Risk, Audit and Governance Committee

Agenda 23 November 2026

10.00am

Yare House, 62-64 Thorpe Road, Norwich, NR1 1RY

Sarah Cowley, Chief Executive – Monday, 16 November 2026

Under the Openness of Local Government Bodies Regulations (2014), filming, photographing and making an audio recording of public meetings is permitted. These activities however, must not disrupt the meeting. Further details can be found on the Filming, photography and recording of public meetings page.

Introduction

1. To receive apologies for absence
2. **Appointment of Chair**
   Nominations for Chair have been received for:
   Tristram Hilborn, proposed by Harry Blathwayt, seconded by Tony Grayling
3. **Appointment of Vice-Chair**
   Nominations for Vice-Chair have been received for:
   Tony Grayling, proposed by Tristram Hilborn, seconded by Harry Blathwayt
4. Introduction of members and declarations of interest (see Appendix 1 to the Agenda for guidance on your participation having declared an interest in the relevant agenda item)
5. To note whether any items have been proposed as matters of urgent business
6. **To receive and confirm the minutes of the Risk, Audit and Governance Committee meeting held on 21 July 2026** (Pages 4-13)

Audit and Financial direction

7. **Audit Annual Report and Results 2025/26** (Pages 14-95)
   Report by EY and Director of Resources
8. **Statement of Accounts 2025/26** (Pages 96-191)
   Report by Director of Resources

9. **Consolidated income and expenditure – 1 April to 30 September 2026 actual and 2026/27 forecast outturn** (Pages 192-210)
   Report by Senior Accountant

10. **Financial Management Code** (Pages 211-234)
    Report by Director of Resources

Governance

11. **Corporate Risk Register** (Pages 235-252)
    Report by Head of Governance

12. **Corporate Partnerships Register** (Pages 253-276)
    Report by Head of Governance

13. **Implementation of internal audit recommendations: summary of progress** (Pages 277-286)
    Report by Senior Accountant

Other matters

14. Other items of business
    Items of business which the chairman decides should be considered as a matter of urgency pursuant to Section 100B (4)(b) of the Local Government Act 1972

15. To answer any formal questions of which due notice has been given

16. **To note the date of the next meeting – Tuesday 23 February 2027 at 10.00am at Yare House, 62/64 Thorpe Road, Norwich**

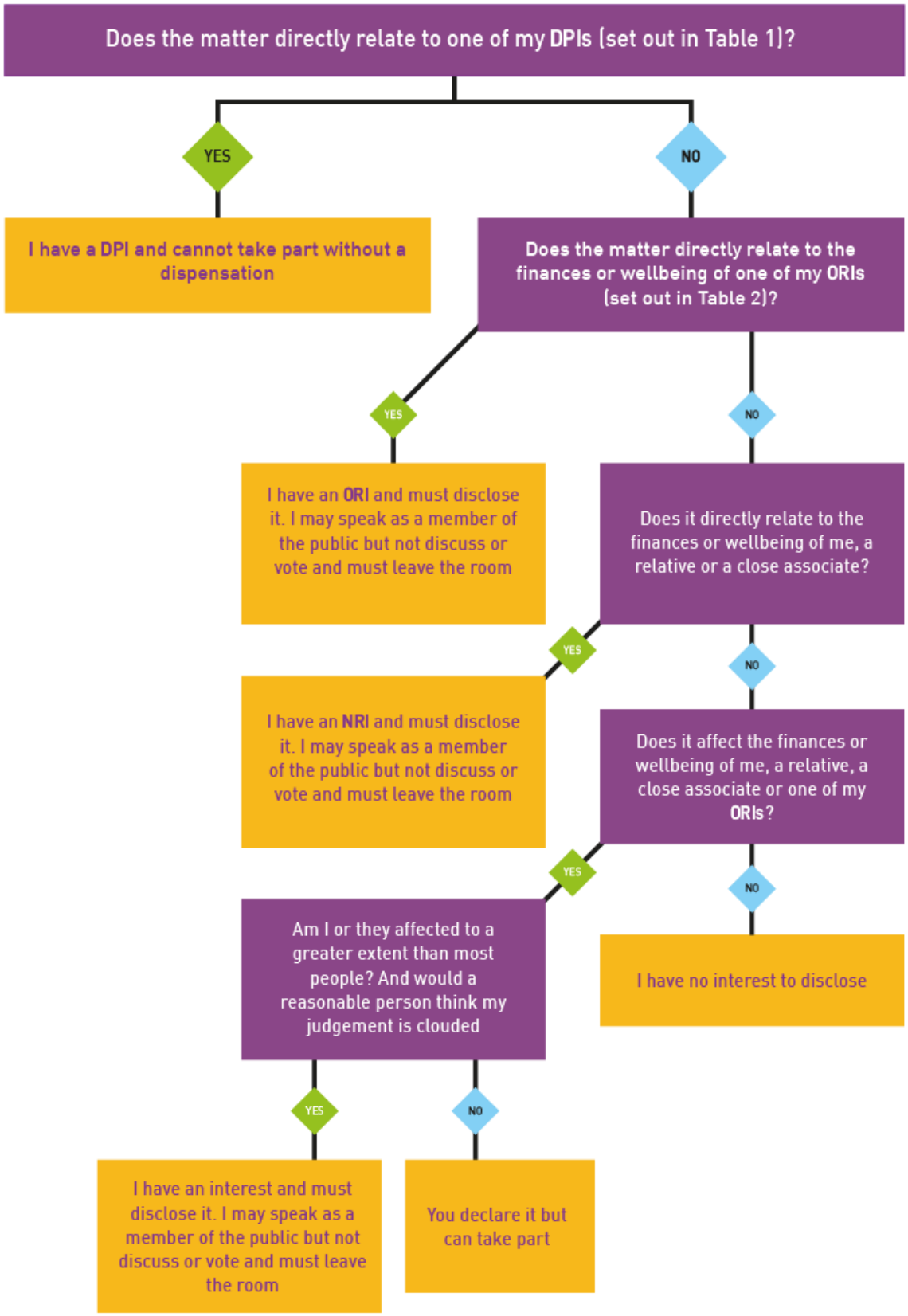
17. Exclusion of the public
    The Authority is asked to consider exclusion of the public from the meeting under Section 100A of the Local Government Act 1972 for the consideration of the item below on the grounds that it involves the likely disclosure of exempt information as defined by Paragraphs 3 and 7 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.

18. **To receive the exempt minutes from the meeting held on 21 July 2026** (Pages 287-289)

19. **Treasury Management review** (Pages 290-293)
    Report by Director of Resources

For further information about this meeting please contact the Governance team

Appendix 1 – Extract from the Local Government Association Model Councillor Code of Conduct



Please note these are draft minutes and will not be confirmed until the next meeting.

Risk, Audit and Governance Committee

Minutes of the meeting held on 21 July 2026

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DRAFT

Present

Tristram Hilborn – in the Chair, Harry Blathwayt, Tony Grayling, Gail Harris, Curig Johnston, Tim Munday and Matthew Shardlow.

In attendance

Jason Brewster – Governance Officer, Emma Krelle – Chief Executive and Director of Resources, Izabela Foley – Senior Accountant, David Riglar – Ernst & Young External Auditor, Teresa Sharman – Head of Internal Audit and Lorraine Taylor – Head of Governance.

Please note these are draft minutes and will not be confirmed until the next meeting.

1. Apologies and welcome

The Chair welcomed everyone to the meeting.

Apologies were received from Alan Goodchild and Siân Limpenny

Openness of Local Government Bodies Regulations 2014

The Chair explained that the meeting was being audio-recorded. All recordings remained the copyright of the Broads Authority and anyone wishing to receive a copy should contact the Governance Team. The minutes remained the formal record of the meeting. He added that the law permitted any person to film, record, photograph or use social media in order to report on the proceedings of public meetings of the Authority. This did not extend to live verbal commentary. The Chair needed to be informed if anyone intended to photograph, record or film so that any person under the age of 18 or members of the public not wishing to be filmed or photographed could be accommodated.

2. Introductions and declarations of interest

No additional declarations of interest were declared.

3. Items of urgent business

There were no items of urgent business.

4. Minutes of last meeting

The minutes of the meeting held on 24 February 2026 were approved as a correct record and signed by the Chair.

5. Draft Statement of Accounts 2025/26

The Senior Accountant (SA) introduced the report that provided an update on the Broads Authority's Draft Statement of Accounts (SoA). She explained that there were a couple of changes to the compilation of the SoA compared with previous years. The first related to the re-organisation of the Authority in response to 2025/26 Grant settlement which resulted in the removal of a directorate and the re-allocation of the orphaned areas between the two remaining directorates. To enable a comparison between the 2025/26 and 2024/25 financial years, the directorate related 2024/25 figures had been revisited to reflect the directorate groupings following the 2025 re-organisation. The second related to the CIPFA Code of Practice on Local Authority Accounting which, for the 2025/26 financial year, had introduced a five-year revaluation cycle for non-investment assets, requiring them to be indexed in the intervening years. Non-investment assets included other land and buildings, vehicles, plant, furniture and equipment, surplus assets and right-of-use assets measured at current value. Assets previously valued prior to 1 April 2025 remained valid and would be revalued on the new terms within the five year maximum period permitted.

Since the surplus was reported at the Broads Authority meeting on 15 May 2026, the SA confirmed that it had increased by £3,148 and stood at £232,715.

The SA highlighted Table 1 Summary Income and Expenditure 2025/26, Table 2 Summary of adjustments and Table 3 Detailed adjustments of the report and then explained the most significant adjustments.

As in previous years, the staff pension fund accounted for most of the figure shown under Employee expenses. The SA indicated that this adjustment might vary between the draft and final versions of the Statement of Accounts due to the Norfolk Pension Fund being audited during the intervening period resulting in the finalisation of these figures.

Table 2 Summary of adjustments included an entry for Amounts included in Table 1 not in the Comprehensive Income and Expenditure Statement. The SA explained that the main adjustment to this entry was the removal of the DEFRA grant interest and investment income and interest payable. These items were added back in table 3 under the other operating expenditure, finance and investment income and government grants entry. Further adjustments related to the accounting treatment of capital expenditure and reserve expenditure.

A Member noted the large variance between the Navigation Reserve and the National Park equivalent and asked whether the Navigation Reserve was adequately funded. The Director of Resources explained that both reserves had a minimum of 10% applied with the National Park adding a further £100,000 to complete its minimum target hence the variance between the two figures. Both minimum reserve levels had been reassessed just after COVID to ensure they were sufficient which concluded they were both adequate.

The report and Draft Statement of Accounts were noted.

6. Investment Strategy and Performance Annual Report 2025/26

The Senior Accountant (SA) introduced the report setting out details of the Authority's investment of unallocated cash, including the investment principles adopted and performance during the twelve months to 31 March 2026.

Given the relative stability of interest rates, there had been no major changes over the year.

The Chair of the Risk, Audit and Governance Committee reminded Members that the intention was to identify a Treasury Management provider once the new Chief Executive was in position from August 2026. The Director of Resources (DoR) added that she would like to report progress on this matter at the next meeting with the intention of incorporating any revisions into the Draft Treasury Strategy to be reported to the committee in February 2027.

A Member questioned the efficacy of the large balance held in the Instant Access account with its lower interest rate (Table 1 of the report). The DoR explained that this high balance

reflected the uncertainty regarding the National Park Grant payment; the first instalment was due in April 2026 and only 50% had been received in early July 2026.

The arrangements regarding the investment of the Authority's unallocated cash were noted.

7. Internal Audit Annual Report and Opinion 2025/26

The Head of Internal Audit (HoIA) gave a summary of the report, highlighting an overall 'reasonable' opinion (positive) on the framework of governance, risk management and control at the Authority. The HoIA caveated this opinion given the small number of audits undertaken and the variance in the audit findings. For example, one area's control environment was okay whereas another was not; based on this evidence it was difficult to conclude whether control environments were consistently applied across services areas within the Authority.

The HoIA highlighted the performance of the audit contractors who had not met their targets for several of the KPIs this year. These KPIs reflected the experience of the consortium as a whole and did not reflect the Authority's experience, which was more positive. This positive experience with the audit contractors had enabled the Director of Resources to agree to the Authority paying the full quality payment to the contractor.

The HoIA indicated that, although extending the consortium's auditor contract beyond 31 March 2027 would be easier, a new contract would more likely be procured through competitive tender.

Since the report had been authored, the HoIA had completed a gap analysis against the Global Internal Audit Standards in the UK Public Sector in relation to the Quality Assurance and Improvement Programme. The resulting action plan would be reported to the Risk, Audit and Governance Committee at a future meeting.

In response to a question the HoIA confirmed that the full quality payment to the contractor equated to 10% of the audit cost and that other consortium members, whose audit experience was not as positive as the Authority's, only paid 5%.

A Member asked whether the management action plan implementation dates could be aligned with the Authority's committee calendar to ensure more timely reporting of progress. The Director of Resources explained that the deadline for an action was dependent on the priority of the recommendation. The HoIA added that the implementation dates were intended to be realistic and reflect the capacity of the areas involved, although these areas would be challenged if dates appeared to be drawn out for no reason.

The report was noted with particular consideration given to:

i. **The 'Reasonable' audit opinion given in relation to the framework of governance, risk management and control for the year ended 31 March 2026**

ii. **The opinions expressed together with significant matters arising from internal audit work and contained within the report should be given due consideration when developing and reviewing the Authority's Annual Governance Statement for 2025/26**

iii. **the outcomes of the Internal Audit's performance measures and the Quality Assurance and Improvement Programme.**

8. Internal Audit Annual Plan 2026/27

The Head of Internal Audit (HoIA) presented the report which covered the Internal Audit Plan 2026/27. The plan proposed auditing three areas of the Authority: Net Zero, an area deferred from the 2025/26 audit, Disaster Recovery and Treasury Management. The HoIA indicated that, given the outstanding work raised in agenda item 2 regarding Treasury Management, and following discussions with the Director of Resources it was proposed to delay auditing Treasury Management until a later date and replace it with Procurement.

A Member asked whether it would be beneficial to continue with the Treasury Management audit in light of the plan to identify a Treasury Management provider before the next meeting. The Director of Resources believed it would be premature to audit this area before the new Treasury Strategy was established for 2027/28.

A Member asked what assurances had been taken over the use of Artificial Intelligence (AI) during the audit. The HoIA explained that the audit contractors were required to ensure systems and controls were in place to ensure that any AI generated output was reviewed.

Regarding the proposed Net Zero audit, a Member asked whether this had been undertaken for other councils and he emphasised the need to ensure the Authority's monitoring and control were adequate. The HoIA explained that the audit contractors would scope the audit which would be tailored to ensure that the Authority's Net Zero targets were consistent with the appropriate regulations and legislation.

Matthew Shardlow proposed, Gail Harris seconded

It was resolved unanimously to revise the Internal Audit Plan 2026/27 and replace the proposed audit of Treasury Management with Procurement instead.

Tim Munday proposed, Matthew Shardlow seconded

It was resolved unanimously to approve, subject to the agreed change, the Internal Audit Plan 2026/27.

9. External Audit

The External Auditor (EA) introduced the report on the Audit Plan for 2025/26. The EA directed Members to pages 5 and 6 of Appendix 1 of the report which outlined the Ministry of Housing, Communities and Local Government's approach to rebuild assurance across the local audit system.

The EA reminded Members that the Authority had received a qualified, rather than disclaimed, opinion for the 2024/25 audit reflecting the progress achieved to provide assurance over a number of the non-assured closing balances from financial year 2022/23. This outcome showed the Authority to be in a good position especially when measured

against other Local Authorities. The 2025/26 Audit Plan included further work to rebuild assurances regarding the non-assured closing balances from financial year 2022/23

The EA provided an overview of the audit risks and areas of focus for 2025/26 (pages 8-9 of Appendix 1 of the report) which were consistent with previous audit plans. The audit plan reflected work to ensure the Authority was compliant with a change to the CIPFA Code of Practice on Local Authority Accounting which, for the 2025/26 financial year, had introduced a five-year revaluation cycle for non-investment assets, requiring them to be indexed in the intervening years. Additional audit work was planned regarding the pension valuation reflecting the first year following a triennial valuation.

The EA indicated that the Authority Materiality for 2025/26 was consistent with previous years (page 9 of Appendix 1 of the report), there was no change to the Value For Money scope (page 10 of Appendix 1 of the report) and no risks that needed to be identified or reported to the committee at this stage.

The EA highlighted the timeline (page 29 of Appendix 1 of the report) would be one month in advance of the previous audit reflecting the earlier back-stop dates towards the end of the first phase of the local audit reset; the back stop dates for both 2026/27 & 2027/28 would be two months earlier on 30 November 2027 and 2028 respectively.

In response to a question the EA confirmed that it would not be possible for the Authority to receive an unqualified opinion for the 2025/26 audit as the work to finalise the closing balances, those not fully assured since 2022/23, would technically require a further two years of movements to fully assure them. The expectation was that the 2025/26 and 2026/27 audit opinions would both be qualified and the earliest opportunity for an unqualified opinion would be the 2027/28 audit. The auditor was working with various stakeholders to determine if there was a mechanism to fully assure the balances in a shorter time period although two years was consistent with comparative situations in other sectors.

A Member noted the auditor's £76,000 scale fee and asked whether there were any anticipated additional fees for the 2025/26 audit and how the Authority would be notified of them? The EA explained that the scale fee was determined by the Public Sector Audit Appointments (PSAA) contract which included provision for a scale fee variation depending on the audit submission. For the 2025/26 audit, the change to the CIPFA accounting standards were significant and would determine a scale fee variation. The other area that could trigger additional scale fee variations would be whether the issues and errors raised during the audit warranted additional work to mitigate them. The scale fee variations would be submitted to the PSAA and the Director of Resources would be copied into this email.

The Member asked for further information regarding auditing compliance with the CIPFA change to a five-year revaluation cycle for non-investment assets and in particular the indexation to be applied in the intervening years. The EA confirmed that the indexation would only apply to those assets to be revalued during the financial year 2025/26. Valuation was a standard auditing risk which was simplified with the introduction of this new CIPFA rule as the test was purely to ensure that the indexation had been applied appropriately; was the index

reasonable and had it been calculated correctly. CIPFA had provided guidance on what constituted reasonable indexation which was not prescriptive and the choice of indexation was at the discretion of the Local Authority (LA). The auditor, when evaluating the indices used by the Authority, would be pragmatic and would, where appropriate, expect the choice of index to be informed by a valuer.

A Member required more information regarding the area of focus relating to the risk of fraud through inappropriate capitalisation of revenue expenditure; he wanted to know was this focus specific to the Authority and what sort of rules and/or judgements would be applied. The EA responded that this was a common focus area for most LAs as capital reserves are usually quite significant and presented an opportunity to capitalise what should be revenue costs, impacting an LA's revenue funds via the capital route. The associated audit would utilise larger sample sizes, with each individual item tested for compliance with the CIPFA code and the CIPFA capital regulations. The allocation of staff costs to capital projects could prove challenging although it was possible given robust systems for time recording.

The Member asked whether there were further capitalisation opportunities that the Authority could pursue. The Director of Resources believed the Authority had exploited every opportunity for capitalisation especially given the restrictions associated with Defra capital grants.

The Member asked why the audit had to cater for possible misstatements. The EA responded that this was partly due to the complexity of the financial reporting framework and the changing nature of this framework. It was to be expected that any change to the framework, such as the CIPFA change for five-year revaluations, would take time to become routine within an organisation. The EA reminded Members that once the local audit reset had completed the focus would become one of reforming the local audit system. These reforms provided the possibility of simplifying the financial reporting framework to be more appropriate for organisations like the Broads Authority.

The Audit Plan 2025/26 was noted.

10. Annual Governance Statement 2025/26 and Code of Corporate Governance 2026

The Head of Governance (HoG) introduced the report that demonstrated how the Authority was complying with the principles of good governance and included the Annual Governance Statement 2025/26 and Code of Corporate Governance 2026. The HoG confirmed that, in keeping with section 15 of the Accounts and Audits regulations this document had been published on the Authority's website.

The HoG drew Member's attention to the work to improve stakeholder engagement, page 15 of Appendix 1 of the report. This work would be discussed with the new Chief Executive when she was in post.

Given the findings reported in the Internal Audit Annual Report and Opinion, a Member questioned whether this report's conclusion, which stated no significant governance weaknesses had been identified, was correct. The HoG responded that work had been completed to address some of the internal audit recommendations and detailed action plans were in place to address the remaining recommendations. The Director of Resource added that this conclusion was consistent with the Head of Internal Audit's overall 'reasonable' opinion (positive) for the 2025/26 Internal Audit.

Curig Johnston proposed, Tony Grayling seconded

It was resolved unanimously to recommend the Annual Governance Statement 2025/26 to the Broads Authority for approval and note that the Authority's systems of governance and internal control were considered to be adequate and effective.

11. Corporate Risk Register

The Head of Governance Officer (HoG) introduced the report which provided the latest version of the Corporate Risk Register (CRR) with changes marked since the previous meeting. The business continuity plan, as part of Risk 1 Loss of key staff, had been fully reviewed and would be reviewed once again when the new Chief Executive was in post in August 2026. As agreed at the previous meeting, the score for Risk 4, Failure to meet statutory purposes or requirements of other relevant legislation, had been revised up to nine.

A Member, noting last winter's saline incursions and its impact on operational work, the extreme temperatures and related incidents this summer and the resulting low water levels and the predicted increasing frequency of these types of events, wondered why climate change was not on the CRR; the Authority risked reputational harm from not being seen to actively respond to these events. The HoG responded that various mitigations to climate change were listed on the Directorate Risk Registers. The Member acknowledged this but believed that these discrete risks failed to reflect the aggregated risk associated with Climate Change which would warrant an entry in the CRR. Other Members supported an evaluation of Climate Change for possible inclusion on the CRR. A Member was concerned about how this Climate Change entry would be perceived by the public, for example regarding the Authority's responsibility regarding flooding. Another Member highlighted the difficulty of targeting the specifics of climate change such as temperature and water levels. A Member suggested the risk should encapsulate the Authority's failure to adapt to climate change. Another Member asked for this risk to cover the impact to the Authority's objectives, the threat to the Authority's assets, the risk to the biodiversity of the Broads and the role of other stakeholders in addressing these risks.

A Member asked, in the context of Risk 9, Devolution and Local Government Reorganisation, whether the Authority had a plan regarding Local Government Reorganisation (LGR). The HoG responded that the expectation was that LGR would amend the Norfolk and Suffolk Broads Act to reflect the new unitary authorities from which members of the Authority would be appointed. The Director of Resources explained that some of the other English National Parks had been impacted by a similar LGR which had resulted in no change to the number of

members appointed from the neighbouring Local Authorities. Given recent announcements of legal challenges to LGR from both Norfolk and Suffolk County Councils, the HoG believed it would be premature to formulate any further plans and a watching brief would continue.

The updated Corporate Risk Register was noted.

12. Implementation of Internal Audit Recommendations: Summary of progress

The Senior Accountant (SA) introduced the report summarising progress in implementing Internal Audit recommendations arising from audits performed during 2023/24, 2024/25 and 2025/26. Since the previous meeting, the remaining work regarding the recommendation associated with the Port Marine Safety Code (PMSC) audit 2023/24 had been completed as indicated in table 1 of Appendix 1 of the report. The Authority's Ports & Marine Facilities Safety Code (PMFSC), which had replaced the PMSC, had been approved by the Maritime and Coastguard Agency and the Authority was now listed as compliant with the PMFSC. Work to embed Member attendance into the annual review process had finished which completed the recommendations for Corporate Governance and Risk Management from the 2024/25 internal audit, as indicated in Table 2 of Appendix 1 of the report. Regarding the final recommendation associated with the 2024/25 internal audit, namely Cyber Security Maturity Assessment as indicated in table 3 of Appendix 1 of the report, further progress had been made although work had been delayed due to staff sickness.

The 2025/26 audits had completed with Tolls System and Income Collection achieving a "substantial" audit opinion and both Corporate Governance and Risk Management and Planning and Enforcements achieving "reasonable assurance" audit opinions. There were no recommendations regarding Tolls System and Income Collection. There was one "important" and two "routine" recommendations associated with Corporate Governance and Risk Management which were due to be completed by the end of July 2026. Planning and Enforcement had received three "important" and one "routine" recommendations of which the "routine" recommendation had been completed and the remaining three action plans were anticipated to complete before the end of the year.

In response to a question the Head of Governance acknowledged that the Authority's organisational changes in response to the National Park Grant settlement had tested people's resilience and things did get dropped or missed as a consequence. She believed the planning training was in place and that the area's performance was better aligned with previous years.

A Member noted the response regarding the Habitats Regulations Assessment (HRA) recommendations arising from the Planning and Enforcement audit. Given the evidence stated in the Internal Audit report at item 7 on the agenda, he believed the problem was symptomatic of a wider failure across the Authority to implement HRAs effectively. The Member asked what work had been undertaken to ensure that HRAs were considered for all work performed by the Authority's operations area. The Director of Resources (DoR) confirmed that the HRA guidance had been approved by the Management Team, which

included the Director of Delivery, had been published prior to the audit and was being used across the organisation. The Head of Governance added that the Authority's use of HRAs had been discussed during the collation of the Annual Governance Statement where both the Head of Planning and the Ecology & Design Manager had provided assurances that HRAs were being correctly implemented. The DoR agreed to provide further information regarding the provenance of the HRA advice and the quality of assurance for the resulting HRAs produced by the Authority.

A Member asked whether the delay in completing the Cyber Security Maturity Assessment recommendation created any extra risk for the Authority. The DoR explained that the outstanding action was a routine review of cyber security arrangements for IT procurement. The Authority was awaiting advice and guidance from Government Security Centre for Cyber as per a previously agreed Statement of Works. The procurement framework set standards for companies supplying IT services and the DoR did not believe there was a gap in the IT supply chain security.

The report was noted.

13. Other items of business

The Chair raised an item of urgent business for consideration pursuant to Section 100B (4) (b) of the Local Government Act 1972 which was in connection with the investigation or prosecution of crime and would require the public to be excluded. To facilitate this exclusion, it was proposed to complete the existing agenda and discuss this exempt item as item 16. The Committee agreed to exclude the public from the meeting for item 16 under section 100A of the Local Government Act 1972 for consideration of the item 16 on the grounds that they involved the likely disclosure of exempt information as defined by Paragraph 7 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.

14. Formal questions

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

15. Date of next meeting

The next Risk, Audit and Governance Committee meeting would be on **Tuesday 24 November 2026** at Yare House, 62-64 Thorpe Road, Norwich, commencing at 10.00am.

The Senior Accountant left the meeting.

The meeting ended at 11:33am.

Signed by

Chair

Risk, Audit and Governance Committee

23 November 2026
Agenda item number 7

Audit Annual Report and Results 2025/26

Report by Director of Resources

Summary

This report appends Ernst & Young LLP (EY) Auditors Annual report and Audit Results report for the year ended 31 March 2026.

Recommendation

To note:

i. The Auditor's Annual Report for 2025/26;

ii. The Audit Results Report for 2025/26; and

iii. That the letter of representation in connection with the Audit of the Financial Statements for 2025/26 be signed by the Director of Resources and the Chair of the Audit and Risk Committee.

1. Introduction

1.1. This report covers two items; the auditor's Annual Report for 2025/26 and the Audit Results report for 2025/26

1.2. David Riglar, Partner from EY will be in attendance to present this item and answer any questions.

2. Auditors Annual Report for 2025/26

2.1. EY are required to issue their Annual Report by 30 November of each year, and this can be found in appendix 1. The report covers audit progress and its assessment of the Authority's value for money arrangements (VFM). No risks of significant weakness have been identified around the Authority's VFM arrangements.

2.2. Although the report provides a summary of the audit in section two further details can be found in appendix 2.

2.3. The assessment on value for money is in section three and is split into three sections; financial sustainability, governance and improving economy, efficiency and effectiveness. Details of this can be found on pages 16 to 24 in appendix 1.

3. Audit Results Report for 2025/26

3.1. The external audit for the Broads Authority 2025/26 Statement of Accounts was undertaken between July and October 2026 and the Audit Results by EY for 2025/26 is at Appendix 2 to this report.

3.2. Section 2 (pages 12 to 15) provides an update on the areas of key risks identified in the audit plan received by this committee in July.

3.3. Section 4 (pages 21 to 22) sets out the progress on rebuilding assurance with further details in appendices B and C (pages 34-35). At the time of writing EY are considering the form of audit opinion to be issued. Members will recall that the 2024/25 Statement of Accounts were issued with a qualified except for opinion. Subject to the outstanding procedures and consultation it is hoped an unqualified opinion can be issued.

3.4. Section 5 (pages 26 to 27) provides details of audit differences identified. These have been amended in the Statement of accounts included in these papers.

3.5. Appendix 3 to this report is the draft Letter of Representation in connection with the audit of the Financial Statements for 2025/26. It is presented for consideration and approval by the Committee to be signed and sent to the External Auditors.

4. Financial Implications

4.1. Appendix 2 page 30 sets out the fees due for 2025/26. Note 2 provides an explanation around the additional scale fee EY proposes to submit.

Author: Emma Krelle

Date of report: 9 November 2026

Background papers: Statement of Accounts 2025/26

Broads Plan strategic objectives: All

Appendix 1 – Auditor's Annual Report 2025/26

Appendix 2 – Audit Results Report 2025/26

Appendix 3 – Letter of Representation 2025/26

Broads Authority

Auditor's Annual Report

Year ended 31 March 2026

5 November 2026



Risk, Audit and Governance Committee
Broads Authority
Yare House
62-64 Thorpe Road
Norwich
NR1 1RY

5 November 2026

Dear Risk, Audit and Governance Committee Members,

2025/26 Auditor's Annual Report

We are pleased to attach our Auditor's Annual Report including the commentary on the Value for Money (VFM) arrangements for Broads Authority ("the Authority"). The report explains the work we have undertaken during the year. The commentary covers our findings for the audit year 2025/26.

We welcome the opportunity to discuss the contents of this report with you at the Audit Committee meeting on 23 November 2026.

The EY UK 2026 Transparency Report | EY - UK for EY UK provides details regarding the firm's system of quality management, including EY UK's system of quality management annual evaluation conclusion as at 30 June 2026.

Yours faithfully

David Riglar

Partner

For and on behalf of Ernst & Young LLP

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03 Value for Money Commentary

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Public Sector Audit Appointments Ltd (PSAA) issued the "Statement of responsibilities of auditors and audited bodies". It is available from the PSAA website (https://www.psaa.co.uk/managing-audit-quality/contract-monitoring-2023-24-to-2027-28/terms-of-appointment-from-2023-24/terms-of-appointment-and-further-guidance-from-1-october-2025/). The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The "Terms of Appointment and further guidance (updated October 2025)" issued by the PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code), and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the Risk, Audit and Governance Committee and management of Broads Authority in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to the Risk, Audit and Governance Committee and management of Broads Authority those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Risk, Audit and Governance Committee and management of Broads Authority for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.

Management agree that they remain solely responsible for management decisions relating to the audited body and that we do not, and cannot, act in a managerial capacity nor can we make business decisions for management or the audited body in connection with the services or otherwise, nor advise or recommend that any accounting policy, treatment or reporting is suitable for any particular purpose or specific facts, and management agrees that they will not rely on us as having done so.

If you wish to discuss how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may raise the matter with the Key Audit Partner responsible for services provided under our appointment by PSAA Ltd. Alternatively, you may contact Stephen Reid, UK Head of Government and Public Sector Audit, at 1 More London Place, London SE1 2AF. We will consider any concerns carefully and promptly and will make every effort to explain our position clearly. If your concerns remain unresolved, you may escalate the matter to Anna Anthony, UK&I Regional Managing Partner, at 1 More London Place, London SE1 2AF. If you remain dissatisfied, you may refer the matter to PSAA Ltd or raise it with our professional institute; further details are available on request.

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01 Executive Summary

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Executive Summary: Audit of the Financial Statements

Purpose of this report

The Auditor's Annual Report is a key mechanism through which the appointed auditor reports the results of their work to the Authority, and the public. It brings together the conclusions from the audit of the financial statements, the auditor's commentary on the Authority's arrangements to secure economy, efficiency and effectiveness in its use of resources, and details of any exercise of the auditor's statutory powers and responsibilities under the Local Audit and Accountability Act 2014 (refer to respective responsibilities of the Authority and Auditor in Appendix A).

Key audit outcomes: Financial Statements

We summarise the outcomes of our audit of the financial statements in Section 02 of this report. The audit was conducted in line with the approach set out in our Audit Planning Report, which was presented to the Risk, Audit and Governance Committee on 11 May 2026.

Area of focus	2025/26 Conclusions
Financial Statements Opinion: Unqualified (TBC)	▪ We have substantially completed our audit of the Authority's financial statements for the year ended 31 March 2026. Subject to completion of the remaining outstanding procedures outlined in this report, we plan to issue an unqualified opinion. Note that we are currently consulting on the form of the opinion, and whether an unqualified opinion can be issued. ▪ We reviewed the Annual Governance Statement for consistency with our audit findings and consideration of governance arrangements. Based on the work performed, we have no matters to report. ▪ On Page 13 of this report, we outline our assessment of management's readiness for the 2025/26 audit of the financial statements. The Authority's arrangements remain effective across almost all assessed areas, with improvements in the quality of working papers and supporting evidence identified when compared with the prior year. However, the relatively high number of disclosure misstatements remains an area requiring improvement.
Rebuilding Assurance Trajectory	▪ Significant progress has been made in rebuilding audit assurance following the disclaimer of opinion in 2023/24 and the qualified opinion in 2024/25. During 2025/26, additional assurance was obtained over the property, plant and equipment and reserve balances that were subject to qualification in 2024/25. As outlined on Page 12, this progress supports our expectation that an unqualified opinion will be issued for 2025/26, subject to completion of the remaining audit procedures and our consultation over the opinion type.

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Executive Summary: Audit of the Financial Statements (cont'd)

Going concern

Our Audit Results Report concludes that management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We identified nothing to indicate that the Authority's services will not continue to be delivered for the foreseeable future and therefore concluded that the going concern basis of accounting is appropriate.

Audit Certificate

We will issue our audit certificate once all outstanding procedures necessary to conclude the audit have been completed.

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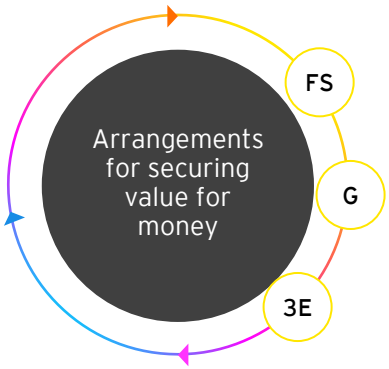
Executive Summary: Value for Money Commentary

Key audit outcomes: Value for Money audit

Section 03 sets out our 2025/26 Value for Money (VFM) commentary, where we consider the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources. Our work was based on our risk assessment and the evidence obtained during the audit. We did not identify any significant weaknesses in the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources.

We did not exercise any of our additional statutory reporting powers. We also did not identify any recommendations for the Authority through our VFM work.

Key matters arising against each of the reporting criteria are set out below:



Reporting criterion	Risk of significant weakness identified	Our 2025/26 assessment
Financial Sustainability	▪ None	**No significant weaknesses identified.** The Authority has arrangements in place to monitor its financial position and address forecast funding pressures through its annual budget and medium-term financial strategy. Reserve balances provide sufficient cover for the projected funding shortfalls over the medium term.
Governance	▪ None	**No significant weaknesses identified.** The Authority has arrangements in place for risk management, internal control and informed decision-making, supported by regular management and Committee oversight and internal audit review.
Improving economy, efficiency and effectiveness	▪ None	**No significant weaknesses identified.** The Authority monitors financial and operational performance and uses this information to identify improvements. Procurement, contract management and partnership arrangements support the delivery of its strategic objectives and effective use of resources.

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Executive Summary: Other reporting matters

Whole of Government Accounts (WGA)

The Authority qualifies for the minor body exemption for Whole of Government Accounts (WGA). We are therefore not required to perform WGA procedures.

Auditor independence

The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and the Authority, and its members and senior management and its affiliates, including all services provided by us and our network to the Authority, its members and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

There are no relationships from 1 April 2025 to the date of this report which we consider may reasonably be thought to bear on our independence and objectivity.

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Executive Summary: Looking ahead

Impact of Local Government Reorganisation (LGR)

As part of the English Devolution White Paper published in December 2024, the Government proposed the replacement of all remaining two-tier county and district council structures with unitary authorities aligned to new strategic authorities and mayoral arrangements. Councils were required to work collaboratively across the county areas to develop proposals for new unitary boundaries and governance arrangements for submission to the Ministry of Housing, Communities and Local Government (MHCLG). MHCLG requested a single interim submission from each county area, although alternative options could be put forward where local agreement could not be reached. Final submissions were expected to include preferred boundary proposals, financial and implementation plans, governance arrangements, stakeholder engagement outcomes and evidence demonstrating compliance with MHCLG's assessment criteria.

On 7 September 2026, MHCLG announced a formal review of the LGR programme following legal challenges in four county areas. The Government withdrew previously approved decisions in four areas, paused decisions in a further 14 areas and deferred decisions in two areas where outcomes remained outstanding. It also confirmed that local elections due in May 2027 would proceed under existing council structures and boundaries.

The Authority should keep developments in Norfolk and Suffolk under review and consider any implications for its governance arrangements, partnership working and relationships with constituent local authorities. Any resulting financial or operational implications should be reflected in its risk management and medium term financial planning.

Financial reporting and internal control expectations

We use the appendices to this report to highlight developments that warrant specific attention from management and Authority members:

1. **Future of local government financial reporting**: Significant reforms are being considered to make local authority accounts simpler, clearer and more focused on elected members as their primary users. Appendix B sets out what could change and, importantly, the questions members should be asking now about whether the Authority is prepared and whether its financial reporting provides the clarity needed for effective scrutiny and challenge.

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02 Audit of financial statements

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Audit of financial statements

Key findings

The Statement of Accounts is an important tool for the Authority to show how it has used public money and how it can demonstrate its financial management and financial health.

Our audit of the 2025/26 financial statements is substantially complete. We report our findings in detail within our Audit Results Report.

Financial statement risks

Significant risk	Conclusion
Fraud risk – Presumptive risk of management override of controls	We have not identified any instances of inappropriate judgements or estimates being applied. Our work did not identify any other transactions during our audit which appeared unusual or outside the Authority's normal course of business.
Fraud risk – Risk of fraud in revenue and expenditure recognition, through inappropriate capitalisation of revenue expenditure	Our work did not identify any material weaknesses in controls or evidence of material management override concerning the capitalisation of revenue expenditure. Our work did not identify any instances of inappropriate judgements being applied.
Inherent risk – Valuation of Property, Plant and Equipment	Our audit procedures did not identify any material issues in relation to the valuation or accounting treatment of Property, Plant and Equipment. We were satisfied that the assumptions, methodologies and data used by management and its valuation specialists were reasonable, and accounting entries were appropriately recorded.
Inherent risk – Valuation of pension liability	Our audit procedures did not identify any material issues in relation to the valuation or accounting treatment of the Authority's pension liability. We were satisfied that the assumptions, methodologies and data used by the actuary and the Norfolk Pension Fund auditor were reasonable, and accounting entries were appropriately recorded.

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Audit of financial statements (cont'd)

Financial Statement reporting assessment

Management and the Risk, Audit and Governance Committee, as the Authority's body charged with governance, have an essential role in supporting the delivery of an efficient and effective audit. Our ability to complete the audit depends on the timely formulation of appropriately supported accounting judgements, the provision of accurate and relevant supporting evidence, access to the finance team and management's responses to issues identified during the audit. The table on the next page sets out our assessment of the Authority's arrangements to support external financial reporting across a range of audit readiness measures.

During 2025/26, we performed a specific risk assessment of reserves and other cumulative balances that may contain the effects of transactions from periods where full audit assurance was not available. We reported the results of this work to MHCLG and to the Risk, Audit and Governance Committee in our Rebuilding Audit Assurance – Risk Assessment Update to the Audit Planning Report dated 5 August 2026. This work supported the development of a recovery timetable tailored to the Authority's circumstances and assurance rebuild trajectory.

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Audit of financial statements (cont'd)

Financial Statement reporting assessment

Area	Status			Explanation	Direction of travel
	R	A	G		
Timeliness of the draft financial statements			Effective	The financial statements were published by the 30 June 2026 deadline set out in the Accounts and Audit Regulations.	⇔
Quality and completeness of the draft financial statements			Effective	Whilst there were multiple disclosure errors, no significant issues with the overall quality of the accounts were identified.	⇔
Delivery of working papers in accordance with agreed client assistance schedule			Effective	Working papers were usually provided to the agreed timetable.	⇔
Quality of working papers and supporting evidence			Effective	Working papers and supporting evidence were of a good standard. There were still some issues around reconciliation of workpapers back to the accounts, however these were not significant.	↑
Timeliness and quality of evidence supporting key accounting estimates			Effective	Evidence provided around the key accounting estimates was generally of a good standard.	⇔
Access to the finance team and personnel to support the audit in accordance with the agreed project plan			Effective	The Director of Resources and Senior Accountant were accessible throughout the audit and for the most part responded to queries in a timely manner.	⇔
Volume and value of identified misstatements			Effective	The value of misstatements identified and corrected was below performance materiality.	⇔
Volume of misstatements in disclosure		Requires improvement		A relatively high number of disclosure misstatements were noted throughout the financial statements.	⇔

Key:

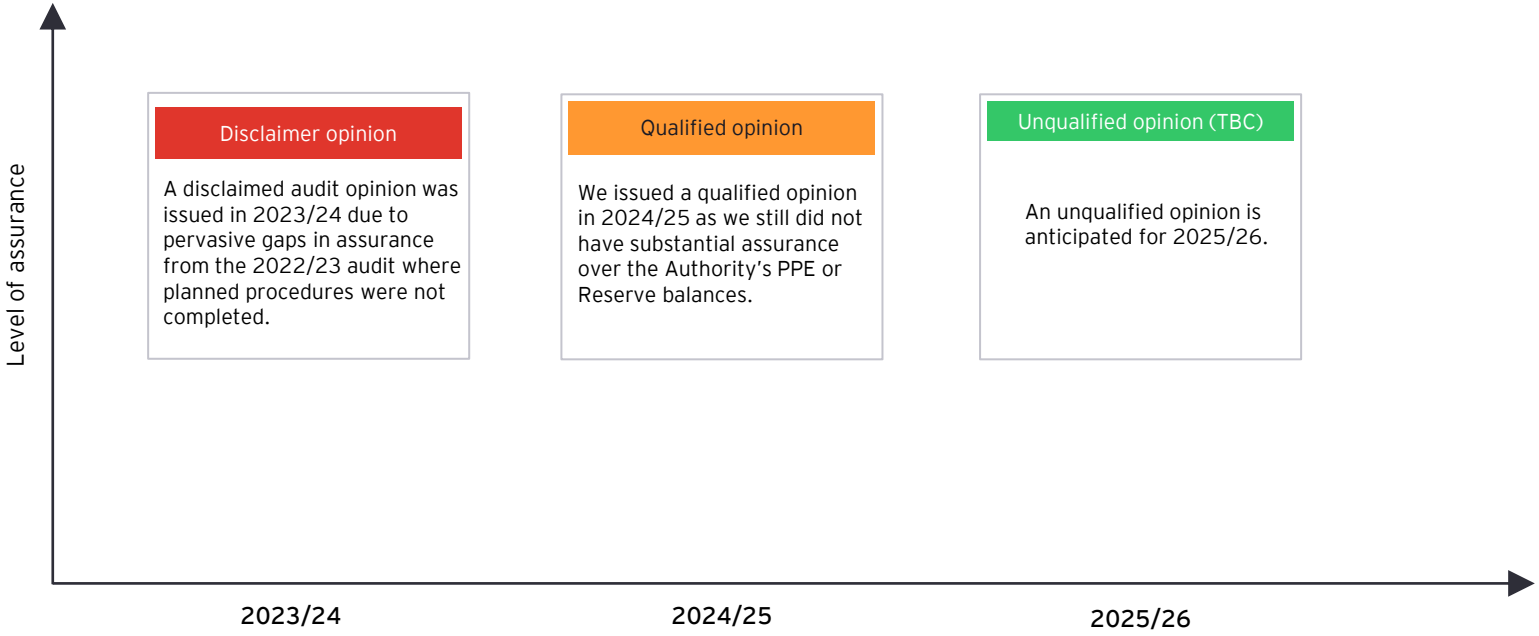
- Arrangements are effective
- Arrangements require improvement
- Arrangements are ineffective
- Improvements have been made since 2024/25
- Arrangements have declined since 2024/25
- Arrangements are in line with 2024/25

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Audit of financial statements (cont'd)

Progress to full assurance

The 2025/26 audit represents an important stage in this second phase of the recovery programme. In accordance with NAO guidance, during 2025/26 we performed a specific risk assessment of reserves and other cumulative balances that may contain the effects of transactions from periods where full audit assurance was not available. We reported the results of this work to MHCLG, and to the Risk, Audit and Governance Committee within our Rebuilding Audit Assurance - Risk Assessment Update to the Audit Planning Report dated 5 August 2026. This process supported the development of a timetable for recovery that has been tailored to current expectations for the Authority.



In 2025/26, additional assurance was achieved in relation to those PPE and Reserve balances that were qualified in 2024/25. As a result, we plan that for 2025/26 we will issue an unqualified opinion, pending the outcome of our consultation on the opinion.

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03 Value for Money commentary

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Value for Money

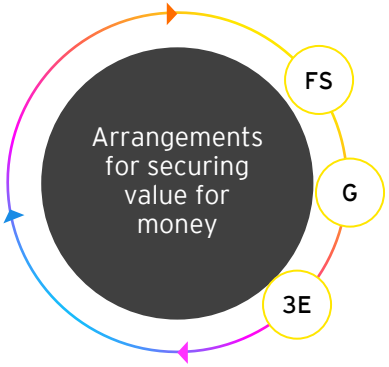
The Authority's responsibility for Value for Money (VFM)

The Authority is required to maintain an effective system of internal control that supports the achievement of its policies, aims and objectives while safeguarding and securing value for money from the public funds and other resources at its disposal.

Alongside its annual financial statements, the Authority publishes an Annual Governance Statement (AGS). This explains how the Authority is directed and controlled, how decisions are made, and how it has operated during the year. The statement is tailored to reflect the Authority's own circumstances and is required to include information on how it seeks to achieve value for money by making effective, efficient and economical use of its resources.

Risk assessment and audit response

We are required to consider whether the Authority has made 'proper arrangements' to secure economy, efficiency and effectiveness in the use of its resources. Within this section of the report, we provide commentary on the Authority's arrangements against three reporting criteria:



FS	Financial sustainability	How the Authority plans and manages its resources to ensure it can continue to deliver its services.
G	Governance	How the Authority ensures that it makes informed decisions and properly manages its risks.
3E	Economy, Efficiency & Effectiveness	How the Authority uses information about its costs and performance to improve the way it manages and delivers its services.

We reported within our Audit Planning Report that our detailed work on the Authority's arrangements to secure value for money had been completed and that we had identified no risks of significant weaknesses in arrangements. Our work is designed to gather sufficient evidence to assess those arrangements. No additional matters have come to our attention since that report was issued, and we have no matters to report by exception in relation to value for money arrangements.

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VFM: Financial Sustainability

Financial sustainability: Our audit procedures

Our audit procedures obtained assurance over the arrangements for the Financial Sustainability sub-criteria set out in AGN03:

- How the Authority ensures that it identifies all the significant financial pressures that are relevant to its short and medium term plans and builds these into them.
- How the Authority plans to bridge its funding gaps and identifies achievable savings.
- How the Authority plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities.
- How the Authority ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system.
- How the Authority identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans.

Significant weaknesses identified and our judgements

In prior years, no significant weaknesses were identified and there are no outstanding recommendations relating to prior years.

Within our Audit Planning Report, we identified no risks of significant weakness in the Authority's arrangements for financial sustainability. Following completion of our programme of procedures, our overall assessment is that no significant weaknesses were identified in the Authority's arrangements for financial sustainability.

Overview of our conclusions

Based on the work performed, the Authority had proper arrangements in place in 2025/26 to plan and manage its resources to ensure it can continue to deliver its services.

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Financial Sustainability: Other considerations

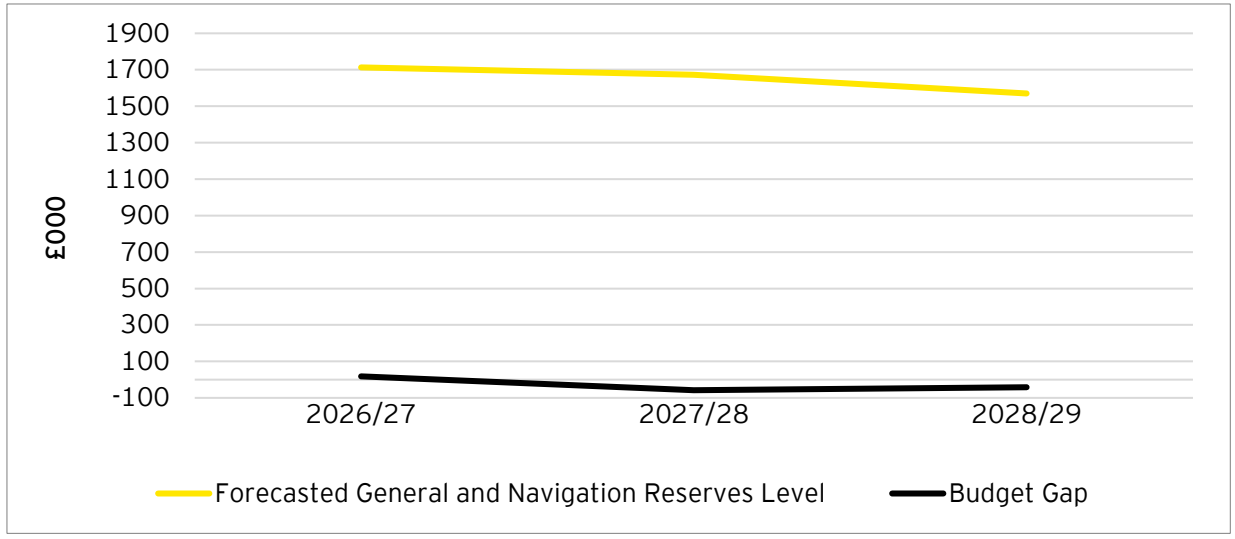
Medium Term Financial Strategy & Budget Forecast

The Authority prepares an annual budget and updates its financial strategy at the start of each financial year. Key financial pressures include salary increases and changes in the number of boats subject to navigation tolls. The Authority incorporates an element of prudence into its salary assumptions and monitors boat numbers through discussions with boatyards and reviews of annual toll payments.

Funding gaps are considered as part of the budget-setting process. In the short term, reserves are used to balance funding shortfalls, while appropriate savings plans and opportunities for additional external funding are explored as longer-term solutions. Budgeted savings are incorporated into the annual budget, with delivery reviewed through regular budget monitoring reports.

The Authority maintains sufficient reserves to address the forecasted funding shortfalls. The combined balance of the General Fund and Navigation Fund as at 31 March 2026 was £1,853k. Exhibit A below shows the estimated budget gaps and forecast General Fund and Navigation Fund reserve levels for 2026/27 to 2028/29, demonstrating that the Authority maintains adequate reserves to cover the projected shortfalls over the medium term. This does not itself resolve an underlying recurring funding gap, however.

Exhibit A: The Authority's MTFP outlines a budget gap from 2027/28 to 2028/29



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Financial Sustainability: Other considerations (cont'd)

Budget Monitoring

Income and expenditure are monitored on a monthly basis, with budget holders providing updates on any variances. Toll income is carefully monitored so that drops in demand can be quickly identified and expenditure plans can be reprioritised. Financial position updates are taken to each Risk, Audit and Governance Committee which provides members with the latest financial information to inform decision making. Risk management is embedded within the Authority's financial planning arrangements. The medium term financial strategy includes prudent assumptions regarding cost inflation, future funding uncertainties and service demand pressures. These assumptions are reviewed by management and are subsequently approved by Members. Regular budget monitoring reports are then taken to the Risk, Audit and Governance Committee throughout the year. Any unplanned budget issues identified are discussed and appropriate action is taken to address the issue.

Savings plans

The Authority performs scenario assessments of the savings requirement and identifies relevant schemes to achieve the annual savings requirements. The savings are built directly into the budgets and as such are monitored via the Authority's budget monitoring processes. We noted that the medium-term financial plan does include ongoing receipt of DEFRA grant income at a flat rate. Management has confirmed that within the 2026/27 settlement there has been indication of a flat rate up until 2028/29, so the Authority does have an understanding of what to expect from future levels of funding.

A reserves policy has been put in place to ensure that minimum levels are adequate to manage any funding until the end of 2028/29.

Outturn position

The outturn position for 2025/26 was a surplus of £233k (made up of a surplus of £149k in relation to National Park and £84k in relation to Navigation).

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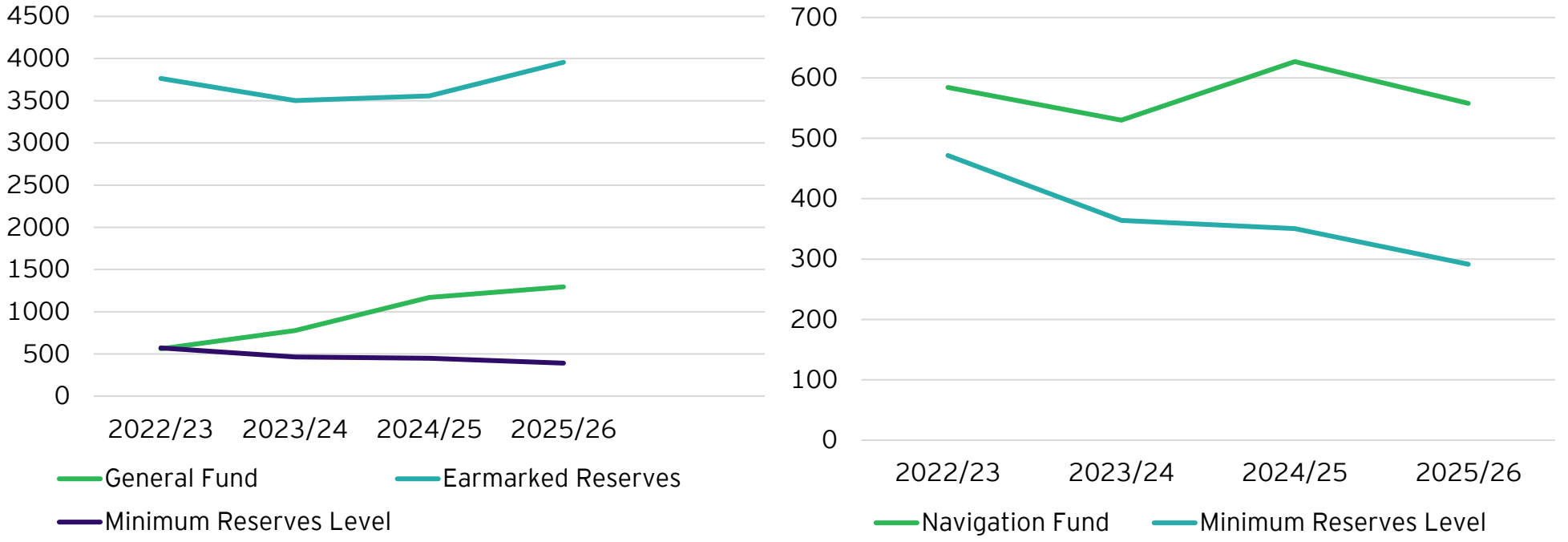
Financial Sustainability: Other considerations (cont'd)

Reserves position

As of 31 March 2026, the Authority held consolidated earmarked reserves of £3,956k, comprising £2,270k in relation to National Park and £1,686k in relation to Navigation. In addition, the combined General Fund and Navigation Fund balance was £1,853k.

The Authority has minimum reserve levels set at £100k plus 10% for General Fund, and 10% of net expenditure for Navigation Fund. Exhibit B below compares reserve balances from 2022/23 to 2025/26 against these benchmarks. The graph demonstrates that the Authority has maintained sufficient reserve levels, with the combined General Fund and Navigation Fund balance consistently remaining above this benchmark. Therefore, the Authority maintains adequate reserves to address the funding shortfalls identified in its medium term financial strategy.

Exhibit B: Reserve position from 2022/23 to 2025/26



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VFM: Governance

Governance: Our audit procedures

Our audit procedures obtained assurance over the arrangements in place for the Governance sub-criteria set out in AGN03:

- How the Authority monitors and assesses risk and how the Authority gains assurance over the effective operations of internal controls, including arrangements to prevent and detect fraud.
- How the Authority approaches and carries out its annual budget setting process.
- How the Authority ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed, including in relation to significant partnerships.
- How the Authority ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This includes arrangements for effective challenge from those charged with governance.
- How the Authority monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer and member behaviour (such as gifts and hospitality or declarations/conflicts of interests), and for example where it procures or commissions services.

Significant weaknesses identified and our judgements

In prior years, no significant weaknesses were identified in the Authority's governance arrangements, and there are no outstanding external audit recommendations relating to prior years.

Within our Audit Planning Report, we identified no risks of significant weakness in the Authority's governance arrangements. Following completion of our programme of procedures for 2025/26, our overall assessment is that no significant weaknesses were identified in the Authority's governance arrangements.

Overview of our conclusions

Based on the work performed, the Authority had proper arrangements in place in 2025/26 to make informed decisions and properly manage its risks.

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Governance: Other considerations

Annual Governance Statement (AGS)

We reviewed the framework for the preparation of the AGS. The process, as designed, is adequate to enable the Authority to report on the design and operation of arrangements that ensure sound governance, effective resource and risk management, and robust internal controls.

Risk Management

Risks are monitored through the Corporate Risk Register and two Directorate Risk Registers, supported by the Authority's Risk Management Policy. The registers are reviewed every four months by management and at every Risk, Audit and Governance Committee meeting. Directorate risks assessed as high risk after mitigation are referred to the Corporate Risk Register for monitoring. These registers also form part of the annual governance internal audit review.

Internal audit arrangements

The Head of Internal Audit provides an annual opinion on the effectiveness of the Authority's governance, risk management and internal controls and identifies areas requiring improvement. For 2025/26, Internal Audit issued an overall opinion of 'reasonable' assurance. Internal audit covered three areas during the year, with one receiving a substantial assurance opinion and two receiving reasonable assurance opinions. No urgent recommendations were raised; four important and three routine recommendations were identified, with one recommendation outstanding at the year end.

Informed decision making and member challenge

Budget monitoring reports are presented to the Broads Authority Committee on a quarterly basis. These reports cover both revenue and capital outturns and are reviewed in the presence of the Chief Executive Officer, the Director of Resources, and other senior officers. In addition to financial updates, the Committee also receives key strategic papers, including those related to strategic priorities, the capital programme, and the treasury management strategy.

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VFM: Improving economy, efficiency and effectiveness

Improving economy, efficiency and effectiveness: Our audit procedures

Our audit procedures include:

- How financial and performance information has been used to assess performance to identify areas for improvement.
- How the Authority evaluates the service it provides to assess performance and identify areas for improvement.
- How the Authority ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess where it is meeting its objectives.
- Where the Authority commissions or procures services, how it assesses whether it is realising the expected benefits.

Significant weaknesses identified and our judgements

In prior years, no significant weaknesses were identified in the Authority's arrangements for improving economy, efficiency and effectiveness, and there are no outstanding external audit recommendations relating to prior years.

Within our Audit Planning Report, we identified no risks of significant weakness in the Authority's arrangements for improving economy, efficiency and effectiveness. Following completion of our programme of procedures for 2025/26, our overall assessment is that no significant weaknesses were identified in these arrangements.

Overview of our conclusions

Based on the work performed, the Authority had proper arrangements in place in 2025/26 in relation to how it uses information about its costs and performance to improve the way it manages and delivers its services.

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Improving economy, efficiency and effectiveness: Other considerations

Financial and performance information

Financial outturn is compared against the budget to identify areas of potential saving or service improvement. Performance is assessed against progress towards the Broads Plan, strategic priorities and the budget, with regular updates provided to the Broads Authority Committee. Areas performing below target are investigated to identify possible improvements. The Authority also uses other sources of information, including internal and external audit findings and recommendations, to identify areas for improvement.

Financial reports and budgets are considered monthly by management, with performance reports and updates on strategic priorities provided at each Authority meeting.

Procurement and contract management

The Authority has financial regulations, standing orders relating to contracts, and a procurement strategy in place, which are reviewed regularly. The standing orders relating to contracts were updated in March 2026.

All tenders are reviewed by the Director of Resources to ensure that procurement meets the required standard. Contract templates incorporate monitoring against key performance indicators throughout the contract period to ensure that contracts deliver as expected.

Partnership working

The Authority maintains a contract and partnership register, which is reviewed annually to ensure that it remains appropriate and up to date. The most significant partnerships relate to externally funded projects where partnership agreements are in place. Performance against these agreements is assessed against agreed expectations, with arrangements modified where required.

Information on major partnerships is presented to the Authority annually, supported by regular officer-level liaison with partner organisations and project boards for large partnership projects.

Procurement and commissioning of services

The Broads Plan is the overarching management plan for the Broads Authority and provides the strategic framework for the Authority's delivery of services. Six strategic priorities are aligned with the plan and support day-to-day service delivery. Progress against these priorities is reviewed regularly by management, with measures to support achievement of the objectives discussed.

The current Broads Plan covers 2022–2027. The Annual Business Plan links the strategy to directorate work plans, and progress against strategic priorities is reported at each Authority meeting.

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04 Appendices

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Appendix A: Statement of responsibilities

Respective responsibilities of the Audited Body and the Auditor

The Authority and the appointed auditor have different responsibilities in relation to financial reporting and the use of public resources. The main responsibilities are summarised below. Full details are set out in the PSAA Statement of Responsibilities of Auditors and Audited Bodies.

	Responsibilities of the Authority	Responsibilities of the Auditor
Financial Statements	The Authority is responsible for the proper stewardship of public funds and for putting in place effective arrangements to secure economy, efficiency and effectiveness in its use of resources. This includes complying with relevant legislation, maintaining effective governance, risk management and internal control arrangements, and taking appropriate action to prevent and detect fraud and irregularity. The Authority is also responsible for preparing and publishing annual financial statements and related reports in accordance with the relevant accounting and reporting requirements. It must maintain proper accounting records and ensure that the financial statements give a true and fair view of its financial position and financial performance. The Section 17 Officer is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. In preparing the financial statements, the Section 17 Officer is responsible for assessing the Authority's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Authority will no longer be provided. Those charged with governance (deemed as the Risk, Audit and Governance Committee at the Authority) are responsible for overseeing these arrangements and holding management to account for their effectiveness.	The Auditor is responsible for obtaining reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether caused by fraud or error, and for issuing an independent auditor's report expressing an opinion on whether the financial statements give a true and fair view and have been prepared in accordance with the National Audit Office (NAO) Code of Audit Practice 2024 ("the Code"), other guidance issued by the NAO and International Standards on Auditing (UK). As auditors we are responsible for expressing an opinion on whether the financial statements: ▪ give a true and fair view of the financial position of the Authority as at 31 March 2026 and of its expenditure and income for the year then ended; ▪ have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26; and ▪ have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014. We are also required to report by exception: ▪ if the Annual Governance Statement does not comply with relevant guidance or is not consistent with our understanding of the Authority; ▪ where we have made use of additional powers and duties, for example making written recommendations under Section 24 and Schedule 7 of the Act or making a report in the public interest.
Value for Money arrangements	The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. This includes ensuring that public money is used appropriately, maintaining effective governance, financial management, risk management and internal control arrangements, and planning for both short and long-term financial sustainability. The Authority is also responsible for monitoring performance, managing resources effectively and taking action to address identified weaknesses and risks.	The Auditor is required to consider whether the Authority has proper arrangements to secure economy, efficiency and effectiveness in its use of resources. This includes considering arrangements for financial sustainability, governance, decision-making and improving services. The Auditor reports their findings in this Annual Report and highlights any significant weaknesses identified, together with recommendations for improvement.

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Appendix B: Future of Local Government Financial Reporting

The local authority financial reporting framework is entering a period of potentially significant reform, aimed at making accounts clearer and more useful.

We highlighted within our recent Financial Reporting Update that CIPFA/LASAAC is progressing a programme of reform intended to improve how local authority accounts communicate financial performance and position to users. The proposals seek to create simpler, more understandable and user-focused local authority reporting, with a clearer distinction between IFRS accounting performance and the funding position used to manage local authority finances.



Key proposals

Proposal	What is proposed?	Why it matters	Status
Focus accounts on a single primary user	Define elected members as the primary users of local authority financial statements, reflecting their governance and oversight responsibilities.	Gives future reporting reform a clearer focus on the information needed for scrutiny and accountability.	■
New accountability report	Introduce a new report setting out financial performance on a funding basis, covering budget versus actual, usable reserves and General Fund/HRA outturn.	Provides a clearer link between budgetary performance, available reserves and IFRS accounting performance.	■
Simplify financial statements and disclosures	Revise the primary statements and remove certain disclosures, including the EFA and adjustments between the accounting and funding bases.	Intended to improve the understandability and usability of local authority financial statements.	■
Rethink pensions reporting	Consider changes ranging from targeted IAS 19 improvements to more fundamental changes in recognition and measurement, including possible disclosure-only solutions.	Responds to concerns that current pensions reporting is complex, resource-intensive and difficult for users to understand.	■
Develop sustainability reporting	Develop the approach to sustainability reporting, including the framework, implementation, location of disclosures and when reporting should become mandatory.	Responds to growing expectations that authorities explain how climate-related risks and opportunities are identified, managed and incorporated into decision-making.	■

■ Proposed as part of the 2027/28 Code changes. ■ Longer term options being explored within the consultation.

Questions for the Committee

1. **Are we ready?**
   What assurance do we need that the Authority is prepared for the changes and can manage the transition effectively?
2. **Will reporting be clearer?**
   Which changes would help us, and the public, better understand the Authority's financial performance, position and use of resources?
3. **Are the foundations in place?**
   Do our systems, processes and governance arrangements support the proposed reporting changes, and where is further action needed?
4. **Are we focusing on what matters?**
   Are the most significant financial messages already clear, or are they being obscured by the complexity of the accounts? Are we getting the information we need to provide effective scrutiny, challenge and oversight?

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Broads Authority

Audit Results Report

Year ended 31 March 2026

5 November 2026



Private and Confidential

5 November 2026

The Members
Risk, Audit and Governance Committee
Broads Authority
Yare House
62-64 Thorpe Road
Norwich
NR1 1RY

Dear Risk, Audit and Governance Committee Members

2025/26 Audit Results Report

We are pleased to attach our audit results report for the forthcoming meeting of the Risk, Audit and Governance Committee of Broads Authority (the Authority).

The audit is designed to express an opinion on the 2025/26 Statement of Accounts in accordance with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2024 Code of Audit Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA) Ltd, auditing standards, and other professional requirements. This report contains our findings related to the areas of audit focus and our views on the Authority's accounting policies and judgements.

This report is intended solely for the information and use of the Risk, Audit and Governance Committee and management, and is not intended to be and should not be used by anyone other than these specified parties. We welcome the opportunity to discuss this report with you on 23 November 2026 as well as understand whether there are other matters which you consider may influence our audit.

System of Quality Management

The Transparency Report for EY UK provides details regarding the firm's system of quality management, including EY UK's system of quality management annual evaluation conclusion. The most recent version of the Report is dated 30 June 2026 and can be found here EY UK 2026 Transparency Report | EY – UK.

Yours faithfully

David Riglar
Partner
For and on behalf of Ernst & Young LLP

Enc

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Public Sector Audit Appointments Ltd (PSAA) issued the "Statement of responsibilities of auditors and audited bodies". It is available from the PSAA website (https://www.psaa.co.uk/managing-audit-quality/contract-monitoring-2023-24-to-2027-28/terms-of-appointment-from-2023-24/terms-of-appointment-and-further-guidance-from-1-october-2025/)

The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The "Terms of Appointment and further guidance (updated July 2021)" issued by the PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code), and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the Risk, Audit and Governance Committee and management of Broads Authority in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to the Risk, Audit and Governance Committee and management of Broads Authority those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Risk, Audit and Governance Committee and management of Broads Authority for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.

Management agree that they remain solely responsible for management decisions relating to the audited body and that we do not, and cannot, act in a managerial capacity nor can we make business decisions for management/the audited body in connection with the services or otherwise, nor advise or recommend that any accounting policy, treatment or reporting is suitable for any particular purpose or specific facts, and management agrees that they will not rely on us as having done so.

If you wish to discuss how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may raise the matter with the Key Audit Partner responsible for services provided under our appointment by PSAA Ltd. Alternatively, you may contact Stephen Reid, UK Head of Government and Public Sector Audit, at 1 More London Place, London SE1 2AF. We will consider any concerns carefully and promptly and will make every effort to explain our position clearly. If your concerns remain unresolved, you may escalate the matter to Anna Anthony, UK&I Regional Managing Partner, at 1 More London Place, London SE1 2AF. If you remain dissatisfied, you may refer the matter to PSAA Ltd or raise it with our professional institute; further details are available upon request.

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01 Executive Summary

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Executive Summary

Introduction

This report summarises the findings from the 2025/26 annual audit of the Authority. The scope of the audit was set out in our Audit Planning Report, which was presented to the 21 July 2026 meeting of the Risk, Audit and Governance Committee. The report summarises:

- Our conclusions arising from the audit of the 2025/26 financial statements; and
- A summary of the progress in rebuilding assurance, in line with the Ministry of Housing, Communities and Local Government's (MHCLG) audit recovery programme.

Financial Statement Conclusions

We have completed our audit of the Authority's financial statements for the year ended 31 March 2026. Subject to completion of the remaining outstanding procedures outlined in this report, we plan to issue an unqualified opinion. Note that we are currently consulting on the form of the opinion, and whether an unqualified opinion can be issued. Our provisional audit opinion is included within Appendix A to this report.

- Our work in relation to the Authority's Value for Money arrangements is complete. We can confirm we are not expecting to report by exception on any matters relating to significant weaknesses in financial sustainability, governance or economy, efficiency and effectiveness.
- We reviewed the Annual Governance Statement (AGS) for consistency with our audit findings and consideration of governance arrangements. Based on the work performed, we have no matters to report other than minor disclosure amendments made to the AGS.

Rebuilding Assurance Trajectory

Significant progress has been made in rebuilding assurance following the 2022/23 disclaimed opinion. Appendix B sets out the current expectations for the Authority's recovery trajectory. In 2025/26, we were able to complete all planned audit procedures and were able to provide assurance on the rebuild of Property, Plant and Equipment and Reserves. At this stage, we plan to issue an unqualified opinion, however we are currently consulting on the form of the opinion and whether an unqualified opinion can be issued.

Financial Year	Opinion	Assurance	Direction of Travel
2023/24	Disclaimed	Widespread gaps in assurance were noted due to the 2022/23 audit, where no accounts procedures were performed. We did however complete all planned procedures in year.	↑
2024/25	Qualified	As all planned procedures had been completed in 2023/24 and 2024/25, a qualified opinion was given. The qualification related to gaps in assurance on 2022/23 movement in reserves, property, plant and equipment additions held at cost, and land and buildings not revalued since 2022/23.	↑
2025/26	Unqualified	At this stage, we plan to issue an unqualified opinion, however we are currently consulting on the form of the opinion and whether an unqualified opinion can be issued.	↑

Executive Summary (cont'd)

Scope update

In our Audit Planning Report, presented to the 21 July 2026 Risk, Audit and Governance Committee meeting, we provided you with an overview of our audit scope and approach for the audit of the financial statements. We carried out our audit in accordance with this plan, except for the change in materiality detailed below.

Updated materiality

In our Audit Planning Report, we communicated that our audit procedures would be performed using a planning materiality of £200k, being 2% of gross revenue expenditure on services. We updated our assessment of materiality to reflect expenditure reported within the draft financial statements. As a result, we have updated our overall materiality assessment as outlined below.

Planning Materiality £188k

Planning materiality has been set at £188k, which represents 2% of gross revenue expenditure in 2025/26.

Performance materiality £141k

Performance materiality is £141k, which represents 75% of materiality.

Audit differences £9.4k

The threshold for reporting misstatements that have an effect on the primary statements is £9.4k.

As is standard practice, we also consider areas of the financial statements where we should apply a lower area of materiality due to the nature of disclosures, As a result we anticipated there also being a number of disclosures that we audit to a lower materiality given the sensitive and public interest nature. Key examples would include exit payments paid in the period and disclosed within the staff notes and related party transactions.

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Executive Summary (cont'd)

Areas of audit focus

In our Audit Planning Report we identified a number of key areas of focus for our audit of the financial statements. This report sets out our observations and status in relation to these areas, including our views on areas which might be conservative and areas where there is potential risk and exposure. Our consideration of these matters and others identified during the period is explained within the 'Areas of Audit Focus' section of this report and summarised below.

Risk	Status of our work
Fraud risk – Presumptive risk of management override of controls	Work has been completed with no matters arising. Further detail is provided in Section 02.
Fraud risk – Risk of fraud in revenue and expenditure recognition, through inappropriate capitalisation of revenue expenditure	Work has been completed with no matters arising. Further detail is provided in Section 02.
Inherent risk – Valuation of Property, Plant and Equipment	Work has been completed with no matters arising. Further detail is provided in Section 02.
Inherent risk – Valuation of pension liability	Work has been completed with no matters arising. Further detail is provided in Section 02.

We request that you review these and other matters set out in this report to ensure:

- There are no further considerations or matters that could impact these issues;
- You concur with the resolution of the issue; and
- There are no further significant issues you are aware of to be considered before the financial report is finalised.

There are no matters, other than those reported by management or disclosed in this report, which we believe should be brought to the attention of the Risk, Audit and Governance Committee.

Control observations

During the audit, we did not identify any deficiencies in internal control. Our deficiencies reported in the prior year have been satisfactorily actioned. These were around the Authority implementing a formal Minimum Revenue Provision policy and segregation of duties concerning the Director of Resources preparing journal entries.

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Executive Summary (cont'd)

Value for Money

In our Audit Planning Report dated 17 April 2026, we reported that we had completed our Value for Money (VFM) risk assessment and we had identified no risks of significant weaknesses in arrangements. Having updated and completed the planned procedures in these areas we did not identify any significant weakness in arrangements. See Section 03 of the report for further details.

Audit differences

- We identified a corrected misstatement decreasing the general fund by £32k and increasing the capital adjustment account by the same amount.
- No other corrected or uncorrected misstatements have been noted.
- A number of disclosure misstatements have been noted throughout the accounts.

Other reporting matters

We have reviewed the information presented in the Annual Governance Statement for consistency with our knowledge of the Authority. We have no matters to report as a result of this work.

Independence

There are no independence matters to report. Please refer to Section 06 for our update on Independence.

Executive Summary (cont'd)

Factors impacting the execution of the audit

Management, and the Risk, Audit and Governance Committee, as the Authority's body charged with governance, have an essential role in supporting the delivery of an efficient and effective audit. Our ability to complete the audit is dependent on the timely formulation of appropriately supported accounting judgements, provision of accurate and relevant supporting evidence, access to the finance team and management's responsiveness to issues identified during the audit. The table below sets out our views on the effectiveness of the Authority's arrangements to support external financial reporting across a range of relevant measures. Where we have been unable to undertake all planned procedures this is likely to extend the timetable to recover assurance on the Authority's financial statements. See Appendices B and C for further details.

Area	Status			Explanation	Direction of travel
	R	A	G		
Timeliness of the draft financial statements			Effective	The financial statements were published by the 30 June 2026 deadline set out in the Accounts and Audit Regulations.	⇔
Quality and completeness of the draft financial statements			Effective	Whilst there were multiple disclosure errors, no significant issues in the quality of accounts were noted.	⇔
Delivery of working papers in accordance with agreed client assistance schedule			Effective	Working papers were usually provided to the agreed timetable.	⇔
Quality of working papers and supporting evidence			Effective	Working papers and supporting evidence were of a good standard. There were still some issues around reconciliation of working papers back to the accounts, however these were not significant.	↑
Timeliness and quality of evidence supporting key accounting estimates			Effective	Evidence provided around the key accounting estimates was generally of a good standard.	⇔
Access to the finance team and personnel to support the audit in accordance with the agreed project plan			Effective	The Director of Resources and Senior Accountant were accessible throughout the audit and for the most part responded to queries in a timely manner.	⇔
Volume and value of identified misstatements			Effective	The value of misstatements identified and corrected was below performance materiality.	⇔
Volume of misstatements in disclosure		Requires improvement		A relatively high number of disclosure misstatements were noted throughout the financial statements. See section 05.	⇔

Our Key: Arrangements are ineffective | Arrangements require improvement | Arrangements are effective

Executive Summary (cont'd)

Status of the audit

Our audit work in respect of the opinion is substantially complete. As is normal practice, the following items relating to the completion of our audit procedures were outstanding at the date of this report:

- Finalising our creditors cut off testing;
- Receipt of finalised financial statements;
- Completion of subsequent events procedures to the date of signing the audit report;
- Consultation on the opinion type;
- Confirmation of the work performed by EY as the auditor of Norfolk Pension Fund; and
- Conclusion procedures including receipt of the Letter of Representation.

Actions required to resolve and responsibility is included in Appendix G.

02 Areas of Audit Focus

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Our response to significant risks

In this section, we set out our response to significant risks (including fraud risks denoted by*) identified for the audit of the 2025/26 financial statements.

Presumptive risk of management override of controls*

What is the risk, and the key judgements and estimates?	Our response to the key areas of challenge and professional judgement	Our conclusions
In accordance with ISA 240, the presumptive risk of management override of controls is present at every entity and we design the appropriate procedures to consider such risk. ▪ Management has the primary responsibility to prevent and detect fraud. It is important that management, with the oversight of those charged with governance, has put in place a culture of ethical behaviour and a strong control environment that both deters and prevents fraud. ▪ Our responsibility is to plan and perform audits to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatements whether caused by error or fraud. We identify and respond to this fraud risk on every audit engagement.	In order to address the risks outlined we completed a range of procedures including: ▪ The identification of fraud risks during the planning stages of the audit; ▪ Inquiry of management about risks of fraud and the controls put in place to address those risks; ▪ Understanding the oversight given by those charged with governance of management's processes over fraud; ▪ Discussing with those charged with governance the risks of fraud in the entity, including those risks that are specific to the entity's business sector (those that may arise from economic, industry and operating conditions); ▪ Consideration of the fraud risk factors associated with related party relationships and transactions; ▪ Consideration of the effectiveness of management's controls designed to address the risk of fraud; ▪ Performance of mandatory procedures, including testing of journal entries and other adjustments in the preparation of the financial statements; ▪ Procedures to identify significant unusual transactions; and ▪ Consideration of whether management bias was present in the key accounting estimates and judgements in the financial statements. In addition, we concluded that additional procedures included under 'Inappropriate capitalisation of revenue expenditure' were required to respond to this risk.	We have not identified any material issues, inappropriate judgements, or unusual transactions that would indicate deliberate misreporting of the Authority's financial position or management override of controls. Our journal entry testing is complete. The work performed has not resulted in any amendments to the financial statements, nor has it identified any indication of fraud. Our work on estimates is complete. We did not identify any indicators of management bias.

Our response to significant risks (cont'd)

Inappropriate capitalisation of revenue expenditure*

What is the risk, and the key judgements and estimates?	Our response: Key areas of challenge and professional judgement	Our conclusions
Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition. We have assessed the risk is most likely to occur through the inappropriate capitalisation of revenue expenditure. The relevant balances in the financial statements that we have tested under this risk are: ▪ Property, Plant and Equipment (PPE) additions - £1,270k ▪ Revenue Expenditure Funded from Capital Under Statute (REFCUS) - £340k	In order to address the risks outlined we have: ▪ Tested PPE additions to ensure that the expenditure incurred and capitalised is clearly capital in nature; ▪ Assessed whether the capitalised spend clearly enhances or extends the useful life of an asset rather than simply repairing or maintaining the asset on which it is incurred; ▪ Considered whether any development or other related costs that have been capitalised are reasonable to capitalise, i.e., the costs incurred are directly attributable to bringing the asset into operational use; ▪ Tested REFCUS to ensure that it is appropriate for the revenue expenditure incurred to be financed from ringfenced capital resources; and ▪ Identified and understood the basis for any significant journals transferring expenditure from revenue to capital codes on the general ledger at the end of the year. We also completed procedures over 2022/23 PPE additions as part of our rebuild of assurance.	We selected a sample of PPE additions and REFCUS spend using lowered testing thresholds, to ensure that they were appropriately supported by documentary evidence, and that the expenditure incurred was capital in nature. We have no matters to report.

Other areas of audit focus

Our Audit Planning Report identified other areas of the audit that have not been classified as significant risks but are still important when considering the risks of material misstatement to the financial statements and disclosures.

Financial statement impact	What is the risk, and the key judgements and estimates?	Our response: Key areas of challenge and professional judgement	Our conclusions
Valuation of Property, Plant and Equipment			
The relevant 2025/26 account balances in the audited financial statements are: ▪ Property, plant and equipment: £8,200k ▪ Relating to land and buildings: £5,400k	In the 2025/26 financial statements the Authority was required to apply CIPFA Bulletin 22 which reassessed the current regime of valuation for non-investment assets across the public sector. The guidance mandates a quinquennial revaluation or a five-year rolling programme for formal valuations, supported by annual indexation in the intervening years.	In response to the risk, we have: ▪ Considered management's response to CIPFA Bulletin 22, including the appropriateness of indices applied to assets not revalued during intervening years and triggers for revaluation; ▪ Reviewed and appraised the work performed by the Authority's valuer, including the adequacy of the scope of the work performed, their professional capabilities and the results of their work; ▪ Sample tested key asset information used by the valuers in performing their valuation; ▪ Assessed changes to useful economic lives against the most recent valuer assessment; ▪ Tested whether accounting entries have been correctly processed in the financial statements; ▪ Reviewed assets not subject to valuation in 2025/26 to confirm that the remaining asset base is not materially misstated or requires impairment; and ▪ Ensured that the revaluation reserve had been appropriately adjusted for the individual assets that had been revalued in 2025/26. We also completed procedures over those land and buildings not revalued since 2022/23 as part of our rebuild of assurance.	Our audit procedures did not identify any material issues in relation to the valuation or accounting treatment of property, plant and equipment. We were satisfied that the assumptions, methodologies and data used by management and its valuation specialists were reasonable, and accounting entries were appropriately recorded.

Other areas of audit focus (cont'd)

What is the risk, and the key judgements and estimates?	Our response to the key areas of challenge and professional judgement	Our conclusions
Valuation of Pension Assets and Liabilities		
The Local Authority Accounting Code of Practice and IAS 19 require the Authority to make extensive disclosures within its financial statements regarding its membership of the Local Government Pension Scheme. The Authority's pension fund deficit is a material estimated balance and the Code requires that this liability be disclosed on the balance sheet. The information disclosed is based on the IAS 19 report issued to the Authority by the actuary. Accounting for this scheme involves significant estimation and judgement and therefore management engaged an actuary (Hymans Robertson) to undertake the calculations on their behalf. ISAs (UK) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates. The Authority's net pension liability is measured as the sum of the long-term payments due to members as they retire against the Authority's share of the Norfolk Pension Fund investments. At 31 March 2026 the Authority's net liability totalled £0 after being limited to nil in line with the accounting requirements of IFRIC 14. An unfunded liability of £182k was also recorded on the Authority's balance sheet and a material pension liability was thus considered in full.	In response to the risk, we have: ▪ Liaised with the auditor of Norfolk Pension Fund (EY) to obtain assurance over the information supplied to the actuary and for the 2025 triennial valuation. We also confirmed joint assurances in respect of employer and employee contributions; ▪ Engaged our actuarial specialists to assess the work of the actuary. This involved consideration of the net liability and the calculation of the asset ceiling in accordance with IFRIC 14; ▪ Assessed the work of PwC, appointed to consider actuarial assumptions used at the year end for all local government sector bodies; ▪ Reviewed and tested the accounting entries and disclosures made within the Authority's financial statements in relation to IAS 19; and ▪ Considered the valuation and disclosure of unfunded liabilities, for which there are no plan assets to meet the pension liabilities.	In accordance with ISA 540, Auditing Accounting Estimates and Related Disclosures, our audit approach included evaluating the processes and controls applied by management in developing significant accounting estimates. The standard requires auditors to assess whether estimation methodologies are appropriately designed and consistently applied, and whether the underlying assumptions and data are reliable and complete. As neither EY nor PwC, acting as consulting actuaries for the NAO across local public sector audits, are granted access to the detailed actuarial models used by the reporting actuary, it is not possible to directly test all aspects of the model's design and operation. To obtain additional audit assurance, we engaged an EY pensions specialist to independently review the Authority's IAS 19 valuation report and develop an auditor's estimate using a parallel actuarial model. The results of this work were compared to the valuation produced by Hymans Robertson, and no significant differences were identified.

Areas of Audit Focus

Other matters

As required by ISA (UK&I) 260 and other ISAs specifying communication requirements, we must tell you significant findings from the audit and other matters if they are significant to your oversight of the Authority's financial reporting process. They include the following:

- Significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures;
- Significant difficulties, if any, encountered during the audit;
- Significant matters, if any, arising from the audit that were discussed with management;
- Matters regarding management's process for identifying and responding to the risks of fraud in the entity;
- Disagreements with management, if any arising during the audit;
- Other matters if any, significant to the oversight of the financial reporting process, including the strengths and weaknesses of the finance function and the quality of the financial statement preparation process;
- Written representations that we are seeking;
- Expected modifications to the audit report;
- Related parties;
- Going concern;
- External confirmations;
- Consideration of laws and regulations, including any significant matters involving actual or suspected non-compliance with laws and regulations or articles of association which were identified in the course of the audit, in so far as they are considered to be relevant in order to enable the Risk, Audit and Governance Committee to fulfil its tasks; and
- Use of auditor's external specialists.

We have nothing to report in respect of these matters.

Areas of Audit Focus (cont'd)

Going concern

For the Authority, the applicable financial reporting framework is based on the continuation of services principle. In applying Practice Note 10 and our going concern interpretation guidance, the focus of the going concern assessment is therefore whether the Authority's statutory services will continue to be delivered within the public sector, rather than whether the Authority continues in its current organisational form.

Management is required to make a proportionate assessment of the appropriateness of preparing the Authority's financial statements on a going concern basis. Our audit procedures included evaluating that assessment, considering the requirements of the CIPFA Code and the wider public sector framework, and assessing whether any law, regulation, policy announcement, or other evidence indicated that the services provided by the Authority would not continue to be delivered.

Based on the work performed to date, we have not identified any events or conditions that may cast significant doubt on the Authority's ability to continue to prepare its financial statements on a going concern basis. In reaching this conclusion, we have considered whether there is evidence that the continuation of services principle would not apply, whether management's assessment is consistent with the applicable financial reporting framework, and whether any contradictory audit evidence has been identified.

Where matters relevant to the Authority's financial sustainability have been identified, these do not of themselves indicate a material uncertainty related to going concern where they do not affect the continued delivery of statutory services. Such matters are considered, where relevant, through our wider audit work, including our value for money arrangements responsibilities.

We will continue to update our assessment up to the date of approval of the financial statements, including consideration of any further information provided by management or identified through our audit procedures. We will also evaluate whether the going concern disclosure in the Authority's financial statements is proportionate, accurately reflects management's assessment, and covers the appropriate assessment period. We do not currently expect our auditor's report to include any reference to a material uncertainty related to going concern.

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03 Value for Money

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Value for Money

The Authority's responsibility for Value for Money (VFM)

The Authority is required to maintain an effective system of internal control that supports the achievement of its policies, aims and objectives while safeguarding and securing Value for Money from the public funds and other resources at its disposal.

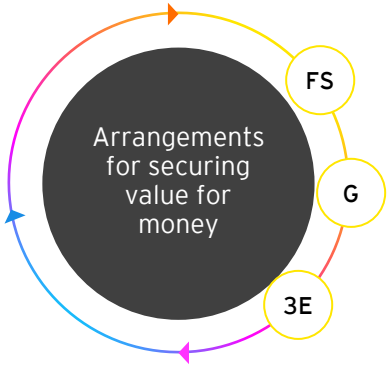
As part of the material published with its financial statements, the Authority is required to bring together commentary on its governance framework and how this has operated during the period in a governance statement. In preparing its governance statement, the Authority tailors the content to reflect its own individual circumstances, consistent with the requirements set out in the NAO Code of Audit Practice. This includes a requirement to provide commentary on its arrangements for securing Value for Money from the use of resources.

Risk assessment and status of our work

We are required to consider whether the Authority has made 'proper arrangements' to secure economy, efficiency and effectiveness in the use of its resources.

Our VFM planning and the associated risk assessment is focused on gathering sufficient evidence to enable us to document our evaluation of the Authority's arrangements, to enable us to draft a commentary under three reporting criteria (see below). This includes identifying and reporting on any significant weaknesses in those arrangements and making appropriate recommendations.

We provide commentary on the Authority's arrangements against three reporting criteria:



FS	Financial Sustainability	How the Authority plans and manages its resources to ensure it can continue to deliver its services.
G	Governance	How the Authority ensures that it makes informed decisions and properly manages its risks.
3E	Economy, Efficiency & Effectiveness	How the Authority uses information about its costs and performance to improve the way it manages and delivers its services.

We have completed our detailed VFM work and identified no risks of significant weaknesses in arrangements and therefore expect to have no matters to report by exception in our audit opinion.

04 Other Reporting Matters

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Rebuilding Assurance

Progress in 2025/26

The local audit system is currently operating under the Ministry of Housing, Communities and Local Government's (MHCLG) audit recovery programme, which was established to address the significant backlog of local authority audits across England. Under this programme, most authorities received disclaimer opinions where statutory backstop dates were reached before auditors were able to complete all planned procedures.

The National Audit Office (NAO) subsequently issued a series of Local Audit Reset and Recovery Implementation Guidance (LARRIG) documents which set out how auditors and local authorities should work together to rebuild audit assurance over a number of years and ultimately return to unqualified audit opinions. The recovery programme is designed to operate in two broad phases:

1. The first phase focused on restoring assurance through the completion of current-year audits and establishing a consistent pattern of timely financial reporting and audit delivery. This is often referred to as the "natural rebuild" of assurance, as auditors progressively obtain evidence over successive years' transactions and balances.
2. The second phase involves targeted work to address areas where historic assurance gaps remain, particularly where balances may have been affected by transactions that occurred during years subject to disclaimer opinions. The objective is to ensure that historic risks are assessed and, where necessary, additional audit work is undertaken so that assurance can be rebuilt in a proportionate and risk-based manner.

The 2025/26 audit represents an important stage in this second phase of the recovery programme. In accordance with NAO guidance in LARRIG 06, we performed a specific risk assessment of reserves and other cumulative balances that may contain the effects of transactions from periods where full audit assurance was not available. We reported the results of this work to MHCLG, and to the Risk, Audit and Governance Committee within our Rebuilding Audit Assurance - Risk Assessment Update to the Audit Planning Report dated 5 August 2026. The purpose of this work is not to re-audit all prior years. Instead, it is to identify those areas where the risk of material misstatement remains highest and where further assurance-building procedures are required. The findings reported in this Audit Results Report therefore explain the outcome of our procedures following that risk assessment and the extent to which audit assurance has been rebuilt. Our approach recognises that recovery depends heavily on the Authority's own capacity and preparedness and that audit effort must be targeted where it can deliver meaningful assurance. As the body charged with governance, the Risk, Audit and Governance Committee plays a crucial role in ensuring assurance over both the quality of the draft financial statements prepared by management and the Authority's wider arrangements to support a timely and efficient audit. Failure to achieve this will significantly increase the level of resources required to fulfil our respective responsibilities. We draw members' and officers' attention to the Public Sector Audit Appointments Limited Statement of Responsibilities (paragraphs 26-28) which clearly sets out what is expected of audited bodies in preparing their financial statements.

The risk assessment process identified that the risk of material misstatement is not uniform across reserves. Certain reserves were assessed as presenting a higher risk of material misstatement, reflecting factors including:

- the size of balances and the extent of movements during periods subject to disclaimed opinions;
- the degree of judgement required in determining the appropriate accounting treatment; and
- reliance on complex statutory and capital accounting arrangements.

Other reserves were assessed as lower risk, with characteristics that may support a more targeted and proportionate rebuilding of assurance, without undermining audit quality, subject to the availability of sufficient appropriate audit evidence. This assessment underpins the differentiation in audit response which will be adopted across reserves and is intended to promote a consistent and proportionate approach.

Rebuilding Assurance (cont'd)

Progress in 2025/26 (cont'd)

Our risk assessment process found that the pre-2023/24 gaps in assurance - particularly those relating to reserves and other cumulative balances – were able to be sufficiently addressed as part of the 2025/26 audit, supporting progression towards an unqualified audit opinion.

To rebuild assurance over the historic position, we needed to audit certain transactions and movements from 2022/23. In Appendix C, we set out the outcomes of the work to rebuild assurance in 2025/26. We were able to complete the procedures outlined within our risk assessment in full.

Appendix A sets out our audit opinion for 2025/26. Subject to completion of the remaining outstanding procedures outlined in this report, including consultation on the opinion type, we plan to issue an unqualified opinion.

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Our Assessment of the Control Environment

Internal and Financial Controls

In line with our established audit approach set out to the Committee in previous years, we adopted a fully substantive approach to the audit. We consider the design and implementation of key controls most relevant to the financial processes which materially impact the financial statements through the course of our audit, including in response to revised auditing standards around understanding systems that impact the financial statements. As part of our audit of the financial statements, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed.

As part of our planning procedures, we perform walkthroughs of the relevant controls to ensure that financial information feeding into the financial statements is materially accurate. These considerations are limited to controls we believe are likely to directly and materially impact the financial statements should they fail. In addition, wherever possible, we use our data analysers to identify inconsistencies in key processes, in particular in relation to income and expenditure and payroll transactions. The matters reported are limited to those that we identified during the audit and that we concluded are of sufficient importance to merit being reported to you. We identified no significant deficiencies in internal control.

The table below provides an overview of the 'high' 'moderate' and 'low' rated observations we made or that were sufficiently addressed by management within the 2025/26 audit.

	High	Moderate	Low	Total
Open at 11 November 2025	0	3	0	**3**
Closed during 2025/26	0	3	0	**3**
New matters reported in 2025/26	0	0	0	**0**
Total open matters	**0**	**0**	**0**	**0**

Our Key:

- Matters or issues are considered to be fundamental to the mitigation of material risk, maintenance of internal control or good corporate governance. Action should be taken either immediately or within three months.
- Risks or potential weaknesses which impact on objectives and compliance, or impact the operation of a single process, and so require prompt but less urgent immediate action by management.
- Less significant issues or areas for improvement which we consider merit attention but do not require to be prioritised by management.

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Other Reporting Issues

Consistency of other information published with the financial statements, including the Annual Governance Statement

Under our responsibilities, we must give an opinion on the consistency of the financial and non-financial information in the Authority's Statement of Accounts 2025/26 with the audited financial statements. We must also review the Annual Governance Statement for completeness of disclosures, consistency with other information from our work, and whether it complies with relevant guidance.

Throughout the course of the audit, we were satisfied that the financial information in the Authority's Statement of Accounts 2025/26 was consistent with the audited financial statements. We have also reviewed the Annual Governance Statement and can confirm it is consistent with other information from our audit of the financial statements and we have no other matters to report.

Other powers and duties

We have a duty under the Local Audit and Accountability Act 2014 (the Act) to consider whether to report on any matter that comes to our attention in the course of the audit, either for the Authority to consider it or to bring it to the attention of the public (i.e. "a report in the public interest"). We are also able to issue statutory recommendations under Schedule 7 of Section 27 of the Act. Statutory recommendations under Schedule 7 must be considered and responded to publicly and are shared with the Secretary of State.

We did not identify any issues which required us to issue a report in the public interest or issue statutory recommendations under Schedule 7.

Other matters

It is recommended that the Authority revisits their approach towards current value methodology and determines whether cost can be used as a proxy.

We have undertaken an exercise where we have assessed the value of these assets based on depreciated historical cost. The difference between our recalculation and the current net book value is £79,000 and thus, below performance materiality of £141k. While no adjustment is required, the Authority should review their accounting policy going forward.

05 Audit Differences

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Audit Differences

In the normal course of any audit, we identify misstatements between amounts we believe should be recorded in the financial statements and the disclosures and amounts actually recorded. These differences are classified as 'known' or 'judgemental'. Known differences represent items that can be accurately quantified and relate to a definite set of facts or circumstances. Judgemental differences generally involve estimation and relate to facts or circumstances that are uncertain or open to interpretation.

Summary of adjusted differences

We highlight the following misstatements which have been corrected by management that were identified during the course of our audit:

Corrected misstatements 31 March 2026	Effect on the current period		Net assets (Decrease)/Increase			
	Equity Debit/(Credit) £	Income statement Debit/(Credit) £	Assets current Debit/ (Credit) £	Assets non-current Debit/ (Credit) £	Liabilities current Debit/ (Credit) £	Liabilities non-current Debit/ (Credit) £
Errors						
Capital Grants Unapplied	£32k					
Grant Receipts in Advance					-£32k	

There were no uncorrected misstatements.

Audit Differences

Summary of disclosure changes

Auditing standards require us to evaluate the overall presentation, structure and content of the financial statements, including disclosures, and to consider whether they provide a fair presentation of the Authority's underlying transactions and events. We also read the other information accompanying the financial statements to assess whether it is materially consistent with our understanding obtained during the audit.

As part of this process, we identified a number of disclosure matters and opportunities to enhance compliance with the Code of Practice on Local Authority Accounting and improve the clarity of financial reporting. Where management elected not to amend the financial statements, we were satisfied that the uncorrected items were not material to the financial statements as a whole.

Out of 37 notes to the accounts, 13 required amending during the audit, as well as some changes to the narrative report. We have assessed that the following disclosure misstatements are significant and merit the attention of the Risk, Audit and Governance Committee due to their quantitative or qualitative significance:

No.	Description
1	**Disclosure of Pension Reserve** Pension Reserve: The reversal of asset ceiling line is to be removed and the 24/25 remeasurements of net defined liability line is to be amended to -£9k from £10,840k. This will give the same total and agree to the IAS 19 report. This has no impact on the closing balance of the Pension Reserve and therefore relates only to disclosures within Note 20 of the financial statements.
2	**Disclosure of Pension Liability** The pension liability note (Note 32) is to be split out to show gross assets and the effect of the asset ceiling (-£10,849k in 24/25 & -£12,526k in 25/26). The fair value of assets and the total will remain the same however this adjustment is necessary to highlight the effect of the asset ceiling.
3	**Cash Flow Statement** There are two amounts within the investing and financing activities reconciliation that have been presented incorrectly as a positive or negative figure. Proceeds from short-term investments of £5,500k have been presented as +£5,500k rather than -£5,500k, and proceeds from the sale of property, plant and equipment of £58k have been presented as -£58k rather than +£58k. The underlying totals are correct and therefore this misstatement relates to the presentation of Note 21 only.

06 Independence

Independence

Confirmation

At the Risk, Audit and Governance Committee meeting we highlighted the communications that we are required to make at the planning stage and at the conclusion of the audit, as well as during the course of the audit.

In this report, we provide disclosure of the relationships (including the provision of non-audit services) which bear on our integrity, objectivity and independence, the related threats and safeguards, as well as details of our fees and the other required confirmations. We consider that our independence in this context is a matter that should be reviewed by both you and ourselves. It is therefore important that the Risk, Audit and Governance Committee consider the facts of which you are aware and come to a view.

If you wish to discuss any matters concerning our independence, we will be pleased to do so at the forthcoming Committee meeting.

We are not aware of any inconsistencies between the Authority's policy for the supply of non-audit services and FRC Ethical Standard. We are not aware of any apparent breach of that policy. We confirm that, in our professional judgment, EY is independent, our integrity and objectivity is not compromised and we have complied with the FRC Ethical Standard.

We confirm that your engagement team (Partner, Manager, and all others involved with the audit) and others within the firm, the firm and network firms have complied with relevant ethical requirements regarding independence.

We confirm that the independence threats created by the level of the audit fees are at an acceptable level.

We have re-affirmed the general policy/process for pre-concurrence with those charged with governance and obtained specific pre-concurrence for services not covered by the general policy. We re-affirm this annually.

EY has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained. Details of the key policies and processes in place within EY for maintaining objectivity and independence can be found in our annual Transparency Report which the firm is required to publish by law. The most recent version of this Report is for the period ended 30 June 2026 and can be found here EY UK 2026 Transparency Report | EY – UK.

Relationships, services and related threats

The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and the Authority, its directors and senior management and its affiliates, including all services provided by us and our network to the Authority, its directors and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

Relationships

There are no relationships from 1 April 2025 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

Services provided by EY

There are no services provided by EY from 1 April 2025 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

As at the date of this report, there are no future services which have been contracted and no written proposal to provide non-audit services has been submitted.

Independence (cont'd)

The duty to prescribe fees is a statutory function delegated to Public Sector Audit Appointments Limited (PSAA) by the Secretary of State for Housing, Communities and Local Government.

This is defined as the fee required by auditors to meet statutory responsibilities under the Local Audit and Accountability Act 2014 in accordance with the requirements of the Code of Audit Practice and supporting guidance published by the National Audit Office, the financial reporting requirements set out in the Code of Practice on Local Authority Accounting published by CIPFA/LASAAC, and the professional standards applicable to auditors' work.

A breakdown of our fees is shown in the table to the right.

The agreed scale fee presented was based on the following assumptions:

- Officers meeting the agreed timetable of deliverables;
- Our financial statement opinion and Value for Money conclusion being unqualified;
- Appropriate quality of documentation being provided by the Authority; and
- The Authority having an effective control environment.

The Authority complies with PSAA's Statement of Responsibilities of auditors and audited bodies. See https://www.psaa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits/. In particular, the Authority should have regard to paragraphs 26 - 28 of the Statement of Responsibilities.

If any of the above assumptions prove to be unfounded, we seek a variation to the agreed fee. A narrative summary of the areas where we expect to raise scale fee variations for the audit of the Authority are set out in the fee analysis on this page.

	Current Year £	Prior Year £
Scale Fee – Code Work	76,338	74,259
Proposed scale fee variation	TBD Note 2	17,430 Note 1
Project cost fee variation arising from the local audit backlog solution (prior year only)	0	5,198 Note 3
Total Fees	**TBD**	**96,887**

All fees exclude VAT

1. As set out in our 2024/25 Audit Results Report a scale fee variation was submitted to PSAA covering the following areas:

- The implementation of IFRS 16;
- Identified risk concerning the change in management's expert for valuation of Property, Plant and Equipment;
- Director of Resources Journal Entry Testing;
- Consultation on qualified opinion wording.

That scale fee variation has now been determined at a total value of £17,430.

2. We propose to submit a scale fee variation to PSAA for additional 2025/26 work covering the following areas:

- Provisions and REFCUS Testing as these are new significant accounts for 2025/26;
- Exit Packages testing due to multiple redundancies being tested;
- Rebuild work performed over 2022/23 PPE additions, valuations and depreciation;
- Rebuild risk assessment and work performed over 2022/23 movement in reserves;
- Our reporting to the Committee and MHCLG on our risk assessment results; and
- Consultation on the proposed unqualified opinion and removing any modifications from our audit opinion.

3. In September 2026 PSAA determined, following consultation, that a one-off fee variation of 7% in respect of costs for additional work to rebuild assurance would be applied to the 2024/25 scale fee. This is following MHCLG's restated decision to incorporate the project change costs into its review of the grant allocation formula, so that the project cost charges to bodies are reflected in future build-back grant payments.

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07 Appendices

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Appendix A: Provisional Audit Opinion

Our opinion on the financial statements

This is a provisional audit opinion. The wording is incomplete as our consultation over the opinion type is still pending, as set out in Appendix G.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BROADS AUTHORITY

Opinion

We have audited the financial statements of the Broads Authority ('the Authority') for the year ended 31 March 2026. The financial statements comprise the:

Authority Movement in Reserves Statement,
Authority Comprehensive Income and Expenditure Statement,
Authority Balance Sheet,
Authority Cash Flow Statement
The related notes 1 to 37 including material accounting policy information and including the Expenditure and Funding Analysis.

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26.

In our opinion, except for the effects of the matters described in the Basis for qualified opinion section, the financial statements:

- give a true and fair view of the financial position of the Broads Authority as at 31 March 2026 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Code of Audit Practice 2024, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

WORDING IS TBC PENDING CONSULTATION

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director of Resources' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the **Authority**'s ability to continue as a going concern for a period up until 31 January 2028.

Our responsibilities and the responsibilities of the Director of Resources with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Authority's ability to continue as a going concern.

Other information

The other information comprises the information included in the Statement of Accounts 2025/26, other than the financial statements and our auditor's report thereon. The Director of Resources is responsible for the other information contained within the Statement of Accounts 2025/26.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we report by exception

We report to you if:

- in our opinion the annual governance statement is misleading or inconsistent with other information forthcoming from the audit or our knowledge of the Authority.
- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 (as amended)
- we make written recommendations to the audited body under Section 24 of the Local Audit and Accountability Act 2014 (as amended)
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 (as amended)
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 (as amended)
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014 (as amended)
- we are not satisfied that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2026.

We have nothing to report in these respects.

Responsibility of the Director of Resources

As explained more fully in the Statement of the Director of Resources' Responsibilities set out on page 13 of the statement of accounts 2025/26, the Director of Resources is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, for being satisfied that they give a true and fair view and for such internal control as the Director of Resources determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director of Resources is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters

Appendix A: Provisional Audit Opinion (cont'd)

Our opinion on the financial statements (cont'd)

related to going concern and using the going concern basis of accounting unless the Authority either intends to cease operations, or has no realistic alternative but to do so.

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Authority and determined that the most significant are:

- Local Government Act 1972,
- The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 as amended in 2018, 2020, and 2022,
- The Broads Authority Act 2009,
- The Local Audit and Accountability Act 2014 (as amended), and
- The Accounts and Audit Regulations 2015.

In addition, the Authority has to comply with laws and regulations in the areas of anti-bribery and corruption, data protection, employment legislation, tax legislation, general power of competence, procurement and health & safety.

We understood how the Broads Authority is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management, head of internal audit, those charged with governance, monitoring officer and obtaining and reading documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our reading of the Authority's committee minutes. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.

We assessed the susceptibility of the Authority's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified the risk of management override of controls and inappropriate capitalisation of revenue expenditure to be our fraud risks.

To address our fraud risk of management override of controls, we tested specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately.

To address our fraud risk of inappropriate capitalisation of revenue expenditure we tested the Authority's capitalised expenditure to ensure the capitalisation criteria were properly met and the expenditure was genuine.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice 2024, having regard to the guidance on the specified reporting criteria issued by the Comptroller and Auditor General in March 2026, as to whether the Broads Authority had proper arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. The Comptroller and Auditor General determined these criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Broads Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2026.

We planned our work in accordance with the Code of Audit Practice 2024. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether the Broads Authority had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 (as amended) to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Certificate

We certify that we have completed the audit of the accounts of the Broads Authority in accordance with the requirements of the Local Audit and Accountability Act 2014 (as amended) and the Code of Audit Practice issued by the National Audit Office.

Use of our report

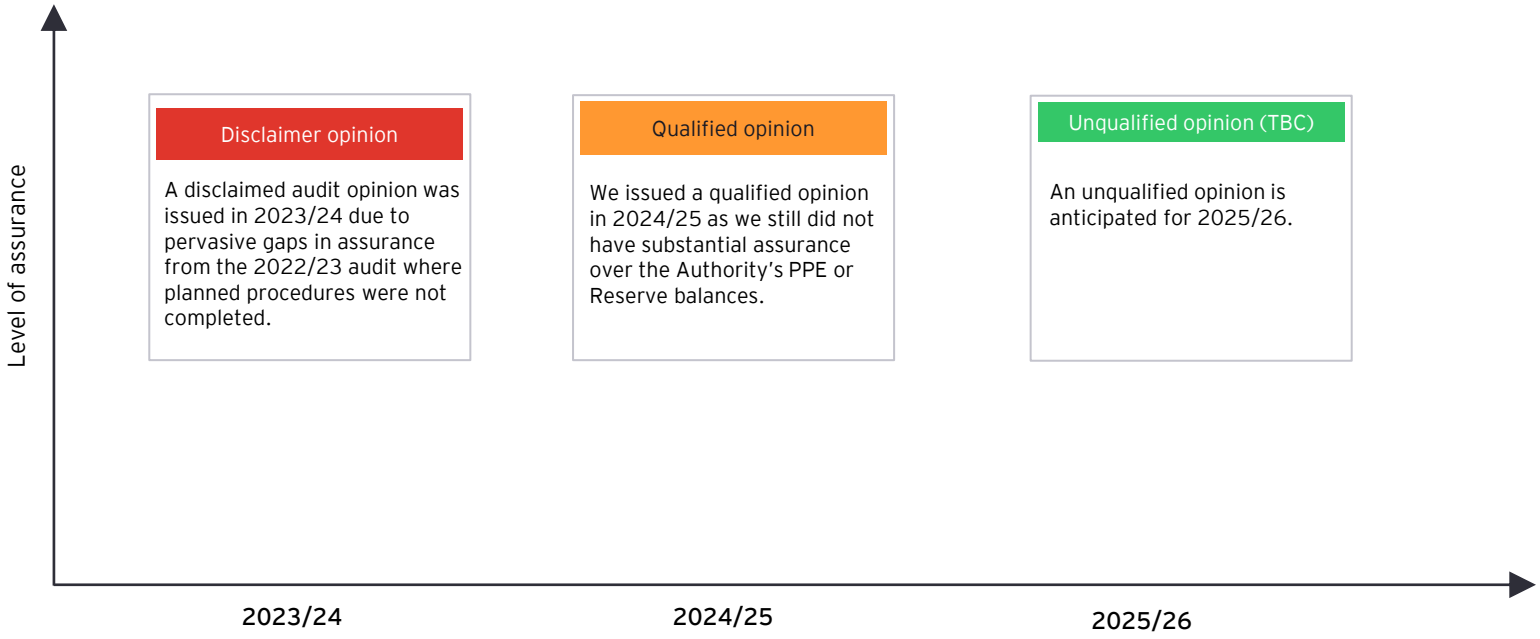
This report is made solely to the members of the Broads Authority, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 (as amended) and for no other purpose, as set out in paragraph 85 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Riglar (Key Audit Partner)
Ernst & Young LLP (Local Auditor)
Cambridge

Appendix B: Progress to full assurance

Progress to full assurance

The 2025/26 audit represents an important stage in this second phase of the recovery programme. In accordance with NAO guidance, during 2025/26 we performed a specific risk assessment of reserves and other cumulative balances that may contain the effects of transactions from periods where full audit assurance was not available. We reported the results of this work to MHCLG, and to the Risk, Audit and Governance Committee within our Rebuilding Audit Assurance - Risk Assessment Update to the Audit Planning Report dated 5 August 2026. This process supported the development of a timetable for recovery that has been tailored to current expectations for the Authority.



In 2025/26, additional assurance was achieved in relation to those PPE and Reserve balances that were qualified in 2024/25. As a result, we plan that for 2025/26 we will issue an unqualified opinion, pending the outcome of our consultation on the opinion.

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Appendix C: Rebuilding audit assurance progress

Results of work to rebuild assurance over reserves

We presented our risk assessment for the rebuilding process to the Committee within our Rebuilding Audit Assurance - Risk Assessment Update Report. The table below presents an update on the dashboard summarising the outcome of audit procedures and the implications for the Authority's timeline to full assurance.

Reserve	Risk Assessment	Results	Assurance obtained
Usable Reserves:			
General Fund & Navigation Fund	Higher Inherent Risk	All planned procedures performed and substantial assurance obtained.	Substantial
Earmarked Reserves	Lower Inherent Risk	All planned procedures performed and substantial assurance obtained.	Substantial
Capital Receipts Reserve	Lower Inherent Risk	All planned procedures performed and substantial assurance obtained.	Substantial
Capital Grants Unapplied Account	Higher Inherent Risk	All planned procedures performed and substantial assurance obtained.	Substantial
Unusable Reserves:			
Revaluation Reserve	Higher Inherent Risk	All planned procedures performed and substantial assurance obtained.	Substantial
Capital Adjustment Account	Higher Inherent Risk	All planned procedures performed and substantial assurance obtained.	Substantial
Pensions Reserve	N/A	We had brought forward substantial assurance over this balance already.	Substantial
Accumulated Absences Account	N/A	We had brought forward substantial assurance over this balance already.	Substantial

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Appendix D: Audit Action Plan

Follow up of prior year recommendations

We set out below the recommendations that were made in 2024/25 together with our assessment of progress.

Control observation and impact	Grading	Recommendation	Assessment of Progress
	H / M / L		
Journal Posting by S17 Officer – In 2024/25, the S17 Officer posted 316 journals directly to the general ledger (2023/24: 17). We extended our testing to include the material journals and have not identified any accounting issues arising. However, as a Senior Officer, the S17 Officer should refrain from posting journals to ensure proper segregation of duties and maintain robust internal controls.	Moderate	We recommended that the S17 Officer does not post journals and instead reviews them where their input is required.	This has been resolved appropriately. In 2025/26, the S17 Officer (Director of Resources) posted zero journals to the general ledger.
Journal Review by Lower Seniority Staff - The journals posted by the S17 Officer are reviewed by the Senior Accountant or Financial Accountant, both of whom are lower seniority. This arrangement compromises the effectiveness of the review process and does not align with best practices for oversight and accountability.	Moderate	As above, we recommended that the S17 Officer does not post journals and instead reviews them where their input is required.	As above, in 2025/26 this has been resolved appropriately.
No formal Minimum Revenue Provision (MRP) policy in place - Based on statutory guidance (Capital finance: guidance on minimum revenue provision (5th edition)), all local authorities need to prepare an MRP policy statement ahead of each financial year. There is currently no policy prepared by the Authority. MRP for the Authority was £98k for 2025/26.	Moderate	We recommended that the Authority put in place a formal MRP policy statement for 2025/26 that can then be adhered to going forward.	This has been resolved appropriately. The Authority has included a formal MRP policy for 2025/26.

Grade Key: H Matters or issues considered to be fundamental to the mitigation of material risk, maintenance of internal control or good corporate governance. Action should be taken within three months.

M Risks or potential weaknesses which impact on objectives and compliance, or impact the operation of a single process, and so require prompt but less urgent immediate action by management.

L Less significant issues or areas for improvement which we consider merit attention but do not require to be prioritised by management.

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Appendix E: Required communications with those charged with governance

Required communications with those charged with governance

There are certain communications that we must provide to those charged with governance. We have detailed these here together with a reference of when and where they were covered:

		Our Reporting to you
Required communications	**What is reported?**	**When and where?**
Terms of engagement	Confirmation by the Risk, Audit and Governance Committee of acceptance of terms of engagement.	The statement of responsibilities serves as the formal terms of engagement between PSAA appointed auditors and audited bodies.
Planning and audit approach	Communication of: ▪ The planned scope and timing of the audit; ▪ Any limitations on the planned work to be undertaken; ▪ The planned use of internal audit; and ▪ The significant risks identified. When communicating key audit matters this includes the most significant risks of material misstatement (whether or not due to fraud) including those that have the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.	Audit planning report – 21 July 2026 – Risk, Audit and Governance Committee
Significant findings from the audit	▪ Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures ▪ Significant difficulties, if any, encountered during the audit ▪ Significant matters, if any, arising from the audit that were discussed with management ▪ Written representations that we are seeking ▪ Expected modifications to the audit report ▪ Other matters if any, significant to the oversight of the financial reporting process	Audit results report – 23 November 2026 – Risk, Audit and Governance Committee

Appendix E: Required communications with those charged with governance (cont'd)

		Our Reporting to you
Required communications	**What is reported?**	**When and where?**
Going concern	Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including: ▪ Whether the events or conditions constitute a material uncertainty related to going concern ▪ Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements ▪ The appropriateness of related disclosures in the financial statements	Audit results report – 23 November 2026 – Risk, Audit and Governance Committee
Misstatements	▪ Uncorrected misstatements and their effect on our audit opinion, unless prohibited by law or regulation ▪ The effect of uncorrected misstatements related to prior periods ▪ A request that any uncorrected misstatement be corrected ▪ Material misstatements corrected by management	Audit results report – 23 November 2026 – Risk, Audit and Governance Committee

Fraud	▪ Enquiries of the Risk, Audit and Governance Committee to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity
	▪ Any fraud that we have identified or information we have obtained that indicates that a fraud may exist
	▪ Unless all of those charged with governance are involved in managing the entity, any identified or suspected fraud involving:
	  ▪ Management;
	  ▪ Employees who have significant roles in internal control; or
	  ▪ Others where the fraud results in a material misstatement in the financial statements.
	▪ The nature, timing and extent of audit procedures necessary to complete the audit when fraud involving management is suspected
	▪ Matters, if any, to communicate regarding management's process for identifying and responding to the risks of fraud in the entity and our assessment of the risks of material misstatement due to fraud
	▪ Any other matters related to fraud, relevant to the Risk, Audit and Governance Committee responsibility.
		Audit results report – 23 November 2026 – Risk, Audit and Governance Committee

Appendix E: Required communications with those charged with governance (cont'd)

		Our Reporting to you
Required communications	**What is reported?**	**When and where?**
Independence	Relevant ethical requirements, including those related to independence, that we apply for the audit engagement, including any independence requirements specific to audits of financial statements of the entity. All significant facts and matters that bear on EY's, and all individuals involved in the audit, integrity, objectivity and independence. Communication of key elements of the audit engagement partner's consideration of independence and objectivity such as: ▪ The principal threats; ▪ Safeguards adopted and their effectiveness; ▪ An overall assessment of threats and safeguards; ▪ Information about the general policies and process within the firm to maintain objectivity and independence; and ▪ Breaches of the IESBA Code of Ethics, local independence regulations or professional standards. Communications whenever significant judgements are made about threats to integrity, objectivity and independence and the appropriateness of safeguards put in place.	Audit planning report – 21 July 2026 – Risk, Audit and Governance Committee Audit results report – 23 November 2026 – Risk, Audit and Governance Committee
External confirmations	▪ Management's refusal for us to request confirmations ▪ Inability to obtain relevant and reliable audit evidence from other procedures	Audit results report – 23 November 2026 – Risk, Audit and Governance Committee
Consideration of laws and regulations	▪ Subject to compliance with applicable regulations, matters involving identified or suspected non-compliance with laws and regulations, other than those which are clearly inconsequential and the implications thereof. Instances of suspected non-compliance may also include those that are brought to our attention that are expected to occur imminently or for which there is reason to believe that they may occur ▪ Enquiry of the Risk, Audit and Governance Committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the Risk, Audit and Governance Committee may be aware of	Audit results report – 23 November 2026 – Risk, Audit and Governance Committee
Significant deficiencies in internal controls identified during the audit	▪ Significant deficiencies in internal controls identified during the audit	Audit results report – 23 November 2026 – Risk, Audit and Governance Committee

Appendix E: Required communications with those charged with governance (cont'd)

		Our Reporting to you
Required communications	**What is reported?**	**When and where?**
Written representations we are requesting from management and/or those charged with governance	▪ Written representations we are requesting from management and/or those charged with governance	Audit results report – 23 November 2026 – Risk, Audit and Governance Committee
System of quality management	▪ How the system of quality management (SQM) supports the consistent performance of a quality audit	Audit results report – 23 November 2026 – Risk, Audit and Governance Committee
Material inconsistencies or misstatements of fact identified in other information which management has refused to revise	▪ Material inconsistencies or misstatements of fact identified in other information which management has refused to revise	Audit results report – 23 November 2026 – Risk, Audit and Governance Committee
Related parties	Significant matters arising during the audit in connection with the entity's related parties including, when applicable: ▪ Non-disclosure by management; ▪ Inappropriate authorisation and approval of transactions; ▪ Disagreement over disclosures; ▪ Non-compliance with laws and regulations; or ▪ Difficulty in identifying the party that ultimately controls the entity.	Audit results report – 23 November 2026 – Risk, Audit and Governance Committee
Auditor's report	▪ Any circumstances identified that affect the form and content of our auditor's report	Audit results report – 23 November 2026 – Risk, Audit and Governance Committee

Appendix F: Management representation letter

Management representation letter

Ernst & Young

One Cambridge Square, Cambridge, CB4 0AE

This letter of representations is provided in connection with your audit of the financial statements of Broads Authority ("the Authority") for the year ended 31 March 2026. We recognise that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements give a true and fair view of the Authority financial position of *the Broads Authority* as of *31 March 2026* and of its income and expenditure for the year then ended in accordance with CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26.

We understand that the purpose of your audit of our financial statements is to express an opinion thereon and that your audit was conducted in accordance with International Standards on Auditing (UK), which involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial Statements and Financial Records

1. We have fulfilled our responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with the Accounts and Audit Regulations 2015 and CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26.[5]

2. We acknowledge, as members of management of the Authority, our responsibility for the fair presentation of the financial statements. We believe the financial statements referred to above give a true and fair view of the financial position, financial performance (or results of operations) and cash flows of the Authority in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, and are free of material misstatements, including omissions. We have approved the financial statements.

3. The material accounting policy information adopted in the preparation of the financial statements are appropriately described in the financial statements.

4. As members of management of the Authority, we believe that the Authority has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, that are free from material misstatement, whether due to fraud or error. [6]

5. There are no unadjusted audit differences identified during the current audit and pertaining to the latest period presented.

6. We confirm the Authority does not have securities (debt or equity) listed on a recognized exchange.

B. Non-compliance with law and regulations, including fraud

1. We acknowledge that we are responsible to determine that the Authority's activities are conducted in accordance with laws and regulations and that we are responsible to identify and address any non-compliance with applicable laws and regulations, including fraud.

2. We acknowledge that we are responsible for the design, implementation and maintenance of a system of internal control to prevent and detect fraud and that we believe we have appropriately fulfilled those responsibilities.[7]

3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.[8]

4. We have no knowledge of any identified or suspected non-compliance with laws or regulations, including fraud that may have affected the Authority (regardless of the source or form and including without limitation, any allegations by "whistleblowers"), including non-compliance matters:

    - involving financial improprieties;
    - related to laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Authority's financial statements;
    - related to laws and regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the Authority's activities, its ability to continue to operate, or to avoid material penalties;
    - involving management, or employees who have significant roles in internal controls, or others; or

Appendix F: Management representation letter (cont'd)

Management representation letter (cont'd)

- in relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators or others.[9]

C. Information Provided and Completeness of Information and Transactions

1. We have provided you with:
   - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
   - Additional information that you have requested from us for the purpose of the audit; and
   - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.[10]
2. We have disclosed to you the use of all applications or tools using artificial intelligence, including generative artificial intelligence, that are reasonably likely to have a direct or indirect material effect on the financial statements.
3. All material transactions have been recorded in the accounting records and are reflected in the financial statements.[11]
4. We have made available to you all minutes of the meetings of the Authority and relevant committees held through the period of 1 April 2025 to the most recent meeting on 23 November 2026.
5. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the Authority's related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the period end. These transactions have been appropriately accounted for and disclosed in the financial statements.[12]
6. We believe that the methods, significant assumptions and the data we used in making accounting estimates and related disclosures are appropriate and consistently applied to achieve recognition, measurement and disclosure that is in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26.[13]
7. We have disclosed to you, and the Authority has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
8. From the date of our last management representation letter through the date of this letter we have disclosed to you, to the extent that we are aware, any (1) unauthorized access to our information technology systems that either occurred or to the best of our knowledge is reasonably likely to have occurred based on our investigation, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants) , to the extent that such unauthorized access to our information technology systems is reasonably likely to have a material impact to the financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount

D. Liabilities and Contingencies

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.[14]
3. We have recorded and/or disclosed, as appropriate, all liabilities related to litigation and claims, both actual and contingent, and have disclosed in Note 33 to the financial statements all guarantees that we have given to third parties.[15]

E. Going Concern[16]

1. Note 37 to the financial statements discloses all the matters of which we are aware that are relevant to the Authority's ability to continue as a going concern, including significant conditions and events, our plans for future action, and the feasibility of those plans.

F. Subsequent Events

1. Other than those described in Note 6 to the financial statements, there have been no events subsequent to 31 March 2026 which require adjustment of or disclosure in the financial statements or notes thereto.[17]

Appendix F: Management representation letter (cont'd)

Management representation letter (cont'd)

G. Other information[14]

1. We acknowledge our responsibility for the preparation of the other information. The other information comprises the Narrative Report and the Annual Governance Statement.

2. We confirm that the content contained within the other information is consistent with the financial statements.

H. Climate-related matters

1. We confirm that to the best of our knowledge all information that is relevant to the recognition, measurement, presentation and disclosure of climate-related matters has been considered and reflected in the financial statements.

2. The key assumptions used in preparing the financial statements are, to the extent allowable under the requirements of the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, aligned with the statements we have made in the other information or other public communications made by us.

I. Use of the Work of a Specialist

1. We agree with the findings of the specialists that we engaged to evaluate the valuation of land and buildings and have adequately considered the qualifications of the specialists in determining the amounts and disclosures included in the financial statements and the underlying accounting records. We did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialists.

J. Estimates (Valuation of Pension Liability, and Property, Plant and Equipment)[15]

1. We confirm that the significant judgments made in making the above estimates have taken into account all relevant information of which we are aware.

2. We believe that the selection or application of the methods, assumptions and data used by us have been consistently and appropriately applied or used in making the above estimates.

3. We confirm that the significant assumptions used in making the above estimates appropriately reflect our intent and ability to carry out this valuation.

4. We confirm that the disclosures made in the financial statements with respect to the accounting estimates, including those describing estimation uncertainty, are complete and are reasonable in the context of the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26.

5. We confirm that appropriate specialised skills or expertise has been applied in making the above accounting estimates.

6. We confirm that no adjustments are required to the accounting estimates and disclosures in the financial statements.

K. Ownership of Assets

1. Except for assets capitalised under finance leases, the Authority has satisfactory title to all assets appearing in the balance sheet, and there are no liens or encumbrances on the Authority's assets, nor has any asset been pledged as collateral, other than those that are disclosed in the notes to the financial statements. All assets to which the Authority has satisfactory title appear in the balance sheet.

2. All agreements and options to buy back assets previously sold have been properly recorded and adequately disclosed in the financial statements.

3. We have no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realisable value.

4. There are no formal or informal compensating balance arrangements with any of our cash and investment accounts. Except as disclosed in the notes to the financial statements, we have no other line of credit arrangements.

L. Retirement benefits

1. On the basis of the process established by us and having made appropriate enquiries, we are satisfied that the actuarial assumptions underlying the scheme liabilities are consistent with our knowledge of the business. All significant retirement benefits and all settlements and curtailments have been identified and properly accounted for.

Yours faithfully,

_____

Director of Resources

_____

Chair of the Risk, Audit and Governance Committee

Appendix G: Outstanding matters

Outstanding matters

The following items relating to the completion of our audit procedures are outstanding at the date of this report:

Item	Actions to resolve	Responsibility
Finalising our creditors cut off testing	Actioning review notes on the cut off testing. Management to respond to our queries.	EY and management
Receipt of finalised financial statements	EY central review process and finalisation of disclosures and opinion wording. Management to provide with all amendments required.	EY and management
Completion of subsequent events procedures to the date of signing the audit report	Completion of subsequent events procedures to the date of signing the audit report. Management to confirm no material subsequent events.	EY and management
Consultation on the opinion type	The consultation on whether we can issue an unqualified opinion is in progress.	EY
Confirmation of the work performed by EY as the auditor of Norfolk Pension Fund	We are awaiting response from EY in relation to the results of the Norfolk Pension Fund audit.	EY
Conclusion procedures including receipt of the Letter of Representation	Receipt of signed management representation letter.	EY and management

Until all our audit procedures are complete, we cannot confirm the final form of our audit opinion as new issues may emerge. We will continue to engage with management to identify any matters that may require disclosure and that could impact the related disclosures within the financial statements. Any material matters identified prior to approval will be reported to the Committee.

Appendix H: Accounting and regulatory update

Looking Ahead: Proposed Changes to Local Authority Financial Reporting

In July 2026, CIPFA/LASAAC issued a consultation on the 2027/28 Code of Practice on Local Authority Accounting, setting out the continuation of a programme of reform designed to improve the clarity, accessibility and usefulness of local authority financial reporting. The proposals are intended to simplify financial statements, reduce complexity arising from statutory accounting adjustments and ensure reporting better supports democratic accountability.

Key proposals include:

- **A clearer focus on elected members as the primary users of local authority financial statements**, with future reporting and disclosure requirements increasingly designed around supporting governance, scrutiny and decision-making responsibilities.
- The introduction of a **new Accountability Report**, potentially from 2028/29, which would explain financial performance on a funding and budgetary basis and provide a clearer link between statutory financial management and IFRS-based financial statements. This could replace several existing disclosures and significantly alter the presentation of local authority financial statements.
- **Simplification of financial statements and notes**, including revised terminology aligned more closely with IFRS, streamlined reserve disclosures and the proposed removal of the Expenditure and Funding Analysis.
- **Fundamental review of pension reporting**, with CIPFA/LASAAC indicating that a move towards a contribution-based approach for local government pension schemes could be explored to reduce complexity, volatility and management and audit burden over reporting.
- The introduction of **sustainability reporting requirements**, based on the Task Force on Climate-related Financial Disclosures (TCFD) framework, potentially implemented on a phased basis from 2027/28 for larger authorities. This would bring climate-related governance, risk management and performance reporting more formally within annual reporting arrangements.

The consultation acknowledges ongoing pressures across the sector, including audit recovery and local government reorganisation. Consequently, several of the more substantial reforms, particularly the Accountability Report and associated changes to the financial statements, are proposed for implementation no earlier than 2028/29. The Committee will wish to monitor the outcome of the consultation and consider the potential implications for future financial reporting, governance oversight and audit arrangements.

Future accounting update

Since our last Audit Results Report, a new accounting standard, IFRS 18, has been issued. The following table provides a high level summary of the implications for the Authority.

Name	Summary of key measures	Impact
IFRS 18: Presentation and Disclosure in the Financial Statements	▪ IFRS 18 replaces IAS 1 and introduces a revised framework for presenting financial performance, including new categories and subtotals within the primary financial statements and enhanced disclosure requirements for management-defined performance measures. While the standard is not expected to significantly affect the underlying financial position of local authorities, it is likely to change the presentation of the Comprehensive Income and Expenditure Statement and the interaction between IFRS-based reporting and statutory funding measures. ▪ Under UK-adopted IFRS, IFRS 18 is effective for accounting periods beginning on or after 1 January 2027. However, CIPFA/LASAAC has proposed deferring implementation within the Local Authority Accounting Code until 2028/29, aligning it with the proposed introduction of an Accountability Report and avoiding multiple major presentation changes in successive years.	▪ CIPFA/LASAAC is currently consulting on proposals to align implementation with wider local authority reporting reforms, with adoption potentially deferred to 2028/29. ▪ The Authority should monitor developments and consider the implications for future financial reporting and member communication.

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David Riglar
Partner
Ernst & Young
One Cambridge Square
Cambridge
CB4 0AW

Date to be inserted upon signing

Dear David

Broads Authority Letter of Representation

This letter of representation is provided in connection with your audit of the financial statements of Broads Authority ("the Authority") for the year ended 31 March 2026.

We recognise that obtaining representation from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements give a true and fair view of the Broads Authority as of 31 March 2026 and of its income and expenditure for the year then ended in accordance with, for the Authority, CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26.

We understand that the purpose of your audit of our Authority financial statements is to express an opinion thereon and that your audit was conducted in accordance with International Standards on Auditing (UK), which involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial Statements and Financial Records

1. We have fulfilled our responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with, for the Authority, the Accounts and Audit Regulations 2015 and the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26.

2. We acknowledge, as members of management of the Authority, our responsibility for the fair presentation of the consolidated and parent Authority financial statements. We believe the Authority financial statements referred to above give a true and fair view of the financial position, financial performance (or results of operations) and cash flows of the Authority in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, and are free of material misstatements, including omissions. We have approved the financial statements.

3. The material accounting policies adopted in the preparation of the Authority financial statements are appropriately described in the Authority's financial statements**.**

4. As members of management of the Authority, we believe that the Authority has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 that are free from material misstatement, whether due to fraud or error.

5. There are no unadjusted audit differences identified during the current audit and pertaining to the latest period presented.

6. We confirm the Authority does not have securities (debt or equity) listed on a recognised exchange.

B. Non-compliance with laws and regulations, including fraud

1. We acknowledge that we are responsible to determine that the Authority's business activities are conducted in accordance with laws and regulations and that we are responsible to identify and address any non- compliance with applicable laws or regulations, including fraud.

2. We acknowledge that we are responsible for the design, implementation and maintenance of a system of internal control to prevent and detect fraud and that we believe we have appropriately fulfilled those responsibilities.

3. We have disclosed to you the results of our assessment of the risk that the Authority financial statements may be materially misstated as a result of fraud.

4. We have no knowledge of any identified or suspected non- compliance with laws or regulations, including fraud, that may have affected the Authority (regardless of the source or form and including without limitation, any allegations by "whistleblowers"), including non-compliance matters:

- Involving financial improprieties
- Related to laws or regulations that have a direct effect on the determination of material amounts and disclosures in the Authority financial statements
- Related to laws or regulations that have an indirect effect on amounts and disclosures in the Authority financial statements, but compliance with which may be fundamental to the operations of the Authority's activities, its ability to continue in business, or to avoid material penalties
- Involving management, or employees who have significant roles in internal control, or others; or
- In relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators or others.

C. Information Provided and Completeness of Information and Transactions

1. We have provided you with:
    - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
    - Additional information that you have requested from us for the purpose of the audit; and
    - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. We have disclosed to you the use of all applications or tools using artificial intelligence, including generative artificial intelligence, that are reasonably likely to have a direct or indirect material effect on the financial statements.
3. All material transactions have been recorded in the accounting records and are reflected in the Authority financial statements.
4. We have made available to you all minutes of the meetings of the Authority and its relevant committees (Broads Authority and Risk, Audit and Governance) held through the period of 1 April 2025 to the most recent meeting on 23 November 2026.
5. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the Authority's related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such

parties at the 31 March 2026 period end. These transactions have been appropriately accounted for and disclosed in the Authority financial statements.

6. We believe that the methods, significant assumptions and the data we used in making accounting estimates and related disclosures are appropriate and consistently applied to achieve recognition, measurement and disclosure that is in accordance with CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26.

7. We have disclosed to you, and the Authority has complied with, all aspects of contractual agreements that could have a material effect on the Authority financial statements in the event of non- compliance, including all covenants, conditions or other requirements of all outstanding debt.

8. From the date of our last management representation letter through the date of this letter we have disclosed to you, to the extent that we are aware, any (1) unauthorised access to our information technology systems that either occurred or is reasonably likely to have occurred, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorised access to our information technology systems is reasonably likely to have a material effect on the Authority financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount.

D. Liabilities and Contingencies

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.

2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.

3. We have recorded and/or disclosed, as appropriate, all liabilities related to litigation and claims, both actual and contingent, and have disclosed in Note 33 to the consolidated and parent Authority financial statements all guarantees that we have given to third parties.

E. Going Concern

1. Note 37 to the financial statements discloses all the matters of which we are aware that are relevant to the Authority's ability to continue as a going concern, including significant conditions and events, our plans for future action, and the feasibility of those plans.

F. Subsequent Events

1. Other than the events described in Note 6 to the Authority financial statements, there have been no events subsequent to 31 March 2026 which require adjustment of or

disclosure in the consolidated and parent Authority financial statements or notes thereto.

G. Other information

1. We acknowledge our responsibility for the preparation of the other information. The other information comprises the information contained within the Narrative Report and the Annual Governance Statement.

2. We confirm that the content contained within the other information is consistent with the financial statements.

H. Climate-related matters

1. We confirm that to the best of our knowledge all information that is relevant to the recognition, measurement, presentation and disclosure of climate-related matters has been considered and the Authority have reflected these in the financial statements.

2. The key assumptions used in preparing the financial statements are, to the extent allowable under the requirements of the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, aligned with the statements we have made in the other information or other public communications made by us.

I. Use of the Work of a Specialist

1. We agree with the findings of the specialists that we engaged to evaluate the current value of the land and buildings and have adequately considered the qualifications of the specialists in determining the amounts and disclosures included in the financial statements and the underlying accounting records. We did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialists.

J. Estimates (Valuation of Pension Liability, and Property, Plant and Equipment)

1. We confirm that the significant judgments made in making the above estimates have taken into account all relevant information of which we are aware.

2. We believe that the selection or application of the methods, assumptions and data used by us have been consistently and appropriately applied or used in making the above accounting estimates.

3. We confirm that significant assumptions used in making the above estimates appropriately reflect our intent and ability to carry out this valuation.

4. We confirm that the disclosures made in the financial statements with respect to the accounting estimates, including those describing estimation uncertainty, are complete and are reasonable in the context of the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26.

5. 5.We confirm that appropriate specialised skills or expertise has been applied in making the above accounting estimates.

6. We confirm that no adjustments are required to the accounting estimate(s) and disclosures in the financial statements.

K. Ownership of Assets

1. Except for assets capitalised under finance leases, the Authority has satisfactory title to all assets appearing in the balance sheet, and there are no liens or encumbrances on the Authority's assets, nor has any asset been pledged as collateral, other than those that are disclosed in the notes to the financial statements. All assets to which the Authority has satisfactory title appear in the balance sheet.

2. All agreements and options to buy back assets previously sold have been properly recorded and adequately disclosed in the financial statements.

3. We have no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realisable value.

4. There are no formal or informal compensating balance arrangements with any of our cash and investment accounts. Except as disclosed in the notes to the financial statements, we have no other line of credit arrangements.

L. Retirement benefits

1. On the basis of the process established by us and having made appropriate enquiries, we are satisfied that the actuarial assumptions underlying the scheme liabilities are consistent with our knowledge of the business. All significant retirement benefits and all settlements and curtailments have been identified and properly accounted for.

Yours sincerely

_____

(Director of Resources)

_____

(Chair of the Risk, Audit and Governance Committee)

Risk, Audit and Governance Committee

23 November 2026
Agenda item number 8

Statement of Accounts 2025/26

Report by Director or Resources

Summary

This report provides an update on the Broads Authority's Statement of Accounts and its audit for the year ended 31 March 2026.

Recommendation

To note the current position regarding the Draft Statement of Accounts for 2025/26.

1. Introduction

1.1. The draft Statement of Accounts for 2025/26 was last presented to this committee on 21 July 2026. At the meeting it was reported that the audit started on 13 July 2026. The auditors will report their results under agenda item 7.

2. Changes to the 2025/26 Accounts

2.1. Since the update in July there has been a small increase of £7,448 to the outturn surplus reported, resulting in a consolidated surplus of £239,597. This is because of a correction to the Farming in Protected Landscape (FiPL) grant income being recognised in the year. This has also resulted in some amendments to the balance sheet based on the capital and revenue grant that remained unspent at the end of March 2026.

2.2. Table 1 below provides an updated summary of adjustments.

Table 1

Summary Income and Expenditure 2025/26

Income and Expenditure	Delivery £000's	Resources £000's	Chief Executive £000's	HLF £000's	Corporate Amounts £000's	Total £000's
Fees, charges, interest and other service income	(589)	(760)	(362)	(65)	(4,866)	(6,642)

Income and Expenditure	Delivery £000's	Resources £000's	Chief Executive £000's	HLF £000's	Corporate Amounts £000's	Total £000's
Contribution from reserves	0	0	0	0	(176)	(176)
Government Grants	0	0	0	0	(4,423)	(4,423)
Total Income	**(589)**	**(760)**	**(362)**	**(65)**	**(9,465)**	**(11,241)**
Employee expenses	3,428	1,386	1,085	29	57	5,985
Other service expenses	1,849	2,713	429	25	0	5,016
Total Expenditure	**5,277**	**4,099**	**1,514**	**54**	**57**	**11,001**
Net Expenditure	**4,688**	**3,339**	**1,152**	**(11)**	**(9,408)**	**(240)**

Table 2
Summary of adjustments

Adjustments	**Amounts £000's**
Net Expenditure	(240)
Amounts in the Comprehensive Income and Expenditure Statement (CIES) not reported to management	162
Amounts included in Table 1 not in the CIES	3,016
Cost of Services in the CIES	**2,938**

2.3. Items in the amounts included in the CIES not reported to management include year-end adjustments for the Pension Scheme. The Accounts are adjusted to reflect the difference between the actual costs assessed by the Actuary and the contributions paid over during the year. Further adjustments are also made for untaken staff leave, depreciation, movements on the revaluation of fixed assets and unapplied grant income.

2.4. The main adjustments in the third line, which is in the analysis above but not the Comprehensive Income and Expenditure Statement, is the removal of the DEFRA grant, interest and investment income and interest payable. These items are added back in the lines under the cost of services. Further adjustments relate to the accounting treatment of capital expenditure and reserve expenditure.

2.5. Table 3 below analyses these adjustments in more detail and agrees back to the Comprehensive Income and Expenditure Statement on page 17 in the Statement of Accounts.

Table 3
Detailed adjustments

Income and Expenditure type	Service Analysis £000's	Not reported to Management £000's	Not included in the CIES £000's	Net Cost of Services £000's	Other operating expenditure, finance & investment income and Government Grant £000's	Deficit on the Provision of Services £000's
Fees, charges and other service income	(6,375)	0	0	(6,375)	0	(6,375)
Interest and investment income	(267)	0	267	0	(267)	(267)
Contribution from reserves	(176)	0	(222)	(398)	0	(398)
Government Grants	(4,423)	0	4,416	(7)	(4,580)	(4,587)
Total Income	**(11,241)**	**0**	**4,461**	**(6,780)**	**(4,847)**	**(11,627)**
Employee expenses	5,985	(246)	0	5,739	4	5,743
Other services expenses	5,016	0	(1,445)	3,571	0	3,571
Depreciation, amortisation & revaluation	0	408	0	408	0	408
Interest payments	0	0	0	0	83	83

Income and Expenditure type	Service Analysis £000's	Not reported to Management £000's	Not included in the CIES £000's	Net Cost of Services £000's	Other operating expenditure, finance & investment income and Government Grant £000's	Deficit on the Provision of Services £000's
Gain on disposal of Assets	0	0	0	0	(58)	(58)
Total Operating Expenditure	**11,001**	**162**	**(1,445)**	**9,718**	**29**	**9,747**
(Surplus) / Deficit on the Provision of Services	**(240)**	**162**	**3,016**	**2,938**	**(4,818)**	**(1,880)**

3. Balance Sheet

3.1. Following the adjustment of the FiPL grant and the correction between Capital Grants Unapplied and Grant receipts in advance the balance sheet is now showing a net surplus of £13,848,000. The balance sheet can be found on page 20 in appendix 1.

3.2. The bottom section of the Balance Sheet on page 20 splits the reserves between useable and unusable reserves. The 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 individual balances that make up the earmarked reserve can be found within the Statement of Accounts under note 10, page 43. The year end balances of the reserves are:

- National Park £1,301,781;
- Navigation £557,985;
- Earmarked £3,956,296 of which £1,685,974 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 was approved for issue on 24 July 2026 and is available to view on the website Annual Accounts.

5. Audit of the Statement of Accounts

5.1. The Authority's external auditors, Ernst & Young (EY) will start this under agenda item 7.

6. Financial implications

6.1. The Statement of Accounts for 2025/26 shows revenue reserves of £1,859,766 (National Park (general) reserves £1,301,781, Navigation reserves £557,985) that are adequate. The National Park reserve at the end of 2025/26 stands at 29.6% of net expenditure, while the Navigation reserve is 12%.

6.2. The outturn figures for 2025/26, the impact of boat numbers and the 2026/27 level of tolls received will be assessed for their impact on the overall level of reserves and will be considered in future budgeting proposals and when making decisions about income and expenditure in 2027/28.

Author: Emma Krelle

Date of report: 11 November 2026

Broads Plan strategic objectives: All

Appendix 1 – Final Statement of Accounts 2025/26

Broads Authority

Statement of Accounts 2025/26

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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 the 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 plan for the period 2022-27 was adopted by the Authority on 23 September 2022 and is publicly available via the website link below.

Broads Plan 2022 - 2027 (broads-authority.gov.uk)

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 2025/26 can be found in the link below:

Strategic priorities update for 2025/26 and draft strategic priorities for 2026/27

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.

Governance

The Annual Governance Statement provides details of progress against the current year and provides the new financial year action plan. This is currently available in draft and will be considered by the Authority on 24 July 2026 and is available via the link below:

Draft Annual Governance Statement

Operational model

The Authority consists of three Directorates; Resources, Delivery and Chief Executive. The total number of staff employed by the Authority gives a head count of 144 or 130.3 Full

Time Equivalents (FTE) as at 31 March 2026. This is split 34 (30.3 FTE) Resources, 78 (73.4 FTE) Delivery, 32 (26.6 FTE) Chief Executive. Due to the seasonal nature of the Authority's activities the levels of staff vary throughout the year and the year-end position may vary depending on when Easter falls.

The Chief Executive is responsible for the Governance Team who service the Authority's various committees; and Communications - responsible for all publications, events and visitor services.

The Resources Directorate consists of; HR - supporting all of the Authority's employees; Volunteer Services which support volunteering opportunities across all areas of the Authority; Asset Management, IT, Collection of Tolls, Finance and Insurance team; the management of the Nature for Climate Peatland Grant Scheme which aims to create solutions towards peatland restoration, and Farming in Protected Landscapes (FiPL) which supports farmers and land managers in the Broads.

The Delivery Directorate consists of; the Construction, Maintenance and Ecology teams who carry out the practical work on the Broads, from dredging to the maintenance and refurbishment of moorings and land-based sites; the Ranger team who patrol the waterways enforcing the byelaws, carry out small scale practical works, Safety Management with health and safety responsibility for all staff and visitor safety on and near the water; and Planning - responsible for all planning applications, enforcement and the Local Plan within the Authority's executive area.

The Authority receives income from planning fees, contributions from landowners and the Rural Payments Agency towards fen management, Visitor Centres and Yacht Station sales and external funding such as the Grant from the Nature for Climate Peatland Scheme and Defra support for FiPL.

Risks

Uncertainty has reduced about future years' settlements following a proposed three-year National Park grant agreement from 2026/27 and indicative allocations for 2027/28 and 2028/29. Cuts to the National Park Revenue Grant in previous years has meant the Authority has already restructured to make savings. For 2026/27 the consolidated budget has a deficit, with the National Park side being balanced through the National Park (General) Reserve. The surplus on the Navigation side will be placed in the Navigation reserve at year end and will give the Authority the option to keep toll increases for future years in line with inflation. This is sustainable in the short-term following the action taken by the board for a restructure in 2025/26. National Park revenue and capital grants from Defra for 2026/27 both remain at the 2025/26 levels. In addition, National Parks in England have been awarded a one-off revenue payment to be spent by 31 March 2027. Over the next financial year, the Authority will identify ways to spend both the capital grant and one-off revenue payment by 31 March 2027. There continues to be uncertainty around the impact of inflation, wage increases and rising fuel costs. The Landscape Review recommended that "Central Government funding should continue and be both extended and secured across a five-year period." This would greatly assist the Authority in its financial planning.

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 Risk, Audit and Governance 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.

Corporate Risk Register

Review of Corporate Risk Register

The Authority reviewed the risk register and updated it during 2025/26. The risk register is split between the Corporate Risk Register, focusing on risks that are strategic, and Directorates' risk registers, focusing on operational day to day risk. The Corporate Risk Register is reviewed at every Risk, Audit and Governance Committee meeting with the option for significant risks being reported to the Broads Authority.

Opportunities

The UK's 15 National Parks work at a national level with a range of commercial, sustainability and philanthropic partners via National Parks Partnerships and our charitable entity the UK National Parks Foundation. National Parks host over 100 million visits every year and have over 1 million social media followers.

The UK National Parks also continue to investigate efficiencies through joint procurement and services and to create resilience amongst the Parks. UK National Parks Communication Team was initially hosted by the Broads Authority and is now hosted by National Parks Partnership LLP. This service is jointly funded by 15 UK National Parks and seeks to promote a shared sense of identity.

The Authority has already been successful in gaining external funding from; Nature for Climate Peatland Scheme, Active Travel England, Access for All, LAPWDP, Generation Green 2, BMW, Electrifying the Broads, MHCLG Digital Planning, Water Restoration Fund and Norfolk Green Infrastructure and Recreational Mitigation Strategy.

The Authority attended the Norfolk Show in June 2025, hosting the Broads village and promoting the National Park and partner organisations. It was a popular destination with twenty stands and was visited by up to 90,000 visitors, including hundreds of school children. The Authority is planning to return to the Show in June 2026.

2026/27 will see the Authority benefit from £1.42m additional grant funding from DEFRA. This capital funding will need to be spent in 2026/27. The Authority plans to use the funding to support our annual capital programme. Defra has extended their FiPL funding to March 2027.

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 year. 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. Work has now commenced on the preparation of a new Broads Plan to cover the period 2028-2033.

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 (PWLB). 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 2026 is £21,900.

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.

During 2020/21, the Authority took out a further loan from the PWLB for £105,000. The purpose of the loan was to fund the purchase of a new JCB excavator. These types of purchases have typically been financed by finance leases in the past, but the fixed rate of interest at 2% made the loan the cheapest option. The loan was repaid in full during 2025/26.

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

In 2025/26 the Authority received National Park Grant of £4,574k from Defra (£3,914k in 2024/25). 2024/25 included one-off additional revenue and capital funding from DEFRA of £250k each. In addition to this, the income received from external grant support, sales, fees, charges and interest totalled £1,656k (£1,876k in 2024/25). Total income for 2025/26 was £5,946k (£5,790k in 2024/25).

The Authority set a budget for 2025/26 with a forecast deficit of £150k (£15k surplus in 2024/25). The Authority monitors its budget throughout the year against a forecast outturn which is updated monthly. The final forecast outturn for the year 2025/26 indicated an anticipated surplus of £19k. The actual outturn saw a surplus of £149k (a favourable variance of £130k). The Authority has a policy for carrying forward requests in respect of underspends. These were considered and approved by the Authority on 15 May 2026 for £4k (£13k from 2024/25 added to the 2025/26 budget) and added to the 2026/27 budget.

Navigation Income and Expenditure

Income from tolls was £4,498k (£4,314k in 2024/25), other income received for the year from external grant support, yacht stations charges, sales of tide tables, works licences and other miscellaneous services was £354k, (£293k in 2024/25) and interest was £134k (£153k in 2024/25). Total income for 2025/26 was £4,986k (£4,760k in 2024/25).

The Authority set a budget with a forecast deficit of £68k for 2025/26 (surplus of £87k for 2024/25). This deficit was to be balanced using reserves. The Authority monitors its budget throughout the year against a forecast outturn which is updated monthly. The final forecast outturn for 2025/26, which took account of approved budget changes, indicated an anticipated a surplus of £49k. The actual outturn saw a surplus of £84k (a favourable variance of £35k). The Authority has a policy for carrying forward requests in respect of underspends. These were considered and approved by the Authority on 15 May 2026 for £5k (£1k from 2024/25 added to the 2025/26) and added to the 2026/27 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 17 and the EFA on page 16.

Outlook

2026/27 continues with the delivery of the Active Travel England, Access for All, and Digital Planning. Work continues on the collaborative National Heritage Lottery Fund Landscape Connections bid which if successful could run for up to ten years. The budget for Navigation is projecting a surplus of £76k in 2026/27 (after considering carry forward requests) which will be funded from reserves. This provides a forecast of the Navigation reserve at 11.7% of net expenditure at the end of the year. For General (National Park) funding there is a projected deficit of £90k in 2026/27 (after considering carry forward requests) which will be funded from reserves. This provides a forecast of the National Park reserve at 17.9% of net expenditure. This remains above the recommended minimum level.

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

The 2026/27 investment strategy sees the inclusion of the Authority's minimum revenue provision policy (MRP). The need for formal documentation was highlighted by EY's audit results received in November. The Authority's policy adopts option three which is based on the Asset life method using the annuity method. MRP is charged based on the principal element for the year of the annuity required to repay over the asset's useful life, the amount of capital expenditure financed by borrowing or lease arrangements. The Authority should use an appropriate interest rate to calculate the amount. This is typically the Public Works Loan Board (PWLB) rate as this is the source of borrowing previously used.

Each year the Broads Authority identifies a small set of strategic priorities, which focus on projects that have high resource needs or a very large impact on the Broads, or that are politically sensitive. Setting these priorities helps target the Authority's resources and make the most of partnership working and external funding opportunities. Priorities are set each

financial year, although some large-scale projects carry across several years. Strategic priorities for 2026/27 include the preparation of a replacement Broads Plan to cover the period 2028-2033; adoption of the Local Plan for the Broads Authority, Broadland Futures Initiative (BFI), Landscape Connections, responding to Climate Change and Nature Recovery; Access in the Broads; Maintenance of the navigation priorities; Information and Data Management Project; Devolution and Mayoral Authority.

There are a significant number of variables – and some unknown quantities, such as future inflation, cost of utilities and salary increases – 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 February 2027. The annual toll increase for 2026/27 was set at 3.5% for all vessels. When setting the future strategy, the Authority will continue to consult with the Navigation Committee before the Broads Authority makes a decision. 2026/27 continues to focus on the development of partnership work. The scheme administered by the Broads Authority continues to support farmers and land managers in carrying out projects that support the natural environment, mitigate the impacts of climate change, provide public access opportunities or support nature-friendly, sustainable farm businesses (Farming in Protected Landscapes). Climate change remains a threat to the Broads. Broadland Futures Initiative, in collaboration with the Environment Agency, will continue the strategy development for future flood risk management and engagement work with stakeholders.

Changes to the 2025/26 Accounts

In 2025/26 CIPFA Code of practic has introduced indexa on of non-investment assets. The changes in the 2025/26 Code apply to the following asset categories: Other land and buildings, vehicles, plant, furniture and equipment, surplus assets, right-of-use assets measured at current value. Assets last valued prior to 2025/26 remain valid during the transiti n period (1 April 2025 to the date of the next revalua on). The maximum revalua on interval is fi e years. During this period, indexa on must be applied annually. Under the previous Code, assets had to be revalued if their current value di ered materially from their carrying amount at the repor ng date, and although this requirement has been removed in the 2025/26 Code, the balances as at 31 March 2025 can be considered materially up to date. Therefore, when applying indexa on for the fi st me on 31 March 2026 the calcula on of indexa on gains or losses will be compared to the 31 March 2025 index (and not the index at the date the asset was last valued if earlier). Changes to the valua on of non-current assets through indexa on and/or revalua ons are accounted for through the revalua on reserves or the surplus/defici on provision of services. However, where no suitable index is available the Code outlines the process to follow. In such cases authori es u lising the op on to carry out a desktop revalua on in year three.

During 2025/26 the Authority undertook a restructure following the cut in Na onal Park grant funding. This resulted in a reduc on of one directorate and the realloca on of departments across the remaining Directors and Chief Execu ve. This has resulted in the 2024/25 compara ves being amended so they are consistent with the directorates in 2025/26.

The accounting statements

The Broads Authority's accounts for the year 2025/26 are set out on pages 13 to 86. 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 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 36 on page 85.

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 Director of Resources.

b) Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

c) Approve the statement of accounts.

The Director of Resources Responsibilities

The Director of Resources 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 2025/26 (the Code).

In preparing this Statement of Accounts, the Director of Resources 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 Director of Resources 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.

Director of Resources 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 2026 and its income and expenditure for the year ended 31 March 2026.

Emma Krelle (Director of Resources)

Certificate of Committee Resolution

I confirm that these accounts were given delegated approval by the Broads Authority at its meeting held _____.

Signed on behalf of The Broads Authority:

(Chair of meeting approving the accounts)

Date

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

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.

2024/25 Net expenditure chargeable to the General and navigation fund balances £000	**2024/25 adjustments between the funding and accounting basis £000**	**2024/25 Net expenditure in the comprehensive income and expenditure statement £000**	**Function**	**2025/26 Net expenditure chargeable to the General and navigation fund balances £000**	**2025/26 adjustments between the funding and accounting basis £000**	**2025/26 Net expenditure in the comprehensive income and expenditure statement £000**
1,515	41	1,556	Delivery	1,372	(99)	1,273
1,411	(186)	1,225	Resources	2,232	(1,087)	1,145
633	19	652	Chief Executive	596	44	640
4	0	4	Corporate Amounts	46	0	46
185	(120)	65	Broads Navigation Account	(104)	(62)	(166)
3,748	**(246)**	**3,502**	**Net cost of services (subtotal)**	**4,142**	**(1,204)**	**2,938**
(4,311)	9	(4,302)	Other income and expenditure	(4,822)	4	(4,818)
(563)	**(237)**	**(800)**	**(Surplus) or Deficit**	**(680)**	**(1,200)**	**(1,880)**
(1,308)			Opening general and navigation fund balance	**(1,796)**		
(563)			Less/plus surplus or (deficit) on general and navigation balance in year	**(680)**		
75			Transfer (to)/from earmarked reserves, Capital Receipts Reserve and Capital Grant Unapplied	**615**		
(1,796)			**Closing general and navigation fund balance at 31 March**	**(1,861)**		

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.

Comprehensive Income and Expenditure statement

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

2024/25 Gross expenditure £000	2024/25 Income £000	2024/25 Net expenditure/ (income) £000	Description	Note	2025/26 Gross expenditure £000	2025/26 Income £000	2025/26 Net expenditure/ (income) £000
2,135	(579)	1,556	Delivery		1,774	(501)	1,273
2,173	(948)	1,225	Resources		1,974	(829)	1,145
835	(183)	652	Chief Executive		839	(199)	640
4	0	4	Corporate Items		46	0	46
4,640	(4,575)	64	Broads Navigation Account	36	4,687	(4,853)	(166)
9,787	**(6,285)**	**3,502**	**Cost of services (subtotal)**		**9,320**	**(6,382)**	**2,938**
		(13)	(Gains)/Losses on the disposal of non-current assets				(58)
		(229)	Financing and investment income and expenditure	11			(180)
		(4,060)	Taxation and non-specific grant income and expenditure	12			(4,580)
		(800)	**(Surplus) or deficit on provision of services (subtotal)**				**(1,880)**
		(233)	(Surplus) or deficit on revaluation of fixed assets				(4)
		9	Actuarial (gains)/losses on pension assets/liabilities				226
		(224)	Other comprehensive income and expenditure (subtotal)				**222**
		(1,024)	**Total comprehensive income and expenditure**				**(1,658)**

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.

2024/25	**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 2024 (A)	1,309	422	3,502	5,233	5,931	11,164
Total comprehensive income and expenditure	800	0	0	800	0	800
Other Comprehensive income and expenditure	0	0	0	0	225	225
Adjustments between accounting basis and funding basis under regulations (Note 9)	(259)	21	0	(238)	238	0
Transfers to or from Earmarked reserves (Note 10)	(54)	0	54	0	0	0
Increase or (decrease in 2024/25 (B) (subtotal)	487	21	54	562	463	1,025
Balance at 31 March 2025 (=A+B)	**1,796**	**443**	**3,556**	**5,795**	**6,394**	**12,189**

2025/26	General fund and navigation fund balance £000	Capital receipts reserve £000	Capital Grants unapplied £000	Earmarked reserves £000	Total useable reserves £000	Unusable reserves £000	Total Authority reserves £000
Balance at 31 March 2025 (A)	1,796	443	0	3,556	5,795	6,394	12,189
Total comprehensive income and expenditure	1,880	0	0	0	1,880	0	1,880
Other Comprehensive income and expenditure	0	0	0	0	0	(221)	(221)
Adjustments between accounting basis and funding basis under regulations (Note 9)	(1,415)	57	191	0	(1,200)	1,200	0
Transfers to or from Earmarked reserves (Note 10)	(400)	0	0	400	0	0	0
Increase or (decrease in 2025/26 (B) (subtotal)	65	57	191	400	680	979	1,659
Balance at 31 March 2026 (=A+B)	**1,861**	**500**	**191**	**3,956**	**6,475**	**7,373**	**13,848**

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 March 25 £000	Category	Note	As at 31 March 26 £000
7,313	Property, plant & equipment	13	8,188
29	Intangible assets		30
7,342	**Long term assets (subtotal)**		**8,218**
6,102	Short term investments		6,115
164	Inventories	14	232
606	Short term debtors	15	1,133
1,624	Cash and cash equivalents	16	2,207
8,496	**Current assets (subtotal)**		**9,687**
(36)	Short term borrowing		(15)
(60)	Lease liability	30	(63)
(2,447)	Short term creditors	17	(2,608)
(103)	Provisions	18	(143)
(195)	Grant receipts in advance	27	(507)
(2,841)	**Current liabilities (subtotal)**		**(3,336)**
(22)	Long term borrowing		(7)
(786)	Other long-term liabilities	30, 32	(714)
(808)	**Long term liabilities (subtotal)**		**(721)**
12,189	**Net assets (liabilities)**		**13,848**
	Useable reserves		
1,169	General account fund balance		1,303
627	Navigation account fund balance		558
443	Capital receipts reserve		500
0	Capital Grants Unapplied Account		158
3,556	Earmarked reserves		3,956
	Unusable reserves	20	
2,707	Revaluation reserve		2,667
3,947	Capital adjustment account		4,950
(196)	Pension reserve		(182)
(64)	Accumulated absence reserve		(62)
12,189	**Total reserves**		**13,848**

I certify that the Statement of Accounts gives a true and fair view of the financial position of the Authority at 31 March 2026 and its income and expenditure for the year 31 March 2026.

Emma Krelle (Director of Resources)

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.

2024/25 £000	Revenue activities	Note	2025/26 £000
800	Net surplus or (deficit) on the provision of services		1,880
871	Adjustments to net surplus or deficit on the provision of services for non-cash movements		87
5,206	Adjust for items in the net surplus or deficit on the provision of services that are investing and financing activities		5,283
6,877	Net cash flows from operating activities (subtotal)	21	7,250
(6,627)	Investing activities	22	(6,570)
(80)	Financing activities	23	(97)
170	Net increase or (decrease) in cash and cash equivalents (subtotal)		583
1,454	Cash and cash equivalents at the beginning of the reporting period		1,624
1,624	**Cash and cash equivalents at the end of the reporting period**		**2,207**

Notes to the Statement of Accounts

1. Accounting policies

i. General principles

The Statement of Accounts summarises the Authority's transactions for the 2025/26 financial year and its position at the year end of 31 March 2026. 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 2025/26 and the Service Reporting Code of Practice 2025/26, 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 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.

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 considers 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 (i.e. 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.

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. 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.

xiv. Leases

The Authority as lessee

At inception of an arrangement, the Authority determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Authority the right to control the use of the underlying asset. The Code expands the scope of IFRS 16 leases to include arrangements will nil consideration, peppercorn or nominal payments.

Initial measurement

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date, if later). The lease liabilities arising from a lease are initially measured on a present value basis comprising the following lease payments:

- Fixed payments (including in-substance fixed payments) less any lease incentives receivable.
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable by the Authority under residual value guarantees.
- The exercise price of a purchase option if the Authority is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease, if the lease term reflects the Authority exercising that option.
- Lease payments to be made under certain extension options.

The lease payments are discounted using the Authority's incremental borrowing rate, being the rate, the Authority would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

For the current year, the Authority's incremental borrowing rate for each tenor consists of Public Works Loan Board (PWLB) as this is the source of borrowing previously used.

Lease payments are allocated between the repayment of principal and a finance cost. The finance cost is charged to the Comprehensive Income and Expenditure Statement over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use assets are measured at cost comprising the following:

- The amount of initial measurement of lease liability.
- Any lease payments made at or before the commencement date, less any lease incentives received.

- Any initial direct costs.
- Restoration costs.

The right-of-use assets are generally depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term. If it is reasonably certain that the Authority will exercise a purchase option, then the right-of-use asset is depreciated over the underlying asset's useful life. Depreciation and impairments on non-current assets is accounted for under separate arrangements for capital financing. Amounts are therefore adjusted via the capital adjustment account from the General and Navigation Fund balance in the Movement in Reserves Statement.

Payments associated with short-term leases and with low-value assets are recognised on a straight-line basis as an expense in the Comprehensive Income and Expenditure Statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are items under £5,000 and comprise of IT equipment, small items of office furniture and low value land.

Subsequent measurement

The right-of-use asset is subsequently measured using the fair value model. The authority considers the cost model to be a reasonable proxy except for:

- assets held under non-commercial leases.
- leases where rent reviews do not necessarily reflect market conditions.
- leases with terms of more than five years that do not have any provision for rent reviews.
- leases where rent reviews will be at periods of more than five years.

For these leases, the asset is carried at a revalued amount. In these financial statements, right-of-use assets held under index-linked leases have been adjusted for changes in the relevant index, while assets held under peppercorn or nil consideration leases have been valued using market prices or rentals for equivalent land and properties.

The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption.

The lease liability is subsequently measured at amortised cost, using the effective interest method. The liability is remeasured when:

- there is a change in future lease payments arising from a change in index or rate.
- there is a change in the Authority's estimate of the amount expected to be payable under a residual value guarantee.
- the authority changes its assessment of whether it will exercise a purchase, extension or termination option, or
- there is a revised in-substance fixed lease payment.

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any further adjustment required from remeasurement being recorded in the income statement.

Peppercorn leases

Leases with payments at peppercorn or nominal consideration that are provided at substantially below market terms, and leases for nil consideration, are accounted for as follows:

- Any portion of the lease that is payable is accounted for in the same way as other lease obligations under IFRS 16 Leases
- The difference between the present value of any future lease payments due and the fair value of the lease on initial recognition is recognised as a fair value right-of-use asset on the Balance Sheet, with a corresponding gain recognised in grant income within the surplus or deficit recognised on the provision of services

The Authority has a number of leases over land and property under which it pays £nil or peppercorn rents. It has undertaken an exercise to assess the fair value of the assets leased under these arrangements through use of its property consultant, and these have been recorded in the financial statements, in respect of these leases.

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.

xv. 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 accrual's 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 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;
- floating plant and vessels – straight-line allocation between 15 and 30 years, as advised by a suitably qualified officer;
- other plant, vehicles, furniture and equipment – straight-line allocation between 5 and 15 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.
- Listed buildings – depreciation period could to up to 100 years

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.

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.

xvi. 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, considering 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

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 33) 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.

xvii. 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.

xviii. 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 2025/26, however in note 36 to the accounts the navigation income and expenditure is shown.

xix. 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.

xx. 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.

xxi. VAT

VAT payable is included as an expense only to the extent that it is not recoverable from His 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 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 2026:

- Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (amendments to heritage assets) issued in March 2024.
- Amendments to the Classification and Measurement of Financial Instruments (amendments to IFRS 9 and IFRS 7) issued in May 2024.
- Annual improvements to IFRS accounting standards – Volume 11 issued in July 2024.
- Contracts Referencing Nature-dependent Electricity (amendments to IFRS 9 and IFRS 7) issued in December 2024.

None of the above changes are expected to have a material impact on the Authority's statements.

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 an indicative three-year settlement from DEFRA for 2026/27 to 2028/29 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. The Authority 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 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	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 £55,085 for every year that useful lives had to be reduced.

Item	Uncertainties	Effect if actual results differ from assumptions
	doubt the useful lives assigned to assets.	
Property plant and equipment	Assets are valued on a five-year rolling basis, supported by indexation adjustments in years where assets are not valued. Where the authority is unable to obtain a suitable index, a desktop revaluation of the asset is carried out in year three of the five-year cycle.	Based on the assets that were valued in the year as part of the five-year rolling revaluation programme, the average increase in the value of assets was 12%. For those assets where indexation was applied, the average increase in the value of assets was 1.08%. If the valuation percentage was applied to the assets valued using indices, this would increase their Balance Sheet value by £296,345, compared to an indexation increase of £26,721
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 pension's liability of changes in individual assumptions can be measured. For instance, a 0.1% decrease in the discount rate assumption would result in an increase in the pension liability of £481,000. Further details are set out in the sensitivity analysis in note 32.

5. Material items of income and expenditure

There are no material items of expense in relation to 2025/26 which are not disclosed elsewhere within the Statement of Accounts.

6. Events after the balance sheet date

The Statement of Accounts to be authorised for issue by the Director of Resources on X November 2026. Events that occur after this date are not reflected in the financial statements or notes.

7. Note to the expenditure and funding analysis

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

2024/25 Adjustments for capital purposes (Note 1) £000	2024/25 Net change for the pension's adjustments (Note 2) £000	2024/25 Other differences (Note 3) £000	2024/25 Total adjustments £000	Description	2025/26 Adjustments for capital purposes (Note 1) £000	2025/26 Net change for the pension's adjustments (Note 2) £000	2025/26 Other differences (Note 3) £000	2025/26 Total adjustments £000
49	(9)	1	41	Delivery	(37)	(62)	0	(99)
(181)	(5)	0	(186)	Resources	(1,055)	(32)	0	(1,087)
23	(4)	0	19	Chief Executive	67	(23)	0	44
0	0	0	0	Corporate Items	0	0	0	0
(100)	(20)	0	(120)	Broads Navigation Account	67	(127)	(2)	(62)
(209)	(38)	1	(246)	Net Cost of Services (subtotal)	(958)	(244)	(2)	(1,204)
0	9	0	9	Other income and expenditure from the Expenditure and Funding analysis	0	4	0	4
(209)	**(29)**	**1**	**(237)**	Difference between General and Navigation Fund surplus or deficit and comprehensive Income and Expenditure Statement Surplus of Deficit on the Provision of Services	**(958)**	**(240)**	**(2)**	**(1,200)**

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 i.e. 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 statue including accumulated absences.

Income received on a segmental basis is analysed below:

Service	**2024/25 Income from services (£000)**	**2025/26 Income from services (£000)**
Delivery	(579)	(501)
Resources	(948)	(829)
Chief Executive	(183)	(199)
Corporate items	0	0
Specialist ringfenced account (navigation)	(4,575)	(4,853)
Total income analysed on a segmental basis	**(6,285)**	**(6,382)**

8a. Expenditure and income analysed by nature

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

Expenditure	2024/25 £000	2025/26 £000
Employee benefits expenses	5,895	5,743
Other services expenses	4,043	3,573
Depreciation, amortisation, impairment	379	408
Interest payments	69	83
Loss/(gain) on the disposal of assets	(12)	(58)
Total expenditure	**10,374**	**9,749**

Income	2024/25 £000	2025/26 £000
Fees, charges and other service income	(6,330)	(6,377)
Interest and investment income	(307)	(267)
Contributions from reserves	(477)	(398)
Government grants and contributions	(4,060)	(4,587)
Total income (subtotal)	(11,174)	(11,629)
Surplus or deficit on the provision of services	**(800)**	**(1,880)**

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:

Contract Revenue	2024/25 £000	2025/26 £000
Revenue from contracts with service recipients	174	251
Total included in comprehensive income and expenditure	**174**	**251**

Amounts included in the Balance Sheet for contracts with service recipients:

Outstanding Revenue	2024/25 £000	2025/26 £000
Receivables, which are included in debtors (Note 15)	50	113
Total included in net assets	**50**	**113**

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.

2024/25 General fund and navigation fund £000	2024/25 Capital receipts reserve £000	2024/25 Movement in unusable reserves £000	Adjustments	2025/26 General fund and navigation fund £000	2025/26 Capital receipts reserve £000	2025/26 Capital grants unapplied account £000	2025/26 Movement in unusable reserves £000
(21)	21	0	**Adjustments primarily involving the Capital Adjustment Account:** **Reversal of items debited or credited to the Comprehensive Expenditure and Income Statement:** Transfer of non-current asset sale proceeds from revenue to Capital Receipts Reserve	(57)	57	0	0
(146)	0	146	Right of use assets on transition	0	0	0	0
0	0	0	Donated Asset	(6)	0	0	6
375	0	(375)	Charges for depreciation and impairment of non-current assets	406	0	0	(406)
4	0	(4)	Revaluation losses on property, plant and equipment	2	0	0	(2)
0	0	0	Amortisation of intangible assets	0	0	0	0
30	0	(30)	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	0	0	0	0
(81)	0	81	**Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:** Statutory provision for the financing of capital investment	(98)	0	0	98
(392)	0	392	Capital expenditure charged against the General Fund	(144)	0	0	144
0	0	0	**Adjustments involving the Capital Resources:** Application of Capital Grant to finance Capital Expenditure	0	0	(1,119)	1,119
0	0	0	Transfer of Capital Grants and contributions to Capital Unapplied Grant	(1,277)	0	1,277	0
903	0	(903)	**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 32)	658	0	0	(658)
(931)	0	931	Employer's pension contributions and direct payments to pensioners payable in the year	(895)	0	0	895
0	0	0	**Adjustments involving the accumulated Absences Account:** Adjustments in relation to short-term compensated absences	(3)	0	0	3
(259)	**21**	**238**	**Total adjustments**	**(1,415)**	**58**	**158**	**1,199**

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 2025/26. A description of each of the earmarked reserves follows in the table below.

Reserve Name	Balance at 31 March 2024 £000	Transfers in 2024/25 £000	Transfers out 2024/25 £000	Balance at 31 March 2025 £000	Transfers in 2025/26 £000	Transfers out 2025/26 £000	Balance at 31 March 2026 £000
Property	(1,139)	(63)	359	(843)	(127)	64	(906)
Plant, vessels and equipment	(640)	(260)	117	(783)	(269)	2	(1,050)
Premises	(431)	(27)	16	(442)	(76)	13	(505)
Planning delivery grant	(277)	(270)	42	(505)	(71)	121	(455)
Upper Thurne Enhancement Scheme	(250)	(39)	6	(283)	(36)	0	(319)
Heritage Lottery Fund	(13)	(150)	163	0	(66)	54	(12)
Catchment Partnership	(70)	(60)	54	(76)	(35)	21	(90)
Computer Software	(183)	(9)	34	(158)	(28)	8	(178)
UK National Park Communications	(4)	0	1	(3)	0	3	0
Medium Term Financial Planning	(495)	(279)	311	(463)	(20)	42	(441)
Total	**(3,502)**	**(1,157)**	**1,103**	**(3,556)**	**(728)**	**328**	**(3,956)**

Included in the closing balance of £3,956k, £1,686k 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.

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.

Computer Software

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

UK National Parks Communications

A reserve account set up to hold ring-fenced income from the 15 National Parks to fund the UK Communications Team.

Match Funding

A reserve account set up for European grant funded project EXPERIENCE.

Medium-term Financial Planning

A reserve account set up for the supplementary National Park Grant to fund medium-term plans for the Authority.

11.Financing and investment income and expenditure

2024/25 £000	Expenditure and income detail	2025/26 £000
69	Interest payable and similar charges	83
9	Net interest on the net defined benefit liability (asset)	4
(307)	Interest receivable and similar income	(267)
(229)	**Total**	**(180)**

12.Taxation and non-specific Grant income

2024/25 £000	Income detail	2025/26 £000
	Credited to Taxation and non-specific Grant income	
3,414	DEFRA National Park Grant	3,189
250	DEFRA Capital Grant	1,385
250	DEFRA Additional Revenue funding	0
146	Donated Asset*	6
4,060	**Total**	**4,580**

* Peppercorn Leases – Prior Year/ Hardley Mill Pontoons – Current Year

13.Property, plant and equipment

Movements on balances 2024/25

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 2024	4,141	3,738	315	323	21	8,538
Right of use assets on transition (peppercorn leases)	360	5	0	0	0	365
Additions	456	363	0	0	3	822
Donated Assets	0	0	0	0	0	0
Revaluation increases/(decreased) recognised in the Revaluation reserve	201	0	0	0	0	201
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	(21)	0	0	0	0	(21)
Derecognition-disposals	0	(98)				(98)
Reclassification	0	3	15	0	(18)	0
At 31 March 2025	**5,137**	**4,011**	**330**	**323**	**6**	**9,807**

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 2024	73	1,859	304	0	0	2,236
Depreciation charge	92	281	1	0	0	374
Derecognition – disposals	0	(66)	0	0	0	(66)
Revaluations - Revaluation Reserve	(33)	0	0	0	0	(33)
Revaluations - Surplus / Deficit on Provision of Services	(17)	0	0	0	0	(17)
At 31 March 2025	**115**	**2,074**	**305**	**0**	**0**	**2,494**

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
At 31 March 2025	**5,022**	**1,937**	**25**	**323**	**6**	**7,313**
At 31 March 2024	4,068	1,880	11	323	21	6,303

Movements on balances 2025/26

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 2025	5,137	4,011	330	323	6	9,807
Additions	486	652	0	0	133	1,271
Donated Assets	0	6	0	0	0	6
Revaluation increases/(decreased) recognised in the Revaluation reserve	(15)	0	0	0	0	(15)
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	0	0	0	0	0	0
Derecognition-disposals	0	(97)	0	0	0	(97)
Re-classification	0	0	0		0	0
At 31 March 2026	**5,608**	**4,572**	**330**	**323**	**139**	**10,972**

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 2025	115	2,074	305	0	0	2,494
Depreciation charge	109	289	1	0	7	406
Derecognition – disposals	0	(96)	0	0	0	(96)
Depreciation written out to the Revaluation Reserve	(20)	0	0	0	0	(20)
At 31 March 2026	**204**	**2,267**	**306**	**0**	**7**	**2,784**

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
At 31 March 2026	**5,404**	**2,305**	**24**	**323**	**132**	**8,188**
At 31 March 2025	5,022	1,937	25	323	6	7,313

Under land is Womack Dyke which has been valued at £5,750, however the Authority's ownership cannot be established at this point in time. Its inclusion above is not considered material.

From 1 April 2024 Right of use assets are now included within the balance sheet under Property, Plant and Equipment, this is offset by the corresponding lease liability within current liabilities. See note 30 for further details.

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 100 years as per professional advice
Community Land	Not depreciated	Not depreciated
Infrastructure Asset	Straight line	Between 20 to 25 years
Maintenance Craft and Floating plant	Straight line	Between 15 to 30 Years
Other Plant and Equipment	Straight line	Between 5 and 15 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, supplemented by annual indexation in intervening years. This is a result of a change in the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) from 1 April 2025. Where authorities cannot obtain indices without undue cost or effort, authorities revalue those assets using a quinquennial revaluation with a desktop revaluation in year three.

Valuations were carried out internally and externally. Valuations of land and buildings were carried out externally by Bruton Knowles Limited, 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 that 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:

- 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.

Financial Year	**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	1,646	23	323	63	2,055
Valued at current value as at 31st March 2026	2,100	656	1	0	69	2,826
31 March 2025	1,197	3	0	0	0	1,200
31 March 2024	1,603	0	0	0	0	1,603
31 March 2023	234	0	0	0	0	234
31 March 2022	270	0	0	0	0	270
Total cost or valuation	**5,404**	**2,305**	**24**	**323**	**132**	**8,188**

14.Inventories

Description	Consumable stores 2024/25 £000	Consumable stores 2025/26 £000	Maintenance materials 2024/25 £000	Maintenance materials 2025/26 £000	Total 2024/25 £000	Total 2025/26 £000
Balance outstanding at start of year	33	34	176	130	209	164
Purchases	31	37	188	392	219	429
Recognised as an expense in year	(30)	(35)	(234)	(326)	(264)	(361)
Written off balances	0	0	0	0	0	0
Balances outstanding at year end	**34**	**36**	**130**	**196**	**164**	**232**

15.Debtors

31 March 2025 £000	Debtor types	31 March 2026 £000
50	Trade receivables	113
329	Prepayments and accrued income	657
227	Other receivable amounts	363
606	**Total**	**1,133**

16.Cash and cash equivalents

The balance of cash and cash equivalents is made up of the following elements:

31 March 2025 £000	Cash and cash equivalent types	31 March 2026 £000
2	Cash held by the Broads Authority	2
1,622	Bank current accounts	2,205
1,624	**Total cash and cash equivalents**	**2,207**

17.Creditors

31 March 2025 £000	Creditor types	31 March 2026 £000
644	Trade payables	603
1,621	Accruals and income in advance	1,811
182	Other payable amounts	194
2,447	**Total**	**2,608**

18.Provisions

2024/25 Accumulated absences provision £000	2024/25 Biodiversity Net Gain Provision £000	2024/25 Bad Debt Provision £000	2025/26 Redundancy Provision £000	2024/25 Total £000	Description	2025/26 Accumulated absences provision £000	2025/26 Biodiversity Net Gain Provision £000	2025/26 Bad Debt Provision £000	2025/26 Redundancy Provision £000	2025/26 Total £000
64	30	0	0	94	Balance at 1 April	64	35	4	0	103
64	16	4	0	84	Additional provisions made in year	61	16	0	28	105
(64)	(11)	0	0	(75)	Settlements or cancellation of provision made at end of proceeding year	(64)	(1)	0	0	(65)
64	**35**	**4**	**0**	**103**	**Balance at 31 March**	**61**	**50**	**4**	**28**	**143**

The Biodiversity Net Gain provision relates to funding confirmation received from DEFRA in March 2023. This funding will be used to fund Biodiversity projects in 2026/27.

Biodiversity Net Gain (BNG) became a new legal requirement in 2024/25 and affects most types of planning applications in England. The intention of the legislation is to ensure the biodiversity value of development sites is measurably improved as a result of development. To achieve this, the law requires most planning applications to demonstrate a minimum 10% gain for biodiversity. The requirement applies to small sites as well as major.

For more information on the Accumulated Absence Account, see note 20.

During 2025/26 the Authority undertook a restructure following a reduction in National Park funding. Further details can be found in note 31 .

19. Usable reserves

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

20. Unusable reserves

31 March 2025 £000	Description	31 March 2026 £000
2,707	Revaluation reserve	2,667
3,947	Capital Adjustment Account	4,950
(196)	Pensions Reserve	(182)
(64)	Accumulated Absences Account	(62)
6,394	**Total unusable reserves**	**7,373**

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.

2024/25 £000	Description	2025/26 £000
2,698	Balance at 1 April	2,707
232	Upward revaluation of assets	53
0	Downward revaluation of assets	(47)
233	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on Provision of Services (subtotal)	6
(223)	Difference between current value depreciation and historical cost deprecation	(46)
(223)	Amount written off to the Capital Adjustment Account (subtotal)	(46)
2,707	**Balance at 31 March**	**2,667**

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.

2024/25 £000	Description	2025/26 £000
3,513	Balance at 1 April	3,947
146	Right of use assets on transition	0
0	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement: Transfer of non-current asset sale proceeds from revenue to Capital Receipts Reserve	58
(375)	Charges for depreciation and impairment of non-current assets	(406)
(4)	Revaluation losses on property plant & equipment	(2)
0	Revenue expenditure funded from capital under statute	(369)
0	Movement in the Donated Assets	6
0	Amount on Excavator w/off on disposal or sale as part of the gain/loss on disposal to CIES	0
0	Amortisation of intangible assets	0
(31)	Amounts of non-current assets written off on disposal or sale as part of the gain/loss in disposal to the comprehensive income and expenditure statement	(58)
223	Adjusting amounts written out of the revaluation reserve	46

2024/25 £000	Description	2025/26 £000
(41)	Net written out amount of the cost of non-current assets consumed in the year (subtotal)	(725)
0	Capital grants and contributions credited to CIES applied for capital financing	1,644
0	Application of grants to capital financing from Capital Grants Unapplied Account	0
0	Transfer of capital grants and contributions to Capital Grants Unapplied	(158)
81	Capital financing applied in the year: Statutory provision for the financing of capital investment charges against the general fund removal of finance lease liability for assets returned in year	98
394	Capital expenditure charges against the General Fund	144
3,947	**Balance at 31 March**	**4,950**

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.

2024/25 £000	Description	2025/26 £000
(216)	Balance at 1 April	(196)
(9)	Remeasurements of the net defined benefit liability/(asset)	(226)
(903)	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	(657)

2024/25 £000	Description	2025/26 £000
932	Employer's pension contributions and direct payments to pensioners payable in the year	897
(196)	**Balance at 31 March**	**(182)**

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.

2024/25 £000	Description	2025/26 £000
(64)	Balance at 1 April	(64)
0	Settlement or cancellation of accrual made at the end of the preceding year	64
(64)	Amounts accrued at the end of the current year	(62)
64	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
(64)	**Balance at 31 March**	**(62)**

21. Cash Flow Statement – Operating Activities

The cash flows from operating activities include the following items:

2024/25 £000	Operating activity	2025/26 £000
300	Interest received	276
(69)	Interest paid	(83)
0	Other short term lease payments	17

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

2024/25 £000	Non-cash movements	2025/26 £000
375	Depreciation	406
4	Impairment and downward valuations	2
(23)	Deferred revenue/ deferred payment agreements (IFRS 15)	(4)

2024/25 £000	Non-cash movements	2025/26 £000
500	Increase/(decrease) in creditors	474
97	(Increase)/decrease in debtors	(517)
44	(Increase)/decrease in inventories	(68)
(29)	Movement in pension liability	(240)
31	Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	0
(128)	Other non-cash items charged to the net surplus or deficit on the provision of services	34
871	**Net non-cash movements**	**87**

The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities:

2024/25 £000	Investing and Financing activities	2025/26 £000
5,500	Proceeds from short-term (not considered to cash equivalents)	5,500
(44)	Proceeds from the sale of property, plant and equipment	(58)
(250)	Any other items for which the cash effects are investing or financing cash flows	(190)
5,206	**Net investing and finance movements**	**5,252**

22.Cash flow statement – investing activities

2024/25 £000	Investing activity	2025/26 £000
(394)	Purchase of property, plant and equipment, investment property and intangible assets	(1,263)
(6,527)	Purchase of short-term investments	(7,011)
250	Proceeds from short term investments	1,646
44	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	58
(6,627)	**Net cash flows from investing activities**	**(6,570)**

23.Cash flow statement – financing activities

2024/25 £000	Financing activity	2025/26 £000
0	Cash receipts of short- and long-term borrowing	0
(44)	Cash payments for the reduction of the outstanding liabilities relating to finance leases	(61)
(36)	Repayments of short- and long-term borrowing	(36)
(80)	**Net cash flows from financing activities**	**(97)**

24.Members' allowances

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

2024/25 £000	Member payment type	2025/26 £000
36	Allowances	36
9	Expenses	8
45	**Total**	**44**

25.Officers' remuneration

On 1st August 2025, the Authority underwent a restructure of its directorates reducing from three to two. The Director of Strategic Services position was made redundant and the remaining two Directors were renamed Director of Delivery (formerly Director of Operations) and Director of Resources (formerly Director of Finance).

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

Job Title	Year	Salary, fees and allowances £000	Bonuses £000	Expenses allowances £000	Compensation for loss of office £000	Pension contribution £000	Total £000
Chief Executive	2024/25	99	0	0	0	21	120
	2025/26	103	0	0	0	21	124
Director of Strategic Services	2024/25	66	0	0	0	14	80
	2025/26	28	0	0	21	6	55
Director of Delivery	2024/25	71	0	0	0	15	86
	2025/26	74	0	0	0	15	89

Job Title	Year	Salary, fees and allowances £000	Bonuses £000	Expenses allowances £000	Compensation for loss of office £000	Pension contribution £000	Total £000
Director of Resources	2024/25	68	0	0	0	14	82
	2025/26	72	0	0	0	14	86

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

Number of employees 2024/25	Remuneration amount band	Number of employees 2025/26
1	£50,000 - £54,999	5
0	£55,000 - £59,999	0
0	£60,000 - £64,999	0
2	£65,000 - £69,999	0
1	£70,000 - £74,999	2
0	£75,000 - £79,999	0
0	£80,000 - £84,999	0
0	£85,000 - £89,999	0
0	£90,000 - £94,999	0
1	£95,000 - £99,999	0
0	£100,000 - £104,999	1

Exit packages

The number and cost of exit packages agreed, analysed between compulsory redundancies and other departures, are disclosed in the note 31.

26. 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.

2024/25 £000	Type of external audit cost	2025/26 £000
102	Fees payable to external auditors with regard to external audit services carried out by the appointed auditor for the year	76
102	**Total**	**76**

27.Grant income

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

2024/25 £000	Grant Name	2025/26 £000
3,414	Credited to taxation and non-specific grant income: Defra National Park Grant	3,189
250	DEFRA Capital Grant	1,385
250	DEFRA Additional Revenue Funding	-
146	Donated Asset (Peppercorn Leases/ Hardley Mill Pontoons)	6
4,060	**Credited to taxation and non-specific grant income (subtotal)**	**4,580**
142	Credited to services: Heritage Lottery Fund	65
72	DEFRA Access Funding	104
49	Natural England – Nature for Climate Peatland Scheme (Restoration)	89
128	Natural England - Paludiculture Exploration Fund	120
454	DEFRA Farming In Protected Landscapes (FiPL)	300
72	National Parks England - Generation Green	0
45	Department for Transport - Active Travel England	39
13	Broads IDB - Lowland agricultural peat small infrastructure pilot	0
14	Broadland Agricultural Water Abstractors Group - Lowland agricultural peat water discovery pilot	24
228	MHCLG Local Plan/ Planning Improvement	50
0	Water Restoration Fund	172
0	Norfolk Green Infrastructure and Recreational Avoidance and Mitigation Strategy (GIRAMS)	4
1,217	**Credited to services (subtotal)**	**967**
5,277	**Total**	**5,547**

The authority has received a grant that has yet to be recognised as income as it has conditions attached that will require the monies to be returned to the giver. The balances at the year-end are as follows:

Current liabilities

2024/25 £000	Grant receipts in advance (revenue grants)	2025/26 £000
26	Defra Farming In Protected Landscapes (FiPL)	7
38	Electric Vehicle Charging Points (unspent grant income from 2025/26)	36
65	BMW Recharge in Nature	0
55	Active Travel England	216
11	Defra Access for All	42
0	Norfolk Green Infrastructure and Recreational Avoidance and Mitigation Strategy (GIRAMS)	172
0	UKNPF Green Pathways College unspent income	9
195	**Total**	**507**

Grant receipts in advance (capital grants)

2024/25 £000	Grant receipts in advance (capital grants)	2025/26 £000
0	DEFRA National Park Grant - Capital	151
0	DEFRA Farming in Protected Landscapes (FiPL)	40
0	**Total**	**158**

28.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 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 24.

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 Broads Authority and Navigation Committee and is a Director of 'Goodchild Marine Services Ltd'. Goodchild Marine paid £975 (£836 2024/25) navigation tolls in 2025/26. The Authority also moored two vessels at Goodchild Marine at a cost of £4,257 and made launch fuel and repairs of £804. £nil was outstanding at 31 March 2026.

Mr Daniel Thwaites is a member of the Navigation committee and is a Director of 'Barnes Marine Units'. Barnes Marine Units paid £173,450 (£167,303 2024/25) navigation tolls in 2025/26.

Officers

The Chief Executive represents the Broads Authority on the board of the Whitlingham Charitable Trust. Officer remuneration is detailed in note 25.

Other Public Bodies

Durham County Council provides provision of payroll services to the Broads Authority since 1 April 2024. The Authority paid £10,113 in 2025/26 (£9,721 2024/25). No amounts were outstanding at 31 March 2026.

Norfolk County Council provides legal services to the Broads Authority via its legal practice, NPLaw. The Authority paid £52,367 for legal services in 2025/26 (£39,735 in 2024/25). £4,973 was outstanding at 31 March 2026 (£2,286 2024/25).

The Authority charged Norfolk County Council for grant funding of £2,681 during 2025/26 (£1,072 2024/25). £1,535 was outstanding at 31 March 2026 (£849 2024/25).

Wilkin Chapman provided Jonathan Goolden as the Monitoring Officer. The Authority paid £20,491 in 2025/26 (£58,033 2024/25). £7,246 was outstanding at 31 March 2026 (£3,960 2024/25).

29.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.

2024/25 £000	Description	2025/26 £000
92	Opening Capital Finance Requirement	688
146	Right of use assets on transition	0
925	**Capital investment:** Property, plant and equipment	1,279
(394)	**Sources of finance** Sums set aside from revenue: Direct revenue contributions	(1,267)
(81)	MRP	(98)
688	**Closing capital finance requirement**	**602**
(596)	**Explanation of movements in year** Increase/(decrease) in underlying need to borrow (unsupported by government financial assistance)	(86)
(596)	**Increase/(decrease) in capital financing requirement**	**(86)**

30. Leases

Authority as lessee

The authority's lease contracts comprise leases of operational land and buildings, plant and equipment. Most are individually immaterial; however, material leases include the lease for the headquarters building commenced in August 2024 for a term of five years with one extension option for an additional five years. Rentals increase every five years in line with the open market rent review. The value of the asset as at 31 March 2026 was £373k.

Right-of-use assets

This table shows the change in the value of right-of-use assets held under leases by the authority

Type of movement	Land & Buildings £000	Vehicles, plant and equipment £000	Total £000
Balance at 1 April 2025	758	4	762
Additions	10	0	10
Revaluations	0	0	0
Depreciation	(78)	(1)	(79)
Disposals	0	0	0
Balance at 31 March 2026	**690**	**3**	**693**

Transactions under leases

The authority incurred the following expenses and cash flows un relation to leases:

Comprehensive Income and Expenditure Statement	2025/26 £000	2024/25 £000
Interest on lease liabilities	28	20
Expenses relating to short term leases	9	34
Expenses relating to exempt leases of low value	3	6
Variable lease payments not included in the measure of lease liabilities	0	0
Income from subletting right-of-use assets	0	0
Gains or losses arising from sale and leaseback transactions	0	0

Cash Flow Statement	2025/26 £000	2024/25 £000
Minimum Lease payments	61	45

Maturity analysis of lease liabilities

The lease liabilities are due to be settled over the following time bands (measured at the undiscounted amounts of expected cash payments)

Time Period	2025/26 £000	2024/25 £000
Less than one year	63	60
One to five years	227	231

Time Period	2025/26 £000	2024/25 £000
More than five years	290	340
Total undiscounted liabilities	**580**	**631**

The balance of lease liabilities of £580k in the table above is roughly comparable with the lease liability of £631k as at 31 March 2025. The reduction is mainly due to the repayments due in 2025/26.

Authority as Lessor

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.

Operating lease income	2025/26 £000	2024/25 £000
Total lease income	4	2
Share of lease income relating to variable lease payments that do not depend on an index rate	0	0

Maturity analysis of lease receivables

The lease receivables are due to be settled over the following time bands (measured at the undiscounted amounts of expected cash payments)

Time Period	2025/26 £000	2024/25 £000
Less than on year	3	0
One to two years	7	1
Two to three years	3	1
Four to five years	0	0
More than five years	1	1
Total undiscounted receivables	**14**	**3**

31. Termination benefits

On 1 August 2025, the Authority underwent a restructure of its directorates resulting in five redundancies. The number and cost of exit packages agreed, analysed between compulsory redundancies and other departures, are disclosed in the table below:

Exit package cost band	Number of compulsory redundancies 2024/25	Number of compulsory redundancies 2025/26	Number of other departures agreed 2024/25	Number of other departures agreed 2025/26	Total number of exit packages by cost band 2024/25	Total number of exit packages by cost band 2025/26	Total cost of exit packages in each band 2024/25 £000	Total cost of exit packages in each band 2025/26 £000
£0-£20,000	0	1	0	5	0	6	0	32
£20,001-£40,000	0	0	0	1	0	1	0	21
Total	**0**	**1**	**0**	**6**	**0**	**7**	**0**	**53**

Exit packages include compulsory and voluntary redundancy costs, pension contributions in respect of added years, ex-gratia payments and other departure costs. The total cost of £26k in the table above has been charged to the authority's Comprehensive Income and Expenditure Statement in the current year. The Authority has established a provision of £28k to address the additional liability associated with termination benefits that will be paid to officers in 2026/27.

32. 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.

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:

2024/25 £000	Transaction	2025/26 £000
	Comprehensive Income and Expenditure Statement Cost of services:	
894	• current service cost	653
0	• past service cost	0
	Financing and investment income and expenditure	
9	• net interest expense	4
903	**Total post-employment benefits charged to the surplus or deficit on the provision of services**	**657**
	Other post-employment benefits charged to the Comprehensive Income and Expenditure Statement:	
837	• return on plan assets (excluding the amount included in the net interest expense)	(1,293)
(58)	• actuarial gains and losses arising on changes in demographic assumptions	(621)
(5,274)	• actuarial gains and losses arising on changes in financial assumptions	(708)
(306)	• other experience	1,800
4,810	• changes in effect of the asset ceiling	1,048

2024/25 £000	Transaction	2025/26 £000
9	**Total post-employment benefits charged to the Comprehensive Income and Expenditure Statement**	**226**
903	Movement in Reserves Statement • reversal of net charges made to the surplus or deficit on the provision of services for post-employment benefits in accordance with the Code	657
(932)	Actual amount charged against the General Fund balance for pensions in the year: • employers' contributions payable to scheme	(897)

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:

2024/25 £000	Type	2025/26 £000
(29,094)	Present value of the defined benefit obligation	(31,545)
39,747	Fair value of plan assets	43,889
(10,849)	Effect of the Asset Ceiling	(12,526)
(196)	**Net (liability)/asset arising from defined benefit obligation**	**(182)**

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

2024/25 £000	Movements	2025/26 £000
32,847	Opening fair value of scheme assets	28,898
1,595	Interest income	1,671
(837)	Remeasurement gain / (loss): • The return on plan assets, excluding the amount included in the net interest expense	1,293
4,810	Asset Ceiling*	(1,048)
0	Other Experience	735
932	Contributions from employer	897
284	Contributions from employees into the scheme	278
(1,113)	Benefits paid	(1,361)
28,898	**Closing fair value of scheme assets**	**31,363**

* The net defined benefit asset is the surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling.

The Asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. Currently the Authority has no right to a refund without ending its ongoing participation in the fund. The calculation above assumes that the benefit will be available as a reduction in future contributions. This is calculated as the present value of future service costs less the present value of future service contributions.

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

2024/25 £000	Movements	2025/26 £000
33,063	Balance at 1 April	29,094
894	Current service cost	653
1,604	Interest cost	1,675
284	Contributions from scheme participants	278
(58)	Remeasurement (gains) and losses: • Actuarial gains / losses from changes in demographic assumptions	(621)
(5,274)	• Actuarial gains / losses arising from changes in financial assumptions	(708)
(306)	• Other	2,535
0	• Past Service Cost	0
(1,113)	Benefits paid	(1,361)
29,094	**Balance at 31 March**	**31,545**

In June 2023, the UK High Court (Virgin Media Limited v NTL Pension Trustees II Limited) ruled that certain historical amendments for contracted-out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation. In August 2024, the judgement was upheld by the Court of Appeal.

The Department for Work and Pensions (DWP) has been consulted on pragmatic solutions, and the government has announced plans to introduce legislation to address the issues arising from the ruling. This legislation, included in the Pension Scheme Bill (Amendments) tabled on 1 September 2025, aims to allow affected pension schemes to obtain retrospective actuarial confirmation for historic benefit changes, without affecting scheme obligations.

The Local Government Pension Scheme is a contracted out defined benefit scheme, and amendments have been made during the period 1996 to 2016 which could impact member

benefits. Work has been performed by the Government Actuary's Department as the Local Government Pension Scheme actuary to assess whether section 37 certificates are in place for all amendments and some of these have been confirmed however, at the date of these financial statements, the full assessment is not complete. Until this analysis is complete, we are unable to conclude whether there is any impact to the liabilities or if it can be reliably estimated.

As a result, the Broads Authority does not consider it necessary to make any allowance for the potential impact of the Virgin Media case in its financial statements.

Local Government Pension Scheme Assets

Local Government Pension Scheme assets comprised:

Fair value of scheme assets 2024/25 £000				**Fair value of scheme assets 2025/26 £000**		
Quoted prices in active markets	Quoted prices not in active markets	Total	Asset type	Quoted prices in active markets	Quoted prices not in active markets	Total
1,345.1	-	1,345.1	Cash and cash equivalents: • All cash and cash equivalents	2,652.8	-	2,652.8
-	-	-	Equity instruments: • Consumer	-	-	-
-	-	-	• Manufacturing	-	-	-
-	-	-	• Energy and utilities	-	-	-
-	-	-	• Financial institutions	-	-	-
-	-	-	• Health and care	-	-	-
-	-	-	• Information technology	-	-	-
-	-	-	• Other	-	-	-
-	-	-	Bonds (Debt securities): • Corporate bonds (investment grade)	-	-	-
-	-	-	• Corporate bonds (non-investment grade)	-	-	-
758.5	-	758.5	• UK Government	1,045.8	-	1,045.8
-	5,120.2	5,120.2	Private equity: • All private equity	-	5,730.6	5,730.6

Fair value of scheme assets 2024/25 £000				Fair value of scheme assets 2025/26 £000		
			Property:			
-	2,551.1	2,551.1	• UK property	-	2,278.1	2,278.1
-	374.9	374.9	• Overseas property	-	398.7	398.7
			Other investment funds and unit trusts:			
22,354.8	-	22,354.8	• Equities	17,812.1	-	17,812.1
3,021.4	-	3,021.4	• Bonds	8,848.7	-	8,848.7
-	4,472.0	4,472.0	• Infrastructure	-	5,154.1	5,154.1
-	-	-	• Other	-	-	-
			Derivatives			
-	-	-	• Other derivatives	-	-	-
23.0	-	23.0	• Foreign exchange	(31.9)	-	(31.9)
(7,643.8)	(3,479.2)	(11,123.0)	Asset Ceiling	(8,656.0)	(3,870)	(12,526)
19,859.0	**9,039.0**	**28,898.0**	**Total**	**21,671.5**	**9,691.50**	**31,363.0**

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 2025.

The principal assumptions used by the actuary have been:

31 March 2025	Assumption	31 March 2026
	Long term expected rate of return on assets in the scheme:	
5.8%	• Equity investments	6.2%
5.8%	• Bonds	6.2%
5.8%	• Property	6.2%
5.8%	• Cash	6.2%
	Mortality assumptions:	
	Longevity at 65 for current pensioners:	
21.3 years	• Men	21.9 years
24.3 years	• Women	24.9 years
	Longevity at 65 for future pensioners:	
22.2 years	• Men	22.8 years
25.9 years	• Women	26.3 years
2.75%	Rate of inflation	3.00%
3.45%	Rate of increase in salaries	3.70%
2.75%	Rate of increase in pensions	3.00%
5.80%	Rate for discounting scheme liabilities	6.20%
	Take up of option to convert annual pension into retirement lump sum:	
45%	Pre- April 2008 service	55%
45%	Post- April 2008 service	55%

*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.

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

Change in assumptions at 31 March 2026	Approximate % increase to employer liability	Approximate monetary amount £000
0.1% decrease in real discount rate	2%	481
1-year increase in member life expectancy	4%	1,262
0.1% increase in the salary increase rate	0%	26
0.1% increase in the pension increase rate	1%	454

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 (68.7% of scheme assets) and bonds (9.4%). 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 a constant 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 2028.

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 £745,000 to the scheme in 2026/27.

33.Contingent Liabilities

The Authority has identified one material contingent liability:

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 £10.95m. 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.

34.Financial Instruments

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

Financial Assets

Type	Non-Current Investments 31 March 2025 £000	Non-Current Investments 31 March 2026 £000	Non-Current Debtors 31 March 2025 £000	Non-Current Debtors 31 March 2026 £000	Current Investments 31 March 2025 £000	Current Investments 31 March 2026 £000	Current Debtors 31 March 2025 £000	Current Debtors 31 March 2026 £000	Total 31 March 2025 £000	Total 31 March 2026 £000
Amortised Cost	0	0	0	0	7,724	8,320	423	886	8,147	9,206
Total financial assets	**0**	**0**	**0**	**0**	**7,724**	**8,320**	**423**	**886**	**8,147**	**9,206**
Non-financial assets	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**7,724**	**8,320**	**423**	**886**	**8,147**	**9,206**

Financial Liabilities

Type	Non-Current Borrowings 31 March 2025 £000	Non-Current Borrowings 31 March 2026 £000	Non-Current Creditors 31 March 2025 £000	Non-Current Creditors 31 March 2026 £000	Current Borrowings 31 March 2025 £000	Current Borrowings 31 March 2026 £000	Current Creditors 31 March 2025 £000	Current Creditors 31 March 2026 £000	Total 31 March 2025 £000	Total 31 March 2026 £000
Amortised Cost	593	524	0	0	96	78	2,447	995	3,136	1,597
Total financial liabilities	**593**	**524**	**0**	**0**	**96**	**78**	**2,447**	**995**	**3,136**	**1,597**
Non-financial liabilities	0	0	0	0	0	0	0	0	0	0
Total	**593**	**524**	**0**	**0**	**96**	**78**	**2,447**	**995**	**3,136**	**1,597**

Income, Expense Gains and Losses

Interest Type	Surplus or Deficit on the Provision of Services 2024/25 £000	Other Comprehensive Income and Expenditure 2024/25 £000	Total 2024/25 £000	Surplus or Deficit on the Provision of Services 2025/26 £000	Other Comprehensive Income and Expenditure 2025/26 £000	Total 202/26 £000
Interest Expense	69	0	69	83	0	83
Interest Income	(307)	0	(307)	(267)	0	(267)

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;
- Fixed interest rate of 2% over the 5-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.

The fair values calculated are as follows:

Financial Liabilities held at amortised cost:	31 March 2025 Carrying Amount £000	31 March 2025 Fair Value £000	31 March 2026 Carrying Amount £000	31 March 2026 Fair Value £000
PWLB	58	59	22	22
Finance Leases	631	631	580	580
Short Term Creditors	2,447	2,447	995	995
Total	**3,136**	**3,137**	**1,597**	**1,597**

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 2025) 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.

Financial assets held at amortised cost:	31 March 2025 Carrying Amount £000	31 March 2025 Fair Value £000	31 March 2026 Carrying Amount £000	31 March 2026 Fair Value £000
Fixed term investments	6,102	6,102	6,115	6,115
Cash at banks	1,622	1622	2,205	2,205
Short Term debtors	423	423	886	886
Total	**8,147**	**8,147**	**9,206**	**9,206**

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

35. 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.

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).

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. At 31 March 2026, a small amount of invoices were overdue as at 31 March 2026. The majority of this income was received in early 2026/27 and for those overdue a bad debt provision was created in 2024/25.

Liquidity Risk

An indicative three-year funding agreement from DEFRA means the Broads Authority has some certainty over 2026/27 to 2028/29. Longer term uncertainty still remains and future changes in government brings further uncertainty whether future multi-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 2026/27 states that if the Authority enters into any contractual arrangements above £100,000 which involve foreign currency, the advice of the Director of Resources will be sought on the advisability of hedging the exchange risk before entering into the contract.

36. Navigation Income and Expenditure Account

2024/25 Gross expenditure £000	2024/25 Income £000	2024/25 Net expenditure/ (income) £000	Description	2025/26 Gross expenditure £000	2025/26 Income £000	2025/26 Net expenditure/ (income) £000
2,978	(44)	2,934	Delivery	2,989	(88)	2,901
950	(8)	942	Resources	1,046	(3)	1,043
708	(134)	574	Chief Executive	641	(163)	478
4	0	4	Corporate Items	11	0	11
0	(4,389)	(4,389)	Navigation Income (Tolls)	0	(4,599)	(4,599)
4,640	**(4,575)**	**65**	**Cost of services (subtotal)**	**4,687**	**(4,853)**	**(166)**
		(1)	(Gains)/Losses on the disposal of non-current assets			0
		(72)	Financing and investment income and expenditure			(61)
		(96)	Donated Asset			(6)
		(104)	**(Surplus) or deficit on provision of services (subtotal)**			(233)
		(107)	(Surplus) or deficit on revaluation of fixed assets			(3)
		5	Actuarial (gains)/losses on pension assets/liabilities			118
		(102)	Other comprehensive income and expenditure (subtotal)			115
		(206)	**Total comprehensive income and expenditure**			**(118)**

37.Going Concern

The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 (the Code), which is based upon International Financial Reporting Standards (IFRS), as amended for the UK public sector. The accounts have been prepared on the going concern basis.

In carrying out its assessment that this basis is appropriate, made for the going concern period to 31 March 2028, management of the Authority have undertaken forecasting of both income and expenditure, the expected impact on reserves, and cashflow forecasting.

Our most recent year-end balances, as reported in these statements are as follows:

Date	General Fund	Navigation Fund	Earmarked reserves
31/03/26	£1.295m	£0.558m	£3.956m

Our expected General/Navigation Fund and Earmarked Reserve position has a predicted balance of £1.102 million and £0.571 million at 31 March 2028. This remains above our minimum level of balances as previously set by our Director of Resources of £1.036 million.

Our cash flow forecasting and assessment of the adequacy of our liquidity position demonstrates positive cash balances throughout the going concern period, and no expectation of external borrowing.

The key assumptions within this forecast include a 3.3% pay increase per full time equivalent for 2026/27, as negotiated by the National Joint Council (NJC). This is consistent with the agreed pay awards in 2024/25 and 2025/26. We have considered if a higher increase is negotiated above the 3.3%, and the above projections would not be significantly affected with both minimum levels of reserves and liquidity remaining through the same period.

On this basis, the Authority have a reasonable expectation that it will have adequate resources to continue in operational existence throughout the going concern period maintaining the provision of its services. For this reason, alongside the statutory guidance, we continue to adopt the going concern basis in preparing these financial statements.

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’.

Risk, Audit and Governance Committee

23 November 2026
Agenda item number 9

Consolidated Income and Expenditure- 1 April to 30 September 2026 actual and 2026/27 forecast outturn

Report by Senior Accountant

Purpose

This report provides a strategic overview of current key financial issues and items for decision.

Broads Plan context

Financial performance underpins all the strategic objectives of the Broads Plan.

Recommended decision

Note the actual income and expenditure and prudential indicators.

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1. Introduction

1.1. This report covers two items: consolidated income and expenditure and quarter two prudential indicators for 2026/27.

1.2. Section 2 to 5 provides a summary of income and expenditure for the consolidated budget up until 30 September, any amendments to the Latest Available Budget (LAB), Forecast Outturn (predicted year end position) and the movements on the earmarked reserves.

1.3. Section 6 contains the prudential indicators.

2. Overview of actual income and expenditure

Table 1

Actual consolidated income and expenditure by directorate to 30 September 2026

Directorate	Profiled latest available budget £	Actual income and expenditure £	Actual variance £
Income	(10,926,843)	(11,014,938)	+ 88,095
Delivery	2,862,774	2,335,723	+ 527,051
Resources	1,903,511	1,537,851	+ 365,660
Chief Executive	539,321	473,805	+ 65,517
Projects, Corporate Items and Contributions from Earmarked Reserves	(331,308)	(93,909)	- 237,299
Net (Surplus) / Deficit	**(5,952,544)**	**(6,761,468)**	**+ 808,924**

2.1. Core income is above the profiled budget at the end of month six. The overall position as at 30 September 2026 is a favourable variance of £808,924 or a 13.6% difference from the profiled LAB. This is principally due to:

- An overall favourable variance of £88,095 within income:
    - Hire Craft Tolls is £22,150 above the profiled budget.
    - Private Craft Tolls is £44,200 above the profiled budget.
    - Short Visit and Other Toll income is £5,858 above the profiled budget.
    - Investment income is £15,886 above the profiled budget.
- An underspend within Delivery relating to:

- Development Management is £55,156 behind the profiled budget due to timing differences on the pay award, the digital planning grant, the Local Plan and Broads Plan expenditure. This has been partially offset by planning fee income also being behind profile.
- Construction, Maintenance and Ecology Salaries is £59,441 behind the profiled budget due to the timing differences on the pay award. This was paid in the October payroll and backdated to 1 April 2026.
- Equipment, Vehicles and Vessels is £48,015 above the profiled budget due to new wire rope for the Hitachi crane and the fen harvester flail head needing some unplanned repairs. Tools and equipment is also ahead due to an expansion of our Hand Arm Vibration Syndrome (HAVS) metering capabilities, so there are more units for staff to use and track HAVS.
- Water Management is £28,676 above the profiled budget due to timing difference on equipment hire, consultancy and professional fees. This has been partially offset by and underspend in contractor services.
- Land Management is £16,004 behind the profiled budget due to timing difference on contractor services and tool and equipment caused by delays in contract work following summer drought.
- Practical Maintenance is £126,029 behind the profiled budget due to a timing difference on contractor services with various jobs starting in November.
- Waterways and Recreation Strategy is £207,732 behind the profiled budget due to timing differences on the receipt and expenditure of the grant funded projects for Access and Active Travel England.
- Ranger services is £122,569 behind the profiled budget due to a timing difference on the replacement Ranger launch and salaries. The pay increase was paid in the October payroll and backdated to 1 April 2026.
- Premises is £19,273 above the profiled budget due to timing differences on works at the Dockyard.
- Project Funding is £31,937 behind the profiled budget due to timing differences.

- An underspend within Resources relating to:
  - Strategy and Projects is £56,972 above the profiled budget due to timing differences on the receipt of grant income and expenditure on Farming in Protected Landscapes.
  - Legal is £18,271 behind the profiled budget due to a timing difference on billing.

- National Park Grant expenditure is £380,313 behind the profiled budget due to timing differences on the capital purchases.
- Finance and Insurance is £11,310 behind the profiled budget due to a saving following the insurance tender. There is also a timing difference on salary costs due to the pay award which was paid in October and backdated to April. This is partially offset by a timing difference on audit costs and bank charges.
- Premises Head Office is £23,457 above the profiled budget due to a timing difference on the lease and facilities management billing.
- ICT is £10,300 behind the profiled budget due to timing differences on salary costs due to the pay award which was paid in October and backdated to April. There is also a timing difference on computer hardware and maintenance.

- An underspend within Chief Executive relating to:
  - Communications is £29,995 behind the profiled budget due to unbudgeted grant income, salary costs due to the pay award delay and a timing difference on consultants.
  - Visitor Centres and Yacht Stations is £30,231 behind the profiled budget due to a timing difference on the pay award. This was paid in the October payroll and backdated to 1 April 2026.
- An adverse variance within projects and reserves relating to:
  - Property is above the profiled budget due to timing differences on Mutford Lock and contractor services.
  - Plant, Vessels & Equipment is above the profiled budget due to a timing difference on the Ranger launch replacement.
  - Premises is above the profiled budget due to timing differences on the works at the Dockyard and Buttles Barn.
  - Heritage Lottery is above the profiled budget due to a timing difference on the grant receipt.
  - Computer Software is above the profiled budget due to timing differences on the phase two of the tolls system and Finance improvements.
  - Upper Thurne is above the profiled budget due to timing differences on contractor works and the receipt of income.
  - Planning Delivery Grant is above the profiled budget due to a timing difference on the digital planning project.

2.2. The charts at Appendix 1 provide a visual overview of how actual income and expenditure compare with both the original budget and the LAB.

3. Latest available budget

3.1. The Authority's income and expenditure is monitored against the latest available budget (LAB) for 2026/27. 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 consolidated LAB

Item	Authorisation reference	Amount £
Original budget 2026/27 - deficit	Broads Authority 27/02/2026 Agenda item number 10	17,611
Approved budget carry-forwards	Broads Authority 15/05/2026 Agenda item number 10	9,083
Budget adjustments (salary assumptions, interest rate improvements, pool vehicles, insurance and visitor services income)	Broads Authority 15/05/2026 Agenda item number 10	(13,200)
LAB as at 30 September 2026	n/a	**13,494**

4. Overview of forecast outturn 2026/27

4.1. Budget holders have been 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 given in the table below:

Table 3
Adjustments to Forecast Outturn

Item	Amount £
Forecast outturn deficit as per LAB	13,494
Increase to Hire Craft income	(24,259)
Increase to Private Craft income	(46,623)
Increase to Investment income	(30,000)
Forecast outturn deficit as at 30 September 2026	**(87,388)**

5. Reserves

5.1. Earmarked reserve balances have increased following the annual contributions being made in full at the end of quarter one. Items funded from the Property reserve includes

the income from land rental at Oulton Broad and site maintenance costs. The Plant, Vessels and Equipment has funded the new engine for the Spirit of Breydon ranger launch and income from the disposal of old equipment. The Premises reserve has funded repairs at How Hill boatshed and the upgraded vehicle chargers at Yare House. The Planning Delivery Grant reserve has funded the local plan costs and the cloud-based planning system upgrade. The Heritage Lottery Fund and Catchment Partnership reserve has funded the project costs.

Table 4

Consolidated earmarked reserves

Reserve name	Balance at 1 April 2026 £	In-year movements £	Current reserve balance £
Property	(906,736)	(125,521)	(1,032,257)
Plant, Vessels and Equipment	(1,049,947)	(204,093)	(1,254,039)
Premises	(504,514)	(47,214)	(551,728)
Planning Delivery Grant	(453,598)	60,980	(392,618)
Upper Thurne Enhancement	(319,246)	(20,068)	(339,314)
Heritage Lottery Fund	(11,968)	10,433	(1,536)
Catchment Partnership	(90,561)	(13,168)	(103,729)
Computer Software	(178,439)	(20,000)	(198,439)
Medium Term Planning	(441,287)	0	(441,287)
Total	**(3,956,296)**	**(358,652)**	**(4,314,947)**

6. Prudential Indicators

6.1. The Capital, treasury and investment strategy 2026/27, approved 27 February 2026, included the key prudential indicators necessary for an Authority that has borrowing. The prudential indicators are designed to support and record local decision making in a publicly accountable manner. At the beginning of each year, estimates for the prudential indicators are set and agreed by members. In the past actual indicators were compared to the estimates once the annual accounts were produced in May each year. The updated code requires these prudential indicators to be reported quarterly and are set out in table 5 below.

Table 5

Prudential Indicators 2026/27

Prudential Indicator	Opening 01/04/26 £	Estimate 31/03/27 £	Q2 Actual £
Capital expenditure	0	1,692,033	269,048

Prudential Indicator	Opening 01/04/26 £	Estimate 31/03/27 £	Q2 Actual £
Authorised limit for external debt	900,000	900,000	900,000
Operational Boundary	800,000	800,000	800,000
Capital Financing Requirement	601,738	537,780	562,757
Debt balance	602,378	539,416	563,397

7. Conclusion

7.1. The forecast position for the year suggests a deficit within the National Park and a surplus for the Navigation budget. This would result in a National Park Reserve balance of approximately £1,220,194 and a Navigation Reserve balance of £720,077 at the end of 2026/27 (before any year-end adjustments). This would mean that both reserves would be above the recommended levels, with National Park at 18.5% and Navigation at 15.4%. Year-end transfers of interest to the earmarked reserves and the final repayment of the National Park loan will mean National Park reduce to approximately 18.2% and Navigation reduce to 12.8%. This will be highly dependent on the level of interest received.

Author: Izabela Foley

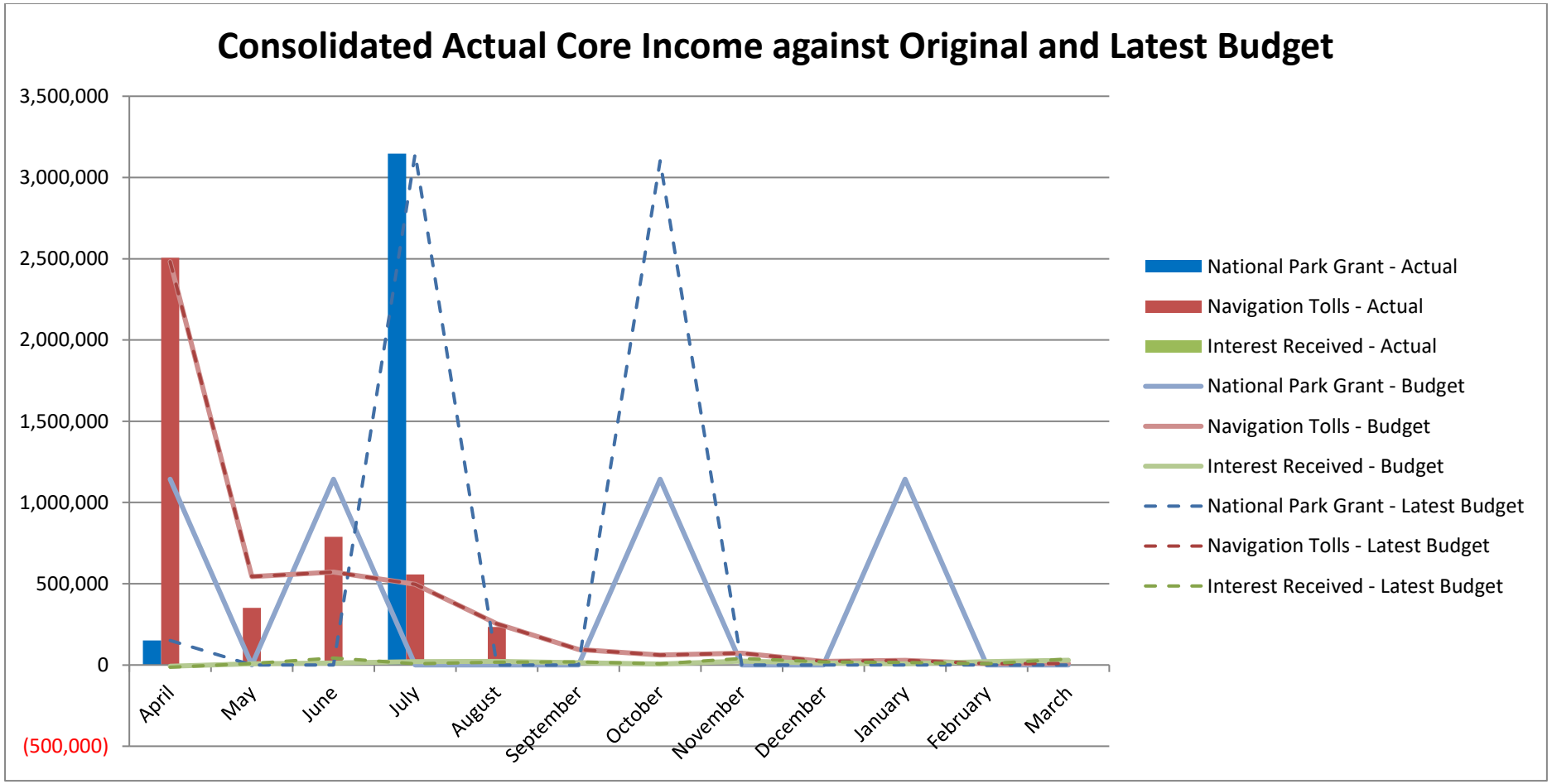
Date of report: 28 October 2026

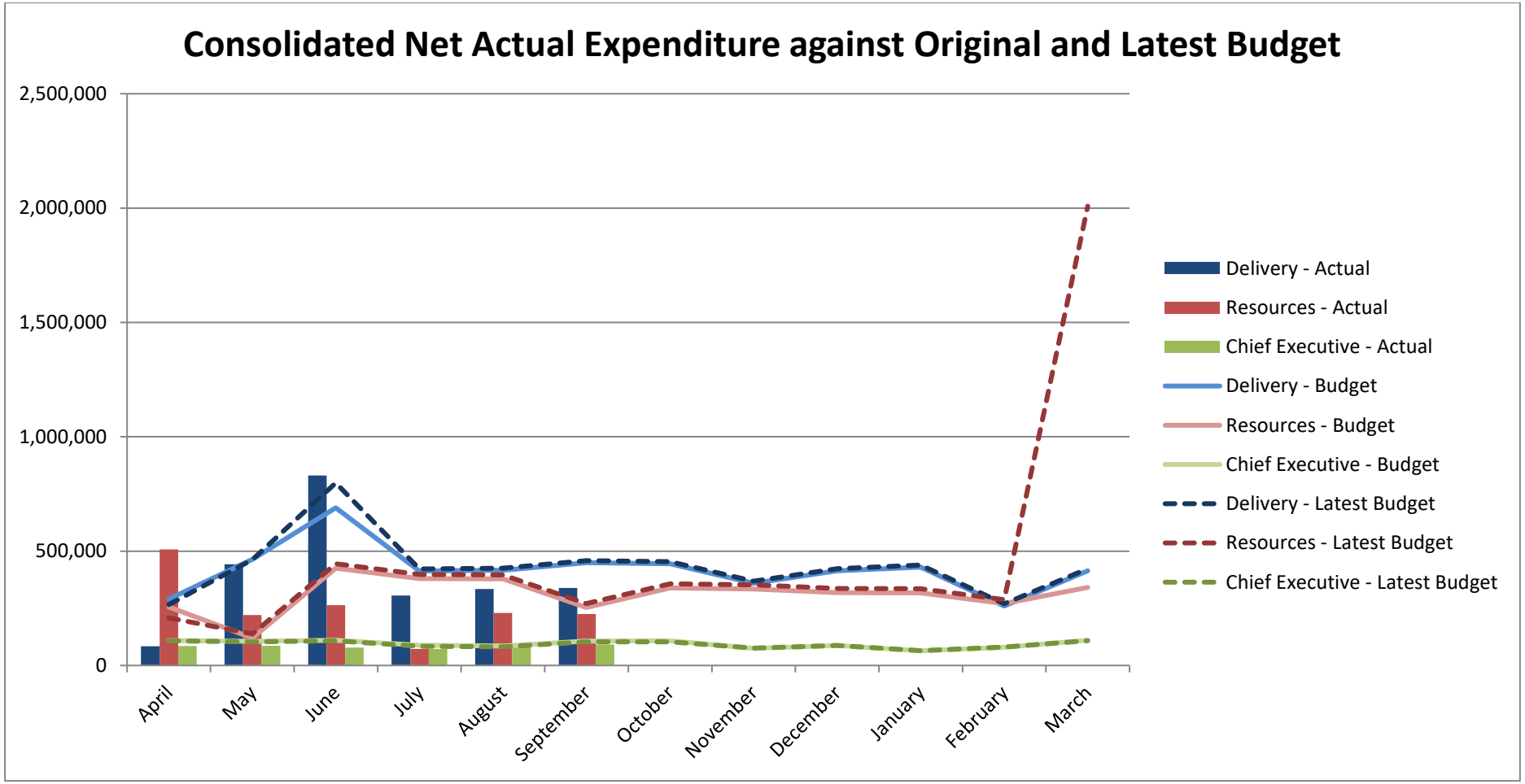
Broads Plan strategic objectives: All

Appendix 1 – Consolidated actual income and expenditure charts to 30 September 2026

Appendix 2 – Financial monitor: Consolidated income and expenditure 2026/27

Appendix 1 – Consolidated actual income and expenditure charts to 30 September 2026




Consolidated Net Actual Expenditure against Original and Latest Budget
2,500,000
2,000,000
1,500,000
1,000,000
500,000
0
April
May
June
July
August
September
October
November
December
January
February
March
Delivery - Actual
Resources - Actual
Chief Executive - Actual
Delivery - Budget
Resources - Budget
Chief Executive - Budget
Delivery - Latest Budget
Resources - Latest Budget
Chief Executive - Latest Budget

Appendix 2 – Financial monitor: Consolidated income and expenditure 2026/27

Table 1
Income

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast outturn variance (Consolidated) £
Total Income	**(9,386,432)**	**(1,870,173)**	**(11,256,605)**	**(11,357,487)**	**100,882**
National Park Grant	(4,574,078)	(1,827,173)	(6,401,251)	(6,401,251)	0
Hire Craft Tolls	(1,438,000)	0	(1,438,000)	(1,462,259)	24,259
Private Craft Tolls	(3,108,000)	0	(3,108,000)	(3,154,623)	46,623
Short Visit Tolls	(58,624)	0	(58,624)	(58,624)	0
Other Toll Income	(40,730)	0	(40,730)	(40,730)	0
Interest	(167,000)	(43,000)	(210,000)	(240,000)	30,000

Table 2
Delivery

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast outturn variance (Consolidated) £
Total Delivery	**5,100,200**	**165,368**	**5,265,568**	**5,265,568**	**0**
Development Management	**522,155**	**100,020**	**622,175**	**622,175**	**0**
Income	(122,200)	0	(122,200)	(122,200)	0
Salaries	472,400	50,020	522,420	522,420	0
Expenditure	166,355	50,000	216,355	216,355	0
Pension Payments	5,600	0	5,600	5,600	0
Construction and Maintenance Salaries	**1,640,810**	**23,570**	**1,664,380**	**1,664,380**	**0**
Income	0	0	0	0	0
Salaries	1,640,810	23,570	1,664,380	1,664,380	0
Expenditure	0	0	0	0	0
Equipment, Vehicles & Vessels	**442,000**	**0**	**442,000**	**442,000**	**0**
Income	(2,000)	0	(2,000)	(2,000)	0
Expenditure	444,000	0	444,000	444,000	0
Water Management	**88,200**	**0**	**88,200**	**88,200**	**0**
Expenditure	88,200	0	88,200	88,200	0
Land Management	(110,160)	1,900	(108,260)	(108,260)	0

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast outturn variance (Consolidated) £
Income	(221,935)	0	(221,935)	(221,935)	0
Expenditure	111,775	1,900	113,675	113,675	0
Practical Maintenance	**530,475**	**3,868**	**534,343**	**534,343**	**0**
Income	(17,925)	(35,660)	(53,585)	(53,585)	0
Expenditure	548,400	39,528	587,928	587,928	0
Waterways and Recreation Strategy	**55,080**	**160**	**55,240**	**55,240**	**0**
Income	(335,478)	(57,263)	(392,741)	(392,741)	0
Salaries	48,680	160	48,840	48,840	0
Expenditure	341,878	57,263	399,141	399,141	0
Ranger Services	**1,360,480**	**25,090**	**1,385,570**	**1,385,570**	**0**
Salaries	994,980	(3,410)	991,570	991,570	0
Expenditure	365,250	28,500	393,750	393,750	0
Pension Payments	250	0	250	250	0
Safety	**131,470**	**10,280**	**141,750**	**141,750**	**0**
Income	(350)	0	(350)	(350)	0
Salaries	98,220	280	98,500	98,500	0
Expenditure	33,600	10,000	43,600	43,600	0
Premises	**215,900**	**0**	**215,900**	**215,900**	**0**

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast outturn variance (Consolidated) £
Income	(1,600)	0	(1,600)	(1,600)	0
Expenditure	217,500	0	217,500	217,500	0
Delivery Management and Administration	**157,690**	**480**	**158,170**	**158,170**	**0**
Salaries	155,990	480	156,470	156,470	0
Expenditure	1,700	0	1,700	1,700	0
Project Funding	**66,100**	**0**	**66,100**	**66,100**	**0**
Expenditure	50,000	0	50,000	50,000	0
Pension Payments	16,100	0	16,100	16,100	0

Table 3

Resources

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Total Resources	**3,761,153**	**1,800,718**	**5,561,871**	**5,561,871**	**0**
Strategy and Projects Salaries	**165,840**	**620**	**166,460**	**166,460**	**0**
Income	(402,349)	0	(402,349)	(402,349)	0
Salaries	260,320	1,500	261,820	261,820	0
Expenditure	307,869	(880)	306,989	306,989	0
Strategy and Projects	**0**	**0**	**0**	**0**	**0**
Income	0	(172,555)	(172,555)	(172,555)	0
Salaries	0	0	0	0	0
Expenditure	0	172,555	172,555	172,555	0
Biodiversity Strategy	**8,250**	**0**	**8,250**	**8,250**	**0**
Expenditure	8,250	0	8,250	8,250	0
Human Resources	**174,905**	**3,665**	**178,570**	**178,570**	**0**
Salaries	112,650	350	113,000	113,000	0
Expenditure	62,255	3,315	65,570	65,570	0
Legal	**95,000**	**0**	**95,000**	**95,000**	**0**
Income	(5,000)	0	(5,000)	(5,000)	0

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Expenditure	100,000	0	100,000	100,000	0
Volunteers	**60,310**	**150**	**60,460**	**60,460**	**0**
Salaries	45,710	150	45,860	45,860	0
Expenditure	14,600	0	14,600	14,600	0
National Park Grant	**1,420,058**	**1,827,173**	**3,247,231**	**3,247,231**	**0**
Salaries	0	0	0	0	0
Expenditure	1,420,058	1,827,173	3,247,231	3,247,231	0
Finance and Insurance	**615,450**	**(5,620)**	**609,830**	**609,830**	**0**
Salaries	301,910	(8,820)	293,090	293,090	0
Expenditure	313,540	3,200	316,740	316,740	0
Asset Management	**187,750**	**(20,840)**	**166,910**	**166,910**	**0**
Income	(6,430)	(21,000)	(27,430)	(27,430)	0
Salaries	52,480	160	52,640	52,640	0
Expenditure	141,700	0	141,700	141,700	0
Premises – Head Office	**133,710**	**0**	**133,710**	**133,710**	**0**
Expenditure	133,710	0	133,710	133,710	0
Collection of Tolls	**229,580**	**660**	**230,240**	**230,240**	**0**
Salaries	218,580	660	219,240	219,240	0

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Expenditure	11,000	0	11,000	11,000	0
ICT	**546,215**	**800**	**547,015**	**547,015**	**0**
Salaries	261,740	800	262,540	262,540	0
Expenditure	284,475	0	284,475	284,475	0
Resources Management and Administration	**124,085**	**(5,890)**	**118,195**	**118,195**	**0**
Salaries	92,490	(5,890)	86,600	86,600	0
Expenditure	31,595	0	31,595	31,595	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	**1,034,115**	**(21,450)**	**1,012,665**	**1,012,665**	**0**
Governance	**206,805**	**640**	**207,445**	**207,445**	**0**
Salaries	156,360	640	157,000	157,000	0
Expenditure	50,445	0	50,445	50,445	0
Chief Executive	**140,750**	**(3,520)**	**137,230**	**137,230**	**0**
Salaries	139,400	(3,520)	135,880	135,880	0
Expenditure	1,350	0	1,350	1,350	0
Communications	**332,240**	**6,390**	**338,630**	**338,630**	**0**
Income	(2,250)	0	(2,250)	(2,250)	0
Salaries	264,840	6,390	271,230	271,230	0
Expenditure	69,650	0	69,650	69,650	0
Visitor Centres and Yacht Stations	**354,320**	**(24,960)**	**329,360**	**329,360**	**0**
Income	(259,800)	(37,000)	(296,800)	(296,800)	0
Salaries	512,620	7,040	519,660	519,660	0
Expenditure	101,500	5,000	106,500	106,500	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	**20,944**	**80**	**21,024**	**21,024**	**0**
Partnerships / HLF	**12,944**	**80**	**13,024**	**13,024**	**0**
Income	(64,656)	0	(64,656)	(64,656)	0
Salaries	25,110	80	25,190	25,190	0
Expenditure	52,490	0	52,490	52,490	0
Corporate Items	**8,000**	**0**	**8,000**	**8,000**	**0**
Expenditure	8,000	0	8,000	8,000	0

Table 6

Contributions 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	**(512,369)**	**(78,660)**	**(591,029)**	**(591,029)**	**0**
Earmarked Reserves	**(512,369)**	**(78,660)**	**(591,029)**	**(591,029)**	**0**
Expenditure	(512,369)	(78,660)	(591,029)	(591,029)	0

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	**17,611**	**(4,117)**	**13,494.00**	**(87,388)**	**100,882**

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.~~

Risk, Audit and Governance Committee

23 November 2026
Agenda item number 11

Corporate Risk Register

Report by Head of Governance

Summary

The Broads Authority's Risk Register is presented for the Authorities information.

Recommendation

To note the updated Corporate Risk Register (Appendix 1).

1. Introduction

1.1. The Risk, Audit and Governance Committee's responsibilities for risk are set out in its Terms of Reference.

1.2. The Corporate Risk Register (CRR) sets out the "across the board" risks that could threaten the Authority's core business and the way it operates. Below this are Directorate Risk Registers (DRR) which are managed by each Director and identify risk that could threaten day to day operational activities. Where a new risk identified within a directorate has a revised risk score above 16 (high risk) it is automatically referred to the CRR for monitoring by Management Team and this committee. If new mitigation measures are implemented which reduce the risk's score to below 16 (moderate to low risk), the risk is removed from the CRR but retained on the DRR.

1.3. The Risk Management Policy sets out the rules and standards for managing strategic and operational risk and guides staff in assessing, monitoring and managing risk.

1.4. The Management Team (MT) has overall responsibility for the risk registers and policy, and risk owners are responsible for reviewing and updating their individual risk. Every risk is reviewed regularly or when there is a significant change in circumstances.

1.5. As requested at the meeting on 21 September 2021, the Corporate Risk Register is presented at every Risk, Audit and Governance Committee meeting.

2. Review of risk registers

2.1. A review of the Directorate Risk Registers was undertaken in October 2026 which informed the updating of the CRR. The content of the CRR was then reviewed by the Management Team on 2 November 2026, and the updated register is at Appendix 1.

2.2. Changes to the register are made using tracked changes. Any changes to the risk scores are identified with the relevant arrow, e.g. ↓↑

2.3. New Risks

A new risk 10: Failure to adapt to Climate Change, has been added to the register following the request from Members at the Risk, Audit and Governance Committee meeting in July 2026.

2.4. Updated Risks

Risk 1: Loss of key staff – this has been updated to reflect a full review of the Business Continuity Plan following the new Chief Executive's appointment.

Risk 2: Harmful actions undermining public confidence in Broads – updated to reflect the review of the Scheme of powers delegated to Chief Executive and other authorised officers, and of the Monitoring Officer protocol, both of which were presented to the Broads Authority for approval.

Risk 8: A breach in data security or data protection – updated to reflect that the Director of Delivery remains the Data Protection Officer (DPO), with the Head of Governance acting as the Deputy DPO following successful completion of the GDPR Foundation training course. Both the DPO and Deputy DPO are supported by the Governance Officer who has completed the Certified Data Protection Officer (C-DPO) training course. This provides greater resilience in not only preventing and mitigating data breaches, but also enables the Authority to meet its statutory requirements regarding responding to Freedom of Information requests and Subject Access requests.

2.5. Removed Risks

There have been no risks removed.

3. Risk Management Policy

3.1. The Authority also has a Risk Management Policy, which sets out the rules and standards for managing strategic and operational risk and guides staff in assessing, monitoring and managing risk. This policy was last reviewed and subsequently adopted at the 25 July 2025 Broads Authority meeting and is due to be reviewed again in July 2027.

Author: Lorraine Taylor

Date of report: 04 November 2026

Background papers: Risk Management Policy

Broads Plan strategic objectives: All objectives are considered in the Risk Register.

Appendix 1 – Corporate Risk Register (November 2026)

Broads Authority Corporate Risk Register

(Updated ~~July~~ November 2026)

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Explanatory Notes

Risk name: risk that may affect the Broads Authority

Risk description: impact on delivery of BA objectives, service delivery, reputation

Primary impact areas: people, assets, finance, performance, reputation

Risk owner: ultimately responsible for risk

Workplan ref. the relevant item in the directorate workplan contained within the current Annual Business Plan

Risk scores: Likelihood x Severity (likelihood and severity are within range of 1-5)

Risk score 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				

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

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

Arrows (↓↑) indicate the direction of travel in the score since last review

Tasks to mitigate risk: controls/safeguards/precautions to date; noting any other factors that may influence the risk

Additional actions required: what we plan to do within the next 12 months

Summary

Table 1 below summarises each risk identified, the current risk score and whether there has been any change/amendments to the risk.

Risk	Risk Score	Status/Risk Score Change
Risk 1: Loss of key staff – this has been updated to reflect a full review of the Business Continuity Plan following the new Chief Executive's appointment.	12	Risk updated. No risk score change.
Risk 2: Harmful actions undermining public confidence in Broads – updated to reflect the review of the Scheme of powers delegated to Chief Executive and other authorised officers, and of the Monitoring Officer protocol, both of which were presented to the Broads Authority for approval.	6	Risk updated. No risk score change.
Risk 3: Reduction in income and increase in costs	12	No change.
Risk 4: Failure to meet statutory purposes or requirements of other relevant legislation	9	No change.
Risk 5: Safety-related incidents (operational works) resulting in death or serious injury	10	No change.
Risk 6: Safety-related incidents (boating) resulting in death or serious injury	15	No change.
Risk 7: A Cyber security event or a loss of service	12	No change.
Risk 8: A breach in data security or data protection – updated to reflect that the Director of Delivery remains the Data Protection Officer (DPO), with the Head of Governance acting as the Deputy DPO following successful completion of the GDPR Foundation training course. Both the DPO and Deputy DPO are supported by the Governance Officer who has completed the Certified Data Protection Officer (C-DPO) training course. This provides greater resilience in not only preventing and mitigating data breaches, but also enables the Authority to meet its statutory requirements regarding responding to Freedom of Information requests and Subject Access requests.	8	Risk updated. No risk score change.
Risk 9: Devolution and Local Government Reorganisation	9	No change.
Risk 10: Failure to adapt to Climate Change	9	New risk.

Risk 1 Loss of key staff

Risk description: Loss of working knowledge, expertise and/or close partnership associations due to key staff leaving Authority or being unavailable for long periods.

Primary impact areas: People, performance

Risk owner: Chief Executive

Date first entered on register 19/08/2019

Workplan ref: FD4; FD9; OD3; 0D6; OD11; OD13; OD18; SD1; SD2; SD3; SD4; SD15; SD16; SD17; SD18; SD20; SD22; SD23; SD24; SD27

Initial likelihood	4	**Initial severity**	4	**Initial risk score**	16

Tasks to mitigate risk: Resilience plan in place for handover period when key staff leave Authority or are unavailable for significant periods. HR policies and procedures in place to monitor absence and to support staff retention. Electronic data storage under review to allow access to any officer's files. Business Continuity Plan in place with systems back up. Plan reviewed annually (or following significant incident). Remote server enables office-based staff to work from home if required (e.g. period of quarantine).

Revised likelihood	4	**Revised severity**	3	**Revised risk score**	12

Additional actions required: Implement SharePoint online project to share data across Authority more effectively. Monitor ongoing hybrid working which was introduced to increase flexible working options.
Annual review of Directorate resilience plans.
Business Continuity Plan is reviewed annually. ~~The~~ An in-depth review of the Business Continuity Plan was undertaken in September 2026 following the new CEO's appointment. ~~reviewed in May 2026. The Plan will be reviewed again once the new CEO starts in August 2026~~.

Successful hand over of a new CEO.

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Risk 2 Harmful actions undermining public confidence in Broads Authority

Risk description: Reputational damage caused by comments or actions by Authority members or officers, with consequent harm to relationships with stakeholders and/or undermining of public confidence in Authority.

Primary impact areas: Reputation

Risk owner: Chief Executive

Date first entered on register 19/08/2019

Workplan ref: FD1; FD2; FD3; OD11; OD12; OD13; OD15; OD16; SD8; SD13; SD14; SD15; SD16; SD18; SD19; SD27; SD29

Initial likelihood	4	Initial severity	4	Initial risk score	16

Tasks to mitigate risk:

Additional Chair Briefing Notes to remind members before each meeting of their responsibility to follow the code of conduct, in particularly the principles of fairness and respect towards others.

Code of Conduct Training offered to all member in September 2025.

An email was issued from the BA Chair Reminding Members of their Code of Conduct Responsibilities in September 2025.

Code of Conduct for Members (updated March 2025) in place containing Nolan Principles of Conduct, and training given to all Members.
Code of Practice for Members of the Planning Committee and officers (July 2023).
Code of Conduct for Officers included with HR policies.
Director and Governance Officer trained in Data Protection and GDPR; staff have specific data protection training, refreshed annually.
Protocol on Member and Officer Relations in place (updated 2025).
Scheme of Powers Delegated to CEO and other authorised officers (updated Sept 2025).
Proactive communication policies relating to local and social media in place.
. In house Monitoring Officer (MO) in post from 18 May 2026, and Wilkin Chapman Rollits, with specialisms in Local Authority governance and Code of Conduct issues, remaining as Deputy Monitoring Officer. The MO is a member of the Association of Monitoring Officers and Local Government Lawyers. This enables the MO to keep abreast of changes in legislation and practices.

Monitoring Officer Protocol adopted by the Authority in September 2023.
In January 2023, Members received findings and recommendations of an independent investigation into a formal complaint about a planning matter.
All the recommendations from the VWV report have been implemented. Of particular significance is amending the ToR for the Risk, Audit & Governance Committee and establishing a Standards Committee.

Revised Standing Orders adopted by the BA in Nov. 2024 for implementation wef 1 Jan. 2025

Revised likelihood	3	Revised severity	2	Revised risk score	6

Additional actions required:	Review of Scheme of powers delegated to Chief Executive and other authorised officers was completed in ~~—~~July 2026 and approved by the Board.~~;~~ The ~~and~~ review of the Monitoring Officer protocol ~~– August 2026~~was completed and presented to the Board in September 2026.

Risk 3 Reduction in income and increase in costs

Risk description: Uncertainty about National Park and/or Navigation funding, as any reduction would affect our ability to deliver our duties, e.g.

- Awaiting NPG funding confirmation from Defra
- Loss of toll income due to changes to/ impacts on local tourism industry)
- Loss of money as a result of fraud incident against the BA, including cybercrime

Primary impact areas: Finance

Risk owner: Director of Resources

Date first entered on register 19/08/2019

Workplan ref: FD5; FD6; FD8; FD10; SD28

Initial likelihood	4	Initial severity	5	Initial risk score	20

Tasks to mitigate risk:

Regular contact with Government (DEFRA) regarding Comprehensive Spending Review.
Consideration of external funding opportunities to plug any gaps.
Regular input to Government consultations.
Prudent budgeting for Navigation and National Park expenditure. Reserves in place to mitigate against sudden drop in income.
Significant blocks of work delivered through external funds won by Authority.
Annual training in cybercrime and Counter Fraud, Bribery and Corruption given to all staff.
Review of minimum reserves undertaken and reviewed by Management Team prior to 2023/24 budget setting.
Energy insights used in budget setting process to determine impact of potential changes in the price cap.

Finance monthly review of actuals compared to the latest available budget to assist budget holders to take appropriate action.
Reducing expenditure to reflect reduced/declining income.

Revised likelihood	3	Revised severity	4	Revised risk score	12

Additional actions required:

Model expenditure options are being considered based on the new grant set lement and toll increases (Aug 202~~6~~7).

Make provision for reduction in tolls income.

Explore options on income generation and capital maximisation.

Toll/Budget workshop to be held with members Autumn 202~~6~~7.

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Risk 4 Failure to meet statutory purposes or requirements of other relevant legislation

Risk description: Underperformance in achieving, or conflict between, our statutory purposes resulting in legal issues or adverse impacts on the Broads and stakeholders (e.g. contravening Habitats Directive, loss of navigation access)

Primary impact areas: performance

Risk owner: Chief Executive

Date first entered on register 19/08/2019

Workplan ref: FD2; FD4; OD2; OD4; OD7; OD9; OD15; SD5; SD6; SD17

Initial likelihood	3	Initial severity	5	Initial risk score	15

Tasks to mitigate risk:

The Monitoring Officer work programme was presented to the Management Team in October 2025 which includes assessing legal compliance, disciplinary action process for statutory officers and member complaint procedures.

Provision of external legal services and Monitoring Officer (MO) in place until May 2026 when transferred in house.
Monitoring Officer Protocol adopted by the Authority in September 2023.
Constitutional documents in place and regularly reviewed.
Strategic plans (incl. Broads Plan) and Broads Local Plan subject to review and to Sustainability Appraisal/SEA and Habitats Regulations Assessment.
Detailed environmental practices 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 with statutory regulations.
Scientific research and monitoring ongoing to assess impacts, and mitigation measures developed if potential harm identified.

Revised likelihood	2	Revised severity	2	Revised risk score	9

Additional actions required:

Monitor annual external legal MO services.

Transfer MO services in house once training completed - MO services transferred in-house following Broads Authority approval on 15 May 2026

Continue review of Broads Local Plan.

Continue to monitor the Cunliffe Report, on the supply of safe drinking water and treatment of wastewater, and any legislation or regulation reform that will directly impact the Broads Authority.

Continue to monitor the Corry Review, on how to frame and organise regulation so that it efficiently delivers the right outcomes, and any direct changes that will impact the Broads Authority.

Continue to monitor the impact of reduced funding on the Authority's ability to undertake its statutory purposes or requirements of other relevant legislation

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Risk 5 Safety-related incidents (operational works) resulting in death or serious injury

Risk description: Death or serious injury to officer, volunteer or member of public in relation to the carrying out of operational works.

Primary impact areas: People

Risk owner: Director of Delivery

Date first entered on register 19/08/2019

Workplan ref: OD2; OD3; OD4; OD5; 0D7; OD8; OD17; SD26

Initial likelihood	5	Initial severity	5	Initial risk score	25

Tasks to mitigate risk:

Health and safety policies in place and reviewed regularly by H&S Commit ee and risk owners.
H&S Commit ee monitors and reviews incident reports; risk assessments are reviewed and updated regularly.
All staff and volunteers trained in key H&S issues; regular toolbox talks given before carrying out tasks.
Health Screening and Assessments for Noise and hand-arm vibration are provided to the appropriate staff.
Safety observations system in place to record near misses and learn from incidents that nearly happened. All accidents are investigated; regular audits are used to check control measures.
Insurance is in place for legal expenses.
Quarterly reports on H&S monitoring assessed by the Management Team.
Safety system externally audited to ensure it is fit for purpose and compliant.
External review of Hazard logs under the PMFSC carried out by ABPmer in 2025. The Safety Management System (SMS) has been updated and brought into an MCA format, by ABPmer, to ensure compliance and submit ed for compliance with the MCA.

The Health, Safety & Wellbeing Policy was reviewed and adopted by the Authority in September 2024 and updated to reflect organisational changes in 2025

Revised likelihood	2	Revised severity	5	Revised risk score	10

Additional actions required:

Monitor changes in H&S legislation.

Continuous monitoring of industry best practice and implement changes where required.

Report on Health & Safety, Audit results from PMFSC and internal H&S Audit programme due to Navigation Commit ee in 2026/2027.

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Risk 6 Safety-related incidents (boating) resulting in death or serious injury

Risk description: Failure to exercise powers as a navigation authority and licencing authority, resulting in death and injury to boat hirers due to poor performance by hire boat operators.

Primary impact areas: Reputation

Risk owner: Director of Delivery

Date first entered on register 18/06/2021

Workplan ref: OD10; 0D11; OD12; OD13; OD14; 0D15; OD16

Initial likelihood	5	**Initial severity**	5	**Initial risk score**	25

Tasks to mitigate risk:

Safety videos were provided to boat hirers in advance of the holiday.
Improved safety information provided by Broads Authority webpages.

Ongoing safety information provided via communications channels, signage etc during the main boating season as appropriate and in reaction to emerging accident trends.
Ranger services in place providing advice to waterways users.
Survey of HBO handover procedures carried out to assess efficacy.
Broadcaster, pre-visit training videos and other safety information provided to boat hirers.
Joint training for fast water locations provided by Rangers and safety partners at Great Yarmouth Yacht Station (GYYS). Hire Boat licensing and audit of licensees in place. A program of spot checks and handover observations carried out.
Boat Safety Scheme and inspections in place.
Compulsory 3rd party insurance in place for boats.
Implemented the new Hire Boat Code, which includes the Quality Boatyard Accredited scheme, as well as HB licencing requirements for hirers of paddle craft (introduced in 2022).

Refresher training for Hire Operator staff on fast tidal waters by Rangers and safety partners delivered in 2025 at GYYS.

Annual programme of summer spot check of Hire Boat operators.

10 Super Safety Days held in 2026.

Revised likelihood	3	**Revised severity**	5	**Revised risk score**	15

Additional actions required: Review of safety incident data from 2026/27, so trends and key areas to review can be determined in Spring 2027.

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Risk 7 A Cyber security event or a loss of service

Risk description: Failure by staff to follow IT processes or protocols, resulting in in-built security being bypassed and allowing data loss or data breach.

Primary impact areas: performance; reputation

Risk owner: Director of Resources

Date first entered on register 19/08/2019

Workplan ref: FD8

Initial likelihood	4	**Initial severity**	4	**Initial risk score**	16

Tasks to mitigate risk:

Data/IT systems are secured through firewalls, anti-virus software, password and security policies, online training for staff and HR policy. Microsoft 365 security features implemented.

Cloud back-ups.

Bi-annual internal audit of IT systems and processes carried out, including Cyber Security.

ICT security protocols were reviewed in light of staff working from home to ensure compliance.

ICT protocols on automatic deletion were instigated within Microsoft Office 365 as well and the removal of the autofill email tool to reduce message-sending errors.

Disaster recovery plan outlines potential disaster scenarios and associated recovery procedures.

Patching and upgrade policy.

Regular internal phishing exercises run to identify staff training needs.

Finance and Planning systems moved from on premise to cloud hosted.

Revised likelihood	3	**Revised severity**	4	**Revised risk score**	12

Additional actions required:

Review existing policies on a regular basis to ensure they follow most up to date security measures

Ongoing at ach simulation training targeting higher risk roles including user education and awareness

Implement additional security policies – e.g. conditional access / app protection policies to control access via unmanaged or personal devices

Implementation of any actions identified through the cyber security audit.

Migration of on-premise system and data to cloud. Supplier chosen following G-Cloud evaluation and selection process. The project to start beginning of July 2026.

Cost/benefit review of network security scanning.

~~Project to migrate the planning system to the cloud has commenced. Target date for implementation Sept 2026.~~

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Risk 8 A breach in data security or data protection

Risk description: Failure by staff to follow GDPR processes or protocols, allowing data breach.

Primary impact areas: performance; reputation

Risk owner: Chief Executive

Date first entered on register 19/08/2019

Workplan ref: FD8

Initial likelihood	4	Initial severity	4	Initial risk score	16

Tasks to mitigate risk:

The Data Protection Officer offered Freedom of Information and Data Breach Training to all staff in October.

A review of the Data Request processes, including FOI and DSAR, was presented by the Data Protection Officer to the Management Team in September. This included the adoption of a new workflow management process and the establishment of internal Service Level Agreements (SLAs).

~~New Data Protection Officer is no longer in post and the responsibility has reverted back to the Director of Delivery until the successor has completed DPO Certification.~~

The Director of Delivery is the Data Protection Officer (DPO), with the Head of Governance acting as the Deputy DPO following successful completion of the GDPR Foundation training course. Both the DPO and Deputy DPO are supported by the Governance Officer who has completed the Certified Data Protection Officer (C-DPO) training course.

~~-~~Certified GDPR Data Protection Officer(s) and GDPR Compliance Plan in place, and data protection training given to all staff.
All new staff to the Authority are inducted on Data Protection and the principles of GDPR.

All new staff are required to complete a Data Security induction with the DPO.

Regular ELMS training in Data Security

Revised likelihood	2	Revised severity	4	Revised risk score	8

Additional actions required:

Monitor and review case law and keep up to date with GDPR & data protection information/best practice.

Provide refresher GDPR & Data Protection online training via ELMS to all staff.

~~The Director of Delivery is the Data Protection Officer~~. ~~The successor has undertaken the DPO Certification and both officers are undertaking a handover process.~~

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Risk 9 Devolution and Local Government Reorganisation

Risk description: Failure to engage with a new territorial authority, in particularly with a new Mayor, on environmental, climate change, economic and transport (including navigation) which directly impacts service delivery within The Broads.

Primary impact areas: performance; reputation

Risk owner: Chief Executive

Date first entered on register 28/10/2025

Workplan ref: GOV4

Initial likelihood	5	**Initial severity**	4	**Initial risk score**	20↑

Tasks to mitigate risk:

The Chief Executive continues to engage with Chief Executives at territorial authorities on transitional planning.

The Chair continues to engage with respective member bodies on transitional planning.

Revised likelihood	3	**Revised severity**	3	**Revised risk score**	9

Additional actions required:

Engage any newly established territorial authority to support strategic planning and transitional work.

Arrange a meeting with the newly appointed Mayor to develop a collective view and relationship with the Broads Authority. Awaiting more information on when Mayor is likely to be appointed.

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Risk 10 Failure to adapt to Climate Change

Risk description: Failure to adapt to the effects of Climate Change and how it would impact the Authority's objectives and assets, as well as the risk to the biodiversity of the Broads.

Primary impact areas: performance; reputation

Risk owner: Chief Executive

Date first entered on register 22/07/2026

Workplan ref: SD2

Initial likelihood	5	Initial severity	4	Initial risk score	20↑

Tasks to mitigate risk: The risk to the Authority's objectives, assets and the biodiversity of the Broads is monitored through the Directorate Risk Registers which filters down through to the various work plans and strategies which guides the Authority's activities to mitigate any risks associated with increased salinity, flooding, loss of assets.

The Business Continuity Plan has detailed plans in place should there be an event where assets were not able to be accessed.

Revised likelihood	3	Revised severity	3	Revised risk score	9

Additional actions required: Consider the role of other stakeholders in addressing these risks.

Risk, Audit and Governance Committee

23 November 2026
Agenda item number 12

Corporate Partnerships Register

Report by Head of Governance

Summary

The Broads Authority maintains a register of its key partnerships with external organisations. The latest Corporate Partnerships Register (Appendix 1) is attached for members' information.

Recommendation

To note the updated Corporate Partnerships Register (November 2026).

1. Corporate partnerships

1.1. The Broads Authority works in partnership with a wide range of organisations to meet its statutory purposes and deliver the strategic objectives for the Broads.

1.2. These partnerships add value to the Authority's work by helping us 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; and
- 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, 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; and
- 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 Register gives details for each partnership including purpose, partners and lead Authority officer, perceived benefits, duration, financial arrangements, tasks and an approximation of the amount of officer time involved in each partnership.

3.2. The Management Team reviews the 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. Having reviewed the Register in early November, the Management Team considers that all live partnerships are meeting their original aims and objectives, internal management and governance arrangements are adequate and appropriate, and the partnerships represent value for money.

3.4. Since it was last published, there have been five additions to the Register:

- Lowland Agriculture Peat Water Discovery Pilot (LAPWDP+)
- Broads Peat Partnership
- National Parks England

- National Parks UK Learning and Engagement Working Group
- Network Rail

3.5. Since it was last published, there have been two partnership schemes removed, as identified in the Register:

- Fibrebroads PEF+
- Water Restoration Fund

3.6. The updated Register is at Appendix 1 to this report. Any feed back from the Risk, Audit and Governance Committee will be reported verbally at the Broads Authority meeting on 27 November 2026.

4. Risk implications

4.1. Associated risks and mitigation measures are noted in our Corporate Risk Register or operational level Directorate Risk Registers.

Author: Lorraine Taylor

Date of report: 04 November 2026

Appendix 1 – Corporate Partnerships Register (November 2026)

Appendix 1

Corporate Partnerships Register

The register at Table 1 shows the Broads Authority's corporate partnership arrangements with external organisations. A 'partnership' in this context 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 risks in proportion to the benefits each receives, and share information and good practice. Any significant identified risks to the Authority associated with these partnerships are noted in our Corporate Risk Register or relevant Directorate Risk Registers.

Table 1

Corporate Partnerships Register (reported to Risk, Audit & Governance Committee 23/11/2026 and Broads Authority 27/11/2026)

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
ASSOCIATION OF INLAND NAVIGATION AUTHORITIES (AINA) **Purpose**: Represents the collective views of navigation authorities to Government, regulators, other policy makers, funders and stakeholders. Provides 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 Delivery	Gives collective voice greater than sum of constituent members, such as access to senior DEFRA officials and chance to influence policy and regulations.	Ongoing	BA contribution £3,~~820~~935 in 2025~~4~~/2~~5~~6	Represent issues for Broads navigation Officer inputs vary, but mainly reading technical papers or sharing information with AINA members A key organisation for the Authority to be involved in.

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
BROADLAND CATCHMENT PARTNERSHIP **Purpose:** Steers a catchment approach to source funding, agree targets and deliver practical projects in collaboration. It is an informally constituted partnership. **Partners:** BA, Norfolk Rivers Trust, Environment Agency, Natural England, Water Management Alliance, Anglian Water, Essex & Suffolk Water, NFU, RSPB, Norfolk Farming & Wildlife Advisory Group, NWT, SWT, The Otter Trust, Norfolk County Council, Wensum Farmers, National Trust, WRE, River Waveney Trust, UEA, BAWAG **BA lead officer: Catchment ~~and Farming~~ Officer**	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 £2~~6~~0k p.a. in officer time £1~~4.25~~3k income from CaBA in agreement with Norfolk Rivers Trust	Coordinate partnership 0.3~~5~~ FTE from November 2026

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
fBROADLAND FUTURES INITIATIVE **Purpose**: To develop the future management of flood risk in the Broads area. **Partners**: BA, Environment Agency, Natural England, NFU, RSPB, Norfolk County Council, Suffolk County Council, District Councils, Water Management Alliance, Coastal Partnership East, Wildlife Trusts, National Trust. **BA lead officer**: Director of Delivery **BA members:** Matthew Shardlow (Tony Grayling) as reserve) on Elected Members' Forum	Coordination of partner activities to achieve greater impact, with collective ability to meet flood risk management challenges.	Ongoing	Small financial contribution each year to facilitate meetings.	Chair partnership meetings, provide comms support, review technical information, present at events and provide data and guidance. 50 hours p/a
BROADS BEAT **Purpose**: Dedicated Police presence for the Broads alongside BA patrols to ensure safety and security on the Broads. **Partners**: Norfolk Constabulary (lead partner), BA, Environment Agency **BA lead officer**: Head of Ranger Services	Operational benefits to BA Rangers through practical day-to-day liaison with local Police.	Ongoing	Primarily financed by Norfolk Constabulary. Additional funding discretionary for all other sponsors. BA contribution £2,500 p.a. (2024~~4~~5/2~~5~~6) plus officer time to assist Broads Beat patrols.	Mainly an information and intelligence sharing partnership. Another key organisation to be linked into.

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
BROADS BIODIVERSITY PARTNERSHIP **Purpose**: To steer nature recovery to source funding, agree targets and deliver practical projects in collaboration. It is an informally constituted partnership. **Partners**: Anglian Water, Buglife, British Dragonfly Society, Broads Authority, Broads Society, Butterfly Conservation, Environment Agency, Essex & Suffolk Water, Freshwater Habitats Trust, Natural England, National Farmers Union, National Trust, Non-Native Species Initiative, Norfolk Biodiversity Information Service, Norfolk County Council, Norfolk Flora Group, Norfolk Wildlife Trust, Norfolk and Norwich Naturalists' Society, Plantlife, RSPB, Suffolk County Council, Suffolk Wildlife Trust, University of East Anglia, Water Management Alliance. **BA lead officer:** Environment Policy Adviser	Monitors and consults on the Broads Nature Recovery Strategy (BNRS) and its Delivery Plan. Supports nature recovery project planning and delivery. Partner activities can be co-ordinated to achieve greater impact, with collective ability to meet nature recovery challenges	Ongoing	Small financial contribution each year to facilitate meetings. Officer time (chairing meeting, updating BBW Strategy and Action Plan)	Review annual action plan. Hold partnership meetings every 3-4 months. 45 hours p/a

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
BROADS TOURISM (Visit the Broads) **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. **Partners**: Local tourism businesses and promoters, BA **BA lead officer**: Head of Communications	Supports coordinated approach to working with tourism businesses and promoters to encourage and manage common messages and sustainable tourism in the Broads.	10 year agreement concludes March 2026. Future partnership working which places less financial and resource demand on the Authority to be agreed	BA provides in-kind administrative support to Broads Tourism board, as well as occasionally producing publications and attending shows or other promotional events. Direct financial support of £5,000 for VtB marketing activity in 2025 which promotes the area. Indirect financial support of £3,000 for additional advertorial pages in Broadcaster.	Provide admin support for meetings and comms support. Attend Board meetings in advisory capacity, manage website and Broads National Park social media accounts, work with DMOs, provide support to promote area to visitors. Estimated 650 hrs per year of officer time.

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
Suffolk and Norfolk Local Visitor Economy Partnership (LVEP) **Purpose**: Boost the region's visitor economy by improving destination management, accessing national funding and resources from VisitBritain/VisitEngland, and promoting sustainable, year-round tourism **Partners**: Visit East of England, Local DMO's and Local Authorities **BA lead officer**: Head of Communications	Influence on strategic marketing of Norfolk and Suffolk to visitors Joint delivery of Suffolk & Norfolk Destination Management Plan 2024-2029	Ongoing	None	Attendance at 4 Board meetings per year and Chair of Visitor Economy Group – approximately 20 hours per year.

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
Community Rail Norfolk – Bittern and Wherry Lines Community Rail Partnerships **Purpose**: To embed rail into the heart of local communities by enabling, empowering, and engaging with existing Community Rail Partnerships to help them grow the rail market and make local lines and stations a stronger part of their local communities. Maximise opportunities for third party funding for station improvements especially to deliver wider social, economic, and environmental benefit. **Partners**: Greater Anglia and the Bittern and Wherry Lines Community Rail Partnerships **BA lead officers**: Head of Communications / Partnership & External Funding Manager	Enable joint promotion of sustainable travel around the National Park. Access to joint project work and funding opportunities that benefit second purpose activities.	Ongoing	No financial commitment to the Authority and occasional opportunities to bid for project funding	Attendance at Bittern and Wherry Lines partnership meetings and Community Rail Norfolk Board (Vice Chair). Approximately 36 hours per year.

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
FARMING IN PROTECTED LANDSCAPES **Purpose:** The programme, developed by Defra, and delivered locally through the Broads Authority and Norfolk Coast AONB, supports farmers and land managers in carrying out projects that support the natural environment, mitigate the impacts of climate change, provide public access opportunities or support nature-friendly, sustainable farm businesses. **Partners**: Norfolk Coast AONB. The Local Assessment Panel includes representatives of the farming and land-owning community, environmental NGOs, the Broads Authority, the Norfolk Coast Partnership and Natural England. **BA lead officer**: Farming in Protected Landscapes Officer~~Catchment and Farming Officer~~	The funding will pay for projects, on one landholding or across a number of holdings, which provide direct benefits to the Broads.	~~Until March 2025.~~ Funding for FiPL Officer until March 202~~7~~9	Overall allocation for the Broads varies each year. Land Management Board will act as FiPL grant decision making board with specific Terms of Reference.	Comply with the National Framework. Hold regular Local Assessment Panels. Report monthly to DEFRA. 1~~.5~~x FTE p/a

Fibrebroads PEF+ **Purpose:** Builds on the initial Fibrebroads project to unlock paludiculture (meaning "the profitable production of wetland crops") as a new opportunity for farmers in the Broads. **The project will:** Use spatial mapping to identify and prioritise opportunities for paludiculture based on habitat needs and water demands. Further explore the most viable paludiculture products by developing and testing high value acoustic insulation products created from reed fibres. Assess the feasibility of large-scale reed harvesting in the Broads and foster collaboration among landowners, farmers, and machinery developers. Inform how farming systems adapt to climate change and sea level rise, whilst enhancing biodiversity and water management. **Partners:** BA (lead), Natural England, Norfolk Farming & Wildlife Advisory Group, ESG Natural Capital (wetland fibre processors), Woolly Shepherd (acoustic designers) , Cranfield University, Paul Eldridge (reedcutter). **BA lead officer:** Paludiculture Officer	Project is funded by Defra through the Paludiculture Exploration Fund (PEF) as a priority within the Environment Plan, with strong links to Net Zero and Peatland Action Plan. Funding makes significant difference to BA's ability to work with farmers and land managers to unlock the multiple barriers with our partners around land and water management.	From March 2025 to March 2026	Overall value is £175,280.39	Comply with the conditions of the grant. Employ Project Officer. Coordinate the partnership, reporting and multiple contracts. 1.2x FTE p/a

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
NATIONAL PARKS PARTNERSHIP **Purpose**: Limited Liability Partnership (LLP) set up to pursue engagement of the UK National Parks family with the corporate sector. **Partners:** UK National Park Authorities and BA **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 2025/26	None
NATIONAL PARKS UK COMMUNICATIONS TEAM **Purpose**: National promotion and branding of UK National Parks and BA **Partners**: UK National Park Authorities, National Parks Partnerships, National Parks England and BA **BA lead officers**: Head of Communications	Raises the profile of National Parks with the public through a jointly funded Communications Team	~~Until 2024/25~~Ongoing?	Funding from 15 UK National Parks and National Parks Partnerships. BA contribution in 20~~25/~~26 is £8,000.	Participate in ongoing joint communications and marketing activity as required. Attend twice yearly Heads of Comms meetings (1 in-person/1 online) 100hrs PA

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
PUBLIC SECTOR CO-OPERATION AGREEMENT (PSCA) **Purpose:** To support collaborative procurement and facilitate co-operation on shared objectives related to flood risk management, maintenance, and related activities in which the Broads Authority serves as the delivery partner. **Partners:** Broads Authority, Environment Agency **BA lead officer:** Head of Construction, Maintenance & Ecology	To facilitate joint working on dredging re-use, food defence asset maintenance and other activities, where the standard procurement route through Environment Agency frameworks would be a barrier to effective local working with the Authority. The Authority is able to invoice for certain works that would otherwise be solely funded from revenue budgets.	Start: June 2024 Ends: June 2029 (subject to review)	Invoices raised for individual tasks. Rates updated annually.	Annual rates for Authority plant, equipment and staff time are provided to the EA. Agreement programme of work is set annually. Approx. 5 hours p.a on PSCA. Additional staff time on individual tasks is variable but this time is all integrated into operational work programme priorities.

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
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**: Delivery Board attended by Waterways & Recreation Officer.	Coordinated management of River Wensum. Opens up opportunities for funding and supports partnership working on cross-party issues such as access/mooring improvements and dealing with anti-social behaviour and abandoned vessels.	Strategy adopted by BA in July 2018; all actions assigned to BA completed by 2024.	No further action agreed at meeting. No CIL applications submitted in 2024.	No further actions associated to BA officer.
UK NATIONAL PARKS CHARITY FOUNDATION **Purpose**: To provide a vehicle for charitable giving by the corporate sector. **Partners**: UK National Park Authorities and BA, 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 engaging with the corporate sector, which showed that some companies would like to contribute to National Parks but can only do so to a registered charity.	Ongoing	No assets as yet.	None.

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
WATER RESTORATION FUND **Purpose:** To promote understanding of the Broads by engaging the public in volunteering through water quality monitoring, and by promoting understanding of the Broads in a changing climate through virtual environments. It will also help to conserve and enhance the Broads through detecting water quality issues which can be raised with the EA and Anglian Water, as well as producing a strategic plan for monitoring and developing projects across the catchment which will improve the water environment of the catchments which feed into the Broads **Partners:** River Waveney Trust, Norwich University of the Arts, and BA **BA lead officer:** Head of External Funding	The RWT already have the skills, knowledge and community connections needed to carry out this work without needing to start build relationships with the community, recruit volunteers and build knowledge. NUA have the technology and equipment to develop virtual environments in a way which requires specialist skills and knowledge.	Project to run April 2025 to March 2026.	A grant from the Water Restoration Fund will finance the project. This is a total of £205,376.49 including £54,613.30 of funding for Broads Authority officer costs.	2.5 days a week of Catchment and Farming Officer's time and 2 days a week of Head of External Funding's time was built into the project proposal. There is flex in this to fund other staff time as needed.

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
WHITLINGHAM CHARITABLE TRUST **Purpose:** To secure the effective management of Whitlingham Country Park including the development of policies and provision of visitor services on site. **Partners:** Arminghall Settlement and Broads Authority **BA lead officer:** The Broads Authority is a member of the WCT, represented by the Chief Executive. The Authority appoints four Trustees to the Board of Trustees.	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.	Ongoing	There are four members of the Trust which is limited by guarantee. In the event of the Trust being wound up each member agrees to contribute £1.	BA staff administer the appointment of Trustees. Chief Executive attends the AGM representing the Authority
BROADS HERITAGE PARNERSHIP: A VISION FOR THE FUTURE **Purpose:** To develop and deliver a bid to the NLHF's Landscape Connections programme. **Partners:** Multiple; to be confirmed through partnership agreement as part of funded partnership development work **BA Lead Officer:** Head of External Funding	Funded partnership development work which brings together new and previous core partners together to collectively develop the new multi-project, multi-partner bid for the NLHF Landscape Connections programme.	This project will end in ~~November 2026~~January 2027	Funding from the National Lottery Heritage Fund (NLHF) of £129,312	BA leads and administers the partnership. 1 FTE for Partnership Development Officer, 3 days a week for Head of External Funding time.
LAPWDP+ (Lowland Agricultural Peat Water Discovery Pilot)	A grant from the EA will finance the project. This is a total of £78,441			

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
Purpose: **Partners:** NEFF, NFWAG, BA, Cranfield. **BA Lead Officer:** Environment Policy Advisor	including £27,508 of funding for Broads Authority officer and costs including National Conference and Site Feasibility Studies and Podcast series.			
Broads Peat Partnership **Purpose**: To restore and manage peatland landscapes, carbon-rich soils, and their associated farming systems across the Broads and surrounding peat valleys—delivering outcomes for carbon storage, biodiversity, flood mitigation, water quality, heritage conservation, and resilient local communities. This work will be aligned with regional and national environmental goals, while supporting sustainable farming practices as part of the solution **Partners**: Anglian Water, Broads Authority, Broads IDB, Cranfield University, Environment Agency, Essex and Suffolk Water, National Farmers Union, Natural England, Norfolk FWAG, Norfolk County Council, Norfolk Environment, Food and Farming Ltd, Norfolk	To share expertise, resources, and data transparently and engage stakeholders and community groups in water management to build understanding of the small changes and new practices that may be needed within existing business models, which they can carry out in a secure and profitable way, while also seeking their support for restoration and monitoring efforts. Potential for this partnership to lead to	Agreement in effect from date of signature for an initial 5-year term. Partners may exit with 6 months' notice; remaining partners may continue under revised terms.	Multi-sourced funding (public, private, voluntary, carbon finance) to be sourced to develop demonstration and case studies.	Broads Authority as lead partner to manage logistics, funding administration, and meeting coordination.

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
Rivers Trust, Norfolk Wildlife Trust, River Waveney Trust, Suffolk County Council, RSPB, Suffolk Wildlife Trust, UKCEH, UEA, Waveney Lower Yare and Lothingland IDB **BA Lead Officer:** Environment Policy Advisor	externally funded projects.			
National Parks England **Purpose:** NPE's strategic priorities are to transform nature's recovery; developing a climate action programme; sustainable farming and landscape management; and improving people's health, well-being and recovery through equitable access and connection to nature and culture. **Partners:** National Parks across England – Dartmoor, Exmoor, Lake District, New Forest, Northumberland, North York Moors, Peak District, South Downs, Yorkshire Dales. **BA Lead Officer:** Chief Executive	A collective voice of English National Park Authorities, working together to achieve the strategic priorities through influencing policy.	Ongoing		
National Parks UK Learning and Engagement Working Group	Collaborative work undertaken to develop	MOU agreement in effect.	Each partner providing £3,000 of funding	A BA representative will be appointed to the Steering Group

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
Purpose: To enable and coordinate the Scheme to prepare and submit external funding applications by supporting and part-funding a Grants' Development Consultant. **Partners:** Lake District National Park Authority; Brecon Beacons National Park Authority; Cairngorms National Park Authority; Dartmoor National Park Authority; Eryri National Park Authority; Exmoor National Park Authority; Loch Lomond &The Trossachs National Park Authority; New Forest National Park Authority ; North York Moors National Park Authority; Northumberland National Park Authority; Peak District National Park Authority; Pembrokeshire National Park Authority; South Downs National Park Authority; Yorkshire Dales National Park Authority **BA Lead Officer**: Education Officer	and submit external funding applications on behalf of the Partners.	The partnership runs from June 2026 until the contract for the Grants' Development Consultant comes to an end or is terminated	towards the full costs of the Grants' Development Consultant	
Network Rail **Purpose:** To ensure that bridges operate effectively ensuring that the navigation remains open to boaters, providing them access across the Broads network.	Network Rail maintains several bridges spanning the Norfolk and Suffolk Broads. In 2010, The Broads Authority entered into 'Undertaking'	Ongoing	None	The Director of Delivery has regular contact with Network Rail staff and attends joint meetings with

Name, purpose, partners and BA representatives	Benefits of partnership to the BA	Duration and type of partnership	Financial arrangements	BA tasks & officer time commitment (approx.)
BA Lead Officer: Director of Delivery	between the Broads Authority Network Rail to establish that Network Rail is willing to use their "reasonable endeavours" to operate the bridges properly. This 'Undertaking' establishes agreements around communications, notifications about bridge works, publicising bridge closures, and improving the working relationship between Network Rail and The Broads Authority.			network managers and operators.

Recently ended partnerships

Corporate Partnerships that have ended since this register was previously reported.

Table 2

Details of partnership agreement	Benefits to the BA	Details of partnership closure
Fibrebroads PEF+ **Purpose:** Builds on the initial Fibrebroads project to unlock paludiculture (meaning "the profitable production of wetland crops") as a new opportunity for farmers in the Broads. **The project will:** Use spatial mapping to identify and prioritise opportunities for paludiculture based on habitat needs and water demands. Further explore the most viable paludiculture products by developing and testing high value acoustic insulation products created from reed fibres. Assess the feasibility of large-scale reed harvesting in the Broads and foster collaboration among landowners, farmers, and machinery developers. Inform how farming systems adapt to climate change and sea level rise, whilst enhancing biodiversity and water management. **Partners:** BA (lead), Natural England, Norfolk Farming & Wildlife Advisory Group, ESG Natural Capital (wetland fibre processors), Woolly Shepherd (acoustic designers) , Cranfield University, Paul Eldridge (reedcutter).	Project is funded by Defra through the Paludiculture Exploration Fund (PEF) as a priority within the Environment Plan, with strong links to Net Zero and Peatland Action Plan. Funding makes significant difference to BA's ability to work with farmers and land managers to unlock the multiple barriers with our partners around land and water management.	Project was for 1-year and ran from March 2025 to March 2026.

Details of partnership agreement	Benefits to the BA	Details of partnership closure
BA lead officer: Paludiculture Officer		
WATER RESTORATION FUND **Purpose:** To promote understanding of the Broads by engaging the public in volunteering through water quality monitoring, and by promoting understanding of the Broads in a changing climate through virtual environments. It will also help to conserve and enhance the Broads through detecting water quality issues which can be raised with the EA and Anglian Water, as well as producing a strategic plan for monitoring and developing projects across the catchment which will improve the water environment of the catchments which feed into the Broads **Partners:** River Waveney Trust, Norwich University of the Arts, and BA **BA lead officer:** Head of External Funding	The RWT had the skills, knowledge and community connections needed to carry out this work without needing to start build relationships with the community, recruit volunteers and build knowledge. NUA have the technology and equipment to develop virtual environments in a way which requires specialist skills and knowledge.	Project was for 1-year and ran from April 2025 to March 2026.

Register updated: 04/11/2026
Next update due: November 2027
Presented to Risk, Audit & Governance Committee 23/11/2026 and Broads Authority 27/11/2026

Contact officer: Head of Governance

Risk, Audit and Governance Committee

23 November 2026
Agenda item number 13

Implementation of internal audit recommendations – summary of progress

Report by Senior Accountant

Summary

This report gives a summary of progress in implementing Internal Audit recommendations arising out of audits carried out during 2024/25, 2025/26 and 2026/27.

Recommendation

To note the report.

1. Introduction

1.1. This report gives an update on implementing the Authority's Internal Audit report recommendations, focusing on outstanding recommendations and timescales to complete outstanding work.

1.2. Appendices 1, 2 and 3 give details of the audits carried out in 2024/25, 2025/26 and 2026/27, in particular:

- Recommendations not yet implemented;
- Recommendations implemented since the last meeting; and
- New recommendations since the last meeting.

2. Summary of Progress

2.1. Since the report to this committee in July, the timetable in Appendix 1 for actions on recommendation nine from the Cyber Security Maturity Assessment of March 2025 has been updated to 30 June 2027, as the Government Security Centre for Cyber no longer exists.

2.2. The recommendations from the Corporate Governance and Risk Management audit from April 2026 can now be closed, as all actions were completed in July 2026.

2.3. The progress on the actions arising from recommendations two and three from the April 2026 Planning & Enforcement audit has been updated in Table 3 of Appendix 2.

3. Internal Audit Programme 2026/27

3.1. Since the report to this Committee in July 2026, the first audit agreed by members, Net Zero, took place between August and September 2026, and the final report was received in October 2026.

4. Net Zero

4.1. The objective of this audit was to provide assurance that the Authority has established effective governance, strategy, plans and performance arrangements to deliver its carbon reduction commitments. The audit had a positive outcome, demonstrating an overall sound control environment which reflects well on management and the teams who are accountable and responsible for the control environment. The audit resulted in a rating of Reasonable Assurance, with three "important" recommendations, one already completed and two scheduled for early 2027. For more details, please refer to Appendix 3.

Author: Izabela Foley

Date of report: 06 November 2026

Broads Plan strategic objectives: All

Appendix 1 – Summary of actions and responses to Internal Audit 2024/25

Appendix 2 – Summary of actions and responses to Internal Audit 2025/26

Appendix 3 – Summary of actions and responses to Internal Audit 2026/27

Appendix 1 – Summary of actions and responses to Internal Audit 2024/25

Table 1

Cyber Security Maturity Assessment – March 2025

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
9. Supply Chain Security IT suppliers must be reviewed periodically to ensure that they are meeting contractual security obligations and key performance targets.	Important	Senior ICT Support Officer	Policy will be put in place as recommended Update: This is ongoing. We are working with Cyber GSeC (Government Security Centre for Cyber) and a statement of work (SoW) has been agreed. Cyber GSeC will provide the following deliverables during the lifetime of the engagement: • Review the current state: A review of existing due diligence checks and level of maturity. • Advice and guidance: where to find valuable sources of information regarding good practice for supply chain risk • Creation of a standard process: advice and guidance on developing appropriate checks of suppliers, for example, pre-procurement questions, security requirements and schedules, annual compliance checks. • Record keeping advice and guidance with regard to supplier registers and record	By 30/09/2025 Updated to 31/12/2025 Updated to 30/06/2026 Updated to 30/06/2027

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
			keeping, to ensure suppliers are tracked and engaged at appropriate times. Update Feb 2026: We are waiting for Cyber GSeC (Government Security Centre for Cyber) to provide their advice and guidance. Update Nov 2026: • NCSC cloud security principles supplier checklist has been developed that includes the validation of supply chain security requirements. This has been implemented for all new suppliers, and existing suppliers will be asked to complete a copy • All existing suppliers will subsequently be asked to verify and update their responses on a regular basis	

Appendix 2 – Summary of actions and responses to Internal Audit 2025/26

Table 2

Corporate Governance and Risk Management – April 2026

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
1. Delegated Decisions Ensure that records of officer delegated decisions are published in accordance with The Openness of Local Government Bodies Regulations 2014. This should include decisions to award a permission or licence, planning decisions and decisions to award contracts. The record of the decision should state the date of the decision, reasons and alternative options considered.	Important	Director of Resources and Head of Governance	This has now been done.	By 31/07/2026 Completed
2. Directorate Risk Registers Review directorate risk registers on a regular basis to identify any recurring issues or themes. Anything identified should be reported to Management Team and Risk, Audit and Governance Committee.	Routine	Head of Governance	The Directorate Risk Registers are reviewed on a regular basis by Head of Governance, the Directors and the Management Team. A report to Members is provided at each Risk, Audit and Governance Committee meeting.	By 31/07/2026 Completed
3. Directorate Risk Register (DRR) Update the format of risk registers to include clear timescales and ownership for mitigating actions, and links to work plans in directorate risk registers.	Routine	Head of Governance	This has now been done.	By 31/07/2026 Completed

Table 3

Planning & Enforcement – April 2026

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
1. Habitats Regulations Assessments (HRA) The Authority to establish and implement a consistent approach to Habitats Regulations Assessments (HRA), to ensure that all relevant planning applications are appropriately screened and assessed in line with the Conservation of Habitats and Species Regulations 2017. This should include clear guidance for officers, records of decisions about whether screening assessments have been undertaken, and transparency about the use of third-party information in assessments.	Important	Head of Planning	1. New procedural guidance produced and shared with all ecologists and planning officers. Ensure they are using it. New guidance produced. All relevant staff using guidance. 2. Hold refresher training for both the ecologists and development management officers. Meeting arranged and held on 01/07/26 with both teams. Good collaborative discussion and clarifications. Actions arising to improve processes and transparency e.g. ecologists to add their names to consultation response. 3. The use of third-party information will be made clear in the ecology response. This has been uploaded to the public record (Planning Portal). 4. Include a field on the ecologists' consultation response form to make it clear whether screening is necessary and the reason why in either case, which will be publicly available.	By 30/06/2026 Completed in July 2026

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
			5. Include a field on the ecologists' consultation response form to make it clear that if needed the screening assessment has been done. The screening will be uploaded to the application as set out in the new internal procedural guidance.	
2. Planning Enforcement Management to ensure that sufficient knowledge and capability is maintained within the enforcement function by formalising current practices and documenting key processes. Consider reviewing resilience within the enforcement function through training additional staff or succession planning, to reduce reliance on a single officer and ensure continuity of service.	Important	Development Manager	1. Formally review the responsibilities and current functions of the Enforcement Officer to ensure compliance with regulations and the job description. This is ongoing. 2. Ensure the enforcement officer receives targeted training and ongoing guidance to fill knowledge gaps, build confidence, and enhance performance in their role. The Enforcement Officer has attended a workshop and training from RTPI. He continues to research further appropriate training. 3. Review and remove practices currently undertaken that are no longer deemed necessary or required by legislation. 4. Produce standard operating procedures for enforcement	By 31/12/2026

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
			activities. Ensure all planning officers are familiar with these. To be started once all practices are confirmed as statutorily or locally necessary. Update Nov 2026: The Development Manager continues to work with Enforcement Officer; a case review is scheduled for November 2026.	
3. Resilience Management to review the current resourcing and workforce planning arrangements within the Planning Team to improve resilience.	Important	Head of Planning	1. Discussion with Management Team/new Chief Executive. 2. When the new P&HO starts the new team structure will need to be reviewed. As the new Team structure started on 29 June 2026, time should be allowed before the review. 3. Consider alternative ways of resourcing (e.g. current BNG, landscape, and arboricultural consultants). Ongoing. Update Nov 2026: The Head of Planning will leave in December, and recruitment for a replacement is under way with interviews scheduled for 16 November 2026. The Director of Delivery attended a team meeting to discuss staff	By 31/12/2026 Updated to 30/06/2027

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
			concerns. The Development Manager will meet with the Director of Delivery and HR to agree next steps.	
4. Planning Complaints The Authority to ensure that complaints received are to be supported by evidence on file. Regular management oversight to be introduced to ensure compliance within the three-working day requirement.	Routine	Development Manager	1. All staff have been made aware of this shortfall and instructed to comply and record all correspondence. 2. The Development Manager reviews response times regularly.	By 31/07/2026 Completed

Appendix 3 – Summary of actions and responses to Internal Audit 2026/27

Table 4

Net Zero – October 2026

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
1. Reported Emissions Data Inaccuracies Ensure that emissions figures reported in the annual Broads Authority Climate Action Plan are independently reviewed for accuracy prior to issue. A revised Appendix 2 of the Climate Action Plan, detailing corrected emissions figures, to be issued to members promptly.	Important	Sustainability Manager	The correction was circulated to members by email on 27 October 2026.	By 31/10/2026 Completed
2. Climate Change Risk Register Formally maintain a Broads Authority Climate Change Risk Register, with key risks assessed for inclusion within the Corporate Risk Register.	Important	Sustainability Manager	This will be created within the Resources Directorate Risk Register.	By 31/01/2027
3. Broads Authority Action Plan Review and update the Broads Authority Action Plan at least annually to ensure that the recorded actions remain appropriate and internal footprint reduction figures are up to date.	Important	Sustainability Manager	An update report will be prepared for members in spring 2027.	By 31/03/2027