



Annual Governance Statement 2022/23

February 2024





Table of contents

1. Introduction
2. Scope of Responsibility
3. The Purpose of the Governance Framework
4. The Governance Framework
5. Review Process
6. Significant Governance Issues
7. Conclusion



Introduction

This document describes the responsibilities of the Humber Bridge Board (the Board), and the governance arrangements in place to ensure that the Board was able to discharge those responsibilities during 2022-23.

Scope of Responsibility

The Board is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that its assets are safeguarded and properly accounted for, and used economically, efficiently and effectively.

In discharging this overall responsibility, the Board is also responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

Due to the nature of its operations, the Board's governance framework largely mirrors the arrangements in local authorities and the Board follows guidance set out in the CIPFA/SOLACE Framework: Delivering Good Governance in Local Government, insofar as that framework can be applied.

The Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the Board is directed and controlled; and the activities through which it accounts to and engages with the community and other stakeholders. It enables the Board to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of that framework. It is designed to manage risk to a reasonable level, but cannot eliminate all risk of failure to achieve policies, aims and objectives. The system should ensure that, on an ongoing basis, identified risks to the Board's operations are evaluated and managed efficiently, effectively and economically.

The governance framework has been in place for the year ended 31 March 2023 and remains in place up to the date of the approval of the Statement of Accounts.



The Governance Framework

4.1 Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law

The Humber Bridge Board is a statutory body pursuant to the Humber Bridge Act 1959 and all subsequent Acts. In 2019 the Board revised and refined its governance arrangements with the production and publication of the Constitution and Standing Orders, which set out matters such as:-

- The purpose and powers of the Board
- Its composition and membership
- Its funding, accounting and external audit arrangements
- Its powers to levy and enforce tolls, including the consultation process in the event of real terms toll increases

The Board has in place a Constitution and Standing Orders which provide further detail about how the Board conducts its business, for example:-

- The conduct and procedures for Board meetings
- Scheme of delegation
- Financial Procedure Rules
- Contract Procedure Rules
- Access to Information
- Staff and Director conduct/behaviour

Standing Orders are complemented by detailed operational policies and procedures covering issues such as (but not limited to):-

- Human Resources
- Health and Safety
- Financial processes
- Use of Information Technology

Officers, led by the Chief Operating Officer, are tasked with:-

- Implementing those policies and procedures
- Managing budgets through a series of delegated arrangements
- Maintaining appropriate controls
- Providing assurance to the Board's Directors as to the effectiveness of processes and procedures

This provides a framework within which the Board can operate and take decisions in a manner that is consistent with the rule of law, demonstrates integrity and ethical behaviour, and promotes efficiency, economy and effectiveness.



4.2 Ensuring openness and comprehensive stakeholder engagement

The Board has established mechanisms for consulting with its stakeholders and communicating with users. These include:-

- The formal process should there ever be a need to increase tolls in real terms
- Publication of minutes and other key documents on the Board's website
- An established customer complaints process
- Liaison with community groups, such as those who seek to undertake charitable events on the Board's estate
- Liaison meetings with the Board's institutional stakeholders, in particular the Humber Local Authorities, who underwrite the Board's financial risk as defined in the 2013 Act
- Membership of the Humber Local Resilience Forum (LRF)
- Liaison with a range of other relevant parties, including organisations promoting the welfare of emotionally distressed individuals (EmDIs), and the police

Examples of the improvements and benefits from this engagement include:-

- The establishment of the Emotional Wellbeing Hub with partners, as part of the Board's response to dealing with EmDIs who attend the bridge site

4.3 Defining outcomes in terms of sustainable economic, social and environmental benefits; and determining the interventions necessary to optimise the achievement of the intended outcomes

The Board's vision and values are set out in the Strategic Plan 2021 – 26. The Board's core purpose is to maintain and operate the Bridge and this comprises three primary objectives:

- Maintain the bridge
- Collect the Tolls
- Keep traffic moving

It has in place a maintenance programme and financial plans, including capital and revenue budgets that are approved annually by the Board, to ensure this outcome is sustained. It has also established a strategy that defines a range of outcomes relating to its wider powers to promote social, economic regeneration in the Humber sub-region. This is supported by performance measures which are reported on an annual basis.

The Directors also receive regular reports on the following, which provide assurance and enable the Board to determine when further analysis and/or interventions are necessary:-

- Traffic volumes
- Maintenance programme
- Financial performance
- Health and Safety, including accidents and incidents
- Risk Register
- Social Value



4.4 Developing the entity's capacity including the capability of leadership and individuals within it

The organisation has undergone several re-structures since 2017 as part of the continual review to ensure it can meet and deliver the Boards primary purpose whilst ensuring the changing demands of the external environment are addressed. This is led by a suitably competent and qualified senior leadership team with a lean, but fit for purpose staff structure.

In addition, the Board's staff are supported by specialists from both the constituent authorities and consultants as needed. This includes several service level agreements:

- Legal Advice and Treasury Management Services by Hull City Council
- Payroll services by East Riding of Yorkshire Council

The senior leadership team also recognise the importance of the staff and benefits from a structured workforce strategy. This includes the following practices, introduced in previous years, and which continue to be reviewed, improved and embedded into the organisation :

- Succession planning
- A range of Employees Assistance services and support
- Wellbeing Champions Initiative
- Implementation of a wellbeing strategy
- Continuous Professional Development
- Encourage membership of relevant Professional Bodies
- Sharing best practice
- Benchmarking and seeking external recognition

4.5 Managing risks and performance through robust internal control and strong public financial management

The Board has a risk register that is managed in accordance with the Board's Risk Management Policy and reviewed on a regular basis. The risk register is divided into Strategic and Operational risks, with the former reported to the Board by the Senior Leadership Team at each Board meeting.

Robust financial procedures and systems provide strong internal controls, whilst ensuring prudent and value for money use of resources, to achieve the Boards primary purpose. This also includes the continuous improvement to reduce both operating and fixed costs as appropriate, whilst ensuring the level of service is maintained.

As part of the future asset financial management, the Board is developing several Strategies, to address key areas, including Estate Management, Carbon Reduction and Renewable Energy.



4.6 Implementing good practices in transparency, reporting and audit to deliver effective accountability

The Board has a Constitution and Standing Orders to define roles and accountability and to ensure more transparent reporting. This is reviewed on an annual basis.

The Board's financial reporting regime is defined in the 2013 Act. The accounts are subject to external audit (currently by Mazars LLP) and the most recent (2021/22) accounts received an unqualified (clean) audit opinion. The Board also receives an internal audit service which undertakes reviews of the control environment including risk management. Hull City Council provided this service up to 28/02/2023 and following a reprocurement exercise SWAP Internal Audit Services were appointed by the Board on 01/03/2023 to provide this service

Publication of the Board's business and minutes of meetings is made transparent through use of the Hull City Council (CMIS) website.

Compliance with Data protection Act and GDPR provisions is provided by an appropriate policy in place and the appointment of a Data Protection Officer.

Review Process

The governance processes are reviewed by the Board on an annual basis and take account of any issues or recommendations raised by the senior leadership team, Clerk, Treasurer or auditors. The next section includes any current areas of concern.

Significant Governance Issues

There were no significant governance issues to report.

Conclusion

We place reliance on the systems and procedures identified above, subject to the foregoing measures being taken in the coming year.

Andrew Arundel
Chief Operating Officer

CLlr Richard Hannigan
Chair of the Board