



## **STREAMLINING JOINT COMMITTEE AND BOARD ARRANGEMENTS**

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## JOINT NATURE CONSERVATION COMMITTEE

### STREAMLINING JOINT COMMITTEE AND BOARD ARRANGEMENTS

#### Paper by Dave Pritchard, Judith Webb, Sue McQueen and Tracey Quince

1. In March, Committee asked for consideration to be given to what changes might be made to ways its business is conducted to make the best use of members' time and to reduce cash and environmental costs. In June, members received a paper setting out a range of ideas generated from a short brainstorming session intended to stimulate discussion on how radical Committee felt the changes should be. It was agreed in June that a Committee sub-group would be established to consider the options further and to work up proposals for a decision to be made at the September meeting. The sub-group consisted of Dave Pritchard and Judith Webb, and was supported by Sue McQueen and Tracey Quince. The sub-group considered a number of options and possible scenarios for reducing the costs of holding meetings and making the work of the Committee and Board as effective as possible.
2. In developing the proposals at Annex 1, the sub-group took into account comments made at Committee in June and the relevant findings from the Committee's self-assessment (JNCC 09 D09) summarised in the June paper (JNCC 10 P06). The business of the Committee over the past eighteen months was analysed, which revealed that a relatively large volume of routine business could be delegated elsewhere, or dealt with inter-sessionally, to allow more time for horizon scanning and discussion of strategic issues at meetings. Delegation would be decided according to the level of risk and business could be escalated as necessary. All changes to delegations would require amendments to the Schedule of Delegations, but this could be done over a relatively short timescale.
3. Two options for membership of the Committee/Board are proposed in Annex 1 with information about the risk implications and the timeframe required for making any changes. Changes to Board membership would require Secretary of State approval and changes to governance instruments. Changes to Committee membership would require legislation.
4. In order to achieve cost benefits, the sub-group considered a number of other issues including:
  - i. greater use of video- and tele-conferencing facilities; and
  - ii. emailing papers to country conservation body members.

The sub-group felt that whilst video- and tele-conferencing offered some cost savings, there were drawbacks in terms of Committee cohesion. Emailing papers to country conservation body members would generate potential savings in collation, printing and postage of papers of £500 per meeting for JNCC but these would be partly offset by small costs in time and materials for each country conservation body. The sub-group felt that this could be trialled.

5. A change in corporate status would allow Committee to operate as an ordinary non-departmental public body without the need to have, and to operate through, a

company. This model was recommended by the Financial Management and Policy Review in 2002 but was not accepted by Committee at that time because of concerns that it would result in JNCC becoming less responsive and accountable to the country conservation bodies. EMB considers that sufficient controls are now in place to prevent this risk from materialising and that such a change would simplify governance arrangements. On the other hand, company status may provide additional reassurance to key stakeholders that JNCC has an effective governance framework.

**Annex 1. Proposed measures for streamlining Joint Committee and Company Board arrangements**

Component	Re-stated role	Proposed operational changes	Efficiency gains	Risks	Timeframe
The Board	Focus on high-level financial and accounting responsibilities of the company.	<ol style="list-style-type: none"> <li>1. One meeting per year in June back to back with Joint Committee.</li> <li>2. Quarterly information/reports emailed intersessionally to members to bridge the gap between meetings. Other items delegated to EMB and ARMC and escalated to Board members by correspondence as necessary.</li> <li>3. Balance between independent and country members should follow any changes made to Committee membership (see below). Reduce executive director membership to Managing Director only.</li> </ol>	<ul style="list-style-type: none"> <li>• Staff time associated with administration and minuting and small savings in stationery/postage (£650).</li> <li>• Board members' time for three meetings/year.</li> <li>• Savings in time and T&amp;S costs for four country conservation body members.</li> </ul>	<ul style="list-style-type: none"> <li>• Main risk would be around changing membership so it no longer reflected membership of Committee, e.g. proposal in 3. would mean that the number of independent and executive directors exceeded the number of country body directors.</li> </ul>	<ul style="list-style-type: none"> <li>• Short lead-in time for changes required to governance instruments but effectively immediate implementation.</li> <li>• Secretary of State approval required for changing membership.</li> </ul>
The Committee	Focus on strategic governance and advisory responsibilities of the Committee.	<ol style="list-style-type: none"> <li>1. Three meetings per year (March, June and late October/early November).</li> <li>2. Two meetings with standing items (strategy and corporate/ business plan), the others to discuss and agree major changes to governance, controversial</li> </ol>	<ul style="list-style-type: none"> <li>• Staff time associated with administration and minuting and small savings in stationery/postage ( £3k in total plus cost of field trip (variable)) and members' time of</li> </ul>	<ul style="list-style-type: none"> <li>• For option (i) under membership, balance in favour of independents rather than country bodies as at present.</li> <li>• For option (ii)</li> </ul>	<ul style="list-style-type: none"> <li>• Short lead in time for changes required to governance instruments but effectively immediate for reducing the number of meetings.</li> </ul>

Component	Re-stated role	Proposed operational changes	Efficiency gains	Risks	Timeframe
		<p>advice, new approaches and issues and intersessional items that members/Chair refer to meetings.</p> <p>3. June meeting to be held in a country on a rotational basis. No field trip, unless this is necessary to support business, but time set aside for meeting and building relationships with country conservation body Board/Council members who are not directly involved with the Joint Committee, e.g. evening presentations the night before.</p> <p>4. Membership. Three options:            i. Chair, four independent members and four named country conservation body members with a named alternate. Attendees at country bodies' discretion.            ii. Four independent members (including the Chair) and four country conservation body members.            iii. No change.</p> <p>5. Combination of</p>	<p>25 days per year in total.</p> <ul style="list-style-type: none"> <li>• Membership: Option (i) savings in country body members' and attendees' time of 28 days and T&amp;S costs for four country body members. Option (ii) as above but with a saving of £1100/year for T&amp;S and a saving of £8k salary costs with the reduction of one independent member.</li> <li>• Less routine business undertaken at meetings would allow more time for horizon scanning and strategic issues.</li> </ul>	<p>under membership, equal balance unless Chair was required to give a 'casting vote'.</p> <ul style="list-style-type: none"> <li>• Arrangements require a high level of trust in EMB, JNCC Chair and members of sub-groups that issues delegated are dealt with appropriately.</li> <li>• Increased risk through reduced membership that full set of knowledge and skills required could not be provided unless careful consideration given to competencies required.</li> <li>• Difficult to reverse</li> </ul>	<ul style="list-style-type: none"> <li>• Legislative opportunity required for changes to membership.</li> </ul>

Component	Re-stated role	Proposed operational changes	Efficiency gains	Risks	Timeframe
		<ul style="list-style-type: none"> <li>i. Delegation of non-contentious issues to EMB (see Annex 2) with input from relevant inter-agency groups as appropriate.</li> <li>ii. Decisions taken by correspondence.</li> <li>iii. Delegation to standing or time limited sub-groups of Joint Committee comprising relevant mix of members.</li> </ul> <p>6. Protocol to enable members to require items provided inter-sessionally to be deferred until a meeting if they consider this necessary.</p> <p>7. Standing agenda item on governance issues to maintain strong role and fill any gaps left by reducing the number of Board meetings.</p>		<p>membership changes once made in legislation (could trial any change through informal arrangements).</p> <ul style="list-style-type: none"> <li>• Possible perception amongst external stakeholders/ staff of sidelining/ disengagement of Committee</li> </ul>	
Strategy seminar	To prepare for annual strategy session of full Committee.	<ul style="list-style-type: none"> <li>1. One seminar per year in March (back to back with Joint Committee meeting) to consider strategy in preparation for the June meeting.</li> <li>2. Seminar to involve staff and independent members.</li> </ul>	<ul style="list-style-type: none"> <li>• Possible savings in time for country conservation body members if they opt not to attend.</li> </ul>	<ul style="list-style-type: none"> <li>• No major risks.</li> </ul>	<ul style="list-style-type: none"> <li>• Immediate if Committee meetings reduced to three per year.</li> </ul>

Component	Re-stated role	Proposed operational changes	Efficiency gains	Risks	Timeframe
		Optional attendance by country conservation body members.			
JNCC Chair	Current role but with greater delegated limits for final sign-off of issues previously considered by Committee and to determine how individual items of business are dealt with.	<ol style="list-style-type: none"> <li>1. A general delegation to form time-limited sub-groups on behalf of the Joint Committee.</li> <li>2. Delegated sign-off of:               <ol style="list-style-type: none"> <li>i. corporate and business plans;</li> <li>ii. non-contentious advice;</li> <li>iii. reserved items that are of little relevance to country conservation body members.</li> </ol> </li> </ol>	<ul style="list-style-type: none"> <li>• Savings covered in Committee component above.</li> </ul>	<ul style="list-style-type: none"> <li>• No major risks subject to Chair being aware of, and acting in accordance with, members' interests.</li> </ul>	<ul style="list-style-type: none"> <li>• Immediate with lead-in time for changes to the schedule of delegations</li> </ul>
Audit and Risk Management Committee (ARMC)	An advisory and commissioning sub-committee of the Company Board with responsibilities for issues of risk, control, governance and associated assurance.	<ol style="list-style-type: none"> <li>1. Four meetings per year with current membership and role.</li> <li>2. Some streamlining of activity:               <ol style="list-style-type: none"> <li>i. some items dealt with intersessionally, e.g. Report on Fraud in Government Departments and the timetable for auditing annual accounts;</li> <li>ii. some items dropped, e.g. high-risk/high-cost projects and the list of single tenders;</li> <li>iii. some items delegated to EMB, e.g. appointment of</li> </ol> </li> </ol>	<ul style="list-style-type: none"> <li>• No significant savings.</li> </ul>	<ul style="list-style-type: none"> <li>• None subject to ARMC members being aware of, and acting in accordance with, other Board members' interests.</li> </ul>	<ul style="list-style-type: none"> <li>• Immediate with minor changes to schedule of delegations.</li> </ul>

Component	Re-stated role	Proposed operational changes	Efficiency gains	Risks	Timeframe
		internal auditors.			
Marine Protected Areas sub-group	Maintain an overview of UK MPA work and possibly wider marine issues. Provide a steer on contentious issues and/or those for which there is no clear recommendation. Review progress and report to Joint Committee.	<ol style="list-style-type: none"> <li>1. Could expand role to include wider marine issues, e.g. surveillance.</li> </ol> <p>NB. As a relatively new group, a review of role and effectiveness is recommended to inform decisions on future arrangements.</p>	<ul style="list-style-type: none"> <li>• No savings.</li> </ul>	<ul style="list-style-type: none"> <li>• No major risks.</li> </ul>	<ul style="list-style-type: none"> <li>• Immediate with changes to terms of reference.</li> </ul>
Remuneration Committee	A sub-committee of the Joint Committee which sets the pay remit for staff, and the pay (including bonus) and performance objectives of the Managing Director.	<ol style="list-style-type: none"> <li>1. Formalise arrangements that have evolved over past few years (current ToR may need to be revised).</li> <li>2. Annual meeting (piggyback on March Committee meeting) to discuss Managing Director's performance for previous year, agree size of any</li> </ol>	<ul style="list-style-type: none"> <li>• None.</li> </ul>	<ul style="list-style-type: none"> <li>• None.</li> </ul>	<ul style="list-style-type: none"> <li>• Immediate.</li> </ul>

Component	Re-stated role	Proposed operational changes	Efficiency gains	Risks	Timeframe
		<p>performance bonus and agree objectives for next year.</p> <p>3. Additional meeting(s) as necessary to discuss /endorse JNCC pay remit prior to submission to Defra. Unlikely to need more than one meeting/year. Timing depends on how pay discussions progress each year. May be possible to hold meeting in margins of June Committee or to tele-conference.</p>			
Sub-groups on thematic work areas	To address specific issues on behalf of Committee.	1. Standing and/or time limited sub-groups established as necessary.	<ul style="list-style-type: none"> <li>As above.</li> </ul>	<ul style="list-style-type: none"> <li>No major risks assuming usage of this mechanism does not increase substantially.</li> </ul>	<ul style="list-style-type: none"> <li>Immediate with a general delegation to the Chair to form sub-groups.</li> </ul>
Intersessional decision-making	Increased level of business dealt with inter-sessionally.	<p>1. Items to be dealt with intersessionally:</p> <p>i. Non-contentious issues. Escalation process to Chair or Committee where a member feels this is necessary.</p> <p>ii. Non-controversial advice.</p>	<ul style="list-style-type: none"> <li>Flexibility to deal with issues on a more timely basis.</li> <li>Mostly savings in T&amp;S costs, stationery and postage costs</li> </ul>	<ul style="list-style-type: none"> <li>No major risks.</li> </ul>	<ul style="list-style-type: none"> <li>Immediate but clear escalation process to be agreed.</li> </ul>

Component	Re-stated role	Proposed operational changes	Efficiency gains	Risks	Timeframe
		<ul style="list-style-type: none"> <li>iii. Minor changes to corporate governance arrangements.</li> <li>iv. Corporate and task-specific performance and progress reports.</li> </ul>	covered under Committee/ Board.		
Delegation		<ul style="list-style-type: none"> <li>1. Increased delegations:               <ul style="list-style-type: none"> <li>i. Committee to Chair</li> <li>ii. Committee (direct or through Chair) to sub-groups</li> <li>iii. Committee/Board/ARMC to EMB.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Costs covered under Committee/ Board.</li> <li>• Flexibility to deal with issues on a more timely basis.</li> </ul>	<ul style="list-style-type: none"> <li>• Individuals or group could take different decisions to those that would have been taken if not delegated if interests of higher level members not understood or delegated decision-makers do not have appropriate skills/ knowledge.</li> <li>• Risk of third party challenge if delegations aren't sound.</li> </ul>	<ul style="list-style-type: none"> <li>• Immediate with some lead-in time required to make changes.</li> </ul>
Effectiveness monitoring		<ul style="list-style-type: none"> <li>1. One to one meetings between Chair and independent members to review contributions.</li> </ul>	<ul style="list-style-type: none"> <li>• Better use of independent members contribution to Committee</li> </ul>	<ul style="list-style-type: none"> <li>• None.</li> </ul>	<ul style="list-style-type: none"> <li>• Immediate with time for success measures to be developed.</li> </ul>

Component	Re-stated role	Proposed operational changes	Efficiency gains	Risks	Timeframe
		2. A set of success measures to monitor Committee effectiveness.	business		
Values and operating style	<ol style="list-style-type: none"> <li>1. An effective forum which brings together views and opinions from the four countries and independent views in decision-taking.</li> <li>2. Open and constructive discussion.</li> <li>3. Effective and productive meetings and operating practices with efficient organisation.</li> <li>4. Transparency.</li> <li>5. High ethical standards.</li> </ol>				

Component	Re-stated role	Proposed operational changes	Efficiency gains	Risks	Timeframe
	<p>6. High standards of environmental sustainability.</p> <p>7. Having regard to issues of balance in terms of geographical coverage, cultural diversity and gender equality.</p>				

**Annex 2. Streamlined framework for Joint Committee business**

Area	Dealt with by	Examples
<p><b>1(a) Proposals for JNCC's role in reserved work.</b> Proposals formed by JNCC Support Co.</p> <p><b>(b) Proposals for JNCC's role in UK co-ordination work.</b> Proposals formed by JNCC Support Co with input from relevant inter-agency groups.</p> <p><b>2. Corporate strategy/ forward planning discussions</b></p> <p><b>3. Corporate and business plans</b></p>	<p>1a and b). Proposals for JNCC role in particular work areas sent inter-sessionally to Committee for comment.</p> <p>2) Proposals/ revised proposals fed into strategy/ forward planning discussions at Committee.</p> <p>3) Agreed proposals reflected in Corporate plan/business plan – discussed and approved by Committee at advanced draft stage with sign-off of final draft delegated to Chair.</p>	<ul style="list-style-type: none"> <li>• Influencing strategy for the 2012 review of the Common Fisheries Policy.</li> <li>• Priorities for JNCC's work on non-native invasive species.</li> <li>• The role of JNCC in UK BAP implementation, reporting and research co-ordination.</li> <li>• Ecosystem services: a tool for nature conservation.</li> </ul>
<p><b>4 (a) Major changes to corporate governance arrangements</b></p> <p><b>(b) Minor changes to Corporate Governance arrangements.</b></p>	<p>a) Paper to Joint Committee meetings</p> <p>b) Intersessionally to Joint Committee for comment/ approval</p>	<p>Major changes</p> <ul style="list-style-type: none"> <li>• Strategy implementation – changes to corporate governance arrangements.</li> <li>• Governance arrangements for MPA sub-group.</li> </ul> <p>Minor changes</p> <ul style="list-style-type: none"> <li>• Standing orders</li> </ul>
<p><b>5 (a) advice, including site proposals (non-controversial)</b></p> <p><b>(b) advice including site proposals (controversial)</b></p>	<p>a) Inter-sessionally for comment/ approval and sign-off delegated to Chair.</p> <p>b) MPA sub-group (or other appropriate group) then Committee meeting for final sign-off.</p>	<p>Non-controversial</p> <ul style="list-style-type: none"> <li>• Bassurelle Bank SAC</li> </ul> <p>Controversial</p> <ul style="list-style-type: none"> <li>• Dogger Bank SAC</li> </ul>
<p><b>6. Corporate and task-specific performance and progress reports.</b></p>	<p>All sent intersessionally.</p>	<p>Corporate</p> <ul style="list-style-type: none"> <li>• Quarterly Monitoring reports</li> <li>• Reports from the MPA sub-group.</li> </ul>

Area	Dealt with by	Examples
		<ul style="list-style-type: none"> <li>• Reports from EMB</li> </ul> Task-specific <ul style="list-style-type: none"> <li>• Progress towards completing the UK network of marine SACs for Annex 1 habitats.</li> </ul>
<b>7. New approaches and issues</b>	Committee discussion	<ul style="list-style-type: none"> <li>• More holistic landscape-scale approaches to monitoring</li> <li>• Improving the science-policy interface</li> </ul>