Risk, Audit and Governance Committee

23 November 2026
Agenda item number 10

Financial Management Code

Report by Director of Resources

Summary

To provide an update on the Authority's progress on the Chartered Institute of Public Finance and Accountancy's (CIPFA) Financial Management Code.

Recommendation

To note the update.

1. Introduction

1.1. This committee last received an update on the Financial Management Code on 27 November 2024. As previously agreed, an update would be provided every two years. This report sets out progress over the last two years.

2. Progress

2.1. Of the nine outstanding actions reported two have been completed. Some progress has been made on four and remain ongoing and three are not yet due. Appendix 1 has been updated to reflect progress in blue.

2.2. Appendix 2 contains the updated assessment against the full standard.

2.3. Whilst several of the actions have been completed these should not be seen as a single task and will continue to be actioned within each financial year and reviewed to ensure they remain appropriate. For example, the use of external surveys (A and C) will be reviewed as part of the annual budget setting. Actions around the budgeting process will continue as good practice (Q) with E and N requiring a more detailed review.

3. Conclusion

3.1. The Authority continues to make slow and steady progress and to date this has not been reviewed by an external body. Members comments on progress are welcome.

Author: Emma Krelle

Date of report: 09 November 2026

Background papers: Financial Management Code 25 July 2023

Broads Plan strategic objectives: All

Appendix 1 – Review of Action Plan for improvements

Appendix 2 – CIPFA Finance Management Standards Full Assessment

Appendix 1 – Review of Action Plan for improvements

Table 1

Standard	Areas for improvement	Officer(s)/Member(s)	Timescale	Progress
A	KPI's are being discussed at a national level by the ten English National Parks.	DEFRA/NPE	31/03/2021 Awaiting further guidance from DEFRA. Partially complete	Defra is setting national targets for all protected landscapes. The targets will align with new Management Plan guidance. We are awaiting information from Defra. Protected Landscapes Targets and Outcome Framework - GOV.UK (www.gov.uk) Of the 10 targets set, 3 required local apportionment. These were considered by the Broads Authority on 29 November 2024 for adoption and now form part of the Broads Plan appendix D. There is still some national work outstanding around indicators for targets 4, 5 and 9. For indicator 10 we now have data but the target is still to be agreed.
C	Best Companies survey to be completed.	Head of HR	~~31/03/2022~~ 2021/22 survey completed. Next survey ~~2025~~. Updated to 2027 following recruitment of new CEO. A staff pulse check is due in 2026/27 as an interim assessment.	Last survey conducted 21/22 with next survey due 2027. Results from 21/22 communicated to staff in September 2022, with the list of actions and activities which have been introduced in response to the survey findings.

Standard	Areas for improvement	Officer(s)/Member(s)	Timescale	Progress
E	As part of the update of the tolls on-line system review planned for next year any changes will need to take account of the different needs of boat owners.	Collector of Tolls	~~Initial scoping by 31/03/2022~~ ~~Update to 31/03/2024 for initial market engagement on how to progress internal and external system development.~~ Complete – new cloud-based system went live March 2025. There is still an ongoing ambition to be able to sell short visit tolls online although the Information Data Management project is the current priority.	~~Paper to Navigation committee 08/06/23 looking at payment methods for future users. Toll system continues to be a strategic priority for 2023/24.~~ Existing user accounts were migrated to the new platform. The initial application provides the key functionality required to renew a toll online. It utilises the latest security technologies such as one-time passcodes for logon thereby simplifying the current process.

Standard	Areas for improvement	Officer(s)/Member(s)	Timescale	Progress
E	MT to receive a report on savings >£10k where, individually or cumulatively, where forecast savings are made.	Director of Resources	Monthly from 01/08/2021 Updated to monthly from 01/08/2023. Ongoing – underspend process to be revised in 2027/28.	~~Not done. However, savings incorporated into 23/24 budget which was set by MT, instead of reviewing requests from budget holders.~~ ~~Although not formally reported savings have been used to offset 2024/25 shortfall in toll income and to minimise the impact on 2025/26 charges.~~ This area needs a review as budget holders tend not to notify finance until it is too late in the financial year to utilise other than through boosting reserves at year end.
F	The last review of property and buildings by the property consultants was conducted in 2016/17 to help determine contributions to the earmarked reserves. This exercise should be completed every 10 years, with the next to be scheduled for 2026/27.	Asset Officer	31/08/2027	Not due yet.
I	See F about suggestion of refreshing property maintenance liability.	Asset Officer	31/08/2027	Not due yet.

Standard	Areas for improvement	Officer(s)/Member(s)	Timescale	Progress
M	DoR to review IFAC/PAIB publication Project and Investment Appraisal for Sustainable Value Creation: Principles in Project and Investment Appraisal (2013) in conjunction with CIPFA's own guide to undertaking an option appraisal: Option Appraisal: A Practical Guide for Public Service Organisations (2017 Edition). Review will indicate whether we need to develop own appraisal methodology and mechanisms to address uncertainty. Appraisal options mainly use Net Present Value but also need to take into consideration economic, cost-benefit, multi-criteria and impact assessments.	Director of Resources	08/03/2022 ~~Updated to 12/03/2024~~ Completed. Staff now use the business case templates from the Governments Green Book.	~~Guidance has not been reviewed as yet.~~ ~~To be revisited for new major capital projects (as defined in the Capital, Treasury and Investment Strategy) as and when needed.~~

Standard	Areas for improvement	Officer(s)/Member(s)	Timescale	Progress
N	Working on producing reports quicker, however, may require different resource ~~(see B above on restructure and system).~~	Director of Resources	31/08/2021 Updated to ~~2024/25~~2026/27.	~~Although new post in place monthly reporting timescales remain roughly the same. Options for new system alongside tolls system will be considered if appropriate. If no change to system, then migration to new cloud version scheduled for early 2025.~~ ~~See B, whilst the system has been updated it is too early to judge.~~ Finance system upgraded to cloud-based version in November 2024. Additional functionality of dashboards is still be explored. Work as part of the Information Data Management project is hoping to improve processing of purchase orders which should free up some of the team's time.
N	Already agreed above that adjustments in forecast above £10k will come to MT (see E).	Director of Resources	Monthly from 01/08/2021 Updated to monthly from 01/08/2023. Ongoing – underspend process to be revised in 2027/28.	See E.

Appendix 2 - CIPFA Financial Management Standards Full Assessment

Table 1 - The Responsibilities of the Chief Financial Officer and Leadership Team

Standard	Code Guidance	What we do	What we can improve
A. The leadership team is able to demonstrate that the services provided by the authority provide value for money. VFM can be a subjective concept and has four 'pillars' known as the four 'Es'. **Economy** 'Spending less'. Economy is a measure of the resources that the authority puts into the delivery of a given activity or service. To be economical, the authority should procure these inputs at the lowest possible cost, subject to maintaining appropriate standards of quality. For example, an economical highways development scheme will procure the necessary resources (labour, materials, plant hire, etc) at the lowest possible unit cost. **Efficiency** 'Spending well'. Efficiency is about how well the authority translates these inputs into the outputs of an activity or a service. To be efficient, the authority should use the minimum possible level of inputs to produce each output, again subject to maintaining appropriate standards of quality. For example, an efficient highways development scheme will minimise the volume of resources required to construct each mile of road, e.g., through proactive scheduling and minimisation of waste. **Effectiveness** 'Spending wisely'. Effectiveness considers the extent to which the outputs that the authority has generated lead to the outcomes that it wants to achieve. To be effective, the authority's actions should have the desired positive impact on people's lives, such as	CIPFA key questions: Does the authority have a clear and consistent understanding of what value for money means to it and to its leadership team? Does the authority have suitable mechanisms in place to promote value for money at a corporate level and at the level of individual services? Is the authority able to demonstrate the action that it has taken to promote value for money and what it has achieved? From the guidance note we need to consider: • the way in which the authority's leadership team is able to demonstrate that its services provide value for money.	The Authority has a clear governance structure, as outlined in the Annual Governance Statement (AGS). This and the Code of Corporate Governance are reviewed annually. Internal audit (externally provided) undertakes an annual risk-based approach to the service audits undertaken in addition to Key Controls and Corporate Governance. External Audit issue a Value For Money (VFM) conclusion annually in the Statement of Accounts (SoA). The delivery of the strategic priorities are supported by the Broads Plan (BP), Annual Business Plan and Financial Strategy. All of these are approved by the Broads Authority. Regular updates on the finances and progress against the BP are provided to committee. The Authority complies with the transparency regulations and details of expenditure over £250 can be viewed by the public on the website. Each Directorate has workplans that set out how this is to be delivered. These plans are supported by the annual budget. The Authority has Financial Regulations, Standing Orders Relating to Contracts, Procurement Strategy that support the principle of VFM. The sustainable/environmental impact is also taken into consideration. The Authority has a Corporate Risk Register and Directorate registers which identify mitigating actions and responsible officers. These are reviewed on a six-monthly basis. All reports to committee ask the Author to consider the risk implications. New risks can be added at any time.	~~Assess the VFM of another Stakeholder survey.~~ Implement the new Protected Landscapes Targets and Outcome Framework.

Standard	Code Guidance	What we do	What we can improve
greater opportunity, improved skills or changed behaviours. For example, an effective highways development scheme will have a clear rationale for the road under construction and will construct the right road, in the right place and at the right time. **Equity** 'Spending fairly'. Equity is about the extent to which the outcomes generated by the authority have been made accessible to all those who could benefit from them. To be equitable, the authority should ensure that it takes account of the ability of different individuals and groups to access its services and that it makes arrangements to ensure that these services are accessible to all who could benefit from them. For example, an equitable highways development scheme would be accessible to all forms of traffic – including pedestrians and cyclists – and might also feature suitable pedestrian crossing points (with facilities for visually-impaired pedestrians and wheelchair users) and appropriate street furniture.		The Authority took part in a peer review in May 2018. There has been some benchmarking activities with other National Parks in specific areas such as back-office costs in January 2017. Contract management arrangements: The authority has in place specific arrangements regarding the management of contracts with third-party suppliers, to ensure that the goods or services to which the contract applies are delivered as agreed. Contract management arrangements are proportional to the value and significance of the contract. Accessibility to sites and websites has been considered. Impact assessments on key policy decisions are carried out.	
B. The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government (2016).	CIPFA Key questions: Is the authority's CFO a key member of the leadership team, involved in, and able to bring influence to bear on, all material business decisions? Does the CFO lead and champion the promotion and delivery of good financial management across the authority? Is the CFO suitably qualified and experienced? Is the finance team suitably resourced and fit for purpose?	The Director of Resources (previously CFO) is a member of MT and attends Broads Authority, Navigation and Audit and Risk committees on a regular basis. The Senior Accountant attends monthly section heads meetings to discuss budget variances and any new areas that require financing. Issues are reported to the DoR. Training is provided to all new budget holders. The DoR manages Finance, Asset Officer and the Head of ICT/Tolls who are responsible for securing the Authority's income, recording of expenditure and asset management. DoR Job Description was created to follow CIPFAs guidelines for CFOs. This is acknowledged in the AGS.	~~Review Finance system improvements via new cloud-based system~~

Standard	Code Guidance	What we do	What we can improve
	Compliance with the FM Code requires that each of these principles is demonstrated reliably and consistently across the authority. • Principle 1: The CFO in a local authority is a key member of the leadership team, helping it to develop and implement strategy and to resource and deliver the authority's strategic objectives sustainably and in the public interest. • Principle 2: The CFO in a local authority must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer-term implications, opportunities and risks are fully considered and aligned with the authority's overall financial strategy. • Principle 3: The CFO in a local authority must lead the promotion and delivery by the whole authority of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently, and effectively. • Principle 4: The CFO in a local authority must lead and direct a finance function that is resourced to be fit for purpose. • Principle 5: The CFO in a local authority must be professionally qualified and suitably experienced.	The DoR's ~~line management was moved from Director of Planning to~~ reports to the CEO and Asset Officer reports to DoR. Inputs to key decisions and reports to the board. ~~Since the last assessment the Finance Team has been strengthened through the introduction of the new role the Senior Accountant. Training to support posts via AAT and ACCA is in place to provide resilience.~~ Senior Accountant completed ACCA exams during June 2026.	

Table 2 - Governance and financial management style

Standard	Code Guidance	What we do	What we can improve
C. The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control. The seven Nolan principles are Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership.	CIPFA Key questions: • Does the leadership team espouse the Nolan principles? • Does the authority have in place a clear framework for governance and internal control? • Has the leadership put in place effective arrangements for assurance, internal audit and internal accountability? • Does the leadership team espouse high standards of governance and internal control? • Does the leadership team nurture a culture of effective governance and robust internal control across the authority?	Where a planning application comes from within the authority it must go to Planning Committee for decision making. The Authority's core values reflect the Nolan principles and are adopted by all staff. Gifts register is maintained as per the employee code of conduct, section Gifts and Hospitality. Members code of conduct set outs Nolan Principles and behaviours expected by members. MT has been through the process of reviewing all constitution documents to ensure they are up to date and fit for purpose. Documents reviewed include Scheme of Powers delegated to officers including CEO, terms of reference for committees, guidance on Local Authority appointees/outside bodies, code of conduct and complaints, standing orders for the regulation of Authority proceedings, social media policy, guidance on public question time and scheme of operation. These documents are under continuous review to ensure they remain relevant and up to date with input from the MO and deputy MO. All committees produce agendas and minutes. Declaration of interests are asked in relation to specific agenda items in addition to the annual register held. Members can ask for specific items to be discussed in advance and have an opportunity to ask questions/clarification. Partnerships are monitored through the partnership register. However, it should be noted that the Authority does not have partners who deliver any of the Authority's services via an outsourcing arrangement. Internal audit undertakes an annual programme of service reviews, considering new risks, emerging issues and any other changes. This always includes an annual	Best Companies survey to be completed during 2027.

Standard	Code Guidance	What we do	What we can improve
		review of Key Controls and Corporate Governance as this helps determine the adequacy and effectiveness of the Authority's framework of governance, risk management and control, which informs the Head of Internal Audit (HoIA) Annual Opinion. Audit and Risk terms of reference reflect CIPFA's latest guidance. Where recommendations are made (by internal or external audit) these are followed up and implemented promptly. MT is consulted on all new policies/strategies and provides constructive challenge. Decision making is based on a thorough review of the current situation and available resources. Professional advice is gained where appropriate. Option appraisal is used for significant capital developments. MT strives for continuous improvement by complying with new codes of practice when they are issued. Best companies index participation.	

Standard	Code Guidance	What we do	What we can improve
D. The authority applies the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016). The seven core principles of the framework are: • Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law. • Ensuring openness and comprehensive stakeholder engagement. • Defining outcomes in terms of sustainable economic, social and environmental benefits. • Determining the interventions necessary to optimise the achievement of the intended outcomes. • Developing the entity's capacity, including the capability of its leadership and the individuals within it. • Managing risks and performance through robust internal control and strong public financial management. • Implementing good practices in transparency, reporting, and audit to deliver effective accountability.	CIPFA Key questions: • Has the authority sought to apply the principles, behaviour and actions set out in the framework to its own governance arrangements? • Does the authority have in place a suitable local code of governance? • Does the authority have a robust assurance process to support its AGS?	The AGS is guided by the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework and has been since its introduction in 2016. The AGS is supported by the Code of Corporate Governance which was last reviewed in May 2023~~6~~. The AGS is reviewed by internal and external audit. The HoIA annual opinion forms part of the AGS. The Internal Audit service is Public Sector Internal Audit Standards (PSIAS) compliant.	

Standard	Code Guidance	What we do	What we can improve
E. The financial management style of the authority supports financial sustainability.	CIPFA Key questions: • Does the authority have in place an effective framework of financial accountability? • Is the authority committed to continuous improvement in terms of the economy, efficiency, effectiveness and equity of its services? • Does the authority's finance team have appropriate input into the development of strategic and operational plans? • Do managers across the authority possess sufficient financial literacy to deliver services cost effectively and to be held accountable for doing so? • Has the authority sought an external view on its financial style, for example through a process of peer review? • Do individuals with governance and financial management responsibilities have suitable delegated powers and appropriate skills and training to fulfil these responsibilities?	Budget holders are clearly assigned (Authorised signature list) levels of approval in relation to expenditure (<£5k or >£5k) within their annual budgets. All new budget holders are provided induction training and refresher training is provided periodically, with Procurement in June 2026. ~~to be rolled out shortly~~. Instructions are available on the intranet to help monitor individual budgets. Monthly reporting requires budget holders to provide details of variances +/-£5k within their budgets. Budget holder also provide updates to the forecast so that increased income or expenditure savings are reflected throughout the year and are reported to members. Finance undertakes an annual review of procurement where expenditure has exceeded £5k to see if contracts can be set up to secure better rates. This is reviewed by MT. Where plans are discussed at MT or Section Heads finance has appropriate input into strategic and operational plans. Members receive code of conduct training upon appointment and an induction to the Authority to help understand both the governance and finance arrangements in the Authority. Scheme of delegated powers (see C for update), JD's sets out required skills and IPR's identify training needs. The Authority sits on the hierarchy of Financial Management Styles (page 43) at delivering accountability with some supporting performance when required.	~~As part of the new tolls system any changes will need to be equitable for all.~~ ~~MT to receive a report on savings >£10k where individually or cumulatively where forecast savings are made.~~ Process of underspends to be reviewed. All budget holders to have an IPR objective linked to their budget management.

Table 3 - Medium to long-term financial management

Standard	Code Guidance	What we do	What we can improve
F. The authority has carried out a credible and transparent financial resilience assessment	CIPFA Key questions: • Has the authority undertaken a financial resilience assessment? • Has the assessment tested the resilience of the authority's financial plans to a broad range of alternative scenarios? • Has the authority taken appropriate action to address any risks identified as part of the assessment?	The budget process looks at the financial resilience of the Authority. It incorporates future projects, key risks and assumptions (around toll increases/boat numbers, NPG and pay). This is broken down to budget holder level and is split between income and expenditure. Budget holders receive monthly links to the monitor which measures actual against, LAB and forecast. As part of the tolls working group the annual pattern of boat numbers is reviewed to determine on going future trends. The Authority is not demonstrating any symptoms of financial stress, these include: running down reserves, failure to address financial pressures, shortened planning horizons, lack of investment in infrastructure resources, gaps in savings plans and unplanned overspends. The use of reserves (including earmarked) is part of the budget and are highlighted to members. They are not considered a sign of financial stress but part of a strategy to rebalance income and expenditure over the life of the strategy. Earmarked reserves help with the smoothing of capital purchases as the replacement programmes are not even throughout the strategy. The Capital, Treasury and Investment and Asset Management Strategy look at the longer-term planning horizons for replacement of capital items. This is then linked to the Medium-Term Financial Plan. MT review the Fixed Asset Register once a year. Property consultants have previously costed repairs over the short to long term which has resulted in regular contributions being made to the earmarked reserves. ~~The Authority's overall assessment is compared through the NPA family indicators. These are reviewed annually by MT.~~	The last review of property and buildings by the property consultants was conducted in 2016/17 to help determine contributions to the earmarked reserves. This exercise should be completed every 10 years, with the next to be scheduled for 2026/27.

Standard	Code Guidance	What we do	What we can improve
G. The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members	CIPFA Key questions: • Does the authority have a sufficiently robust understanding of the risks to its financial sustainability? • Does the authority have a strategic plan and long-term financial strategy that adequately address these risks? • Has the authority sought to understand the impact on its future financial sustainability of the strategic, operational and financial challenges that it might face (e.g., using a technique such as scenario planning)? • Has the authority reported effectively to the leadership team and to members its prospects for long-term financial sustainability, the associated risks and the impact of these for short and medium-term decision making?	Key assumptions are set out in the budget papers. Whilst a 3-year rolling strategy is published it is part of a 5 year forward look. Staffing remains the largest part of the Authority's budget (~~73~~65% for ~~23/24~~25/26). The pension ~~deficit contribution~~ (based on the latest actuary triennial valuation) is also incorporated with projected increases for both pay and contributions. Whilst there is a 20-year plan by the fund to reduce the deficit the liability remains the largest in the Authority's balance sheet. During 2020/21 the Authority faced the significant risk to reduced tolls income because of the pandemic. Expenditure was reviewed and reprioritised to match forecast levels of income whilst maintaining service levels. The review of the reserve balances during 2022/23 indicated the Authority's levels remained appropriate and in line with other National Parks. Broadland Futures Initiative (BFI) is a partnership with the EA focusing on the long-term risks of climate change, including adaptation. This is a key risk that will impact the Authority in future years. The Corporate and Directorate risk registers identify risks and are classified as people, reputation, assets, finance and performance. The Capital, Treasury and Investment strategy sets out the requirement for prudence, especially in terms of the Prudential Code and the authority's borrowing arrangements.	Look at external funding and pipeline of projects where external funding would be relevant.

Standard	Code Guidance	What we do	What we can improve
H. The authority complies with the CIPFA Prudential Code for Capital Finance in Local Authorities	CIPA Key questions: • Has the authority prepared a suitable capital strategy? • Has the authority set prudential indicators in line with the Prudential Code? • Does the authority have in place suitable mechanisms for monitoring its performance against the prudential indicators that it has set?	The Authority produces an annual Capital, Treasury and Investment strategy. This includes the prudential indicators that the Authority uses. These indicators are estimate of capital expenditure, authorised limit for external debt and operational boundary for debt. The capital financing requirement is calculated as part of the strategy refresh and is reported as a note to the SoA. Whilst affordability is monitored internally these are not published due to being below 1%. The indicators are reviewed annually as part of the strategy renewal. Six monthly updates on the investment performance are provided to RAG.	
I. The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans	CIPFA Key questions: • Does the authority have in place an agreed medium-term financial plan? • Is the medium-term financial plan consistent with and integrated into relevant service plans and its capital strategy? • Has the medium-term financial plan been prepared on the basis of a robust assessment of relevant drivers of cost and demand? • Has the medium-term financial plan been tested for resilience against realistic potential variations in key drivers of cost and demand? • Does the authority have in place a suitable asset management plan that seeks to ensure that its property, plant and equipment including infrastructure assets contribute effectively to the delivery of services and to the achievement of the authority's strategic aims?	The Authority publishes it MTFP as part of the annual budget. This is produced on a 3-year rolling basis. It considers known commitments, estimates future levels of income required (NPG and tolls) and inflationary pressures. The MTFP links the Strategic priorities, the business plan, the Broads Plan and the capital strategy. One of the key cost drivers identified is salary increases which is determined through NJC pay awards which the Authority has little control over. The number of visitors visiting the broads is also another key driver which has led to the increase in Ranger services. Covid-19 will no doubt increase the UK's staycation appeal. The budget report provides details of the key assumptions and what those variations may mean in terms of budget impact. The Authority has an Asset Strategy in place that is supported by the Capital, Treasury and Investment Strategy.	See F about suggestion of refreshing property maintenance liability.

Table 4 - The annual budget

Standard	Code Guidance	What we do	What we can improve
J. The authority complies with its statutory obligations in respect of the budget setting process	CIPA Key questions: • Is the authority aware of its statutory obligations in respect of the budget-setting process? • Has the authority set a balanced budget for the current year? • Is the authority aware of the circumstances under which it should issue a Section 114 notice and how it would go about doing so?	~~Previously~~ MT review~~ed the~~ budget holder requests prior to the budget being produced to ensure they are in line with the Broads Plan and Strategic Priorities. ~~However, for the 2023/24 and 2024/25 this was prepared by MT to reduce underspends and balance income and expenditure.~~ The Authority approves the annual budget and the DoR provides commentary on the estimates made and the adequacy of the reserves. The budget sets out expected income and expenditure for the forthcoming year. This is monitored and reported to committee(s) throughout the year. The budget forms part of the three-year MTFP. Whilst only three years are reported to members workings cover five years. During the COVID-19 pandemic an emergency savings plan was formulated with budget holders and MT to mitigate the impact of lost toll income. A temporary recruitment freeze was also implemented. The budget is currently balanced using reserves. This is considered acceptable given that reserves remain above the recommended minimum but will require intervention in future years to create further savings if income does not rise. The Authority is aware that a s114 notice would be issued if expenditure is likely to exceed the resources available to it or has failed to heed previous warnings from the DoR or the DoR has failed to warn of the risks. It is seen as the last resort.	MT to consider draft priorities for the following year over the Summer.

Standard	Code Guidance	What we do	What we can improve
K. The budget report includes a statement by the chief finance officer on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves	CIPFA Key questions: • Does the authority's most recent budget report include a statement by the CFO on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves? • Does this report accurately identify and consider the most significant estimates used to prepare the budget, the potential for these estimates being incorrect and the impact should this be the case? • Does the authority have sufficient reserves to ensure its financial sustainability for the foreseeable future? • Does the report set out the current level of the authority's reserves, whether these are sufficient to ensure the authority's ongoing financial sustainability and the action that the authority is to take to address any shortfall?	Same as J - The budget report includes commentary on the estimates (assumptions) made and the adequacy of the reserves. Same as J - The budget is currently balanced using reserves. This is considered acceptable given that reserves remain above the recommended minimum but will require intervention in future years to create further savings if income does not rise. Although not included in the budget report, the report on setting the tolls for the forthcoming year provides details of the fleets over three years and how they have changed. Budget reports make clear that all staff posts are 100% filled for the financial year and that vacancies creates savings. All posts are considered when a vacancy arises and if there should be a replacement. The Authority's reserves remain above the set minimum, and this is detailed within the report.	Where reserves are being used to balance the budget, we should include a statement of what alternatives have been considered and how the longer-term impact of the revenue shortfall is being addressed.

Table 5 - Stakeholder engagement and business cases

Standard	Code Guidance	What we do	What we can improve
L. The authority has engaged where appropriate with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget	CIPFA Key questions: • How has the authority sought to engage with key stakeholders in developing its long-term financial strategy, its medium-term financial plan and its annual budget? • How effective has this engagement been? • What action does the authority plan to take to improve its engagement with key stakeholders?	Broads Plan engages with a wide variety of stakeholders. Stakeholder survey last completed in 2015. The results were reported, and an action plan drawn up and used for assisting toll setting. Navigation committee represents the views of toll payers when considering the level of tolls and the activities that maybe funded as a result of any increase. Management team engages with strategic partners at least annually. This includes the hire boat federation, Environment Agency, Natural England, RSPB, wildlife trusts and the LEP. Officers engage in the BFI, catchment partnership, upper Thurne and Broads Tourism which is fed back to management. ~~The Authority previously held six monthly parish forums, post covid these will be reintroduced.~~ The CEO and Chair meet with Norfolk leaders to discuss strategic issues every other month. Safety survey for Hire Boat companies on handover to help determine future resources for safety.	~~MT to review last stakeholder survey to determine the cost/benefit for a new stakeholder survey.~~ ~~Review previous report in April 2001 about the future of the Hire Boat Industry.~~ Stakeholder engagement was identified as part of the 2025/26 Annual Governance Statement as an area for improvement once the new CEO was in post. First public meeting to be held on 1 December 2026.

Standard	Code Guidance	What we do	What we can improve
M. The authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions	CIPFA Key questions: • Does the authority have a documented option appraisal methodology that is consistent with the guidance set out in IFAC/PAIB publication Project and Investment Appraisal for Sustainable Value Creation: Principles in Project and Investment Appraisal? • Does the authority offer guidance to officers as to when an option appraisal should be undertaken? • Does the authority's approach to option appraisal include appropriate techniques for the qualitative and quantitative assessment of options? • Does the authority's approach to option appraisal include suitable mechanisms to address risk and uncertainty? • Does the authority report the results of option appraisals in a clear, robust and informative manner that gives clear recommendations and outlines the risk associated with any preferred option(s)?	When the Authority was considering the Acle Bridge project an external consultant was used to consider the business case for the site and different operating methods. This was reported to the Authority for consideration and highlighting the need for external investment to help fund the build. The Treasury strategy outlines that projects costing more than £250k will require a costed appraisal, this is not just for the project initiation but over the life of the capital expenditure. Green book business case models adopted in June 2026.	~~DoR to review IFAC/PAIB publication Project and Investment Appraisal for Sustainable Value Creation: Principles in Project and Investment Appraisal (2013) in conjunction with CIPFA's own guide to undertaking an option appraisal: Option Appraisal: A Practical Guide for Public Service Organisations (2017 Edition). Review will indicate whether we need to develop own appraisal methodology and mechanisms to address uncertainty.~~ ~~Appraisal options mainly use NPV but also need to take into consideration economic, cost-benefit, multi-criteria and impact assessments.~~

Table 6 - Monitoring financial performance

Standard	Code Guidance	What we do	What we can improve
N. The leadership team takes action using reports, enabling it to identify and correct emerging risks to its budget strategy and financial sustainability	CIPFA Key questions: • Does the authority provide the leadership team with an appropriate suite of reports that allow it to identify and to correct emerging risks to its budget strategy and financial sustainability? • Do the reports cover both forward and backward-looking information in respect of financial and operational performance? • Are there mechanisms in place to report the performance of the authority's significant delivery partnerships such a contract monitoring data? • Are the reports provided to the leadership team in a timely manner and in a suitable format? • Is the leadership team happy with the reports that it receives and with its ability to use these reports to take appropriate action?	Finance produces a monthly monitor from the beginning of July onwards. As well as budget holders being able to access and review the spreadsheet MT can as well. Variances are identified by the Senior Accountant and discussed at the monthly section head meetings. Where there are significant variances, these are bought to the attention of MT. A summary version of the monitor is reported to every committee meeting. One of the key assumptions in the budget preparation is the pay increase. Regular updates are provided as negotiation with the NJC progress. Budget holders are asked to provide updates on the "forecast" which looks forward to the end of the financial year. This is updated and included within the monitor. ~~This has been particularly important for tolls during COVID-19 and budget setting, regarding the number of hire boats likely to be available in 21/22 season.~~ No services are delivered by partnership agreement. Although there are no significant delivery partnerships, six monthly updates on the Broads Plan are produced and reported to the committee. ~~External funded partnership projects (CANAPE/HLF/Peat) provide 6 monthly updates to MT and updates to members.~~	Working on producing reports quicker.~~, however, may require different resource (see B above on restructure and system).~~ ~~Already agreed above that adjustments in forecast above £10k will come to MT.~~

Standard	Code Guidance	What we do	What we can improve
O. The leadership team monitors the elements of its balance sheet which pose a significant risk to its financial sustainability	CIPFA Key questions: • Has the authority identified the elements of its balance sheet that are most critical to its financial sustainability? • Has the authority put in place suitable mechanisms to monitor the risk associated with these critical elements of its balance sheet? • Is the authority taking action to mitigate any risks identified? • Does the authority report unplanned use of its reserves to the leadership team in a timely manner? • Is the monitoring of balance sheet risks integrated into the authority's management accounts reporting processes?	The pension liability within the balance sheet remains the Authority's single largest liability. Norfolk Pension fund is subject to a triannual valuation process (conducted by the actuary Hymans Roberston LLP) which determines the Authority's contributions for the next three years. This includes those paid over as part of monthly payroll costs and the annual payment to reduce the deficit. The fund operates a twenty-year strategy to bring the fund back to a surplus position and the liability would only crystallise if it left the scheme. The actuary produces an annual report to include a snapshot of the information into the balance sheet. Whilst debt remains a small part of the Authority, new arrangements require MT sign off so that the long-term affordability is considered against future NPG and Tolls. Fixed Assets are monitored on a quarterly basis with MT reviewing the FAR at year end. The asset strategy makes provision for maintaining the assets in a suitable condition and plans for their replacement. Assets depreciation estimation techniques reviewed and amended during 2022/23. Investments/surplus cash is governed by the Treasury and Investment strategy to secure capital before returns are considered. Debtors/Creditors are reviewed monthly and corrective action is taken accordingly. As part of the regular reporting to members levels of usable reserves are reported highlighting the impact of any variations against budget. If identified unplanned use of reserves would be reported to MT and members.	

Table 7 - External financial reporting

Standard	Code Guidance	What we do	What we can improve
P. The chief finance officer has personal responsibility for ensuring that the statutory accounts provided to the local authority comply with the Code of Practice on Local Authority Accounting in the United Kingdom	CIPFA Key questions: • Is the authority's CFO aware of their responsibilities in terms of the preparation of the annual financial statements? • Are these responsibilities included in the CFO's role description, personal objectives and other relevant performance management mechanisms? • Have the authority's financial statements hitherto been prepared on time and in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom?	The DoR is aware of their responsibilities in terms of the preparation of the SoA. This involves reviewing CIPFA's Code guidance in any one year and the Accounts and Audit Regulations 2015 (or as amended). These responsibilities are included in the JD and are included in the annual IPR as an objective setting out the relevant timescales. The SoA are prepared on time and in accordance with the code. Any delays in audit have been due to external audits capacity and not the Finance team.	
Q. The presentation of the final outturn figures and variations from budget allow the leadership team to make strategic financial decisions	CIPFA Key questions: • Is the authority's leadership team provided with a suitable suite of reports on the authority's financial outturn and on significant variations from budget? • Is the information in these reports presented effectively? • Are these reports focused on information that is of interest and relevance to the leadership team? • Does the leadership team feel that the reports support it in making strategic financial decisions?	A final monitor is produced for the year and reported to members highlighting variances +/- £10k. This is then used in producing the budget for the following financial year. Significant variations are considered alongside budget requests. Consistent underspends are challenged.	~~Refresher training for budget holders to be provided in 2023 to remind budget holders the importance of the review and responding in a timely manner to help support future strategic decisions.~~