wearing out, consumption, or other reduction in the useful economic life of an intangible long term asset.

AMORTISED COST

This is cost that has been adjusted for amortisation.

ASSET

An item owned by the Authority which has a value, for example, premises, vehicles, equipment, cash.

BUDGET

The statement of the Authority's policy expressed in financial terms usually for the current or forthcoming financial year. The Revenue Budget covers running expenses (see also: revenue income and expenditure), and the Capital Budget plans for asset acquisitions and replacements (see also: capital income and expenditure).

CAPITAL INCOME AND EXPENDITURE

Expenditure on the acquisition of a long term asset, which lasts normally for more than one year, or expenditure which adds to the life or value of an existing long term asset.

CAPITAL FINANCING

Funds raised to pay for capital expenditure. There are various methods of financing capital expenditure including borrowing, leasing, direct revenue financing, usable capital receipts, capital grants, capital contributions, revenue reserves and earmarked reserves.

CASH EQUIVALENTS

These are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short term cash commitments rather than for investment purposes.

CHARTERED INSTITUTE OF PUBLIC FINANCE AND ACCOUNTANCY (CIPFA)

The Chartered Institute of Public Finance and Accountancy (CIPFA) is the professional accountancy institute that sets the standards for the public sector. CIPFA publishes the Accounting Codes of Practice for local government.

CODE OF PRACTICE ON LOCAL AUTHORITY ACCOUNTING (the Code)

Based on International Financial Reporting Standards, the Code aims to achieve consistent financial reporting between all English local authorities and National Park Authorities. It is based on generally accepted accounting standards and practices.

COMMUNITY ASSETS

Community assets are assets that the Authority intends to hold for an unlimited period of time, have no determinable finite useful life and may have restrictions on their disposal.

CONTINGENT LIABILITIES

Potential costs that the Authority may incur in the future because of something that happened in the past.

CREDITORS

Amounts owed by the Authority for goods and services provided for which payment has not been made at the end of the financial year.

CURRENT VALUE

This is the cost of an asset if bought in the current year.

DEBTORS

Sums of money due to the Authority but not received at the end of the financial year.

DEFICIT

Arises when expenditure exceeds income or when expenditure exceeds available budget.

DEPRECIATION

The measure of the wearing out, consumption, or other reduction in the useful economic life of a long term asset.

EXPECTED RETURN ON PENSION ASSETS

For a funded defined benefit scheme, this is the average rate of return, including both income and changes in fair value but net of scheme expenses, which is expected over the remaining life of the related obligation on the actual assets held by the scheme.

FAIR VALUE

The price at which the Authority could buy or sell an asset in a transaction with another organisation, less any grants received towards buying or using that asset.

FINANCIAL ASSET

A right to future economic benefits.

FINANCIAL INSTRUMENT

Any contract that gives rise to a financial asset in one organisation and a financial liability in another.

FINANCIAL LIABILITY

An obligation to transfer economic benefits.

FINANCE LEASE

A lease which transfers all of the risks and rewards of ownership of a long term asset to the lessee. Where these leases are entered into, the assets acquired have to be included with the Authority's long term assets in the balance sheet at the market value of the asset involved (see also: operating lease).

LONG TERM ASSETS

Assets that yield benefits to the Authority and the services it provides for a period of more than one year.

GOVERNMENT GRANTS

Grants paid by the Government. These can be for general expenditure or a particular service or initiative.

HISTORIC COST

The cost of an asset when originally bought.

IAS19 RETIREMENT BENEFITS

An International Financial Reporting Standard which requires local authorities to reflect the true value of the assets and liabilities relating to the Pension Fund in their financial statements.

IMPAIRMENT

A reduction in the value of a long term asset to below its carrying amount in the Balance Sheet. Impairment of an asset is caused either by a consumption of economic benefits e.g. physical damage (fire at a building) or a deterioration in the quality of the service provided by the asset, or by a general fall in prices of that particular asset or type of asset.

INFRASTRUCTURE ASSETS

Long term assets that are inalienable, expenditure on which is recoverable only by continued use of the asset created. Examples of infrastructure assets are highways and footpaths.

INTANGIBLE ASSETS

Intangible assets are non-financial long term assets that do not have physical substance but are identifiable and are controlled by the Authority through custody or legal rights.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

International Financial Reporting Standards (IFRS) are issued by the International Accounting Standards Board. All local authorities apply international accounting regulations when preparing accounts. The Authority's accounts follow these standards where they apply to local authorities.

INVESTMENT PROPERTIES

Assets that the Authority owns but which are not used in the direct delivery of services.

LIABILITY

An obligation to transfer economic benefits. Current liabilities are usually payable within one year.

MARKET PRICE

This is the price at which another organisation is prepared to buy or sell an asset.

MINIMUM REVENUE PROVISION (MRP)

The minimum sum charged to the Authority's revenue account each year to provide for the repayment of loans.

NET BOOK VALUE

The amount at which long term assets are included in the Balance Sheet, i.e. their historical costs or current value less the cumulative amounts provided for depreciation.

NON DISTRIBUTED COSTS

These are specific overheads relating to unused assets and certain pension costs for employees' service in previous years. These are not allocated to service departments because they do not relate to the in-year cost of providing the service.

OPERATING LEASE

A lease whereby the ownership of the asset remains with the leasing company and an annual rent is charged to the relevant service. The assets involved are not included within the Authority's long term assets in the balance sheet (see also: finance lease).

OUTTURN

The actual amount spent in the financial year.

PENSION FUND

A fund which makes pension payments on retirement of its participants.

PROVISION

An amount set aside to provide for a liability, which is likely to be incurred, but where the exact amount and the date on which it will arise are uncertain.

RESERVES

An amount set aside for a specific purpose in one financial year and carried forward to meet expenditure in future years.

REVENUE INCOME AND EXPENDITURE

Expenditure which relates to day to day expenses, such as salaries and wages, general running expenses and the minimum revenue provision. Revenue income includes charges made for goods and services.

SURPLUS

Arises when income exceeds expenditure or when expenditure is less than available budget.

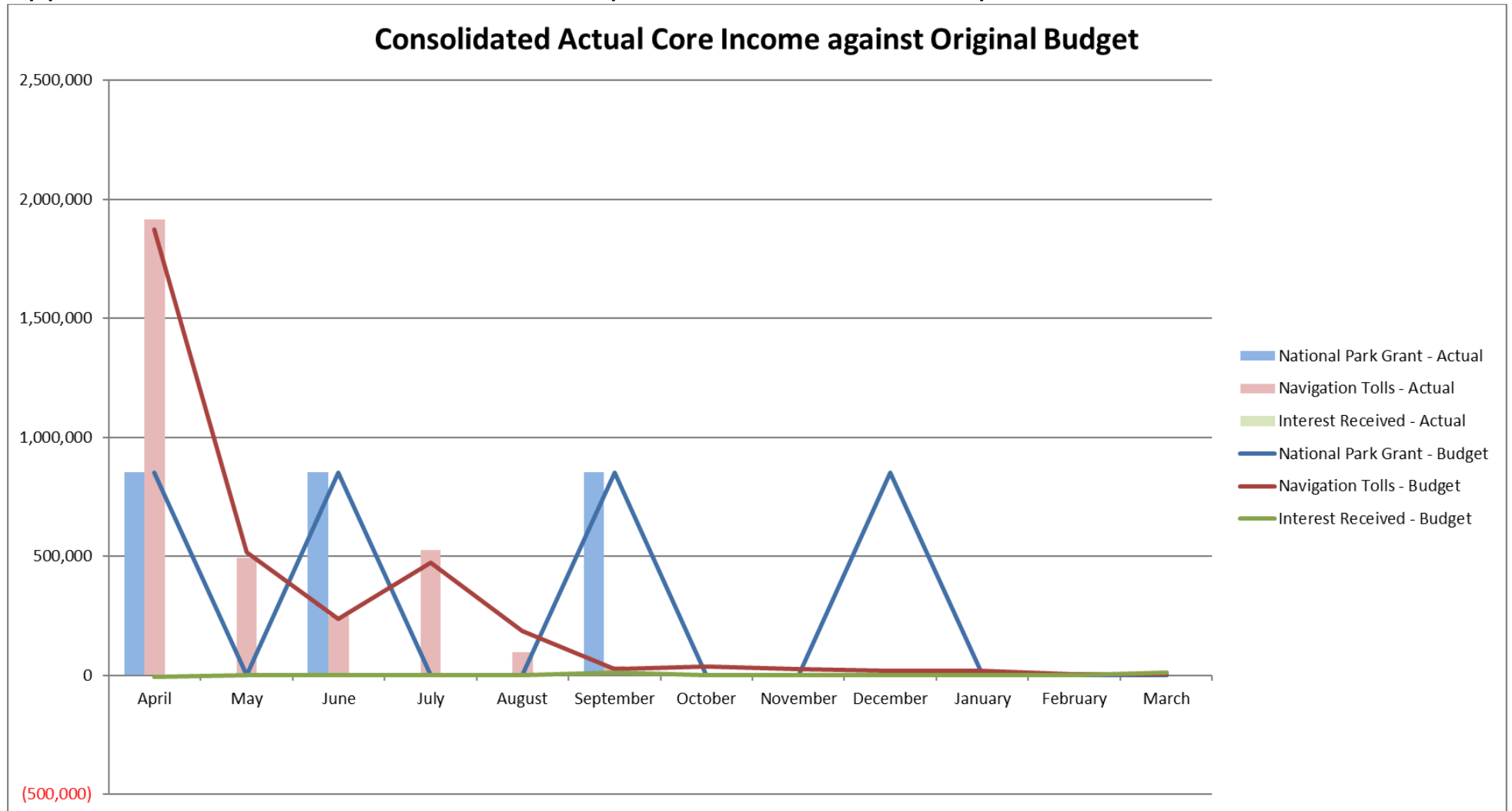
VALUE ADDED TAX (VAT)

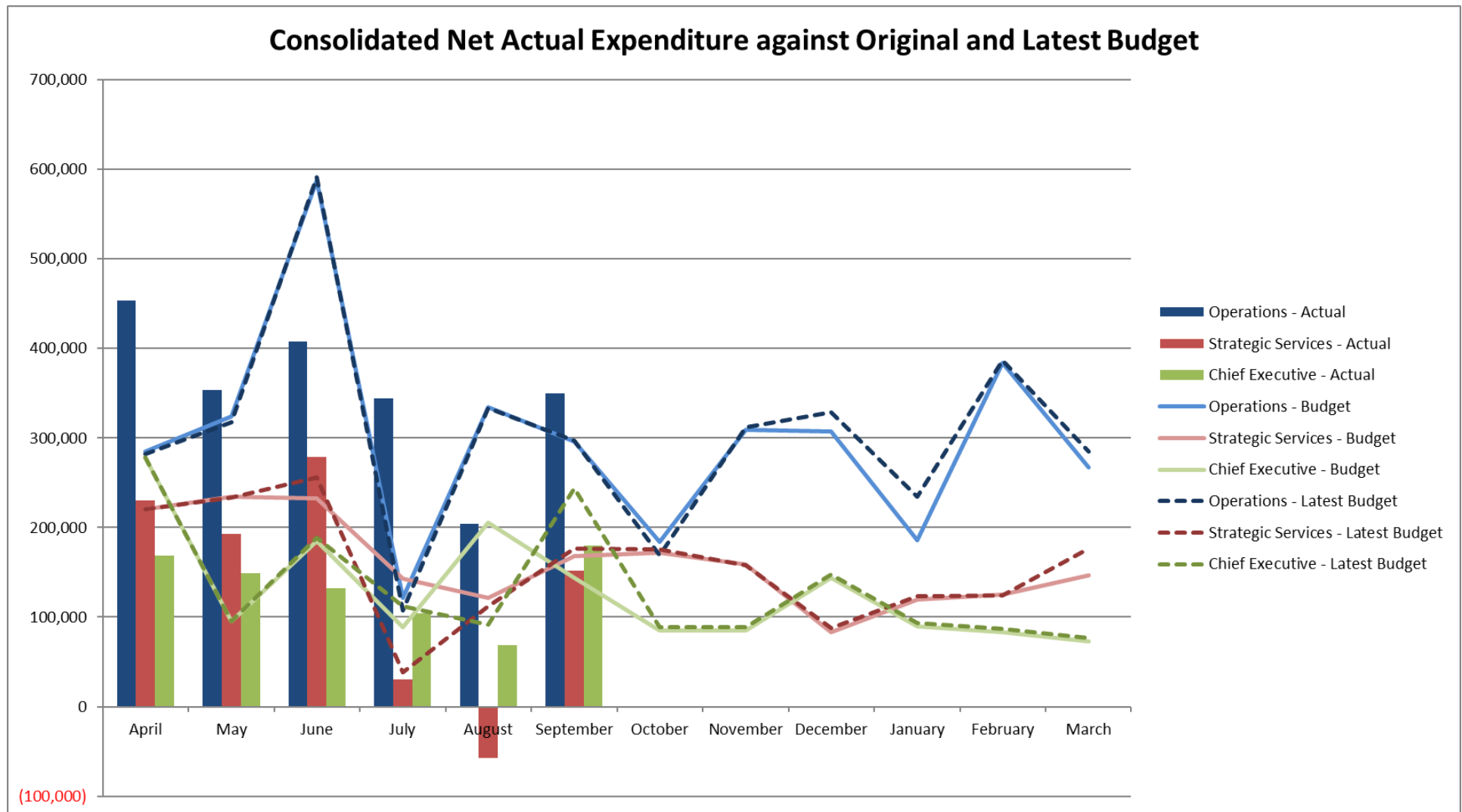
A tax on consumer expenditure, collected on business transactions at each stage in the supply, but ultimately borne by the final customer.

VARIANCE / VARIATION

A difference between budgeted income or expenditure and actual outturn, also referred to as an 'over-' or 'underspend'.

Appendix 2 - Consolidated income and expenditure charts to 30 September 2019





Appendix 3 - Financial Monitor: Consolidated Income and Expenditure 2019/20

Table 1

Income

Row Labels	Original Budget (Consolidated) £	Budget Adjustments (Consolidated) £	Latest Available Budget (Consolidated) £	Forecast Outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Total Income	(6,869,078)	0	(6,869,078)	(6,886,578)	17,500
National Park Grant	(3,414,078)	0	(3,414,078)	(3,414,078)	0
Hire Craft Tolls	(1,189,000)	0	(1,189,000)	(1,179,000)	-10,000
Private Craft Tolls	(2,175,000)	0	(2,175,000)	(2,185,000)	10,000
Short Visit Tolls	(42,000)	0	(42,000)	(42,000)	0
Other Toll Income	(19,000)	0	(19,000)	(19,000)	0
Interest	(30,000)	0	(30,000)	(47,500)	17,500

Table 2
Operations

Row Labels	Original Budget (Consolidated) £	Budget Adjustments (Consolidated) £	Latest Available Budget (Consolidated) £	Forecast Outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Total Operations	3,945,630	57,342	4,002,972	3,979,412	23,560
Construction and Maintenance Salaries	1,225,520	28,167	1,253,687	1,253,687	0
Salaries	1,231,130	28,167	1,259,297	1,259,297	0
Expenditure	(5,610)	0	(5,610)	(5,610)	0
Equipment, Vehicles & Vessels	454,000	5,550	459,550	459,550	0
Income	0	0	0	0	0
Expenditure	454,000	5,550	459,550	459,550	0
Water Management	125,970	0	125,970	125,970	0
Expenditure	125,970	0	125,970	125,970	0
Land Management	(48,440)	0	(48,440)	(48,440)	0
Income	(102,600)	0	(102,600)	(102,600)	0
Expenditure	54,160	0	54,160	54,160	0
Practical Maintenance	485,500	0	485,500	485,500	0
Income	(10,700)	0	(10,700)	(10,700)	0
Expenditure	496,200	0	496,200	496,200	0

Row Labels	Original Budget (Consolidated) £	Budget Adjustments (Consolidated) £	Latest Available Budget (Consolidated) £	Forecast Outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Waterways and Recreation Strategy	89,460	(3,500)	85,960	62,400	23,560
Salaries	79,960	(3,500)	76,460	52,900	23,560
Expenditure	9,500	0	9,500	9,500	0
Ranger Services	779,740	0	779,740	779,740	0
Income	(100,000)	0	(100,000)	(100,000)	0
Salaries	701,260	0	701,260	701,260	0
Expenditure	176,880	0	176,880	176,880	0
Pension Payments	1,600	0	1,600	1,600	0
Safety	130,000	27,125	157,125	157,125	0
Income	(3,300)	0	(3,300)	(3,300)	0
Salaries	62,600	0	62,600	62,600	0
Expenditure	70,700	27,125	97,825	97,825	0
Premises	232,910	0	232,910	232,910	0
Income	(1,000)	0	(1,000)	(1,000)	0
Expenditure	233,910	0	233,910	233,910	0
Premises - Head Office	250,640	0	250,640	250,640	0
Income	(240)	0	(240)	(240)	0

Row Labels	Original Budget (Consolidated) £	Budget Adjustments (Consolidated) £	Latest Available Budget (Consolidated) £	Forecast Outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Expenditure	250,880	0	250,880	250,880	0
Project Funding	100,000	0	100,000	100,000	0
Expenditure	100,000	0	100,000	100,000	0
Pension Payments	0	0	0	0	0
Operations Management and Administration	120,330	0	120,330	120,330	0
Salaries	115,620	0	115,620	115,620	0
Expenditure	4,710	0	4,710	4,710	0

Table 3
Strategic Services

Row Labels	Original Budget (Consolidated) £	Budget Adjustments (Consolidated) £	Latest Available Budget (Consolidated) £	Forecast Outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Total Strategic Services	1,679,765	(41,707)	1,638,058	1,619,248	18,810
Development Management	425,615	23,335	448,950	420,875	28,075
Income	(100,000)	0	(100,000)	(100,000)	0
Salaries	403,790	0	403,790	403,790	0
Expenditure	117,425	23,335	140,760	112,685	28,075
Pension Payments	4,400	0	4,400	4,400	0
Strategy and Projects Salaries	350,035	(78,801)	271,234	271,234	0
Income	(20,470)	0	(20,470)	(20,470)	0
Salaries	247,290	(60,301)	186,989	186,989	0
Expenditure	123,215	(18,500)	104,715	104,715	0
Strategy and Projects	5,000	0	5,000	14,265	-9,265
Salaries	0	0	0	9,265	-9,265
Expenditure	5,000	0	5,000	5,000	0
Biodiversity Strategy	7,670	0	7,670	7,670	0
Expenditure	7,670	0	7,670	7,670	0

Row Labels	Original Budget (Consolidated) £	Budget Adjustments (Consolidated) £	Latest Available Budget (Consolidated) £	Forecast Outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Human Resources	134,720	15,094	149,814	149,814	0
Salaries	76,420	0	76,420	76,420	0
Expenditure	58,300	15,094	73,394	73,394	0
Volunteers	77,340	0	77,340	77,340	0
Salaries	51,740	0	51,740	51,740	0
Expenditure	25,600	0	25,600	25,600	0
Communications	324,245	0	324,245	324,245	0
Income	0	(99,600)	(99,600)	(99,600)	0
Salaries	240,530	52,250	292,780	292,780	0
Expenditure	83,715	47,350	131,065	131,065	0
Visitor Centres and Yacht Stations	244,260	0	244,260	244,260	0
Income	(245,100)	0	(245,100)	(245,100)	0
Salaries	351,260	0	351,260	351,260	0
Expenditure	138,100	0	138,100	138,100	0
Strategic Services Management and Administration	110,880	(1,335)	109,545	109,545	0
Salaries	107,270	0	107,270	107,270	0

Row Labels	Original Budget (Consolidated) £	Budget Adjustments (Consolidated) £	Latest Available Budget (Consolidated) £	Forecast Outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Expenditure	3,610	(1,335)	2,275	2,275	0

Table 4

Chief Executive

Row Labels	Original Budget (Consolidated) £	Budget Adjustments (Consolidated) £	Latest Available Budget (Consolidated) £	Forecast Outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Total Chief Executive	1,415,254	35,634	1,450,888	1,419,133	31,755
Legal	116,430	0	116,430	90,000	26,430
Income	0	0	0	0	0
Salaries	51,430	0	51,430	0	51,430
Expenditure	65,000	0	65,000	90,000	-25,000
Governance	233,445	35,634	269,079	269,079	0
Income	0	0	0	0	0
Salaries	113,480	35,634	149,114	149,114	0
Expenditure	119,965	0	119,965	119,965	0
Chief Executive	118,830	0	118,830	118,830	0
Salaries	114,330	0	114,330	114,330	0

Row Labels	Original Budget (Consolidated) £	Budget Adjustments (Consolidated) £	Latest Available Budget (Consolidated) £	Forecast Outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Expenditure	4,500	0	4,500	4,500	0
Asset Management	113,944	0	113,944	113,944	0
Income	(25,540)	0	(25,540)	(25,540)	0
Salaries	46,890	0	46,890	46,890	0
Expenditure	92,594	0	92,594	92,594	0
Finance and Insurance	373,735	0	373,735	361,735	12,000
Income	0	0	0	0	0
Salaries	161,100	0	161,100	161,100	0
Expenditure	212,635	0	212,635	200,635	12,000
Collection of Tolls	135,860	0	135,860	142,535	-6,675
Salaries	123,360	0	123,360	130,035	-6,675
Expenditure	12,500	0	12,500	12,500	0
ICT	323,010	0	323,010	323,010	0
Salaries	192,660	0	192,660	192,660	0
Expenditure	130,350	0	130,350	130,350	0

Table 5

Projects and Corporate items

Row Labels	Original Budget (Consolidated) £	Budget Adjustments (Consolidated) £	Latest Available Budget (Consolidated) £	Forecast Outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Total Projects and Corporate Items	124,918	51,000	175,918	166,653	9,265
Partnerships / HLF	28,718	0	28,718	19,453	9,265
Income	(754,629)	0	(754,629)	(754,629)	0
Salaries	180,250	0	180,250	170,985	9,265
Expenditure	603,097	0	603,097	603,097	0
Corporate Items	96,200	51,000	147,200	147,200	0
Expenditure	3,200	51,000	54,200	54,200	0
Pension Payments	93,000	0	93,000	93,000	0

Table 6

Contribution from earmarked reserves

Row Labels	Original Budget (Consolidated) £	Budget Adjustments (Consolidated) £	Latest Available Budget (Consolidated) £	Forecast Outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Total Contributions from Earmarked Reserves	(252,108)	(36,175)	(288,283)	(250,943)	-37,340
Earmarked Reserves	(252,108)	(36,175)	(288,283)	(250,943)	-37,340
Expenditure	(252,108)	(36,175)	(288,283)	(250,943)	-37,340

Table 7

Net (Surplus) / Deficit

Row Labels	Original Budget (Consolidated) £	Budget Adjustments (Consolidated) £	Latest Available Budget (Consolidated) £	Forecast Outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Grand Total	44,381	66,094	110,475	46,925	63,550

Broads Authority

22 November 2019

Agenda item number 12

Strategic direction updates

Report by Head of Governance

Summary

This report sets out progress in implementing the Broads Plan and the Broads Authority's annual strategic priorities. It also gives a status update on the Authority's guiding strategies.

Recommendation

To note the report.

1. Broads Plan

- 1.1. The Broads Plan is the key partnership strategy for the Broads. It is reviewed and updated regularly, and the current plan was adopted in March 2017. The Broads Authority publishes a progress report every six months, highlighting action by the Authority and its partners to implement the Plan.
- 1.2. The Broads Plan progress report for May to October 2019 is attached to this report.

2. Guiding strategies

- 2.1. Under the high-level Broads Plan are more detailed guiding strategies, generally focusing on a single theme and covering a short-term period. Table 1 shows the status of those strategies where the Authority has a key role. Their implementation is reported in the Broads Plan progress reports and in other reports to the Authority.

3. Strategic priorities

- 3.1. Each year we identify a small set of strategic priorities, focusing on Authority-led projects with high resource needs or a high impact on the Broads, or that are politically sensitive. Setting these priorities helps us target resources and make the most of partnership working and external funding opportunities. An update on this year's priorities is in Table 2.
- 3.2. The Broads Plan, progress reports and guiding strategies may be viewed on the [strategy](http://www.broads-authority.gov.uk/strategy) pages of our website at www.broads-authority.gov.uk.

Table 1

Guiding strategies – status update

Strategy	Scope	Lead	BA contact	Status
Broads Plan	Key partnership management plan for the Broads	Broads Authority	Director of Strategic Services	Adopted April 2017; plan period 5-7 years. Review date: By 2022
Broads Local Plan	Spatial planning policy used in determining planning applications within the Broads Executive Area	Broads Authority	Planning Policy Officer	Adopted May 2019
Broads Biodiversity and Water Strategy	Implementing Biodiversity 2020 Strategy in the Broads	Broads Biodiversity Group	Senior Ecologist	Adopted May 2019. 5-year action plan to 2024.
Broadland Rivers Catchment Plan	Managing water quality and quantity in the catchment	Broadland Catchment Partnership	Catchment Partnership Officer	Adopted 2014. Action plan under ongoing review.
Broads Climate Adaptation Plan	‘Climate-smart’ planning and adaptation, including flood risk management	Broads Climate Partnership	Director of Strategic Services	BCAP adopted 2016. Process now part of Broadland Futures Initiative.
Education Strategy for the Broads	Formal environmental education and wider outreach in the Broads	Broads Environmental Education Network	Education Officer	Adopted 2017. 5-year action plan in place. Review date 2022.
Integrated Access Strategy for the Broads	Improving access facilities and links to and between land and water in the Broads, and wider access	Broads Local Access Forum	Waterways & Recreation Officer	Adopted 2019. Rolling 3-year action plan.
Tourism Strategy and Destination Management Plan	Promoting and managing tourism within the Broads and wider ‘area of tourism influence’	Broads Tourism	Head of Communications	Adopted 2016 and 5-year action plan in place. Review date: 2020

Strategy	Scope	Lead	BA contact	Status
Volunteer Strategy for the Broads	Promotion, recruitment, training and administration of BA Volunteer Service	Broads Authority	Volunteer Coordinator	Adopted 2017 and 5-year action plan underway. Review date: 2022
BA Financial Strategy	Managing the use of the BA's financial resources	Broads Authority	Chief Financial Officer	3-year rolling strategy adopted annually in February

Table 2

Broads Authority Strategic Priorities 2019/20 – progress update

Theme, aim and milestones	Progress	Lead officer
Water, Mills and Marshes Landscape Partnership Scheme Implement partnership projects to agreed schedule. <ul style="list-style-type: none"> • Monitor and report progress (Sept/Mar) • Submit quarterly claims to National Lottery Heritage Fund (Apr/Jul/Oct/Jan) • Issue draft legacy plan (Oct) 	Status: On track <ul style="list-style-type: none"> • Works to North Mill and Strumpshaw Steam Engine House nearing completion. Engineering solutions for Six Mile, Muttons and Herringfleet in design phase. • 2 heritage skills apprentices recruited – Level 2 Brickwork and Level 3 Carpentry and Joinery. • Whole scheme volunteer income target exceeded at end of Q6. • Education delivery team working with 15 primary schools, 2 high schools and a sixth form college in 2019. • Programme Manager leaving for another role. Recruitment for a replacement. 	Broads Landscape Partnership Programme Manager
CANAPE (Creating A New Approach to Peatland Ecosystems) Implement work packages 3 and 4 to agreed schedules.	Status: On track <ul style="list-style-type: none"> • Project reports and claims completed on schedule. Project Steering Group met in October 	CANAPE Project Manager

Theme, aim and milestones	Progress	Lead officer
<ul style="list-style-type: none"> • Monitor and report progress of project activities (Oct and Apr) • Submit claims to INTERREG Programme (Oct and Apr) • Complete Phase 2 of 3 at Chara Bay, Hickling Broad (Mar) and begin sediment infill of restored reedbed • Trial marketing for charcoal at four events (by Sept) • Hold five citizen science engagement events (July to Aug) 	<p>and visited restoration site at Natuurpunt in Belgium, which has overlaps with works planned in Broads.</p> <ul style="list-style-type: none"> • Equipment mobilisation underway for winter works at Hickling Broad, to include topping up of geotextile bags forming perimeter of Chara Bay site and backfilling, and dredging Catfield Dyke. • Charcoal market tested and sold successfully at several sites including Whitlingham Country Park. • BA, Natural England and IUCN organising Lowland Peat conference in March 2020. • Citizen Science: 420 people took part in community events including peat coring and How Hill Trust Family Fun Days. • CANAPE legacy programmes and training being set up at Hobart High School and How Hill Trust. 	
<p>Broadland Futures Initiative (Developing integrated flood risk management)</p> <p>Implement joint programme of work with Environment Agency and other partners.</p> <ul style="list-style-type: none"> • Run public e-survey on flooding in Broadland (June to July 2019) • Hold drop-in events (Summer 2020) • Scope decision making system involving elected members (By end 2020) 	<p>Status: On track</p> <ul style="list-style-type: none"> • Stakeholder e-survey held in June and July. BFI leaflet published to explain initiative to stakeholders and wider public. Environment Agency consultant started work and issued first BFI newsletter in September. • Presentation given to Anglian (Eastern) Regional Flood & Coastal Committee on 18 October. • BFI technical group minutes to be 	Director of Strategic Services

Theme, aim and milestones	Progress	Lead officer
	<p>published on website from November.</p> <p>www.broads-authority.gov.uk/looking-after/climate-change/broadland-futures-initiative</p>	
<p>Marketing, promotion and media relations</p> <p>Increase public awareness of Broads National Park brand.</p> <ul style="list-style-type: none"> • Install 35 Broads National Park tourist information road signs (by end 2019) • Publish Broadsheet and Visit the Broads pocket A6 guides for summer season • Develop Broads Ranger experience and market via Airbnb in Summer 2019 • Extend English National Park Experience Collection (by end 2020) <p>Recruit for two posts for new UK NP Communications Team (July)</p>	<p>Status: On track</p> <ul style="list-style-type: none"> • Road signs produced and awaiting installation at 35 sites in Norfolk and Suffolk. • Visit the Broads A6 guide published (120,000 print run) • Broads Ranger Experience launched in Sept and marketed through Airbnb, featuring 2-hour cruise on electric boat 'Liana' with food hamper and BA guide. • English National Park Experience collection: Discover England Funding ended 30 Sept and bid for DEF2 funding being developed. Local funding secured through Norfolk County Council for further development of Broad Experiences and marketing to travel trade and consumers. • UK NP Communications Team in place. 	Head of Comms
<p>Development of partnership projects</p> <p>Work in collaboration with key partners to develop projects to support delivery of Broads Plan and attract external funding.</p> <ul style="list-style-type: none"> • Complete review of onsite catering operation at Acle Bridge (by Dec) • Develop options analysis for 	<p>Status: On track</p> <p>Acle: Separate report on Broads Authority agenda 22 Nov 2019 provides update.</p> <p>Hoveton RP: Project planning started.</p> <p>Whitlingham Charitable Trust indicated its intention to run site independently of Broads Authority</p>	Chief Executive

Theme, aim and milestones	Progress	Lead officer
<p>development of Acle Bridge site (by Jan)</p> <ul style="list-style-type: none"> Develop options analysis for redevelopment of Hoveton Riverside Park (by Jan) <p>Agree future level of BA engagement in Whitlingham Country Park and principle of expanding visitor facilities on site (by Jan)</p>	<p>with a separate identity. Service Level Agreement ending 31 March 2020 and BA making plans to vacate site.</p>	
<p>Agri-environment pilot</p> <p>Work with partners to design and deliver environmentally and economically sustainable wetland and lowland grazing options within proposed Environment Land Management Scheme (ELMS).</p> <ul style="list-style-type: none"> Adopt and implement Broads Biodiversity & Water Strategy and Action Plan 2019-24 (July) Defra to confirm funds for Test and Trial ELMS in July; if approved, work with partners on Phase 1 of proposal (Mar 2020) Consider any funding shortfall for BA contribution to local design of ELMS (Autumn) 	<p>Status: On track</p> <ul style="list-style-type: none"> Broads Biodiversity & Water Strategy and Action Plan 2019-24 adopted. Broads Test and Trial proposal approved by Defra. Project to investigate management interventions, landscape-scale projects and advice support network. First partnership workshop held on 13 November with BA, NFU, Natural England, Norfolk Farming Wildlife Advisory Group, farmers and land managers. 	<p>Chief Executive</p>

Author: Maria Conti

Date of report: 13 November 2019

[Broads Plan](#) objectives: All

Appendix 1 – Broads Plan update May-Oct 2019

Broads Plan 2017

Summary of progress: May to October 2019

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A. Managing water resources and flood risk

1.1 Promote and implement best practice water capture and water use measures at a community level, and support a whole farm water management approach across the Broadland Rivers Catchment



Photo: Geldeston in flood

- BA and Local Enterprise Partnership scoping projects on climate change adaptation and environmental resource efficiency for new European Regional Development Fund funding call.
- Broads Local Plan adopted May 2019. Water efficiency policies in use for all new, replacement and converted dwellings and buildings for non-residential land uses.

1.2 Promote and implement catchment measures to manage water resources and respond to periods of water shortage and scarcity (incl. abstraction controls, water transfer and trading, infrastructure improvements)

- BA joined Water Resources East board. Key role of WRE is to look at sector water needs and trade-offs and balance considerations of customers, agriculture, economy and environment.
- National Drought Group met in July and report that much of Norfolk and Suffolk had less than 75% of long-term average rainfall last winter, with risk status in East Anglia elevated from Prolonged Dry Weather to Drought.
- Environment Agency (EA) providing ongoing water abstraction advice and onsite visits to farmers and other stakeholders.
- EA gave presentation to Broadland Catchment Partnership in October on review of consents for public and private water supplies in Ant catchment.

1.3 Maintain current coastal, tidal and fluvial flood risk management strategies relevant to the Broads, Gt Yarmouth and interrelated coastal frontage, and prepare a longer-term, integrated, strategic approach

- Coastal Futures planning public workshops held in October.
- Broadland Futures Initiative (BFI) project team investigating sources and nature of flood risk in Broadland to help define impacts and understand what longer-term flood and coastal risk management options may be needed. 12 project deliverables planned by February 2021.
- BFI local consultation - see action 10.1

1.4 Investigate, plan and promote schemes to hold back or divert flood water, moving from retrospective to proactive approaches

- Key projects: Main drain realignment and dyke widening at Martham Dyke; floodbank strengthening and relocation of soke dykes at Muckfleet for area flood management and water level management in Trinity Broads; Bowthorpe Meadow River Improvement restored 0.5 km of river habitat to restore natural river processes, wetting up 2.2 ha of floodplain and helping to maintain 0.14 ha floodplain lake.
- Local farmers using Wonder Wheel and Creyke tramline disruptors. Earthwake machine purchased by Broadland Catchment Partnership (BCP) for farmers to trial in winter cereals.
- All BCP project updates published at www.broadlandcatchmentpartnership.org.uk/news

B. Sustaining landscapes for biodiversity and agriculture

2.1 Carry out lake restoration, maintenance and enhancement work including bio-manipulation; use monitoring evidence to trial and implement further innovative lake restoration techniques



Photo: Hickling Broad © Mike Page

- CANAPE Hickling Broad restoration: Mobilisation of dredging equipment underway. New method using DNA testing for *Prymnesium* to be trialled alongside existing method. Additional reed planting agreed for Churchill's Bay as well as Chara Bay. CANAPE project presented at Living Lakes Conference, UK & Ireland Lakes Network and Care-Peat launch event, receiving significant interest.
- BA gained Water Environment Grant for wetland restoration in Ant Valley, to include hydrological feasibility and habitat creation work.
- 'Tipping the Balance' lake restoration project to restore clear water and water plant communities in Bure and Ant valleys using specialised ecological model for first time in UK, providing new observation of shallow peat lakes. Workshop in PCLake model predicting ecological responses of biomanipulation measures from Ranworth and Barton broads.
- Sediment removal ongoing at Hoveton Great Broad to develop three new fen areas and greater depth for water plant recovery. Additional turf ponds being created and local plants sourced to start off new fen areas. Some signs of water plant growth recorded in summer.

2.2 Promote and implement measures to reduce point and diffuse pollution into the floodplain and water courses, commensurate with EU/national water and habitat targets and with sustainable farming

- Water Sensitive Farming initiative 2018-20 Phase 3 project delivery: 27 individual farm visits and multiple revisits; 165 ha of land use/land management improvements; 6 water interventions (silt traps, cross drains, ditch management and integrated constructed wetland creation) installed since June 2018 across Broadland Rivers, Cam & Ely Ouse, North and West Norfolk catchments.

2.3 Maintain and enhance existing areas of priority fen, reed bed, grazing marsh and wet woodland through site management agreements/prescriptions and support services to site managers

- Ant Broads and Marshes SSSI restoration partnership project underway, monitoring, modelling water and restoring fen to enhance habitat quality. Works at How Hill include reconnecting natural underground water flows, clearing dykes, digging scrapes, improving public access and providing new interpretation for nature trail.
- Water, Mills and Marshes:
Two farms in Countryside Stewardship project successful in bids for CS payments from 2020; intended as first of many to go on to undertake capital works following intervention.
Survey data collected by volunteers over breeding season (Apr-July) digitised and made comparable with previous data to assess success of any changes in land management.
Volunteers matched up with nine survey areas for winter survey season (Dec to Feb).
Following bumper breeding season at Herringfleet Marshes, Somerleyton Estate installed foot drains on Somerleyton Marshes (~80ha) with plans to introduce more water and replicate success this winter and spring. Landowner engagement event in November to feature Countryside Stewardship process and foot drain installation demonstration.
- Environmental Land Management Scheme (ELMS):
Broads 'Test and Trial' proposal approved by Defra. Project to investigate management interventions, landscape-scale projects and advice support network. First partnership workshop on 13 November with BA, National Farmers Union, Natural England, Norfolk Farming Wildlife Advisory Group and 70 farmers and land managers.
BA preparing publication on public goods in the Broads to describe ecosystem assets, such as clean air, food and biodiversity, and their environmental benefits.
- CANAPE project: Application of reed soil improver from fen management being applied in Ant valley. CANAPE peat coring and bio-charcoal - see action 10.2

2.4 Define, implement and monitor management regimes for priority species and invasive non-native species

- Species monitoring:
Rare fen orchid confirmed in two new locations and Plantlife assessing best monitoring methods given recent expansion.
Good season for four new fen raft spider populations after best early breeding season in 28 years at Redgrave and Lopham Fen, but ensuing drought expected to impact on colony.
Waveney valley invertebrate survey: 399 taxa of aquatic invertebrates recorded within study area, 269 associated with aquatic and marginal habitats typical of survey habitat. 12,258

individual records made with 228,333 specimens identified. Taxa diversity showed distinct trend along valley, with eastern end generally supporting greater number of aquatic invertebrate species. Survey indicates Waveney Valley grazing marshes support 63% of UK freshwater aquatic molluscs and 35% of UK bivalves.

Upton Marshes: Ditch restoration work and bank scalping carried out. Grass-wrack pondweed turions overwintered in aquatic compost and translocated into restored ditches.

Anisus vorticulus (Acle A47 project): Monthly monitoring completed. Abrehart Ecology to fund to fund five more years of monitoring at four sites in Waveney Valley.

Little terns: 300 chicks counted at Eccles site. Fencing, wardening and fox and kestrel diverting feeds in place.

- Biocontrol projects:

Himalayan balsam: Rust fungus treatment at 2 sites working well, to be rechecked in spring.

Floating pennywort: Progressing as planned; final control on R Waveney completed in Oct.

Mink: Trialling best methods for remote trapping.

Water Primrose: First Norfolk population found near Paston. Environment Agency leading on project to control this highly invasive plant.

Two Norfolk Non-Native Species Initiative biosecurity public workshops held in October.

2.5 Create 'bigger, better and more joined up' areas of priority habitat by identifying opportunities and developing site-specific plans for new habitat areas, connections, buffer zones and pollinator networks

- Work in progress to create major new wetland habitat at Suffolk Wildlife Trust Carlton Marshes Reserve (Share Marsh and Peto's Marsh). Sediment use – see action 3.1.

- Broads Test and Trial – see action 2.3.

C. Managing water resources and flood risk

3.1 Implement dredging regimes in accordance with defined waterways specifications, and seek resources/legislation to accelerate the removal of sediment in the Broads system



Photo: BA Operations team

- To end Sept 2019, 17,210m³ dredged sediment removed from prioritised sites (39% of BA programmed target for 2019/20). Planned spring and summer dredging on River Waveney, Oulton Broad and River Bure completed. Mobilisation of equipment and site preparation underway for winter dredge sites and 2020/21 dredging programme drafted.

- Preparation works underway at Peto's Marsh for SWT habitat creation scheme, to use 20,000m³ of dredged sediment.

- Gauging of water levels and benchmark for dredge depths under review, with aim to update modelled mean low water level across navigation.

- Numerous wrecks removed from system, using floating plant and larger work vessels.

3.2 Implement plans and good practice guidance to reduce soil erosion into the waterways, manage areas lost or vulnerable to erosion, and dispose of dredged material in sustainable and beneficial ways

- Wensum Working Group developed proposals to reduce diffuse pollution in catchment, including increased use of cover crops and field silt traps, post-harvest cultivation, tramline and wheeling field management, and small-scale land use change for arable fields with high gradient/slope length or adjacent to protected sites. Proposed actions include small-scale grants to farmers through Broadland Catchment Partnership.
- Two large-scale potato contractors purchased Wonder Wheel tramline disruption equipment after seeing free trial farm demonstrations.
- BA and Norfolk County Council planning bank strengthening work between Chedgrave Common and Hardley Flood on River Chet.

4.1 Maintain existing navigation water space and develop appropriate opportunities to expand or extend access for various types of craft

- River Wensum: Project to complete missing link in riverside walk between New Mills Yard and Carrow Bridge, Norwich in design phase, with predicted completion date of Feb 2021.
- River Waveney: BA providing Beccles and Bungay Town Councils with hydrological survey data to assess potential for river access for unpowered boats.
- Liaison meetings ongoing between BA and Network Rail (NR) with standard agenda on operational issues of swing bridges, communication with signalmen and NR capital investment programme. BA awaiting NR business case for bridge replacement programme.

4.2 Carry out appropriate aquatic plant cutting and tree and scrub management programmes and seek resources to increase operational targets

- Updated mapping for riverside tree and scrub management in winter 2019/20 published at www.broads-authority.gov.uk/looking-after/managing-land-and-water/riverside-tree-and-scrub-management

4.3 Implement, promote and monitor measures to maintain and improve safety and security for the navigation and boats

- Port Marine Safety Code (PMSC) Safety Management System adopted by BA in July 2019. BA updated hire boat licensing conditions delayed until April 2021 because of planned national consultation in November 2019 – February 2020.
- BA Ranger navigation patrolling and performance target update reports published at www.broads-authority.gov.uk/about-us/committees/navigation-committee
- 10 Super Safety Days and Evenings held with BA Rangers giving information and advice to boaters on CO2 boat emissions, use of life jackets and general navigation safety issues.

D. Conserving landscape character and the historic environment

5.1 Implement measures to protect, conserve and enhance the distinctive landscape character and historic assets of the Broads



Photo: North Mill before and after restoration

· Water, Mills and Marshes:

'Land of the Windmills' restoration works near completion for Strumpshaw Steam Engine House and North Mill. Site setup underway at Six Mile House, Halvergate.

Chet Boat project: Three-quarter size prototype of medieval boat built and successfully launched, and work underway on full-size replica.

5.2 Produce, update and promote local landscape conservation action plans, appraisals and enhancement schemes

- Wroxham Neighbourhood Plan 2019-39 adopted. Horning and Ludham Conservation Area Appraisals being drafted for public consultation.

5.3 Develop measures to investigate, record and protect local built and cultural features, archaeology and potential hidden heritage (incl. waterlogged assets, waterways history, settlement patterns, WWII remains)

- The Staithes of the Broads: A history and assessment (Tom Williamson et al) published. Report commissioned by BA examines 85 current or former staithes (landing places) in the Broads.
- BA in discussion with Norfolk County Council about access to Historic Environment Record and project on waterlogged archaeology of Broads.
- Water, Mills and Marshes:
Multiple projects delivered and ongoing, including: Broads Hidden Heritage to investigate archaeology and heritage of the Broads, rivers and marshes of project area; Volunteer training workshops completed in Earthwork Surveying, Aerial Archaeology, Using Archaeological Archives, Churches and Understanding Maps, with around 100 volunteers taking part; WW2 Pillbox Trail project at Acle and circular walk construction near completion; Burgh Castle Almanac wellbeing project based around archaeology, heritage and creative use of the arts; Camera traps on loan as part of Wild Watch project.

5.4 Implement and promote measures to conserve and enhance local geodiversity sites and assets across identified work areas in Norfolk Geodiversity Action Plan

- Norfolk Geodiversity Partnership: Day school 'Palaeolandscapes of the Broads' delivered as part of Water, Mills and Marshes, including field trips to pits at Buckenham and Strumpshaw, peat coring demonstrations and Broadland church geology. Four day-schools being planned for delivery in 2020, focusing on geological features of fabric in four churches in Bure, Yare North, Yare South and Waveney areas.
- Data on County Geodiversity Sites (CGS) and 14 candidate CGS in Norfolk part of Broads made available to local authority planners through Norfolk Biodiversity Information Service.

5.5 Expand the longer-term resource of land management and heritage construction and maintenance skills training and qualifications

· Water, Mills and Marshes:

Two heritage skills apprentices recruited, specialising in brickwork and carpentry/joinery, to work full-time for two years on WMM mill restoration.

City College Norwich students spent 172 days working on mill restoration projects at North Mill and Strumpshaw, at value of £26,325 in volunteer time. Work mentioned in OFSTED report.

WMM outside workshop space at City College Norwich completed and training ongoing.

In May, BA and City College Norwich won first prize overall at Norfolk Constructing Excellence Club Awards and first prize in the 'Preservation and Rejuvenation' category.

5.6 Build on measures to reduce the impacts on the Broads of visual intrusion and noise and light pollution, and pursue potential for dark sky place status

- Undergrounding wires scheme: 2.4km overhead lines removed at South Walsham Marshes following successful £750k funding bid to OFGEM.

E. Offering distinctive recreational experiences

6.1 Develop and implement schemes to upgrade and improve the network of access points and routes (where adverse effects can be prevented), linked to visitor facilities and including easier access for people with mobility and sensory needs



Photo: New Mills, Norwich

- Updated Broads Integrated Access Strategy and Action Plan (including moorings provision) adopted and new BA Waterways and Recreation Officer appointed.
- New canoe portage installed upstream of New Mills, Norwich. Demasting moorings created downstream of Carrow Bridge, Norwich (pending lease agreement)

6.2 Implement measures to improve the network provision of riverside facilities, incl. refuse and recycling services, electric power points, water and pump out

- BA construction and maintenance schedule carried out including marker post replacement programme on Breydon Water, upgrading of safety ladders and mooring posts replacement. Repiling of Acle Bridge 24-hour mooring and installation of electric charging points project planned for early 2020. Detailed BA construction and maintenance updates available at www.broads-authority.gov.uk/about-us/committees/navigation-committee

6.3 Maintain, develop and promote a coordinated and year-round programme of activities (taking measures to prevent any adverse environmental impacts)

· Water, Mills and Marshes:

Multiple projects and events delivered and ongoing. Highlights include: 'The Tide Jetty', a new play about Breydon Water, toured 56 dates in 5 counties, with 2500 people attending; 2-week portrait exhibition held in Gt Yarmouth curated by Julian Claxton (www.theportraits.co.uk), to be photographed in 3D for Virtual Reality Tour launch late 2019; New Broads Mobile Discovery Centre taken to 28 events over summer, with c.10,000 people taking part in activities and more

than 20,000 leaflets distributed; Augmented Reality Sandbox debuted at Royal Norfolk Show, teaching participants how landforms affect water flow across landscapes.

More details at www.watermillsandmarshes.org.uk

6.4 Implement Broads Angling Strategy action plan through partnership working and securing of additional resources

- Broads Angling Services Group (BASG) progressing implementation of Wensum Catchment Management Plan and governance as part of Broads Catchment Partnership.
- BASG defending fisheries ecology on Northern Broads relating to evidence on spawning bream habitats within Hoveton Great Broad.
- Trial scheme set up in Wroxham beaming current water temperature data to angling shop to help inform anglers about safe periods to fish for pike. Environment Agency producing posters to highlight risks associated with warm water fishing for pike.

F. Raising awareness and understanding

7.1 Develop integrated, multimedia communications to boost local community and visitor awareness and appreciation of the special qualities of the Broads National Park



Photo: Totally Broads family activity day

- Broads National Park branding: Road signs produced and awaiting installation at 35 locations in Norfolk and Suffolk (Phase 1) and funding secured for Phase 2. Welcome to the National Park signs installed at 9 train station platforms on Bittern and Wherry lines. Car stickers and enamel badges in design for distribution through Visit the Broads businesses.
- National Parks Communications Team recruited in August, hosted by BA, and preparing communications strategy to promote all 15 members of the UK National Parks family.
- English National Park Experience collection: Discover England Funding ended 30 Sept and bid for 'DEF2' funding being developed. Local funding for further development of Broads Experiences and marketing to travel trade and consumers secured through Norfolk County Council, Broads Ranger Experience launched in Sept and marketed through Airbnb, featuring two-hour cruise on electric boat 'Liana' with food hamper and BA guide.
- Water, Mills and Marshes: New Virtual Reality experience kit being used to create immersive virtual tours of hard-to-reach drainage mill sites, landscapes and activities. All tours based on Google Expeditions architecture and hosted by Google. WMM team working with schools and young carer groups, providing them with equipment and training to allow them to create their own tours.
- More details about WMM projects at www.watermillsandmarshes.org.uk
- Broads National Park website and social media accounts annual reporting Oct 2019 (and comparison with Oct 2018):
 - 7,576 website users (+11.6%), 26,450 website page views (+9.1%)
 - 93,000 Twitter impressions (+14.7%), 7,936 Twitter followers (+9.9%)
 - 27,704 Facebook reach, 2,329 Facebook likes (+26.5%)
 - 1,887 Instagram followers (+97.4%)

7.2 Maintain and upgrade the range and provision of multi-media and 'point of need' visitor information and interpretation

- BA redesigning new documents and information on BA and Visit the Broads websites to comply with new accessibility legislation.
- Visit the Broads new A6 pocket guide (120,00 print run) and visitor newspaper Broadcaster (105,000 print run) in production for 2020 visitor season.
- BA scoping options for new visitor and education services from April 2020, following end of contract at Whitlingham Country Park.
- Water, Mills and Marshes: Wi-fi trail boxes and Angles Way web app in production and locations identified for interpretation and trail boxes.

7.3 Implement industry-based measures to strengthen the quality and distinctiveness of the Broads tourism offer, including careers and skills training

- STEAM (tourism economic impact) data for 2018 published. Figures for Broads area of tourism influence show: Visitors 7.9m (+4% on 2017 figures), visitor days 12.94m (+1.6%), economic impact £632.99m (+4.4%), total employment 7,355 FTE (+1.8%). Day visitors up 4.9% and staying visitors down by 1%. Largest employment sector increases are shopping (3.6%) and recreation (3%) with decrease in accommodation (-2.7%). Economic impact increased across all sectors (average +4.4%).

G. Connecting and inspiring people

8.1 Update and adopt Broads spatial planning policies and site-specific allocations to support local business, housing need, community facilities and transport choices, and to ensure development occurs within environmental limits



Photo: Young people peat coring

- Broads Local Plan adopted May 2019. Supplementary Planning Documents and guides in production to help interpretation and implementation of planning policies.
- Better Broadband schemes for Norfolk and Suffolk ongoing.

8.2 Develop comprehensive approach to enhancing sites that are strategically important for their heritage or green infrastructure value

- Hoveton Riverside Park: Project planning underway.
- Acle Bridge: Mooring repairs and installation of electric charging points underway this winter.
- Whitlingham Country Park: Ambition to extend flint barn and improve visitor facilities to be taken forward by Whitlingham Charitable Trust.

9.1 Widen the range of active and entry level/ taster initiatives that promote physical and mental health and wellbeing, based in the Broads natural environment

- Water, Mills and Marshes: Multiple 'try it out' activities and wellbeing opportunities offered at range of events during summer and autumn including Royal Norfolk Show and Norwich Science Festival and through the WMM programme.

9.2 Offer a flexible range of practical volunteering programmes, events and training, and establish a longer-term succession strategy

- BA volunteers, work experience students and corporate and community groups contributed more than 7,600 hours of volunteering from May to October.
- Broadsword BA volunteer group pre-season meeting held on autumn-winter programme. projects. 10 volunteers completed core training in first aid and 16 in health & safety, Broads and BA structure and purposes, safeguarding, confidentiality, and policies and procedures.
- BA attended National Parks Volunteer Officers Group conference in October, with focus on projects to increase youth engagement.
- Partnership working ongoing at Whitlingham Country Park with volunteers from hard to engage groups.
- National Park Volunteers Awards 2019 circulated to local groups and through social media and press release to highlight the awards.

9.3 Increase the scope for partnership fundraising and other income generation initiatives to support Broads-themed projects

- National Park Partnerships (NPP): Following successful partnership with Columbia Sportswear, which provided outdoor clothing to all National Park staff, new partnerships forged with Clif Bar, Forest Holidays and Sykes Cottages. Close working relationship ongoing between National Parks UK Communications Team and NPP.
- Water, Mills and Marshes funding local projects through 'Grand for a Grand' community grant fund. Projects funded to date include Sonic Arts Collective soundscape podcast of train journey from Great Yarmouth to Norwich via Berney Arms.

9.4 Improve the capacity of the Broads Environmental Education Network (BEEN) to develop and run educational programmes and events for local schoolchildren

- Wherry educational resources in development, including wherry race board game, activities and wherry construction model design. Project HLF funded through Broads Trust and linked to Broads Curriculum. Other curriculum history resources also in development.
- Multiple schools-based activities ongoing through BA education team, including John Muir Discovery Awards for 2 cohorts of Youth Rangers; 12 primary schools involved in Broads Discovery days with BA and Country Trust; 'A' level fieldwork with high school pupils, GIS project for KS3 in development, students from non-mainstream schools attending weekly activities at Whitlingham; River discovery project underway with Martham Primary School.

9.5 Develop and run motivational outreach activities and award schemes for young people, including those from disadvantaged backgrounds, focusing on life and work skills training and practical experience

- 17 school students on BA work experience placements (June-Sept), 8-week BA internship completed by UEA student. Students from Pathways College (Parkside School) completed 6 BA work experience days.
- Outreach programme ongoing with Holiday Property Bondholders at Barnham Broom.

- 4 team building skills courses delivered to MINT vocational students (www.mintnorwich.co.uk).
- John Muir Award courses completed by students from two schools and underway for two other non-mainstream schools.
- Water, Mills and Marshes: Outreach experiential education programme delivered to 640 students and 44 teaching staff in Lowestoft schools and colleges, spending more than 12 hours with each pupil (to end August). Heritage skills training curriculum at City College Norwich started September 2019.

H. Building 'climate-smart' communities

10.1 Develop and promote tailored 'climate-smart' mitigation and adaptation measures, guidance and support to local communities



Photo: Broads bio-charcoal

- Broadland Futures Initiative (BFI): Local stakeholder survey on flood issues had 168 responses. BFI planning drop-in events for summer 2020 and presentation given to Regional Flood & Coast Committee in October. Also see action 1.3.
- More information on BFI at www.broads-authority.gov.uk/looking-after/climate-change/broadland-futures-initiative
- Academic paper published from BA CASE funded PhD student on [Stakeholder engagement and flood risk to inform climate change adaptation planning](#).
- Green tourism continues to be promoted through local businesses: www.visitthebroads.co.uk/the-blog/a-sustainable-broads-national-park

10.2 Commission and coordinate research to inform management approaches to decrease carbon emissions and increase carbon sequestration in the Broads

- BA adopted Climate Change Emergency Statement for the Broads, with aim to make BA carbon neutral by 2030 and reduce all carbon emissions to zero by 2040, working with stakeholders to reduce emissions from domestic, travel and other sources in and around the Broads, and aspiring to offsetting carbon emissions within the Broads via a Broads offsetting scheme. National Parks England proposing carbon baseline methodology for member parks.
- CANAPE: 450 people and two 6th form colleges took part in peat coring demonstrations and learning about Broads history, climate change and value of peat wetlands. Infographic banners designed and displayed at four family fun days at How Hill. Sales of bio-charcoal market tested at Felbrigg EcoBuild Fair, with c.7000 visitors; 200 questionnaires completed to inform future marketing approach. Charcoal is proving to be high quality, and packaging will be redesigned based on public feedback.

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October 2019

Broads Authority

22 November 2019

Agenda item number 13

Peer Review update

Report by Chief Executive

Summary

This report gives an update on the desk-based review of the Broads Authority's Peer Review Action Plan.

Recommendation

To note the report.

1. Briefing

- 1.1. The Broads Authority committed to reviewing the implementation of its Peer Review Action Plan, and in July 2019 the following was reported to the Board:

In 2017 we invited an expert Peer Review Team to examine our leadership, governance, policies and procedures and suggest any changes to improve our effectiveness. In May 2018, in response to the Team's recommendations, we implemented a number of changes. The next stage is to review the effectiveness of the changes. It has been agreed that the Team's Chair, together with a Lead Member and a Managing Director responsible for two of the Norfolk constituent local authorities, will carry out a brief desk-based review in 2019/20. Following a meeting between the Authority's Chairman, Chief Executive, Norfolk Leaders and Chief Executives in April, Trevor Holden (Managing Director of Broadland District Council and South Norfolk Council) was asked to undertake a review of the Authority's Peer Review Action Plan.

- 1.2. The review was undertaken by Trevor Holden and by Steve Blatch, Chief Executive of North Norfolk District Council. They produced a point brief (see Appendix 1) for consideration by the Norfolk Leaders and Chief Executives, who accepted the proposal, including the following actions:

- i. Broads Authority Chair and Chief Executive to be invited to attend the Norfolk Leaders' meetings on a six-monthly basis. Next meeting is in January 2020.
- ii. Broads Authority Chief Executive to attend Norfolk Chief Executive meetings on a quarterly timescale.

- 1.3. In addition, a Local Government Association Regional Peer, Cllr William Nunn, agreed to provide support to the Authority's Chairman, Vice-Chairman and Chief Executive. One meeting has been held to date.

2. Engaging with constituent Local Authorities

- 2.1. One important element of the Peer Review was the suggestion that the Broads Authority's leadership team should get 'around the table' with key local government players and demonstrate to them how the Authority can add value to local and regional plans and ambitions.
- 2.2. Bill Dickson, as the Authority's Chairman, and the Chief Executive have been meeting the Leaders and Chief Executives of the constituent local authorities. Since the annual meeting in July 2019, they have met with Suffolk, Norfolk, East Suffolk, Great Yarmouth and Norwich councils. The meetings have been very productive, identifying a range of areas for greater collaboration, particularly around carbon reduction and climate change. The intention is to meet with the remaining local authorities (Broadland, South Norfolk, North Norfolk) before the end of 2019.
- 2.3. Looking ahead, we plan to have meetings at least once a year with the Leaders and Chief Executives of each of our constituent local authorities.

Author: John Packman

Date of report: 11 November 2019

[Broads Plan](#) objectives

Appendix 1 – Report by the Managing Director of South Norfolk Council and Broadland Council and Chief Executive of North Norfolk District Council to the Norfolk Leaders Group June 2019.

Appendix 1

Point brief for Norfolk Leaders and CEX (NLCEX)

June 2019

The Broads Authority (BA)

Background

At its meeting on the 4 April political leaders raised questions with regards to:

- The actions taken following the Broads Authority Peer Review
- Engagement by the BA with Local Government in the county with reference to the political leadership
- Governance within the BA

As a result of the above the CEXs were asked to review the above and report back to NLCEX.

Introduction

Following on from the meeting it was agreed that:

- A review of the Peer Review Action Plan would be undertaken by Richard Leafe, CEO Lake District and Trevor Holden MD, SNC & BDC
- A review of the BA engagement programme with its constituent local authorities would be undertaken by Trevor Holden MD BDC & SNC and Steve Blatch, CEX NNDC
- The BA would seek LGA support in terms of supporting its leadership in promoting good governance.

Post Peer Review Actions

A review of the Peer Review Action plan and actions taken were carried out which confirmed that areas for consideration had been addressed including (but not exclusively)

- A copy of the action plan is attached at.....Flag A
- A copy of the Peer Review Report is atFlag B

BA engagement plan

– Following a very constructive meeting with the BA it was proposed that the BA engagement plan should include the following:

- 6 monthly – BA Chair and CEX to attend Norfolk Leaders and CEX meeting to give an update on progress and to hear challenges or concerns
- Quarterly – BA CEX to attend NLCEX as a standing agenda item to – Update on areas of concern, discuss any proposal issues impacting or within the potential to impact on other Local Authorities
- *BA CEX monthly – briefing E- Newsletter to all Local Authorities and Parish Councils. An example of which is atFlag C
- BA CEX monthly - Also copy to local Councillors via each local authority
- * 6 monthly Parish Forum

*Denotes already in practice

– None of the foregoing would cut across the BA desire to engage on any issues as they arise on a county wide or individual basis. Equally the BA were keen to engage Local Authorities on themed areas of work such as

- Climate change and sea level rise
- Environmental agenda
- Economic Development/Tourism

Governance

The BA was keen to follow up the work of the Peer Review with regard to governance. This is subject to the National Park review (Glover Review), which is due to report in September 2019. The BA has already 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 BA members, particularly LA appointees, to better understand their roles and responsibilities
- Supporting improved ways of working between the LA's and understanding each others values
- Supporting the BA in operating within a complex political environment both locally and nationally.

Follow up

Unless requested by Leaders and/or Chief Executives any follow up will be reported at the next scheduled meeting consistent with the Engagement Plan above

T Holden, MD BDC & SNC

Flags

A.....Action Plan

B.....Peer review report

C.....Monthly newsletter to all Local Authorities and Parish Councils

Broads Authority

22 November 2019

Agenda item number 14

Chairs' Group – Draft Terms of Reference

Report by Chief Executive

Summary

In May 2018, the Authority resolved to establish a Chairs' Group to deal with various matters including providing greater support to the Chair and Chief Executive. This report provides draft Terms of Reference for the Group.

Recommendation

To approve the Terms of Reference for the Chairs' Group, for inclusion in the Broads Authority's constitutional documents.

1. Role and membership of the Chairs' Group

1.1. At its meeting on 18 May 2018, the Broads Authority reviewed its governance structure as part of the recent Peer Review.

1.2. One of the proposed recommendations for change was:

'To establish a Chairs and Vice-Chairs Group (known as 'Chairs' Group'). This would comprise the Chair and Vice Chair of the following committees: Broads Authority, Navigation Committee, Planning Committee and Audit and Risk Committee (formerly FSAC). The Group would not be a formal committee of the Authority and would not have decision making powers or make formal recommendations.

1.3. The Group would deal with various matters relating to Members including annual performance appraisals, overseeing training and development, advising on Member appointments and providing informal advice to the Chief Executive. Items for business may be referred by any Member to the Chairs Group and added to the next agenda if appropriate.

1.4. The benefits of these proposals would be:

- A more active role for Chairs and Vice-Chairs in maintaining an overview of the work of the various committees.
- Improved support to the Chair of the Authority and Chief Executive through greater shared responsibility for dealing with various matters relating to Members.'

- 1.5. It was noted in the minutes of that meeting that: “as members would be democratically appointing the Chairs and Vice-Chairs, the proposal for a Chairs’ Group was welcomed by members, and considered beneficial in providing support for the Chair and the executive. It should not be tightly structured so as to become a threat to the decision-making process which remained with the Authority, but a more informal sounding board to provide balance. Members also considered that the Chairs Group would provide pastoral support for the Chairman and the Chief Executive.”

2. Terms of Reference

- 2.1. Draft Terms of Reference for the Chairs’ Group are attached at Appendix A for Members’ consideration.

Author: John Packman

Date of report: 11 November 2019

Appendix A - Chairs’ Group Draft Terms of Reference

Appendix A – Chairs’ Group Terms of Reference (draft)

Purpose

The purpose of the Chairs’ Group is to maintain an overview of the Broads Authority’s strategic business and governance, and to provide informal support and advice to the Authority’s Chair, Chief Executive and Management Team, and to other Members as required.

The Group is consultative only. It is not a formal committee of the Authority and does not have decision making powers or responsibility to make formal recommendations. Any matter requiring a decision will need to be referred formally to the Broads Authority or relevant Committee, or to officers in accordance with the Authority’s Scheme of Powers Delegated to Officers.

Composition

Membership of the Group will comprise:

- Chair and Vice-Chair of the Authority
- Chair and Vice Chair of the Audit and Risk Committee
- Chair and Vice-Chair of the Planning Committee
- Chair and Vice-Chair of the Navigation Committee

and will meet with the Authority’s Chief Executive, Management Team and Head of Governance.

Responsibilities

Matters relating to strategy

- To review draft agenda in advance of Broads Authority and other formal committee meetings, in liaison with the Chief Executive and Management Team.
- To consider items for Member workshops and site visits.
- To provide informal support and advice to the Chair, Chief Executive and Management Team on strategic matters that may subsequently go for decision by Members at committee, or by officers in accordance with the Authority’s Scheme of Powers Delegated to Officers.
- To provide informal support and advice to the Chair and Chief Executive on regular meetings with the Leaders and Chief Executives of constituent local authorities.
- To consider matters referred to the Group by other Authority Members, where this relates to strategic business for the attention of the Broads Authority or other formal committee.

Matters relating to Members

- To advise on Member appointments to Committees and outside bodies and on related succession planning.
- To advise on the Member training and development programme (and support the Chair and officers in its implementation).
- To support the Chair in his/her annual duties relating to Members, such as carrying out member appraisals.
- To consider matters referred to the Group by other Members, where this relates to Member-related issues.
- To provide general pastoral support to the Chair, Chief Executive and Management Team.

Frequency of meetings

The Group will normally meet 2-3 weeks before each Broads Authority meeting. The Group may also meet at other times as determined by the Chair and Chief Executive.

Broads Authority

22 November 2019

Agenda item number 15

Corporate Partnerships Register

Report by Head of Governance

Summary

The Broads Authority maintains a register of its key partnerships with external organisations. The Corporate Partnerships Register has been updated and is appended to this report.

Recommendation

To note the updated Corporate Partnerships Register in Appendix 1.

1. About our corporate partnerships

- 1.1. The Broads Authority works in partnership with a wide range of organisations to meet its statutory purposes and [strategic objectives](#) for the Broads.
- 1.2. These partnerships add value to our work by helping to:
 - coordinate and increase project delivery, access new resources, achieve economies of scale and reduce waste and duplication
 - tackle complex, cross-sector and Broads-wide issues and share risks
 - build understanding and relationships between different organisations and sectors, and with our stakeholders and local communities
 - develop new ideas and ways of working
 - hold greater influence together than as individual partners
- 1.3. A 'partnership' refers to an arrangement involving the Authority and one or more external organisations, from any sector, who share responsibility for agreeing and implementing actions to meet common goals. Within each partnership, partners agree a formal structure or identifiable working process, contribute to objectives, share any risk in proportion to the benefits each receives, and share information.
- 1.4. In this context, a partnership does not include a traditional contractual arrangement where the delivery of a service or project has been awarded to a contractor (with or without a competitive tendering process), or to groups of

elected members or officers from local authorities and others who come together to discuss strategy or policy. It also excludes ongoing day-to-day contact with statutory agencies whose responsibilities impact on or link closely to our work, such as Natural England or the Environment Agency. That said, there are occasions when the relationship with such bodies may constitute a partnership arrangement.

2. Partnerships protocol

2.1. The Authority will only enter into a formal partnership arrangement if it is able to invest the staff time, assets, knowledge and funding to play a full and constructive role. Before entering into a new arrangement, it will make sure that:

- the partnership's aims and objectives are clear, and it can be shown how they contribute to the Authority's statutory purposes and objectives
- there are clear terms of reference setting out how the partnership proposes to achieve its objectives
- the financial responsibilities of the respective parties are clearly established
- the partnership represents value for money, and the Authority could not achieve the same outcome more cost effectively
- there is a clear exit strategy should the partnership fail to meet its objectives
- there is a nominated responsible officer for the Authority
- the need for member involvement in any Partnership Board is considered

2.2. Management Team approval, and full Authority approval in some cases, will be obtained before entering into a new partnership agreement.

3. Corporate Partnerships Register

3.1. The Corporate Partnerships Register lists details for each partnership including name and purpose, partners and responsible Authority officer, perceived benefits to the Authority, duration, financial arrangements and actions. Associated risks and mitigation measures are noted in our Corporate Risk Register or more operational level Directorate Risk Registers.

3.2. The Authority's Management Team reviews the Partnerships Register on a regular basis, and may also commission an evaluation of the internal management and governance arrangements in place for any partnership.

3.3. The Management Team reviewed and updated the Register in October 2019. It considers that all partnerships are meeting their original aims and objectives, that

internal management and governance arrangements are adequate and appropriate, and that the partnerships continue to represent value for money.

- 3.4. Notable changes since the last review include new partnerships with the UK National Parks Communications Team, Water Resources East and EXPERIENCE, and the ending of partnerships with Tesco and Whitlingham Charitable Trust.
- 3.5. The updated Corporate Partnerships Register is at Appendix 1 to this report.

Author: Maria Conti

Date of report: 11 November 2019

[Broads Plan](#) objectives: All

Appendix 1 – BA Corporate Partnerships Register (Oct 2019)

Appendix 1 - Corporate Partnerships Register (Oct 2019)

This Register shows the Broads Authority's corporate partnership arrangements with external organisations. Within each partnership, partners agree a formal structure or identifiable working process, contribute jointly to meeting objectives, share any risk in proportion to the benefits each receives, and share information and good practice. Any risks to the Authority associated with these partnerships are noted in its Corporate or Directorate Risk Registers.

Name, purpose, partners and BA lead officer	Benefits of partnership to BA	Duration of partnership	Financial arrangements	Actions for partnership
ASSOCIATION OF INLAND NAVIGATION AUTHORITIES Purpose: To represent the collective views of navigation authorities to Government, regulators, other policy makers, funders and stakeholders. To provide information, advice and good practice for managing, operating and developing inland waterways for navigation and wider use. Partners: 18 partners including the Canal & River Trust, Environment Agency, BA and National Park Authorities, local government authorities, private canal companies, internal drainage boards, public and charitable trusts. BA lead officer: Director of Operations	Gives a collective voice greater than the sum of its constituent members. For example, it gives access to senior DEFRA officials and a chance to influence policy and regulations.	Ongoing	BA contribution £3,369 in 2018/19	None

Name, purpose, partners and BA lead officer	Benefits of partnership to BA	Duration of partnership	Financial arrangements	Actions for partnership
<p>BROADLAND CATCHMENT PARTNERSHIP</p> <p>Purpose: To steer a catchment approach to source funding, agree targets and deliver practical projects in collaboration. It is an informally constituted partnership.</p> <p>Partners: Broads Authority, Norfolk Rivers Trust, Environment Agency, Natural England, Water Management Alliance, Anglian Water, Essex & Suffolk Water, NFU, RSPB, Country Land & Business Association, Norfolk Farming & Wildlife Advisory Group</p> <p>BA lead officer: Broadland Catchment Partnership Officer</p>	Supports catchment-wide project planning and delivery. Partner activities can be co-ordinated to achieve greater impact with collective ability to meet catchment water management challenges.	Ongoing	BA contribution approximately £31,280 p.a. in officer time	None
<p>BROADS BEAT</p> <p>Purpose: Dedicated Police presence for the Broads alongside BA patrols to ensure safety and security on the Broads.</p> <p>Partners: Broads Authority, Norfolk Constabulary, Environment Agency</p> <p>BA lead officer: Head of Ranger Services</p>	Operational benefits to BA Rangers through practical day-to-day liaison with local Police.	Ongoing	Primarily financed by Norfolk Constabulary as lead partner. Additional funding discretionary for all other sponsors. BA contribution £2,500 p.a. (2018/19) plus officer time to assist Broads Beat patrols.	None

Name, purpose, partners and BA lead officer	Benefits of partnership to BA	Duration of partnership	Financial arrangements	Actions for partnership
<p>BROADS LANDSCAPE PARTNERSHIP</p> <p>Purpose: To deliver the Water, Mills and Marshes Landscape Partnership Scheme.</p> <p>Partners: Broads Authority, Broads Society, Broads Tourism, City College Norwich, Easton and Otley College, Farm Conservation Limited, Great Yarmouth Preservation Trust, New Anglia LEP, Natural England, Norfolk County Council, Norfolk Windmills Trust, RSPB, Voluntary Norfolk, WLMA, Workers' Educational Association</p> <p>BA lead officer: Director of Operations</p>	In return for a proportionately small BA contribution, the area as a whole receives significant funding to make a real impact. The multi-partner, multi-project programme benefits local communities and the area's local natural, cultural and social heritage.	To 31 December 2022	<p>Total project budget of £2.6m to be funded by National Heritage Lottery Fund, with additional income of £525k to be funded by third parties.</p> <p>BA contribution is £200k from 2015/16 to 2018/19. Contribution in officer time planned to 2022.</p>	None
<p>BROADS TOURISM</p> <p>Purpose: To develop and promote a high quality and environmentally-friendly tourism industry in the Broads, fulfilling the BA's second statutory purpose and the duty to foster the economic and social well-being of those who live and work in the Broads.</p> <p>Partners: Broads Authority, local tourism businesses and promoters</p> <p>BA lead officer: Head of Communications</p>	Supports coordinated approach to working with tourism businesses and promoters to encourage and manage common messages and sustainable tourism in the Broads.	Ongoing	BA provides in-kind administrative support to Broads Tourism board, as well as occasionally producing publications and attending shows or other promotional events.	None

Name, purpose, partners and BA lead officer	Benefits of partnership to BA	Duration of partnership	Financial arrangements	Actions for partnership
<p>CANAPE</p> <p>Purpose: Creating a new approach to peatland ecosystems (EU Interreg North Sea Region project).</p> <p>Partners: BA (lead partner), VHL University of Applied Sciences (NL), Waterschap Hunze En Aas (NL), Naturstyrelsen (DK), Natuurpunt Beheer VZW (BE), Landkries Diepholz (DE)</p> <p>BA lead officer: Director of Strategic Services</p>	<p>Project falls within overarching purpose of creating a sustainable North Sea Region, protecting against climate change and preserving the environment.</p> <p>Funding makes significant difference to BA's ability to sustain the natural environment, ecosystems and landscape in the Hickling Broad area.</p>	To June 2022	<p>BA to receive c. €729,508 EU grant benefit from project budget of €1.459m.</p> <p>BA cash financial contribution £60,000 in 2019/20, with further contributions until 2022. Officer time and equipment provided as required match funding.</p>	Prepare for no-deal Brexit scenario
<p>EXPERIENCE</p> <p>Purpose: EU Interreg project to develop and promote 'experiential tourism' to extend the visitor season and attract new visitors.</p> <p>Partners: Norfolk County Council (lead partner), 14 partners in France and the UK (Norfolk, Kent, Cornwall, Pas-de-Calais, Compiègne, Brittany)</p> <p>BA lead officer: Head of Communications</p>	<p>Develops English National Park Experience Collection projects locally, supported by local accommodation providers. Immersive experiences tell the story of our unique landscapes, the people who live there and their history and culture.</p>	<p>Bid successful in July 2019, formal arrangements for project delivery awaited.</p> <p>Project to run to Mar 2023.</p>	<p>Overall value is €23.3m.</p> <p>BA budget is £254k over life of project, with £167k from EU.</p>	Kick-off meeting expected to take place in Dec 2020

Name, purpose, partners and BA lead officer	Benefits of partnership to BA	Duration of partnership	Financial arrangements	Actions for partnership
UK NATIONAL PARKS CHARITY FOUNDATION Purpose: Provide a vehicle for charitable giving by the corporate sector. Partners: UK's National Park Authorities, though not all have yet committed to membership BA lead officer: Chief Executive	National charity established in response to experience of National Park Partnerships in its engaging with corporate sector, which showed that some companies would like to contribute to national parks but can only do so to a registered charity.	The Charities Commission has approved new charity. Next step is to set up a bank account.	No assets as yet.	Sir Peter Dixon appointed as a Trustee nominated by the Broads Authority
NATIONAL PARKS ENGLAND Purpose: Association of the Authorities that look after the 10 National Parks in England. Partners: The 9 National Park Authorities in England and the Broads Authority BA Lead Officer: Chief Executive. BA Chair sits on NPE Chairs' Group. BA Chief Executive sits on NPE Chief Executive's Group.	Provides a collective voice for English National Parks to coordinate interaction with Government, develop policy positions and work with other agencies. Raises national and international profile of National Parks family.	Ongoing	BA contribution is £21,300 in 2019/20	None

Name, purpose, partners and BA lead officer	Benefits of partnership to BA	Duration of partnership	Financial arrangements	Actions for partnership
NATIONAL PARKS PARTNERSHIP Purpose: Limited Liability Partnership (LLP) set up to pursue engagement of the UK National Parks family with the corporate sector. Partners: The 14 National Park Authorities and the Broads Authority. BA lead officer: Chief Executive	Brings in additional funding, corporate support and a raised profile to the Broads as a member of the National Parks family.	Ongoing	BA contribution is £10,000 in 2019/20	None
NATIONAL PARKS UK Purpose: To deliver training and development and coordinate National Parks branding and corporate sponsorship. Partners: The 14 UK National Park Authorities (9 in England, 3 in Wales and 2 in Scotland) and the Broads Authority BA lead officer: Chief Executive	Currently a Company Limited by Guarantee, providing a vehicle for collaboration with the UK's National Park Authorities. Intention is to wind up the company and replace it with more distributed arrangements, such as that for communications.	Ongoing	Present structure as a company limited by guarantee is under review	Wind up the Company

Name, purpose, partners and BA lead officer	Benefits of partnership to BA	Duration of partnership	Financial arrangements	Actions for partnership
NATIONAL PARKS UK Communication Team Purpose: National promotion and branding of all 15 UK National Parks Partners: The UK National Park Authorities, National Park Partnerships and the Broads Authority BA lead officer: Head of Communications	Purpose of partnership is to raise profile of National Parks with public through jointly funded Communications Team, based with the Broads Authority.	Until 2022/23	Funding from 15 National Parks and from National Parks Partnerships. BA contribution in 2019/20 is £10,108. This replaces the NPUK subscription. BA employs two members of staff.	Strategy and Action Plan to be presented to the UK Chairs on 27 November
RIVER WENSUM STRATEGY PARTNERSHIP Purpose: To promote the regeneration and management of the River Wensum in Norwich Partners: Norwich City Council, Norfolk County Council, Environment Agency, Norwich HEART, Norwich Society, BA BA lead officer: Director of Strategic Services	Coordinated management of River Wensum. Opens up opportunities for funding. Supports partnership working on cross-party issues such as access and mooring, anti-social behaviour and abandoned vessels.	Strategy adopted by BA in July 2018. Action plan to end 2022. Delivery board to be set up by end 2019.	Project delivery underway. Further funding needed for future activity. Anticipated that significant part of any project cost will be raised from external funding applications or CIL.	Work with Norwich City Council and other partners to deliver Strategy

Name, purpose, partners and BA lead officer	Benefits of partnership to BA	Duration of partnership	Financial arrangements	Actions for partnership
<p>WATER RESOURCES EAST (WRE)</p> <p>Purpose: To safeguard a sustainable supply of water for the East of England, resilient to future challenges and enabling the area's communities, environment and economy to reach their full potential.</p> <p>Partners: Anglian Water, Essex & Suffolk Water, Cambridge Water Company, Severn Trent Water, Affinity Water, County Councils, NFU. Other organisations may join in.</p> <p>BA lead officer: Director of Strategic Services</p>	<p>WRE's mission is "To work in partnership to safeguard a sustainable supply of water for the East of England, resilient to future challenges and enabling the area's communities, environment and economy to reach their full potential." It is a Company Limited by Guarantee pioneering a collaborative approach to water resources planning.</p>	<p>BA agreed to join WRE for 1 year from Sept 2019, with review to decide future arrangement.</p>	<p>BA contribution is £15,000 for one year.</p>	<p>Review BA's participation in WRE (Sept 2020)</p>
<p>WHITLINGHAM COUNTRY PARK (ending)</p> <p>Purpose: To secure the effective management of Whitlingham Country Park including the development of policies and provision of visitor services on site.</p> <p>Partners: Whitlingham Charitable Trust (WCT), BA</p> <p>BA lead officer: Director of Operations. BA Chief Executive is member of WCT and BA has up to four members on Board of Trustees.</p>	<p>Whitlingham Country Park is a gateway to the Broads and helps raise the profile of the Broads with the public, particularly people living in Norwich.</p>	<p>Subject to rolling 3-year Service Level Agreement. SLA ends on 31 March 2020 and will not be renewed.</p>	<p>WCT responsible for reimbursing costs of managing Park, incl. BA employee costs (principally Rangers). BA responsible for running costs of visitor centre and cafe.</p>	<p>Negotiate end of contract March 2020. Redeploy BA staff and services.</p>

Name, purpose, partners and BA lead officer	Benefits of partnership to BA	Duration of partnership	Financial arrangements	Actions for partnership
<p>TESCO PARTNERSHIP (ended)</p> <p>Purpose: To support water sensitive farming partnership.</p> <p>Partners: BA, Tesco plc, input by NFU and Natural England</p> <p>BA lead officer: Broadland Catchment Partnership Officer</p>	Provides scope for education and intervention to reduce impact of nutrients entering Broads watercourse	One-year agreement to January 2018	BA received funding from Tesco to cover all costs of project. In return, BA designated a Catchment Officer.	n/a
<p>TRINITIES PARTNERSHIP (ended)</p> <p>Purpose: To safeguard and enhance the Trinity Broads for wildlife and people through the delivery of improved water quality, biodiversity and public access.</p> <p>Partners: Essex & Suffolk Water (lead), BA, Environment Agency, Natural England, Norfolk Wildlife Trust</p> <p>BA lead officer: Environment Policy Adviser</p>	Supports comprehensive and coordinated approach to managing specific area of the Broads	5 years in line with Trinity Broads Management Plan (not subject to formal written agreement)	Primarily financed by Essex & Suffolk Water with additional funding discretionary for all other partners, including BA.	n/a

Register updated: October 2019

Contact officer: Head of Governance

Broads Authority

22 November 2019

Agenda item number 16

Risk management policy and register

Report by Head of Governance

Summary

The Authority's Corporate Risk Register (previously called the Strategic Risk Register) and Risk Management Policy have been reviewed and updated.

Recommendation

To note the updated Corporate Risk Register and Risk Management Policy.

1. Background

- 1.1. The Broads Authority's Corporate Risk Register (Appendix 1) was reviewed and updated by the Management Team in October 2019. It focuses on high level strategic risk, with more detailed operational level risks assessed in Directorate Risk Registers.
- 1.2. In this Corporate Risk Register, we identified ten risks under the core areas of people, finance, assets, performance and reputation. We scored each risk for likelihood and severity, and multiplied the two scores together to produce an initial risk score. Each risk was scored again with mitigation measures in place to produce a revised risk score.
- 1.3. The revised risk scores show that eight risks are assessed as 'medium risk' and two as 'low risk'. No high risks are identified. In all cases, applying mitigation measures has reduced the initial risk scores.
- 1.4. We have also updated our Risk Management Policy (Appendix 2), which sets out our rules and standards for corporate and operational risk management. The policy guides staff in the monitoring and management of risk on a day-to-day basis when planning or implementing activities.
- 1.5. The Audit and Risk Committee will assess the two documents at their meeting on 19 November and their feedback will be reported verbally to this meeting.

Author: Maria Conti

Date of report: 22 October 2019

Appendix 1 – Corporate Risk Register (update Oct 2019)

Appendix 2 – Risk Management Policy (update Oct 2019)

Appendix 1 - Corporate Risk Register (Aug 2019)

Impact area People, finance, assets, performance, reputation	Risk no.	Risk name Risk that may affect the BA	Risk description Impact on delivery of BA objectives, service delivery, reputation	Date entered on risk register	Initial likelihood Score 1-5	Initial sever- ity Score 1-5	Initial risk score Likelihood x severity	Tasks to mitigate risk (controls/safeguards/precautions) What we have done to date, noting any other factors that may influence the risk	Revised likelihoo- d Score 1-5	Revised severity Score 1-5	Revised risk score Likelihood x severity	Additional actions required What we plan to do within the next year	Risk owner Officer ultimately responsible for the risk
People	1	Loss of knowledge and expertise	Loss of knowledge, expertise or working associations, due to key staff leaving or not being available for long periods	19/8/2019	4	4	High risk 16	Plan in place for handover period when key staff leave BA or are absent for significant periods HR policies in place to support staff retention Reviewing electronic data storage to support access to any officer's files Business Continuity Plan in place with system back up	3	3	Medium risk 9	Continue Data Project to ensure access to all staff e-folders Draft resilience plan for key staff and services (by summer 2020) Review Business Continuity Plan (by end 2019)	Chief Executive
Reputation	2	Harmful actions undermining public confidence in Broads Authority	Damage caused by comments or actions by BA Member or Officer, with consequent harm to relationships with key stakeholders or undermining of public confidence in BA	19/8/2019	2	4	Medium risk 8	Code of Conduct for Members in place containing Nolan Principles of Conduct Code of Conduct for Officers in HR policies Training on Code of Conduct provided to all Members Protocol on Member and Officer Relations in place (updated May 2017) Proactive communication policy with local media and social media	2	3	Medium risk 6	Review and rewrite constitutional and corporate documents to make them shorter and clearer	Chief Executive
Assets	3	Loss of key physical assets	Damage, loss or malfunction to key assets impacting on BA functions/duties (e.g. navigation, moorings, Mutford Lock, rail bridges, Port of Norwich) that would impact public access/services	19/8/2019	3	4	Medium risk 12	Asset Management Strategy in place Integrated Access Strategy and Moorings Strategy in place (updated 2019) BA attendance at Network Rail meetings Insurance in place for equipment and buildings over £250. Cover includes business interruption. Landowner negotiations processes in place Programmed inspection regime in place and regular maintenance carried out	3	2	Medium risk 6	Implement action plan to consolidate network of mooring provision across system Engage in meetings with Norfolk County Council, New Anglia and Network Rail about Trowse bridge and rail swing bridges	Director of Operations
Finance	4	Reduction in income	Uncertainty on how BA will be funded from 1 April 2020 by DEFRA, as well as toll income uncertainty. Any reduction would impact our ability to deliver our duties.	19/8/2019	3	5	Medium risk 15	Regular contact with Government (DEFRA) to follow up on Comprehensive Spending Review Regular input to Government consultations Landscapes Review – positive proposals about maintaining at least current funding levels Prudent budgeting for Navigation and National Park expenditure. Reserves in place to mitigate against sudden drop in income.	2	3	Medium risk 6	Model expenditure options depending on proposed grant settlement and toll increases. Negotiate with DEFRA when timings are known, including joint response from English National Parks	Chief Financial Officer

Impact area People, finance, assets, performance, reputation	Ris k no.	Risk name Risk that may affect the BA	Risk description Impact on delivery of BA objectives, service delivery, reputation	Date entered on risk register	Initial likelihood Score 1-5	Initial severi ty Score 1-5	Initial risk score Likelihood x severity	Tasks to mitigate risk (controls/safeguards/precautions) What we have done to date, noting any other factors that may influence the risk	Revised likelihoo d Score 1-5	Revised severity Score 1-5	Revised risk score Likelihood x severity	Additional actions required What we plan to do within the next year	Risk owner Officer ultimately responsible for the risk
								Some significant blocks of work delivered through external funds won by BA					
Performance	5	Not meeting statutory duties or requirement of external legislation	Underperformance of, or conflict between statutory purposes resulting in legal issues and/or negative impacts (e.g. contravening Habitats Directive, loss of navigation)	19/8/2019	3	5	Medium risk 15	Professional staff trained and diligent in protecting ecology and the environment Detailed processes in place including Environmental Standard Operating Procedures Collaborative working in place with key stakeholders to understand and address issues and risks Officer level project boards in place with Wildlife Trusts, Natural England and Environment Agency to monitor progress and ensure compliance to statutory regulations Scientific research and monitoring ongoing to assess impacts and mitigation measures developed if potential harm identified.	2	2	Low risk 4	Review aquatic plant cutting regime and standards required	Chief Executive
Performance	6	Not meeting statutory duties as a local planning authority	Underperformance of planning function resulting in legal issues and/or negative impacts on our reputation	19/8/2019	3	4	Medium risk 12	Statutory duties identified as part of appraisal process with key staff Staff training Planning delivery monitored formally (Planning Committee review performance quarterly and appeals annually)	2	4	Medium risk 8	Continue to monitor delivery	Director of Strategic Services
People	7	Safety incidents	Death or serious injury to staff, volunteer or member of public while carrying out operational works	19/8/2019	5	5	High risk 25	Health and safety policies in place and reviewed regularly by H&S Committee and risk owners Safety Committee monitors and reviews incident reports and risk assessments reviewed and updated regularly All staff and volunteers trained in key H&S issues, regular tool box talks given before carrying out tasks Safety Observations - ONS system in place to catch near misses and learn from incidents. All accidents investigated. Regular audits used to check control measures. Insurance in place for legal expenses Quarterly reports on Health and Safety Monitoring assessed by Management Team	2	5	Medium risk 10	Monitor changes in H&S legislation Monitor industry best practice and implement changes where required	Director of Operations
Reputation	8	Disruption in key partnerships	Failure to deliver projects on time and within budget leading to potential	19/8/2019	3	4	Medium risk 12	Contractual arrangements in place for key partnerships (see Partnership Register)	3	3	Medium risk 9	Review and update Partnership Register – by Nov 2019	Chief Executive

Impact area People, finance, assets, performance, reputation	Ris k no.	Risk name Risk that may affect the BA	Risk description Impact on delivery of BA objectives, service delivery, reputation	Date entered on risk register	Initial likelihood Score 1-5	Initial severi ty Score 1-5	Initial risk score Likelihood x severity	Tasks to mitigate risk (controls/safeguards/precautions) What we have done to date, noting any other factors that may influence the risk	Revised likelihoo d Score 1-5	Revised severity Score 1-5	Revised risk score Likelihood x severity	Additional actions required What we plan to do within the next year	Risk owner Officer ultimately responsible for the risk
			financial issues, lack of service delivery or adverse publicity					Regular project progress reports taken to BA members Proactive role maintained within formal and informal partnerships				Develop risk register for UK NP comms team	
Data security	9	Breach in data protection or loss of data	Failure by staff to follow IT and/or GDPR processes or protocols resulting in in-built security being bypassed and allowing data loss, data breach or cybercrime to BA systems	19/8/2019	4	4	High risk 16	Training in cybercrime given to all budget holders Certified GDPR Data Protection Officer(s) in place Data Protection training given to staff	2	4	Medium risk 8	Review GDPR Compliance Plan Monitor and review case law and keep up to date with GDPR and data protection information/ best practice	Director of Operations
Finance	10	Projects externally funded by EU post- Brexit	Failure to get reimbursement for expenses occurred for projects funded by EU in event of no- deal Brexit scenario	19/8/2019	2	4	Medium risk 8	Detailed Risk Register for CANAPE reviewed at least twice a year by Steering Group with entries related to Brexit Regular contact made with Joint Secretariat of North Sea Programme Regular reports on CANAPE taken to BA members Treasury has guaranteed funding for all organisations where EU funded project was approved before Brexit	2	2	Low risk 4	None	Director of Strategic Services

Prepared by: Management Team and Head of Governance

Date updated: 19 August 2019

Next update due: 19 February 2020

Appendix 2 - Risk Management Policy

1. Introduction

- 1.1 This document sets out the Broads Authority's rules and standards for strategic and operational risk management. It also guides staff in the monitoring and management of risk on a day-to-day basis.

2. Defining risk

- 2.1 In this context, 'risk' refers to an uncertain event, or set of events, which may affect the Authority's ability to operate its business or achieve its aims and objectives. An 'uncertain event' is one that might happen, rather than one that will definitely happen or is happening already.
- 2.2 Each risk has two key dimensions - likelihood and severity. 'Likelihood' is the probability the event will happen, while 'severity' is the impact the event would have if it happened.

3. Managing risk

- 3.1 The Authority must be able to consider the risks that may threaten or affect the running of its business and delivery of its aims and objectives, and make sure it has controls and mitigation measures in place to minimise those risks.
- 3.2 The [international standard for risk management \(ISO 31000\)](#) sets out useful guidance. It emphasises that risk management creates and protects value by contributing to the organisation's objectives and improving its performance, efficiency, governance and reputation. As such, it should be integral to all processes and for all staff.
- 3.3 Some good principles for managing risk are that:
- It needs to be systematic, structured and timely.
 - It is based on the best available information – historical data, stakeholder and customer feedback, forecasting and expert judgment. It should be tailored to the organisation's internal and external context and risk profile.
 - It takes human and cultural factors into account, recognising that people's capabilities, behaviours and intentions can either help or hinder the organisation's objectives.
 - It is transparent and inclusive, needing the timely and appropriate involvement of stakeholders and decision makers at each stage, and ensuring proper representation of all those affected.
 - It needs to be iterative, dynamic and responsive to change, taking account of changes in the internal and external environment.
 - Finally, it needs to demonstrate continuous improvement.

3.4 Not having risk management procedures in place could result in a failure to identify and monitor risks or have appropriate and proportionate mitigation measures. When assessing risk, it is also important to bear in mind:

- the expectations of stakeholders and the public that risk will be managed effectively;
- the demands of legislation and external bodies, such as regulators and auditors;
- the value of risk management in helping to make better informed decisions in the effective use of capital and resources;
- the reduction in costly mistakes, re-work and fire-fighting that can arise from effective risk management; and
- the desire to make the organisation a better and safer place to work and with which to do business.

4. Roles and responsibilities

Audit and Risk Committee

4.1 For the Authority, the Audit and Risk Committee oversees the development and operation of risk management at a strategic level, and reviews the Corporate Risk Register on a regular basis.

Management Team

4.2 Management Team (MT) is responsible for monitoring and managing risk across the organisation and making sure effective policies and procedures are in place. MT oversees the review and updating of the Risk Management Policy and Corporate Risk Register, with support from the Head of Governance. Any significant corporate issues relating to risk management are brought to the attention of the Audit and Risk Committee.

Directors

4.3 Directors are responsible for making sure risk management is embedded into the work of their Directorates, and that risk owners and other staff are aware of its importance and have appropriate mitigation measures in place. Directors are also responsible for their Directorate Risk Registers, which focus on day-to-day operational activities and link up to the Corporate Risk Register. Directors will bring MT's attention to any concerns or instances where ineffective risk management is impacting on the Authority's business or the achievement of its key aims and objectives.

Risk owners

4.4 Risk owners are responsible for monitoring and managing their assigned risks on a day-to-day basis. They will review their risks on a regular basis (at least every six months, or when circumstances change significantly) and make sure the registers are updated accordingly. Risk owners will bring their Director's attention to any concerns or instances where ineffective risk management may be impacting on the Authority's business or the achievement of its key aims and objectives.

Other staff

- 4.5 Risk management is not a specialist activity, or just for nominated 'risk owners'. It is a core part of everyone's job, and should be embedded throughout the organisation and its activities. A risk management assessment should be part of planning and implementation for all activities, with risks identified and mitigation measures put in place.

5. Risk Registers

Types of register

- 5.1 The Authority maintains a strategic Corporate Risk Register and operational Directorate Risk Registers for Strategic Services, Operations and Chief Executive's Group.
- 5.2 The **Corporate Risk Register** sets out the risks that could threaten the Authority's core business and the way it operates. The Corporate Risk Register is available on the Authority's intranet.
- 5.3 **Directorate Risk Registers** identify risks that could threaten day-to-day operational activities. Where a risk identified within a Directorate has a revised risk score above 16 (high risk), it will automatically be referred to the Corporate Risk Register. The Registers are maintained by each Director.
- 5.4 MT has overall responsibility for the registers, and risk owners are responsible for reviewing and updating their individual risks. Every risk should be reviewed at least six-monthly, or when there is a significant change in circumstances, with a note in the register of the date the risk was last reviewed.

Format

- 5.5 All registers have the following information:
- Area impacted by the risk (people, finance, performance, reputation or assets)
 - Risk name and description
 - Date entered on risk register
 - Initial risk scores (likelihood and severity)
 - Tasks to mitigate the risk (controls/safeguards/precautions)
 - Revised risk scores (likelihood and severity)
 - Additional actions required
 - Risk owner (by job title)

6. Assessing risk tolerance levels

- 6.1 The Authority assesses risk against the matrix and scoring descriptions in Tables 1 to 4. For each risk, the dimension scores of **likelihood** and **severity** are multiplied to produce an **initial risk score**. When mitigation measures are identified, the two dimensions are

scored and multiplied again to produce a **revised risk score**. This score is categorised as being a low, medium or high **level of tolerance**.

Table 1

Risk scores matrix

Likelihood	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
		1	2	3	4	5
Severity						

Table 2

Likelihood definitions

Rating	Definition	Value
Highly likely	The event is expected to occur	5
Probable	The event will probably occur	4
Possible	The event may occur at some time	3
Unlikely	The event is not expected to occur in normal circumstances	2
Rare	The event may occur only in exceptional circumstances	1

Table 3

Severity definitions

Schedule	Cost	Performance and quality	Value
<2 weeks delay	<1% of budget	Cosmetic impact only	1 Insignificant
2 weeks to 1 month's delay	1%-<2%	Some minor elements of objectives affected	2 Minor
1 month to <2 months delay	2%-<8%	Significant areas of some objectives affected	3 Moderate
2 months to <4 months delay	8%-<12%	Wide area impact on some objectives	4 Major
>4 months delay	>12% of budget	Significant failure resulting in the project not meeting its objectives	5 Extreme

Table 4

Risk level tolerance

Total score	Risk treatment
High 16-25 Red risk	Risks are so significant that risk treatment is mandatory
Medium 6-15 Amber risk	Risks require a cost benefit analysis to determine the most appropriate treatment
Low 1-5 Green risk	Risks can be regarded as negligible, or so small that no risk treatment is required

- 6.2 When a potential new action or objective is assessed for risk, MT will review the revised risk score suggested by the risk owner to make sure it is robust and reasonable.
- 6.3 Where a risk score is above the tolerance level of 16 (high risk), the Chief Executive will immediately bring the risk to the attention of the Chairman of the Authority and the Chairman of the Audit and Risk Committee.

7. Risk management tools

Risk identification

- 7.1 Identifying a new risk can happen at any time, but is most likely:
- when the Authority takes on a new responsibility, scheme or project;
 - as a result of an unforeseen incident or event; or
 - as part of the annual review of risks by MT or Directorate teams.
- 7.2 A number of tools can help with risk identification, including those outlined below.

PESTLE looks at factors outside the organisation that can influence it, and stands for:

- Political factors – government policy and stability
- Economic factors – employment rates, material costs and interest/exchange rates
- Social factors – demographics, cultural trends and changes in lifestyle
- Technology factors – innovation and development
- Legal factors – employment, health and safety legislation and regulations
- Environmental factors – climate, carbon footprint, sustainability, recycling and disposal of waste

APRICOT looks at factors within the organisation that may be affected, and stands for:

- Assets – land, buildings, contents, materials and equipment
- People – safe working systems, health and welfare
- Reputation – poor media coverage, political embarrassment
- Information – IT failures
- Continuity of Operations – failure to deliver or poor service
- Targets – failure to meet strategic priorities or objectives and achieve value for money

Risk mitigation

- 7.3 Once a risk is identified, mitigation measures need to be considered. Initially, this can be defined simply as Tolerate, Transfer, Treat or Terminate.
- 7.4 A new risk should be reported to the appropriate Director as soon as possible by any officer so it can be entered in the relevant Directorate Risk Register. The Director will then assess whether the risk should be entered in the Corporate Risk Register.
- 7.5 When a new corporate risk is identified, MT will assess the mitigating measures in place or proposed, and whether these will manage the risk to 'as low as reasonably practicable'. This process looks at whether the likelihood and severity of the risk is addressed adequately, and whether the Authority needs to enter into the risk, assuming it is optional, bearing in mind how the activity itself will further the Authority's objectives and the level of risk associated with it.

8. Review timetable

- 8.1 In addition to the regular review by risk owners, MT will formally review the Corporate Risk Register every six months to consider whether:
- the identified risks are appropriate and up-to-date
 - the actions and controls in place are adequate and appropriate
 - the revised risk score is appropriate

- any additional action is needed to help mitigate the risk
- any new risks should be added to the Register, either for new activities or for existing activities where the risk level may have increased.

8.2 The Corporate Risk Register will also be reviewed by the Audit and Risk Committee twice a year. Where a risk score has increased, the reasons for this change will be set out.

Date of review: 17 October 2019

Date of next review: October 2021

Contact officer: Head of Governance