

Broads Authority

Annual Governance Statement 2018/19 and action plan 2019/20

Published July 2019

Annual Governance Statement 2018/19 and action plan 2019/20	1
1. Introduction	2
2. Our governance framework	2
Purposes and duties	2
Strategic plans	3
National Parks Review and Peer Review	3
Committees and management	3
Financial arrangements	5
3. Decision making and openness	5
4. Ethics and integrity	6
5. Engaging with stakeholders	6
6. Managing risk and performance	7
7. Internal and external audit	7
Annual report and opinion 2018/19	8
8. Action Plans	8
Appendix 1a	10
BA Annual Governance Statement Action Plan 2019/20	10
Appendix 1b	13
BA Annual Governance Statement Action Plan 2018/19 – progress report	13

1. Introduction

- 1.1. As a public body the Broads Authority is responsible for making sure its governance and internal control framework is robust, up-to-date and in line with the principles of good governance. This is about conducting our business in accordance with the law and proper standards, using public money wisely and efficiently, and having appropriate arrangements in place to protect our assets and meet our strategic aims. It is also about our staff and Members representing the shared values and culture of the organisation.
- 1.2. To show how we are complying with good governance, we prepare an Annual Governance Statement ¹and publish it alongside our annual Statement of Accounts in July. The Statement is guided by the Framework document [Delivering Good Governance in Local Government](#), which has principles focusing on integrity, ethical values and the rule of law; stakeholder engagement; sustainable economic, social and environmental benefits; leadership and resources; risk and performance; and transparency, reporting and review.
- 1.3. Alongside the Statement we produce an action plan to address any weaknesses identified by internal and external audit, self-assessment and other reports, and by our [Code of Corporate Governance](#) (Appendix 2). Our Action Plan 2019/20 and an update on last year's plan are at Appendices 1(b) and 1(c).

2. Our governance framework

Purposes and duties

- 2.1. The Broads Authority is a statutory body with similar responsibilities to those of the English, Welsh and Scottish National Park Authorities². It is the local planning authority, and a harbour and navigation authority. It has a duty to manage the Broads to conserve and enhance its natural beauty, wildlife and cultural heritage, to promote opportunities for the public to understand and enjoy its special qualities, and to protect the interests of navigation.
- 2.2. In managing the area, the Authority must have regard to the national importance of the Broads for its natural beauty and opportunities for open-air recreation, the desirability of protecting its natural resources from damage, and the needs of agriculture and forestry and economic and social interests of those who live or work in the area. The Authority also has the duty to maintain the navigation area to such standard as appears to be reasonably required and to develop and improve it as it thinks fit.

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

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

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

Strategic plans

- 2.3. The [Broads Plan](#) is the key partnership strategy for the Broads, setting out a long-term vision and short-term objectives to benefit of the environment, local communities and visitors. The current Plan was adopted in March 2017 and we publish 6-monthly [progress updates](#) in May and November.
- 2.4. In May 2018, following formal consultation and an examination in public, we adopted the Broads Local Plan, which sets out the policies used in determining planning applications for the plan period to 2036.
- 2.5. Under the Broads Plan sit more detailed guiding strategies, generally focusing on a single theme and covering a short-term period. In the last year we have reviewed and updated action plans for the Broads Integrated Access Strategy and the Broads Biodiversity & Water Strategy.
- 2.6. We publish our Annual Business Plan in May, outlining our work priorities for the coming year and summarising last year's progress. The Business Plan is a link between the strategies for the Broads and our team work plans. Each year we also identify a small set of strategic priorities, focused on Authority-led projects that have high resource needs or a very large impact on the Broads, or that are politically sensitive. This helps us target our resources and make the most of partnership working and external funding opportunities. We report progress at each Broads Authority meeting.

National Parks Review and Peer Review

- 2.7. Over the past 18 months, two reviews have been looking at our governance. In 2018 the Government commissioned a review of National Parks and Areas of Outstanding Natural Beauty (AONBs) looking at the coverage of these designated areas, how they deliver their responsibilities and how they are financed, and whether there is scope for expansion. The review team visited the Broads in November 2018 and their report is expected in September 2019.
- 2.8. 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.

Committees and management

- 2.9. The Broads Authority has unique governance arrangements, reflecting the interests of both national and local stakeholders. Of its 21 Members, ten are appointed by the Secretary of State, nine are locally elected County and District Councillors and two are appointed by the Authority from the Navigation Committee. Other than Planning Committee and those matters delegated to the Chief Executive, all matters are dealt

with by the full Broads Authority as the prime decision maker. Routine decision making is delegated by Members to Officers of the Authority through the Scheme of Delegated Powers.

- 2.10. An action from the Peer Review was to amend the Authority's committee cycle. The full Authority now meets for formal business six times a year, with two of the scheduled meeting dates used for site visits or workshops to give Members more opportunity for informal interaction outside the main business meetings. There is a new process for the annual appointment of Chairs and Vice-Chairs, committee membership and appointments to outside bodies, to create a more transparent appointment process and allow Members to express their preferences for serving on Committees and outside bodies. The Authority also set up a Chairs' Group to give Chairs and Vice-Chairs a more active role in maintaining an overview of the work of the various committees, and to better support the Chair and Chief Executive.
- 2.11. Another action from the Peer Review was to repurpose the Financial Scrutiny and Audit Committee as the Audit and Risk Committee (ARC) with an amended Terms of Reference, to make its role clearer to the public. The ARC is an advisory committee meeting three times a year. It is responsible for examining our governance, internal control and risk management framework, and taking a strategic view on whether our allocated resources are being used effectively.
- 2.12. Our functions as a [Local Planning Authority](#) are carried out by the Planning Committee, with powers delegated to Officers in line with national legislation. It is a decision-making committee and normally meets every four weeks. Planning decisions, whether made at Committee or through delegated powers, are published on our Planning website.
- 2.13. The Navigation Committee advises the Authority's on significant matters affecting the navigation area. While it does not make decisions, if the Authority does not accept the Committee's recommendations it must give reasons. As a result of the Peer Review, meetings of the Committee were reduced from six to five per year, with members also invited to the Authority's twice-yearly site visits/workshops.
- 2.14. Our final formal committee is the Broads Local Access Forum, a semi-independent body that advises the Authority on improving public access to land within the Broads executive area.
- 2.15. The Authority has two Independent Persons, appointed for a 4-year period, who are regularly consulted to help the Authority achieve high ethical standards. The current postholders were appointed in 2016.
- 2.16. The Authority has four statutory officers who carry out specific duties. They are the Head of Paid Service (Chief Executive), Section 17 Officer (Chief Financial Officer), Navigation Officer (Head of Ranger Services) and Monitoring Officer. The Chief Executive, Chief Financial Officer, Director of Strategic Services and Director of Operations make up our Management Team. We are also required to have a Data

Protection Officer, and this role is currently held by the Director of Operations as a qualified Data Practitioner.

Financial arrangements

- 2.17. It is considered that the Authority's financial management arrangements conform with CIPFA's [Statement on the Role of the Chief Financial Officer in Local Government](#) (2016). As a key member of the Management Team, the Chief Financial Officer is actively involved in material business decisions to help the Authority develop, resource and implement its strategic plans sustainably and in the public interest.
- 2.18. We have a number of procedures in place to make sure we obtain best value for money in all we do, and we review them all on a regular basis. The Financial Regulations, reviewed in March 2018, were updated to reflect that the Section 17 Officer and Treasury is now managed in-house. Our Counter Fraud, Corruption and Bribery Strategy and our Procurement Strategy were also updated in March 2018, and our Standing Orders Relating to Contracts in May 2018. We also reviewed our Advertising and Sponsorship Policy in February 2019 and our Capital, Treasury and Investment Strategy in March 2019.
- 2.19. We monitor the effectiveness of our internal financial control systems through the consideration of regular internal audits, performance management and budget monitoring reports, and through ARC reports.

3. Decision making and openness

- 3.1. Our arrangements for decision making are set out in publicly available documents. These include Standing Orders, Scheme of Delegated Powers and a Protocol on Member and Officer Relations. An action for 2019/20 is to commission an external review of all our constitutional documents to make sure they are fit for purpose, in line with best practice and legislation, simple and streamlined.
- 3.2. Our committees each have distinct terms of reference. Meetings are held in public, apart from some agenda items which are exempt under legislative guidance, and members of the public may ask questions. Since 2017, all our meetings are audio recorded.
- 3.3. Staff roles and responsibilities are defined through job descriptions and regularly updated policies and procedures, including a code of conduct and annual performance appraisals. The Authority is accredited by Investors in People (IIP), having had its Silver accreditation rating reconfirmed in December 2018 for a period of one year.
- 3.4. In line with the Government's commitment to freedom of information and local government transparency, we publish requested data such as spending, assets and our organisational structure, on our website at www.broads-authority.gov.uk. Our commitment to protecting people's privacy and processing personal data in

accordance with data protection legislation is set out within our [Data Protection Policy](#).

4. Ethics and integrity

- 4.1. Under the Localism Act 2011 we have the duty to promote and maintain high standards, and we seek to embed this throughout our governance and internal control systems. The seven principles of public life (known as the Nolan Principles) are incorporated in the Members' Code of Conduct, which was updated in November 2018 to process complaints more efficiently. Our Independent Persons provide external scrutiny of its standards processes.
- 4.2. We have produced our own set of core values which we promote to our staff and Members through posters and screen savers, codes of conduct and protocols, recruitment, interview and appraisal processes, and development programmes.

Our Core Values

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

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

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

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

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

5. Engaging with stakeholders

- 5.1. We encourage our partners, interest and user groups and local communities to engage with us in various ways. This includes drop in events such as partnership working groups and Parish Forums, direct contact such as officers or members attending user group meetings, public events like the Royal Norfolk Show, digital and social media feeds and newsletters, and formal written consultations such as the recent process for the Broads Local Plan. We also seek user opinions through our annual visitor survey and the ongoing user analysis for our website, Facebook and Twitter feeds.
- 5.2. In 2018 we reviewed all our engagement methods, including a survey of all organisations represented on the consultative Broads Forum. As a result, we replaced the Forum with [Broads Engage](#), which brings together all the ways people can hear

about and have a say on the use and management of the Broads. We held Broads Engage workshops in November 2018 and April 2019, each attended by around 50 representatives from a wide range of interest groups. The feedback from attendees was positive, and their input has informed the updating of the Broads Integrated Access Strategy and Broads Biodiversity & Water Strategy.

6. Managing risk and performance

- 6.1. The ARC's responsibilities include gaining assurances from a range of measures and reports that the Authority is obtaining value for money in the use of its resources, and that risk and performance are being actively managed to achieve best results. We have identified actions in this year's Action Plan (Appendix 1a) to strengthen our risk management processes.
- 6.2. In 2018/19, we upgraded our IT Disaster Recovery Infrastructure and it will be tested in 2019/20. We will also update and improve our Risk Registers at strategic and operational level, and our Business Continuity Plan, which lessens the impact of a major incident affecting some or all of our operations.
- 6.3. We have internal financial controls to reflect good practice and make sure our finances are managed securely to minimise risk. These include approved budgets, separation of duties and authorised signatures. We also maintain a database of all our land and property assets and an Asset Management Strategy that includes an asset disposal policy, to help us plan our maintenance and replacement programme and reduce the risk of unexpected costs.
- 6.4. Our performance across our operations is assessed at regular Management Team meetings, with financial reports and budgets considered monthly and reports provided to Members at each Authority meeting.
- 6.5. There is a whistleblowing policy for our staff, and the Monitoring Officer has a duty to write a report if the Authority or any of its committees proposes action that would be unlawful or amount to maladministration.

7. Internal and external audit

- 7.1. Our internal and external auditors are the main independent sources of assurance on the operation of our governance framework and the Statement of Accounts. Other sources include organisations such as Investors in People, and our Independent Persons who provide independent scrutiny on our procedures.
- 7.2. An external provider reviews the effectiveness of our internal control systems, which includes our internal audit function. This helps to emphasise audit's key role of audit and its connection to governance, risk management and internal control. The broad categories for internal audit are the annual opinion, corporate governance, fundamental financial systems, service area audits and significant computer systems.

The Head of Internal Audit (HIA) develops an annual strategic audit plan using a risk-based approach. The annual opinion is on the overall adequacy and effectiveness of the Authority's internal control environment, highlighting significant issues.

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

Annual report and opinion 2018/19

- 7.4. The HIA's overall opinion for 2018/19 is that the Authority's framework of governance, risk management and controls is **reasonable**, with all audits concluding with a positive opinion.
- 7.5. While no issues raised by internal audit were significant enough for inclusion in the Statement, the report highlighted an incident when the Authority had been subject to an invoice fraud that resulted in the Authority making a payment erroneously. This incident took place in 2019/20. External Audit was also informed about this incident, and the CFO has carried out a formal investigation and taken actions to protect the Authority against this happening again.

8. Action Plans

- 8.1. The Action Plan for 2019/20 and a summary of progress against last year's plan are in Appendices 1a and 1b.
- 8.2. In this year's Action Plan, there is a particular focus on actions to improve our risk management systems, and to complete our work on National Park branding.
- 8.3. We are satisfied that the Action Plan will address the identified weaknesses, and will report back on its implementation as part of our next Statement.

Broads Authority
Annual Governance Statement 2019/20

Signed: Bill Dickson, Chairman of the Authority

Date 26 July 2019

Signed: John Packman, Chief Executive

Date 26 July 2019

Broads Authority

Yare House

62-64 Thorpe Road

Norwich

NR1 1RY

www.broads-authority.gov.uk

broads@broads-authority.gov.uk

Tel 01603 610734

Appendix 1a

BA Annual Governance Statement Action Plan 2019/20

Team	Actions	Lead Officers	Priority target date
Governance	Commission external team to assess effectiveness of Peer Review Action Plan a year after its implementation	Chief Executive	M 31/07/19
Governance	Commission Birketts Solicitors to review BA's constitutional documents to make sure they are fit for purpose, represent best practice, are in line with up-to-date legislation and are simpler to understand.	Chief Executive	M Report to Broads Authority in November 2019
Legal Services	Review performance of current legal services contractor and consider future arrangements, including potentially tendering for the work	Management Team	H 6-month review, September 2019
Risk Management	Update Risk Management Policy to reflect governance arrangements and responsibilities for risk, including those assigned to Audit & Risk Committee (ARC). Following Authority approval, publish policy on BA intranet.	Management Team	H 29/11/19
Risk Management	a) Review Strategic Risk Register (SRR) to identify which risks are strategic and which are operational/service level. Score all strategic risks and state which strategic objective they relate to, with colour coding clarifying 'risk appetite'. Define scoring criteria for high/medium/low (H/M/L) risk in relation to severity/impact (for categories such as financial, reputation and service provision) and to likelihood.	Management Team	H a) 1/11/19 b) 19/11/19

Team	Actions	Lead Officers	Priority target date
	b) Explain changes from previous SRR in reports to ARC.		
Risk Management	Update Risk Management page on BA intranet, incorporating revised documents and how risks are managed. Identify training needs across Authority.	Head of Safety Management	M 29/11/19
Risk Management	Introduce standard risk implications section on committee report template.	Head of Governance	L 31/1/20
Risk Management	<ul style="list-style-type: none"> • Make sure senior managers are aware that Business Continuity recovery timelines of up to 24 hours may not be achievable if such recovery has to be undertaken using tape backups stored at Dockyard. Formally document staff acceptance (or otherwise) to support this. • Look at options to enhance Data Replication (DR) service so it covers priority services such as Finance and Tolls. • Formally document all DR testing in test reports to relevant senior managers and use lessons learned to inform updating of DR plans. • Update relevant project management processes to include work to understand DR requirements for new or changed infrastructure. • Move server rack containing DR infrastructure from Dockyard to more appropriate location. 	Head of IT & Collector of Tolls	All actions will be completed by 31 July
Communications and branding	Update Communications Team workplan to include completion of Broads National Park branding strategy and work in relation to audit recommendations including training,	Head of Comms	H 05/07/19

Team	Actions	Lead Officers	Priority target date
	updating intranet communications page and issuing internal guidance on use of BA and Broads National Park logos.		
Communications and branding	<ul style="list-style-type: none"> • Following approval of NPA branding guidelines, update BA Communications Policy to include roles and responsibilities for overseeing management of correct branding, and include in separate branding section of policy. • Include information on role of Communications Team and on updated branding policy within BA induction checklist. • Produce guidance for staff on criteria for applying either BA or Broads National Park logo (or both) including reference to partnership/project work and to Broads National Park brand standards and branding strategy. • Revise and relaunch Communications page on BA intranet, to include strategy and associated documents, Communications Team details, and provision of staff and member training on branding. 	Head of Comms	M 31/10/19
Human Resources	Continue preparation of report on equality assessment of employment policies and practices (Equalities Working Group)	Head of HR	L 31/03/20
Human Resources	Complete Phase 2 of updating internal HR policies and procedures	Head of HR	L 31/03/20

July 2019

Appendix 1b

BA Annual Governance Statement Action Plan 2018/19 – progress report

Action	Lead Officers	Priority Target date	Progress
Continue implementation of BA General Data Protection Regulation (GDPR) compliance plan. Review policies/ procedures in light of forthcoming guidance from Information Commissioner's Office	Data Protection Officer	H 31/03/19	Policies reviewed in light of ICO guidance.
Equalities Working Group: Report on equality assessment of employment policies and practices	Head of HR, Volunteer Coordinator, Solicitor & Monitoring Officer (SMO)	L 31/03/19	Work in progress - action to carry forward to 2019/20 action plan.
Complete implementation of Peer Review Action Plan in response to Peer Review team report and recommendations	Chief Executive	H 31/12/18	Proposals implemented. External team to assess effectiveness of Peer Review Action Plan in 2019/20.
Complete draft of Members' Handbook (issued as part of induction process), to incorporate key member documents	SMO	L 30/09/18	Members Handbook produced and published online.

Action	Lead Officers	Priority Target date	Progress
Complete phase 2 of updating internal HR policies/ procedures	Head of HR	M 31/03/19	Process ongoing; key policies and procedures updated.
Agree timescales for completing lease agreements with legal service providers to avoid delays (part of review of external legal services, with intention of setting up standing lists)	SMO	M 30/09/18	Delays with procurement process and reduction in SMO hours mean that legal services provision, including property matters, will now be reviewed in 2019/20.
Include Port and Marine Safety Code in future annual reports, to include compliance and standard of performance cross-referenced to performance dashboard	Head of Safety Management, Head of Communications	M 30/09/18	Statement to reflect recommendation to be included in Annual Report 2018/19 and as standing item in future reports.
Provide briefing packs on risk assessment process, hazard ID and assessment and ALARP (As Low as Reasonably Practicable) principle to new Navigation Committee (NC) appointees and Boat Safety Management Group (BSMG), and keep training records	Head of Safety Management, SMO	M Feb 2019	All members of BSMG, Stakeholder Hazard Review Group, NC and Broads Authority (BA) receiving formal training on risk assessment and ALARP principles before dealing with risk assessments process; recorded in minutes when hazards are reviewed/ assessed.

Action	Lead Officers	Priority Target date	Progress
			New members included as regular refresher training process. Stakeholder Hazard Review completed and BSMG, NC and BA members to be briefed in June 2019.
Update Scheme of Powers Delegated to Officers to remove outdated references to Treasurer and Financial Advisor to the Authority and replace them with current references including Chief Financial Officer (Section 17 Officer)	SMO	L July 2018	Completed

July 2019