



JOINT NATURE CONSERVATION COMMITTEE

GOVERNANCE RESPONSIBILITIES FROM APRIL 2011

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GOVERNANCE RESPONSIBILITIES FROM APRIL 2011

Paper by Tracey Quince

1. Introduction

1.1 The requirement to revise corporate governance arrangements has arisen following Committee's decision to streamline its arrangements (JNCC10P08) and changes arising from the Treasury's Clear Line of Sight initiative. This initiative ensures that Government's financial reporting to Parliament is more consistent, transparent and straightforward. Two of the key principles of this initiative are:-

- i. that all government grants to NDPBs that are funded by more than one government department or administration should flow through the main sponsor department of that NDPB. In JNCC's case, this means that all grant in aid (including that provided by the devolved administrations) will be channelled through Defra.
- ii. new financial guidance issued by the Treasury requires sponsoring departments to appoint the CEO of each non-departmental public body as the Accounting Officer for the body.

2. Management statement and financial memorandum and accountability framework document for the JNCC Appendix 1)

2.1 These documents have been revised and updated by Defra to reflect changes resulting from the Clear Line of Sight initiative. They have been circulated to JNCC and the devolved administrations for comment and formal approval. Comments received have been incorporated where possible. At the time of writing, formal final approval has been received from the Scottish Government but is awaited from the Wales and Northern Ireland administrations.

2.2 A more substantial revision will need to be made later in the year to the documents when new guidance and governance templates are issued from the Cabinet Office and Treasury. Some suggested amendments which require further discussion have been noted by Defra and will be considered as part of that review.

3. Schedule of delegations (Part 1) (Appendix 2)

3.1 The schedule of delegations has been revised to:

- i. reflect the decisions made by Committee to streamline its arrangements (Annex 7) and;

- ii. incorporate delegations agreed by the Committee since the last version was issued; and
 - 3.2 Further revisions will be made to the schedule once the review of the MPA sub-group has taken place, currently planned for April.
 - 3.3 The Schedule of Delegations will also be proposed to the Board for approval of Part 2
- 4. Remuneration Committee (Appendix 3)**
- 4.1 The terms of reference for the Remuneration Committee have been revised and formalised.
- 5. Standing orders for the Joint Committee (Appendix 4)**
- 5.1 The standing orders for the Joint Committee have been revised to reflect changes agreed as part of streamlining arrangements and changes to other corporate governance documents.
- 6. Terms of reference for the Chief Scientists Group (Appendix 5)**
- 6.1 The terms of reference for the Chief Scientists Group have been revised and are presented to the Committee in draft form for information. Approval is still required from Chief Executives. A final document will be circulated to members as soon as it becomes available.

APPENDIX 1

MANAGEMENT STATEMENT FOR THE JOINT NATURE CONSERVATION COMMITTEE

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1. INTRODUCTION

1.1 This document

1.1.1 This management statement and its associated financial memorandum have been drawn up by the Department in consultation with the administrations, UK conservation bodies and the Joint Nature Conservation Committee (JNCC).

1.1.2 In this statement:

‘the Department’ means the Department for Environment, Food and Rural Affairs (Defra), including the Secretary of State and those acting on his/her authority;

‘devolved administrations’ means the Scottish Government and the Welsh Assembly Government, including relevant Ministers and those acting on their authority;

‘administrations’ means devolved administrations and the administration in Northern Ireland;

‘Legislatures’ means UK Parliament, Scottish Parliament the National Assembly for Wales and the Northern Ireland Executive;

‘Secretary of State’ means the Secretary of State for Environment, Food and Rural Affairs;

‘Ministers’ means the Secretary of State for Environment, Food and Rural Affairs and relevant Ministers of the Scottish Government, Welsh Assembly Government and the administration in Northern Ireland;

‘UK conservation bodies’ means Natural England, Scottish Natural Heritage, the Countryside Council for Wales and the Council for Nature Conservation and the Countryside;

‘GB conservation bodies’ means Natural England, Scottish Natural Heritage and the Countryside Council for Wales;

‘the funding bodies’ means the GB conservation bodies and the relevant Northern Ireland Department;

‘the relevant Northern Ireland Department’ means the Department of the Environment in Northern Ireland.

1.1.3 The requirements placed by this document on the JNCC and its Chief Executive as Accounting Officer for the JNCC apply to all of the JNCC’s business whether reserved for the Joint Committee or delegated by it to the company limited by guarantee through which the JNCC delivers its corporate plan (section 2.3).

1.1.4 Subject to the legislation noted in section 2.1, the management statement sets out the broad framework within which the JNCC will operate, in particular:

- the JNCC’s overall aim, objectives and targets in support of the Department’s, devolved administrations’ and the administration in Northern Ireland’s wider strategic aims;

- the rules and guidelines relevant to the exercise of the JNCC's functions, duties and powers;
- the conditions under which any public funds are paid to the JNCC;
- how the JNCC is to be held to account for its performance.

However, the management statement and financial memorandum do not convey any legal powers or responsibilities.

- 1.1.5 The associated financial memorandum sets out in greater detail certain aspects of the financial provisions which the JNCC shall observe.
- 1.1.6 The management statement and financial memorandum are supplemented by an overarching accountability framework document, which sets out the roles and responsibilities of the Department, devolved administrations and the administration in Northern Ireland, relevant to the exercise of the JNCC's functions, duties and powers.
- 1.1.7 The management statement shall be periodically reviewed by the Department, the administrations and the JNCC.
- 1.1.8 The Department, the administrations, the UK conservation bodies or the JNCC may propose amendments to this document at any time. Any such proposals shall be considered in the light of evolving government policy aims, operational factors and the track record of the JNCC itself. The guiding principle shall be that the extent of flexibility and freedom given to the JNCC shall reflect both the quality of its internal controls and its operational needs.
- 1.1.9 The combined document is signed and dated by the Department, the administrations, the UK conservation bodies and the JNCC.
- 1.1.10 Any question regarding the interpretation of the document shall be resolved by the Department in consultation with the administrations, the JNCC and, as necessary, the Treasury and the Cabinet Office.
- 1.1.11 Copies of this document and any subsequent substantive amendments shall be placed in the Libraries of the House of Commons, the House of Lords, the Scottish Parliament, the National Assembly for Wales and the administration in Northern Ireland. Copies shall also be made available to members of the public on the JNCC's website.

2 THE FUNCTIONS, DUTIES AND POWERS OF THE JNCC

- 2.1.1 The JNCC was established under Part 7 of the Environmental Protection Act 1990 (<http://www.legislation.gov.uk/ukpga/1990/43/contents>). The Natural Environment and Rural Communities Act 2006 (<http://www.legislation.gov.uk/ukpga/2006/16/contents>) re-enacts, with changes, the provisions of the 1990 Act that relate to the joint committee. Under the 2006 Act the joint committee has a UK-wide remit (covering England, Wales, Scotland and Northern Ireland), rather than merely a Great Britain remit (covering England, Wales and Scotland). This is reflected in Schedule 4, which reconstitutes the joint committee. The Schedule includes provision for Northern Ireland to have voting members.
- 2.1.2 Schedule 4 also reproduces the effect of the changes made to the 1990 Act by the Regulatory Reform (Joint Nature Conservation Committee) Order 2005 (S.I. 2005/634) (<http://www.legislation.gov.uk/ukxi/2005/634/contents/made>). This, amongst other things, provides the joint committee with the ability to employ its own staff and pay its chairman and independent members. It also enables the Secretary of State to pay money directly to the joint committee.
- 2.1.3 Those powers are supplemented by provisions which provide that the conservation bodies for England, Wales and Scotland and the relevant Northern Ireland department must together contribute sufficient financial resources to the joint committee to enable it to discharge its functions. The level of contribution from each of the four bodies is decided by agreement by the relevant Ministers and Assembly members in Great Britain and the Northern Ireland department, following consultation with the bodies.

Other Statutory Responsibilities

- 2.1.4 The Offshore Marine Conservation (Natural Habitat &c.) Regulations 2007 gives the Joint Committee responsibilities for offshore marine nature conservation. Relevant sections are 8,9, 13, 18,19,25,39,44,46,68 and 70.
<http://www.legislation.gov.uk/ukxi/2007/1842/contents/made>
- 2.1.5 The Marine & Coastal Access Act 2009 gives the Joint Committee specific responsibilities for Marine Protected Areas.
<http://www.legislation.gov.uk/ukpga/2009/23/contents>
- 2.1.6 The JNCC has a responsibility to act as a statutory consultee on casework (outside 12 nautical miles) under the Oil Pollution Preparedness, Response and Co-operation (OPRC) guidelines 2002, the Offshore Petroleum Production and Pipeline Regulations 1999 and also on policy under the Offshore Petroleum Activities Regulations.
- 2.1.7 The Joint Committee has been appointed by the UK Government as the CITES Scientific Authority on (fauna) under the Convention on International Trade in Endangered Species (CITES).

2.2 Classification

- 2.2.1 For policy/administrative purposes the JNCC, a committee of executive non-departmental public bodies, is classified as analogous to a non-departmental public body.
- 2.2.2 For national accounts purposes the JNCC is classified to the central government sector.
- 2.2.3 References to the JNCC include all its subsidiaries and joint ventures that are classified to the public sector for national accounts purposes. If such a subsidiary or joint venture is created, there shall be a document setting out the arrangements between it and the JNCC.

2.3 Provision of support to the Joint Committee

- 2.3.1 The Joint Committee has established a company limited by guarantee under the Regulatory Reform (JNCC) Order (2005), schedule 7, paragraph 4, (as amended), to provide administrative and specialist support to the Joint Committee. The company provides the corporate vehicle through which the JNCC employs staff and administers its funds to deliver its corporate plan. The requirements placed on the JNCC and its Chief Executive as Accounting Officer for the JNCC therefore apply to all of the JNCC's business whether reserved as a matter for the Joint Committee or delegated to the company.
- 2.3.2 The JNCC is required to meet certain conditions set by the Secretary of State for the establishment and operation of the company. These are set out in Annex 1 of the Accountability Framework Document.

3. AIM, OBJECTIVES AND TARGETS

3.1 Overall aim

- 3.1.1 The overall aim of the JNCC is:

to add value to the work of Government bodies and other organisations, so that across the UK and internationally the protection and enrichment of our wildlife and natural features is comprehensive, effective, knowledge-based and forward-looking.

3.2 Objectives and key targets

- 3.2.2 JNCC has six strategic objectives. These are to:

1. Maintain and develop biodiversity surveillance programmes, sufficient to deliver policy and statutory obligations cost-effectively;
2. Provide access to, and reporting of, information, evidence and knowledge on UK and international biodiversity;
3. Provide advice to enable UK and devolved governments to meet their EU and international obligations for biodiversity and sustainable development;
4. Enable UK administrations to substantially complete the UK network of well managed marine protected areas, sufficient to meet national, EU and international requirements;

5. Provide advice on marine biodiversity to enable sustainable management of the offshore environment; and,
6. Manage and develop the organisation to meet changing demands and opportunities, maximise its effectiveness in achieving our strategic goals and improve operational efficiency.

4. GOVERNANCE AND ACCOUNTABILITY

4.1 Ministers

4.1.1 The Secretary of State for Environment, Food and Rural Affairs is accountable to UK Parliament for the activities and performance of the JNCC. In the same way, relevant Ministers in Scotland, Wales and Northern Ireland are accountable to the Scottish Parliament, the National Assembly for Wales and the Northern Ireland Executive respectively. Ministers' responsibilities include:

- approving the JNCC's strategic objectives and the policy and performance framework within which the JNCC will operate (as set out in this document and other associated documents);
- keeping Legislatures informed about the JNCC's performance;
- approving the amount of grant-in-aid to be paid to the JNCC, and securing Parliamentary approval;
- carrying out responsibilities specified in the Natural Environment and Rural Communities Act 2006 including appointments to the Joint Committee, approving the terms and conditions of Committee members, laying the annual report and accounts before the Legislatures, and establishing certain conditions and approving certain arrangements for the company limited by guarantee that provides support services to the JNCC.

4.2 The Department's Accounting Officer's specific accountabilities and responsibilities

4.2.1 The Department's Accounting Officer (AO) has designated the Chief Executive as JNCC's Accounting Officer. (The respective responsibilities of the AO and Accounting Officers for NDPBs and other arm's length bodies are set out in Chapter 3 of Managing Public Money which is sent separately to the JNCC Accounting Officer on appointment.)

4.2.2 The Department's AO is accountable to Parliament for the issue of any grant-in-aid to the JNCC. The AO is also responsible for advising the Secretary of State:

- on an appropriate framework of objectives and targets for the JNCC in the light of the Department's (and administrations) wider strategic aims;
- on an appropriate budget for the JNCC in the light of the Department's (and administrations) overall public expenditure priorities; and
- how well the JNCC is achieving its strategic objectives and whether it is delivering value for money.

4.2.3 The Department's AO is also responsible for ensuring arrangements are in place in order to:

- monitor the JNCC's activities on a continuous basis;
- address significant problems in the JNCC, making such interventions as are judged necessary;
- periodically carry out an assessment of the risks both to the Department and JNCC objectives and activities;
- inform the JNCC of relevant government policy in a timely manner; and
- bring concerns about the activities of the JNCC to the full Joint Committee, requiring explanations and assurances that appropriate action has been taken.

4.2.4 The Wildlife and Countryside Ongoing Activities and Sponsored Bodies team in the Department is the primary contact for the JNCC. They are the main source of advice to the Secretary of State on the discharge of his or her responsibilities in respect of the JNCC. They also support the Department's AO on his or her responsibilities toward the JNCC.

4.2.5 Within the devolved administrations and the administration in Northern Ireland, a similar role is played by the Scottish Government Rural and Environment Directorate (or equivalent), the Welsh Assembly Government Nature Conservation & Biodiversity Branch (or equivalent), and the Department of the Environment in Northern Ireland (or equivalent).

4.3 Responsibilities of the Chief Executive as JNCC Accounting Officer

General

4.3.1 The Chief Executive as Accounting Officer is personally responsible for safeguarding the public funds for which he or she has charge; for ensuring propriety and regularity in the handling of those public funds; and for the day-to-day operations and management of the JNCC. In addition, he or she should ensure that the JNCC as a whole is run on the basis of the standards, in terms of governance, decision-making and financial management that are set out in Box 3.1 to Managing Public Money.

Responsibilities for accounting to Parliament

4.3.2 The accountabilities include:

- signing the accounts and ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by the Secretary of State;
- signing a Statement of Accounting Officer's responsibilities, for inclusion in the annual report and accounts;
- signing a Statement on Internal Control regarding the system of internal control, for inclusion in the annual report and accounts;
- ensuring that effective procedures for handling complaints about the JNCC are established and made widely known within the JNCC;

- acting in accordance with the terms of this document, Managing Public Money and other instructions and guidance issued from time to time by the Department, the Treasury and the Cabinet Office; giving evidence, normally with the AO of the sponsor Department, when summoned before the PAC on the JNCC's stewardship of public funds;
- provide information to support the timely laying of the Defra consolidated Annual Report and Accounts;
- Giving evidence before Scottish Parliament, the National Assembly for Wales and the administration in Northern Ireland to answer questions concerning the use of resources and related activities.

Responsibilities to the Department and administrations

4.3.3 Particular responsibilities to the Department and administrations include:

- establishing, in agreement with the Department and administrations, the JNCC's corporate and business plans in the light of the Department's and administrations' wider strategic aims;
- informing the Department and administrations of progress in helping to achieve the Department's and administrations' policy objectives and in demonstrating how resources are being used to achieve those objectives; and
- ensuring that timely forecasts and monitoring information on performance and finance are provided to the Department and administrations; that the Department and administrations are notified promptly if over or under spends are likely and that corrective action is taken; and that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the Department and administrations in a timely fashion.

Responsibilities to the Joint Committee

4.3.4 The Chief Executive is responsible for:

- advising the Committee on the discharge of its responsibilities as set out in this document, in the founding legislation and in any other relevant instructions and guidance that may be issued from time to time;
- advising the Committee on the JNCC's performance compared with its aims and objectives;
- ensuring that financial considerations are taken fully into account by the Committee at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed;
- taking action as set out in paragraphs 3.7.5 of Managing Public Money if the Committee, or its chairman, is contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration, efficiency or effectiveness, questionable feasibility, or is unethical.

4.4 The Chairman of the JNCC

- 4.4.1 The Chairman is appointed by the Secretary of State, in liaison with the devolved administrations in Scotland and Wales and the administration in Northern Ireland, in line with the Code of Practice issued by the Commissioner for Public Appointments.
- 4.4.2 The Chairman is responsible to the Secretary of State. Communications between the Committee and the Secretary of State should normally be through the Chairman. He or she is responsible for ensuring that policies and actions support Ministers wider strategic policies and that its affairs are conducted with probity. Where appropriate, these policies and actions should be clearly communicated and disseminated throughout the JNCC.
- 4.4.3 In addition, the Chairman has the following leadership responsibilities:
- formulating the Committee's strategy;
 - ensuring that the Committee, in reaching decisions, takes proper account of guidance provided by the Secretary of State, the Department, HM Treasury and Cabinet Office;
 - promoting the efficient and effective use of staff and other resources;
 - delivering high standards of regularity, propriety and value for money; and
 - representing the views of the Committee to the general public.
- 4.4.4 The Chairman also has an obligation to ensure that:
- the work of the Committee and its members are reviewed and are working effectively;
 - the Committee has a balance of skills appropriate to directing the JNCC's business, as set out in the Government Code of Good Practice on Corporate Governance;
 - Committee members are fully briefed on terms of appointment, duties, rights and responsibilities;
 - he or she, together with the other Committee members, receives appropriate training on financial management and reporting requirements and on any differences that may exist between private and public sector practice;
 - the Secretary of State is advised of JNCC needs when board vacancies arise;
 - he or she assesses the performance of individual Committee members when being considered for re-appointment (regular (at least yearly) performance assessments should be made of all independent Committee members);
 - there is a code of practice for Committee members in place consistent with the Cabinet Office model Code.

4.5 The Deputy Chairman

- 4.5.1. Under Schedule 4, paragraph 1 (2) of the Natural Environment and Rural Communities Act 2006 the Joint Committee may appoint one of its independent members to act as Deputy Chairman.
- 4.5.2 The Department, the devolved administrations and the administration in Northern Ireland will be notified by JNCC following the appointment of a Deputy Chairman.

- 4.5.3 The Deputy Chairman will provide support to the Chairman and chair sub-committees as appropriate to progress the JNCC's business.
- 4.5.4. In periods when the post of Chairman is vacant or where the Chairman cannot act owing to ill health, absence or incapacity, the Deputy Chairman will substitute for the Chairman and cover his/her responsibilities until such time as an Acting Chairman or a new Chairman is appointed by Ministers.

4.6 The Joint Committee

4.6.1 The Joint Committee consists of 14 members, namely:

- a Chairman appointed by the Secretary of State in liaison with the devolved administrations in Scotland and Wales and the administration in Northern Ireland, in line with the Code of Practice issued by the Commissioner for Public Appointments;
- five members appointed by the Secretary of State in liaison with the devolved administrations in Scotland and Wales and the administration in Northern Ireland, in line with the Code of Practice issued by the Commissioner for Public Appointments;
- the Chairman or Deputy Chairman of each GB conservation body and one other member of each of these bodies appointed by the body in question, and
- the Chairman of the Council for Nature Conservation and the Countryside and one other member of the Council appointed by the relevant Northern Ireland department.

4.6.2 The Committee should ensure that effective arrangements are in place to provide assurance on risk management, governance and internal control. The Committee must set up an Audit and Risk Management Committee chaired by an independent non-executive member to provide independent advice. The Committee is expected to assure itself of the effectiveness of the internal control and risk management systems.

4.6.3 The Committee is specifically responsible for:

- establishing and taking forward the strategic aims and objectives of the JNCC consistent with its overall strategic direction and within the policy and resources framework determined by Ministers;
- ensuring that the Secretary of State is kept informed of any changes which are likely to impact on the strategic direction of the JNCC or on the attainability of its targets, and determining the steps needed to deal with such changes;
- ensuring that any statutory or administrative requirements for the use of public funds are complied with; that the Committee operates within the limits of its statutory authority and any delegated authority agreed with the Department and administrations, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Committee takes into account guidance issued by the Department;
- ensuring that the Committee receives and reviews regular financial information concerning the management of the JNCC; is informed in a timely manner about any concerns about the activities of the JNCC; and provides positive assurance to the Department and administrations that appropriate action has been taken on such concerns;
- appoint a Chief Executive to the JNCC and, in consultation with the Department and administrations, set performance objectives and remuneration terms linked

to these objectives for the Chief Executive which give due weight to the proper management and use of public monies.

4.6.4 Individual Committee members should:

- comply at all times with the Committee Members' Code of Practice and with the rules relating to the use of public funds and to conflicts of interest;
- not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations;
- comply with the Committee's rules on the acceptance of gifts and hospitality, and of business appointments;
- act in good faith and in the best interests of the JNCC.

4.7 Control of the company limited by guarantee formed to support the JNCC

4.7.1 The Joint Committee has the power to form a company limited by guarantee, as referred to in section 2.3, and the JNCC has corporate responsibility for ensuring that the conditions for the establishment and operation of that company, referred to at section 3 of the Accountability Framework Document and set out in Annex 1 to it, are complied with at all times.

4.7.2 The means by which the JNCC shall ensure compliance with those conditions shall be through control of membership of the company. Accordingly, the Articles of Association with which the company has been formed contain provisions stipulating that it is a condition of the admission of any person to be a member of the company that he or she be a current member of the Joint Committee and that his or her membership of the company shall cease if he or she ceases to be a member of the Joint Committee.

4.7.3 Each of the GB conservation bodies and the relevant Northern Ireland Department shall ensure that those persons whom it appoints to be members of the Joint Committee are aware of the requirement for the Committee to provide members of the company and are encouraged so to serve as part of their function as a Committee member. The Committee itself shall also encourage each of its individual members to apply for membership of the company and to retain such membership for so long as he or she remains a member of the Committee, so as to ensure, so far as possible, that there are at all times a minimum of seven members of the company and that its membership broadly represents the balance on the Committee between the appointees and independent members.

4.7.4 Each individual member of the Joint Committee will exercise his or her individual powers and rights as a member of the company in such a way as to ensure compliance with the conditions referred to in section 4.6.4. In particular, each individual member will exercise his or her voting rights as a member of the company to oppose any resolution:

- to alter any provision of its Memorandum of Association; or
- to alter its Articles of Association in any way which affects their provisions as to: the composition of membership of the company as referred to at section 4.7.2; or
- the voting rights of its members; or

- the quorum for its general meetings or for meetings for its directors; or
- the provision that members of the company be deemed to be directors of it; or
- the maximum number of directors who are not members of the company; or
- the requirement that such directors be and remain employees of the company or of the JNCC; or
- the qualification for service as an alternate director; or
- the Chairman of the company; or
- the indemnity for its directors and officers; or
- that the company be wound up voluntarily;

unless any such resolution shall first have been approved by the Secretary of State and the Treasury.

4.8 The Chief Executive's role as Consolidation Officer

4.8.1 For the purposes of Whole of Government Accounts the Chief Executive is appointed by the Treasury as the JNCC's Consolidation Officer.

4.8.2 As the JNCC's Consolidation Officer the Chief Executive shall be personally responsible for preparing the consolidation information that sets out the financial results and position of the JNCC, for arranging for its audit and for sending the information and the audit report to the Principal Consolidation Officer nominated by the Treasury.

4.8.3 As Consolidation Officer the Chief Executive shall comply with the requirements of the Consolidation Officer Memorandum and shall, in particular:

- ensure that the JNCC has in place and maintains sets of accounting records that will provide the necessary information for the consolidation process;
- prepare the consolidation information (including the relevant accounting and disclosure requirements and all relevant consolidation adjustments) in accordance with the consolidation instructions and directions ("Dear Consolidation Officer" (DCO) and "Dear Consolidation Manager" (DCM) letters) issued by the Treasury on the form, manner and timetable for the delivery of such information.

4.9 Delegation of duties

4.9.1 The Chief Executive may delegate the day-to-day administration of his/her responsibilities to other JNCC employees. However, he/she shall not assign absolutely to any other person any of the responsibilities set out in this document.

4.10 The Chief Executive's role as Principal Officer for Ombudsman cases

4.10.1 The Chief Executive is the Principal Officer for handling cases involving the Parliamentary Commissioner for Administration. As Principal Officer he shall inform the Permanent Secretary of the sponsor Department of any complaints about the JNCC that are accepted by the Ombudsman for investigation, and about the JNCC's proposed response to any subsequent recommendations from the Parliamentary Ombudsman.

4.11 Annual report and accounts

4.11.1 The JNCC must publish an annual report of its activities together with its audited accounts after the end of each financial year.

4.11.2 The annual report must:

- cover any corporate, subsidiary or joint ventures under its control;
- comply with Accounts Direction issued by the Department.
- comply with the requirements of the Companies Act 2006 and as far as they do not diverge from the requirements of the Companies Act, comply with H.M. Treasury's Financial reporting Manual (FReM);
- outline main activities and performance during the previous financial year including the activities carried out for devolved administrations and the administration in Northern Ireland, and set out in summary form forward plans.

4.11.3 Information on performance against key financial targets is within the scope of the audit and should be included in the notes to the accounts. The report and accounts shall be laid before the Legislatures by the relevant Ministers and made available on the JNCC's website, in accordance with the guidance in the FReM. A draft of the report should be submitted to the Department and administrations 6 weeks before the proposed publication date. The accounts should be prepared in accordance with the relevant statutes and specific accounts direction issued by the Department as well as the FReM.

4.12 Internal audit

4.12.1 The JNCC shall:

- establish and maintain arrangements for internal audit in accordance with the Treasury's Government Internal Audit Standards (GIAS) (http://www.hmtreasury.gov.uk/...gia_guidance.cfm);
- ensure the Department is satisfied with the competence and qualifications of the Head of Internal Audit and the requirements for approving appointments in accordance with GIAS 5.2;
- set up an audit and risk management committee of its Committee in accordance with the Cabinet Office's Guidance on Code of Practice for Public Bodies and the Audit Committee Handbook;
- forward the audit strategy, periodic audit plans and annual audit report, including the JNCC Head of Internal Audit opinion on risk management, control and governance as soon as possible to the Department; and
- keep records of, and prepare and forward to the Department an annual report on fraud and theft suffered by the JNCC and notify the Department of any unusual or major incidents as soon as possible.

4.12.2 The Department's internal audit service has a right of access to all documents prepared by the JNCC internal auditor, including where the service is contracted out.

4.13 External audit

4.13.1 The Comptroller & Auditor General (C&AG) audits the JNCC's annual accounts and lays them before Parliament, together with his report.

4.13.2 In the event that the JNCC has set up and controls subsidiary companies, the JNCC will in the light of the provisions in the Companies Act 2006 ensure that the C&AG is

appointed auditor of those company subsidiaries that it controls and/or whose accounts are consolidated within its own accounts. The JNCC shall discuss with the Department the procedures for appointing the C&AG as auditor of the companies.

4.13.3 The C&AG:

- will consult the Department and the JNCC on whom – the NAO or a commercial auditor – shall undertake the audit(s) on his behalf, though the final decision rests with the C&AG;
- has a statutory right of access to relevant documents, including by virtue of section 25(8) of the Government Resources and Accounts Act 2000, held by another party in receipt of payments or grants from the JNCC;
- will share with the Department information identified during the audit process and the audit report (together with any other outputs) at the end of the audit, in particular on issues impacting on the Department's responsibilities in relation to financial systems within the JNCC;
- will, where asked, provide the Department and other relevant bodies with Regulatory Compliance Reports and other similar reports which the Department may request at the commencement of the audit and which are compatible with the independent auditor's role.

4.13.4 The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the JNCC has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under section 8 of the National Audit Act 1983. In addition, the JNCC shall provide, in conditions to grants and contracts, for the C&AG to exercise such access to documents held by grant recipients and contractors and sub-contractors as may be required for these examinations; and shall use its best endeavours to secure access for the C&AG to any other documents required by the C&AG which are held by other bodies.

4.14 **Right of access**

4.14.1 The Department and administrations have the right of access to all JNCC records and personnel for any purpose including, for example, sponsorship audits and operational investigations.

5. MANAGEMENT AND FINANCIAL RESPONSIBILITIES

5.1 Managing Public Money and other government-wide corporate guidance and instructions

5.1.1 Unless agreed by the Department and, as necessary, HM Treasury, the JNCC shall follow the principles, rules, guidance and advice in Managing Public Money, referring any difficulties or potential bids for exceptions to the Wildlife and Countryside Ongoing Activities and Sponsored Bodies team in the first instance.

5.1.2 Once the budget has been approved by the Department and administrations the JNCC shall have authority to incur expenditure approved in the budget without further reference to the Department, on the following conditions:

- the JNCC shall comply with the delegations set out in Appendix 1 of the Financial Memorandum. These delegations shall not be altered without the prior agreement of the Department;
- the JNCC shall comply with Managing Public Money regarding novel, contentious or repercussive proposals;
- inclusion of any planned and approved expenditure in the budget shall not remove the need to seek formal Departmental approval where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed;
- the JNCC shall provide the sponsor Department with such information about its operations, performance individual projects or other expenditure as the Department may reasonably require.
- the expenditure has legislative cover either through the Natural Environment and Rural Communities Act or through the Department's ambit.

5.2 Risk management

5.2.1 The JNCC shall ensure that the risks that it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and develop a risk management strategy, in accordance with the Treasury guidance Management of Risk: Principles and Concepts (<http://www.hm-treasury.gov.uk/...risk>). It should adopt and implement policies and practices to safeguard itself against fraud and theft, in line with the Treasury's guide: Managing the Risk of Fraud (http://www.hmtreasury.gov.uk/...fraud_guide_for_managers.pdf). It should also take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter into a contract or to give grant or grant-in-aid.

5.3 Corporate and business plans

5.3.1 Consistent with the timetable for public spending reviews the JNCC shall submit annually to the Department and administrations, after consultation with the aforementioned, a draft of the corporate plan or business plan covering a period to be agreed between the Department and JNCC. The JNCC shall agree with the Department, administrations and UK conservation bodies the issues to be addressed in the plan and the timetable for its preparation. The plan shall reflect the JNCC's statutory duties and, within those duties, the priorities set from time to time by Ministers (including decisions taken on policy and resources in the light of wider public expenditure decisions).

5.3.2 The first year of the corporate plan, amplified as necessary, shall form the business plan. The corporate or business plan will be drafted in accordance with requirements of (Defra and the Devolved Administrations but will normally include priority performance measures and milestones for the year immediately ahead and shall be linked to budgeting information so that resources allocated to achieve specific objectives can readily be identified by the Department, administrations and UK conservation bodies. Subject to any commercial considerations, the corporate and business plans should be published by the JNCC on its website.

5.3.3 The following key matters should be included in the plans:

- key objectives and associated priority performance measures for the forward years, and the strategy for achieving those objectives;
- key non-financial performance targets; and,
- other matters as agreed between the Department, the administrations, the UK conservation bodies and the JNCC.

5.4 **Budgeting procedures**

5.4.1 Each year, in the light of decisions by the Department and the administrations on the updated draft corporate plan, the Department will send to the JNCC:

- a formal statement of the annual budgetary provision allocated by the Department and administrations in the light of competing priorities across the Department and administrations and of any forecast income approved by the Department and administrations; and
- a statement of any planned change in policies affecting the JNCC.

5.4.2 The approved annual business plan will take account both of approved funding provision and any forecast receipts, and will include a budget of estimated payments and receipts together with a profile of expected expenditure and of draw-down of any Departmental funding and/or other income over the year. These elements form part of the approved business plan for the year in question.

5.5 **Grant-in-aid and any ring-fenced grants**

5.5.1 Any grant-in-aid provided by the Department and administrations for the year in question will be voted in the Department's Supply Estimate and be subject to Parliamentary control.

5.5.2 The grant-in-aid will normally be paid in monthly instalments on the basis of written applications showing evidence of need. The JNCC will comply with the general principle, that there is no payment in advance of need. Cash balances accumulated during the course of the year from grant-in-aid or other Exchequer funds shall be kept to a minimum level consistent with the efficient operation of the JNCC. Grant-in-aid not drawn down by the end of the financial year shall lapse. Subject to approval by Parliament of the relevant Estimates provision, where grant-in-aid is delayed to avoid excess cash balances at the year-end, the Department will make available in the next financial year any such grant-in-aid that is required to meet any liabilities at the year end, such as creditors.

5.5.3 In the event that the Department and administrations provide the JNCC separate grants for specific (ring fenced) purposes, they would issue the grant as and when

the JNCC needed it on the basis of a written request. The JNCC would provide evidence that the grant was used for the purposes authorised by the Department and administrations. The JNCC shall not have uncommitted grant funds in hand, nor carry grant funds over to another financial year.

5.6 Reporting performance to the Department and administrations

5.6.1 The JNCC shall operate management, information and accounting systems that enable it to review in a timely and effective manner its financial and non-financial performance against the budgets and targets set out in the corporate and business plans. The JNCC shall inform the Department, administrations and UK conservation bodies of any changes that make achievement of objectives more or less difficult. It shall report financial and non-financial performance, including performance in helping to deliver ministers' policies, and the achievement of key objectives on a quarterly basis. The JNCC's performance shall be formally reviewed by the Department and administrations twice a year.

Providing monitoring information to the Department

5.6.2 As a minimum, the JNCC shall provide the Department with information monthly that will enable the Department satisfactorily to monitor:

- the JNCC's cash management;
- its draw-down of grant-in-aid;
- forecast outturn by resource headings;
- other data required for the Combined On-line Information System (COINS).

JNCC/Department working level liaison arrangements

5.6.3 Officials of Wildlife and Countryside Ongoing Activities and Sponsored Bodies team in the Department will liaise regularly with JNCC officials to review JNCC financial performance against plans, achievement against JNCC targets and the JNCC expenditure against its DEL and AME allocations. The team will also take the opportunity to explain wider policy developments that might have an impact on the JNCC.

5.7 Delegated authorities

5.7.1 The JNCC's delegated authorities are set out in appendix 1 of the Financial Memorandum. The JNCC shall obtain the Department's prior written approval before:

- entering into any undertaking to incur any expenditure that falls outside the delegations or which is not provided for in the JNCC's annual budget as approved by the Department;
- incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications;
- making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by the Department;
- making any change of policy or practice which has wider financial implications that might prove repercussive or which might significantly affect the future level of resources required; or
- carrying out policies that go against the principles, rules, guidance and advice in Managing Public Money.

5.8 JNCC staff

Broad responsibilities for JNCC staff

- 5.8.1 Within the arrangements approved by the Ministers and, as necessary, the Treasury the JNCC will have responsibility for the recruitment, retention and motivation of its staff. The broad responsibilities toward its staff are to ensure that:
- the rules for recruitment and management of staff create an inclusive culture in which diversity is fully valued; appointment and advancement is based on merit: there is no discrimination on grounds of gender, marital status, sexual orientation, race, colour, ethnic or national origin, religion, disability, community background or age;
 - the level and structure of its staffing, including grading and staff numbers, are appropriate to its functions and the requirements of economy, efficiency and effectiveness;
 - the performance of its staff at all levels is satisfactorily appraised and the JNCC performance measurement systems are reviewed from time to time;
 - its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the JNCC objectives;
 - proper consultation with staff takes place on key issues affecting them;
 - adequate grievance and disciplinary procedures are in place;
 - whistle-blowing procedures consistent with the Public Interest Disclosure Act are in place;
 - a code of conduct for staff is in place based on the Cabinet Office's Model Code for Staff of Executive Non-Departmental Public Bodies
http://www.civilservice.gov.uk/Assets/5_public_body_staffv2-word_tcm6-3414.doc .

Staff costs

- 5.8.2 Subject to its delegated authorities, the JNCC shall ensure that the creation of any additional posts does not incur forward commitments that will exceed its ability to pay for them.

Pay and conditions of service

- 5.8.3 JNCC staff are subject to levels of remuneration and terms and conditions of service (including pensions) within the general pay structure approved by the Department and, as necessary, the Treasury. The JNCC has no delegated power to amend these terms and conditions.
- 5.8.4 If civil service terms and conditions of service apply to the rates of pay and non-pay allowances paid to the staff and to any other party entitled to payment in respect of travel expenses or other allowances, payment shall be made in accordance with the Civil Service Management Code (www.civilservice.gov.uk/about/resources/csmc/index.aspx) except where prior approval has been given by the Department to vary such rates.
- 5.8.5 Staff terms and conditions can be provided to the Department together with subsequent amendments on request.
- 5.8.6 The JNCC shall operate a performance-related pay scheme that shall form part of the annual aggregate pay budget approved by the Department and the Treasury.

- 5.8.7 The travel expenses of Committee members shall be tied to the rates allowed to senior staff of the JNCC. Reasonable actual costs shall be reimbursed.

Pensions, redundancy and compensation.

- 5.8.9 JNCC staff shall normally be eligible for a pension provided by PCSPS. Staff may opt out of the occupational pension scheme provided by the JNCC, but that employers' contribution to any personal pension arrangement, including stakeholder pension shall normally be limited to the national insurance rebate level.

- 5.8.10 Any proposal by the JNCC to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of the Department. Proposals on severance must comply with the rules in chapter 4 of Managing Public Money.

5.9 Review of JNCC status (and winding-up arrangements)

- 5.9.1 The JNCC will be reviewed every 5 years. The date of the next review will be in 2016.

5.10 Arrangements in the event that the JNCC is wound up

- 5.10.1 The Department shall put in place arrangements to ensure the orderly winding up of the JNCC. In particular it should ensure that the assets and liabilities of the JNCC are passed to any successor organisation and accounted for properly. (In the event that there is no successor organisation, the assets and liabilities should revert to the Department and administrations as appropriate.) To this end, the Department shall:

- ensure that procedures are in place in the JNCC to gain independent assurance on key transactions, financial commitments, cash flows and other information needed to handle the wind-up effectively and to maintain the momentum of work inherited by any residuary body;
- specify the basis for the valuation and accounting treatment of the JNCC assets and liabilities;
- ensure that arrangements are in place to prepare closing accounts and pass to the C&AG for external audit, and that funds are in place to pay for such audits. It shall be for the C&AG to lay the final accounts in Parliament, together with his report on the accounts;
- arrange for the most appropriate person to sign the closing accounts. In the event that another JNCC takes on the role, responsibilities, assets and liabilities, the succeeding JNCC AO should sign the closing accounts. In the event that the Department inherits the role, responsibilities, assets and liabilities, the Department's AO should sign.

- 5.10.2 The JNCC shall provide the Department with full details of all agreements where the JNCC or its successors have a right to share in the financial gains of developers. It should also pass to the Department details of any other forms of claw-back due to the JNCC.

APPENDIX 1

FINANCIAL MEMORANDUM FOR THE JOINT NATURE CONSERVATION COMMITTEE

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I. INTRODUCTION

1. This financial memorandum, which forms part of the management statement for the JNCC, sets out in greater detail certain aspects of the financial framework within which the JNCC is required to operate. It needs to be read in conjunction with the JNCC accountability framework document, which sets out the roles and responsibilities of the Department and devolved administrations, relevant to the exercise of the JNCC's functions, duties and powers.
2. The terms and conditions set out in the combined management statement and financial memorandum may be supplemented by guidelines or directions issued by the Secretary of State in respect of the exercise of any individual functions, powers and duties of the JNCC.
3. The JNCC shall satisfy the conditions and requirements set out in the combined document, together with such other conditions as the Secretary of State may from time to time impose.
4. In this memorandum:
 - 'the Department' means the Department for Environment, Food and Rural Affairs (Defra), including the Secretary of State and those acting on his/her authority;
 - 'devolved administrations' means the Scottish Government and the Welsh Assembly Government, including relevant Ministers and those acting on their authority
 - 'administrations' means devolved administrations and the administration in Northern Ireland;
 - 'Legislatures' means UK Parliament, Scottish Parliament, the National Assembly for Wales and the Northern Ireland Executive;
 - 'Secretary of State' means the Secretary of State for Environment, Food and Rural Affairs;
 - 'UK conservation bodies' means Natural England, Scottish Natural Heritage, the Countryside Council for Wales and the Council for Nature Conservation and the Countryside;
 - 'GB conservation bodies means Natural England, Scottish Natural Heritage and the Countryside Council for Wales;
 - 'the funding bodies' means the GB conservation bodies and the relevant Northern Ireland department.
 - 'the relevant Northern Ireland Department' means the Department of the Environment in Northern Ireland,
5. The requirements placed by this document on the JNCC and its Chief Executive as Accounting Officer for the JNCC apply to all of the JNCC's business whether reserved for the Joint Committee or delegated by it to the company limited by

guarantee through which the JNCC delivers its corporate plan (see section 2.3 of the Management Statement).

II. THE JNCC'S INCOME AND EXPENDITURE - GENERAL

The Departmental Expenditure Limit (DEL)

6. The JNCC's current and capital expenditure form part of the Resource DEL and Capital DEL of the Department for Environment, Food and Rural Affairs, the Scottish Government, the Welsh Assembly Government, the administration in Northern Ireland, and the GB conservation bodies.

Expenditure not proposed in the budget

7. The JNCC shall not, without prior written Departmental approval, enter into any undertaking to incur any expenditure which is not provided for in the JNCC's recurrent annual budget as approved by the Department, devolved administrations and the administration in Northern Ireland.

Financial delegations

8. The JNCC shall not enter into any undertaking to incur any expenditure which falls outside the JNCC's delegations (as stipulated in Annex 1 to this memorandum) without prior written approval from the Department.

Procurement

9. The JNCC's procurement policies shall reflect guidance from the Office of Government Commerce. The JNCC shall also ensure that it complies with any relevant EU or other international procurement rules.
10. Periodically and wherever practicable the JNCC's procurement shall be benchmarked against best practice elsewhere and contracted out where this would achieve better value for money.

Competition

11. Contracts shall be placed on a competitive basis and tenders accepted from suppliers who provide best value for money overall.
12. Proposals to let single-tender or restricted contracts shall be subject to a specified delegated authority (see Annex 2 to this memorandum).

Value for money

13. Procurement by the JNCC of works, equipment, goods and services shall be based on value for money, i.e. quality (in terms of fitness for purpose) and delivery against price. Where appropriate, a full option appraisal shall be carried out before procurement decisions are taken.

Timeliness in paying bills

14. The JNCC shall collect receipts and pay all matured and properly authorised invoices in accordance with the requirements of Annex 6 of Managing Public Money. The JNCC shall comply with the British Standard for Achieving Good Payment Performance in Commercial Transactions (BS 7890), and with the Late Payment of Commercial Debts (Interest) Act 1998 as amended.

Novel, contentious or repercussive proposals

15. The JNCC shall obtain the approval of the Department, which will consult with Treasury, the devolved administrations and the Department of Environment in Northern Ireland, as necessary, before:
 - incurring any expenditure for any purpose which is or might be considered novel or contentious, or which has or could have significant future cost implications, including on staff benefits;
 - making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by the Department;
 - making any change of policy or practice which has wider financial implications (e.g. because it might prove repercussive among other public sector bodies) or which might significantly affect the future level of resources required.

Risk management

16. The JNCC shall ensure that the risks which it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and shall develop a risk management strategy, in accordance with Chapter 4.3 of Managing Public Money
17. The JNCC shall adopt and implement policies and practices to safeguard itself against fraud and theft, in line with Annex 4.7 of Managing Public Money.
18. The JNCC shall take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter into a contract.

Wider markets

19. In accordance with the wider markets policy the JNCC shall seek to maximise receipts from non-Exchequer sources provided that this is consistent with (a) the JNCC's main functions, and (b) its corporate plan as agreed with the Department devolved administrations and the administration in Northern Ireland.

Fees and charges

20. Fees or charges for any services supplied by the JNCC shall be determined in accordance with Chapter 6 of Managing Public Money, and with the Freedom of Information Act and Environmental Information Regulations. However, there may be cases where this policy is inappropriate for the achievement of the JNCC's statutory functions, and in consequence the JNCC may wish to allow an element

of subsidy in calculating fees and charges. In these cases, the fees and charges will be set at the highest level the market will bear, consistent with the functions being discharged.

III. THE JNCC'S INCOME

Grant-in-aid

21. Grant-in-aid will be paid to the JNCC in monthly instalments, on the basis of a written application from the JNCC showing evidence of need (See annexes 5 and 6). The application shall certify that the conditions applying to the use of grant-in-aid have been observed to date and that further grant-in-aid is now required for purposes appropriate to the JNCC's functions.
22. The JNCC should have regard to the guidance Annex 5.1 of Managing Public Money and to the general principle that it should seek grant-in-aid according to need.
23. Cash balances accumulated during the course of the year from grant-in-aid or other Exchequer funds shall be kept at the minimum level consistent with the efficient operation of the JNCC. Grant-in-aid not drawn down by the end of the year shall lapse. However, where draw-down of grant-in-aid is delayed to avoid excess cash balances at year-end, the Department, devolved administrations and the administration in Northern Ireland will make available in the next financial year - subject to approval by the Legislatures of the relevant Estimates provision - any such grant-in-aid which is required to meet any liabilities at year end, such as creditors.

End-year flexibility

24. As set out in Chapter 5 of Managing Public Money, the Department, devolved administrations and the administration in Northern Ireland will aim to set firm multi-year plans and cascade end-year flexibility on budgets where possible. Details are provided in the JNCC accountability framework document.

Receipts from sale of goods or services

25. Receipts from the sale of goods and services are classified as negative public expenditure in national accounts and are therefore normally offset against the DEL (i.e. they provide additional DEL spending power).
26. If there is any doubt about the correct classification of a receipt the JNCC shall consult the Department who will consult the Treasury as necessary.

Interest earned

27. Any interest earned on cash balances arising from grant-in-aid or other Exchequer funds shall be treated as a receipt from an Exchequer source. Depending on the budgeting treatment of this receipt, and its impact on the JNCC's cash requirement, it may lead to commensurate reduction of grant-in-aid or be required to be surrendered to the Consolidated Fund via the Department.

Unforecast changes in in-year income

28. If the negative DEL income realised or expected to be realised in-year is less than estimated, the JNCC shall, unless otherwise agreed with the Department ensure a corresponding reduction in its gross expenditure so that the authorised provision is not exceeded.
29. If the negative DEL income realised or expected to be realised in the year is more than estimated, the JNCC may apply to the Department to retain the excess income for specified additional expenditure within the current financial year without an offsetting reduction to grant-in-aid. The Department shall consider such applications, taking account of competing demands for resources. If an application is refused any grant-in-aid shall be commensurately reduced or the excess receipts shall be required to be surrendered to the Exchequer via the sponsor Department. (These arrangements are subject to the provisions set out under the heading *Disposal of assets* below.)
30. The exception to paragraph 29 is where the JNCC raises income from project partners in respect of a contribution towards work aimed at delivering the Government's obligations and targets. In respect of this income, the JNCC will be free to realise the appropriate levels of income from said partners (in order to meet project objectives) without the need to submit an application to the Department to retain the excess receipts.

Build-up and draw-down of deposits

31. The JNCC shall comply with the rules that any DEL expenditure financed by the draw-down of deposits counts within DEL and that the build-up of deposits may represent a saving to DEL (if the related receipts are negative DEL in the relevant budgets).
32. The JNCC shall ensure that it has the necessary DEL provision for any expenditure financed by draw-down of deposits.

Proceeds from disposal of assets

33. Disposals of land and buildings are dealt with in Section VI below.

Gifts and bequests received

34. The JNCC is free to retain any gifts, bequests or similar donations. These shall be treated as receipts.
35. Before proceeding in this way the JNCC shall consider if there are any associated costs in doing so or any conflicts of interests arising. The JNCC shall keep a written record of any such gifts, bequests and donations and of their estimated value and whether they are disposed of or retained.

Receipts from the EC

36. Receipts from the European Community (if retained by JNCC) provide additional spending power for JNCC.
37. Receipts from the EC will be regarded as additional to DEL Resource budgets if best estimates of them, described by type and amount, have been included in the corporate plan, forecast in the JNCC's budget estimates submission for the relevant year, and taken into account in the Department's, devolved administrations' and the administration in Northern Ireland's Expenditure Limits. Any receipts from the EC that have not been the subject of prior notification are subject to paragraphs 28 – 30 on unforecast changes in in-year income and must be reported to the Department, who will assess whether any adjustment should be made to the DEL Resource budget.
38. Unspent balances of EC receipts may be carried forward from one year to another.

Borrowing

39. The JNCC shall observe the rules set out in Chapter 5 and Annex 5.6 of Managing Public Money when undertaking borrowing of any kind. The JNCC shall seek the approval of the Department to ensure that it has any necessary authority and budgetary cover for any borrowing or the expenditure financed by such borrowing.

Reserves

40. No grant or grant-in-aid shall be paid into any reserve held by the JNCC. Funds in any reserve may be a factor for consideration when grant-in-aid is determined.

IV. EXPENDITURE ON STAFF EMPLOYED BY JNCC OR ON ITS BEHALF

Staff costs

41. Subject to its delegated levels of authority the JNCC shall ensure that the creation of any additional posts does not incur forward commitments which will exceed its ability to pay for them.

Pay and conditions of service

42. Staff employed by the JNCC, or on its behalf, whether on permanent or temporary contract, shall be subject to levels of remuneration and terms and conditions of service (including superannuation) within the general pay structure approved by the Department (and the Treasury, if appropriate). Formal approval by the Joint Committee is required before a pay remit is submitted to the Department.
43. Current terms and conditions for staff employed by the JNCC, or staff employed on its behalf, are those set out in its Employee Handbook. The JNCC shall provide the Department with a copy of the Handbook and subsequent amendments.

44. The travel expenses of Members of the Joint Committee shall be tied to the rates allowed to staff of the JNCC. Reasonable actual costs shall be reimbursed.
45. The JNCC shall operate a performance-related pay scheme which shall form part of the general pay structure approved by the Department and, if appropriate, the Treasury.
46. The JNCC shall comply with the EU directive on contract workers (Fixed Term Employees Regulations (Prevention of Less Favourable Treatment)).

Pensions; redundancy/compensation

47. The JNCC's staff, or staff employed on its behalf, shall normally be eligible for a pension provided by membership of the Principal Civil Service Pension Scheme (PCSPS).
48. Staff may as an alternative to joining PCSPS opt to join the PCSPS Partnership arrangements or (if earning less than £30,000) can opt to take out a stakeholder pension without employer contribution. However, the employer's contribution to any personal pension arrangement, including a stakeholder pension, shall [normally] be limited to the national insurance rebate level.
49. Any proposal by the JNCC to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the approval of the Department. Proposals on severance payments must comply with Annex 4.13 of Managing Public Money.

V. NON-STAFF EXPENDITURE

Capital expenditure

50. Subject to being above a capitalisation threshold agreed between JNCC and the Department, all expenditure on the acquisition or creation of fixed assets shall be capitalised on an accruals basis. Expenditure to be capitalised shall include the (a) acquisition, reclamation or laying out of land; (b) acquisition, construction, preparation or replacement of buildings and other structures or their associated fixtures and fittings; and (c) acquisition, installation or replacement of movable or fixed plant, machinery, vehicles and vessels.
51. Proposals for large-scale individual capital projects or acquisitions will normally be considered within the JNCC's corporate planning process. Applications for approval by the Department (and if necessary the Treasury) shall be supported by formal notification that the proposed project or purchase has been examined and duly authorised by the Joint Committee. Regular reports on the progress of projects shall be submitted to the Department.
52. Within its approved overall resources limit the JNCC shall, as indicated in Annex 1 to this memorandum, have delegated authority to spend up to £300,000 on any individual project or acquisition (including capital expenditure). Beyond that delegated limit, the prior authority of the Department must be obtained before expenditure on an individual project or acquisition is incurred.

Transfer of funds within budgets

53. Unless financial provision is subject to specific Departmental or Treasury controls (e.g. where provision is ring-fenced for specific purposes), transfers between budgets within the total capital DEL budget, or between budgets within the resource DEL budget, do not need departmental approval provided they are in accordance with the requirements of Annex 3 of the Accountability Framework and Annex 1 of this document. It is the responsibility of the JNCC to decide whether an item of expenditure does require Departmental approval and to seek that approval if necessary. Transfers from capital to resource may be requested from the Department. These requests will be considered depending on the financial situation, and Treasury rules will apply (more guidance is available at paragraphs 1.42 to 1.45 of HM Treasury's Consolidated Budgeting Guidance .)

Lending, guarantees, indemnities; contingent liabilities; letters of comfort

54. The JNCC may make loans to its employees, or staff employed on its behalf, under normal terms and conditions of employment (e.g. to cover the purchase of season tickets). Except in these circumstances, the JNCC shall not, without the Department's prior written consent lend money, charge any asset or security, give any guarantee or indemnities or letters of comfort, or incur any other contingent liability (as defined in Annex 5.5 of Managing Public Money), whether or not in a legally binding form.

Gifts made, write-offs, losses and other special payments

55. Proposals for making gifts or other special payments (including write-offs) outside the delegated limits set out in Annex 3 to this memorandum must have the prior approval of the Department. An annual report of gifts made, write-offs, losses and other special payments should be submitted to JNCC's Audit and Risk Management Committee and to the Department (see annexes 3 and 5).
56. Gifts by management to staff, or staff employed on behalf of the JNCC, are subject to the requirements of Annex 4.12 of Managing Public Money.

Leasing

57. Prior Departmental approval must be secured for all property and finance leases. The JNCC must have capital DEL provision for finance leases and other transactions which are in substance borrowing (see paragraph 39 above).
58. Before entering into any lease (including an operating lease) the JNCC shall demonstrate that the lease offers better value for money than purchase.

Public/Private Partnerships

59. The JNCC shall seek opportunities to enter into Public/Private Partnerships where this would be more affordable and offer better value for money than conventional procurement. Where cash flow projections may result in delegated spending authority being breached the JNCC shall consult the Department.
60. Any partnership controlled by the JNCC shall be treated as part of the JNCC in accordance with UK GAAP and consolidated with it (subject to any particular treatment required by UK GAAP). Where the judgment over the level of control

is a close one the Department will consult the Treasury (who may need to consult with the Office of National Statistics over national accounts treatment).

Subsidiary companies and joint ventures

61. The JNCC shall not establish subsidiary companies or joint ventures without the express approval of the Department. In judging such proposals the Department will have regard to the Department's, devolved administrations' and the administration in Northern Ireland's wider strategic aims and objectives.
62. Any subsidiary company or joint venture controlled or owned by the JNCC shall be consolidated with it in accordance with UK GAAP for public expenditure accounts purposes (subject to any particular treatment required by UK GAAP). Where the judgment over the level of control is a close one the Department will consult the Treasury (who may need to consult with the Office of National Statistics over national accounts treatment). Unless specifically agreed with the Department and the Treasury, such subsidiary companies or joint ventures shall be subject to the controls and requirements set out in this management statement and financial memorandum, and to the further provisions set out in supporting documentation.

Financial investments

63. The JNCC shall not make any investments in traded financial instruments without the prior written approval of the Department nor shall it aim to build up cash balances or net assets in excess of what is required for operational purposes. Equity shares in ventures which further the objectives of the JNCC shall equally be subject to Departmental approval unless covered by a specific delegation.

Unconventional financing

64. Unless otherwise agreed with the Department and Treasury the JNCC shall not enter into any unconventional financing arrangement.

Commercial insurance

65. The JNCC shall not take out any insurance without the prior approval of the Department other than third party insurance required by the Road Traffic Acts and any other insurance which is a statutory obligation or which is permitted in Annex 4.5 of Managing Public Money
66. Should a major loss occur, The Department will consider with JNCC what adjustments should be made, if any, to the financial settlement and/or to the targets and actions set out in the corporate or business plans.
67. A Certificate of Exemption for Employer's Liability Insurance has been issued to the JNCC.

VI. MANAGEMENT AND DISPOSAL OF FIXED ASSETS

Register of assets

68. The JNCC shall maintain an accurate and up-to-date register of its fixed assets.

Disposal of assets

69. The JNCC shall dispose of assets which are surplus to its requirements. Assets shall be sold for best price, taking into account any costs of sale. High value assets shall be sold by auction or competitive tender (unless otherwise agreed by the Department), and in accordance with Annex 4.8 of Managing Public Money.
70. The JNCC has the right to retain 100% of the receipts arising from the disposal of assets purchased with grant-in-aid and to use them to finance other capital spending, subject to the value of the total sales for any financial year not exceeding 3% of grant-in-aid provision (and the value of an individual sale not exceeding £1 million.) Beyond either of these limits, the JNCC will notify the Department who will have to consult the Treasury on a case by case basis about the treatment of receipts from asset disposals.
71. If, notwithstanding the above, the JNCC disposes of assets which have been purchased, improved or developed with Exchequer funds and the receipts amount to more than £1 million, or where the disposal has unusual features of which the Legislatures should be aware, Parliamentary approval shall be secured for the receipts to be reinvested. The receipts shall therefore be surrendered to the Department, which shall then submit an Estimate seeking approval for the receipts to be appropriated in aid by the Department and for a corresponding increase in the JNCC's grant-in-aid. If the proposed new investment exceeds the JNCC's relevant delegated authority the Department's approval will be needed. If the proposed new investment is novel or contentious the Treasury's approval will be also needed.
72. If the criteria in paragraph 69 above are not met, any receipts shall be dealt with in line with the rules on surplus in-year receipts (see paragraphs 29-30).

Recovery of assets

73. Where the JNCC has financed expenditure on capital assets by a third party, the JNCC shall make appropriate arrangements to ensure that any such assets above a value of £2,000 are not disposed of by the third party without the JNCC's prior consent.
74. The JNCC shall therefore ensure that such conditions are sufficient to secure the repayment of the Exchequer's due share of the proceeds of the sale, in order that funds may be surrendered to the Department.
75. The JNCC shall ensure that if the assets created by JNCC funding cease to be used by the recipient of the funding for the intended purpose, a proper proportion of the value of the asset shall be repaid to the JNCC for surrender to the Department. The amounts recoverable under the procedures in paragraphs 73-74 shall be calculated by reference to the best possible value of the asset and in proportion to the Exchequer's original investment(s) in the asset.

VII. BUDGETING PROCEDURES

Setting the annual budget

76. Budgeting procedures are described in the JNCC accountability framework document.

General conditions for authority to spend

77. Once the JNCC's budget has been approved by the Department, devolved administrations and the administration in Northern Ireland, and subject to any restrictions imposed by the Secretary of State, the JNCC shall have authority to incur expenditure approved in the budget without further reference to the Department, devolved administrations, the administration in Northern Ireland or the GB conservation bodies, on the following conditions:
- the JNCC shall comply with the delegations set out in Annexes 1, 2 and 3 of this memorandum. These delegations shall not be altered without the prior agreement of the Department, devolved administrations, the administration in Northern Ireland and the GB conservation bodies;
 - the JNCC shall comply with the conditions set out in paragraph 15 above regarding novel, contentious or repercussive proposals;
 - inclusion of any planned and approved expenditure in the JNCC's budget shall not remove the need to seek formal approval from the Department where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed;
 - the JNCC shall provide the Department with such information about its operations, performance, individual projects or other expenditure as it may reasonably require.

Providing monitoring information to the Department

78. The JNCC shall provide the department, as a minimum, information on a regular basis (see annex 5 of the financial memorandum) which will enable the satisfactory monitoring by the department of:
- the JNCC's cash management;
 - its draw-down of any grant-in-aid;
 - forecast outturn by resource headings;
 - other data required for the Government Expenditure Monitoring Systems.

VIII. BANKING

Banking arrangements

79. The JNCC's Chief Executive is responsible for ensuring that the JNCC's banking arrangements are in accordance with the requirements of Annex 5.7 of Managing Public Money. In particular he/she shall ensure that the arrangements safeguard public funds and are carried out efficiently, economically and effectively.
80. He/she shall therefore ensure that:
- these arrangements are suitably structured and represent value-for-money, and are reviewed at least every two years, with a comprehensive review, usually leading to competitive tendering, at least every three to five years;
 - sufficient information about banking arrangements is supplied to the Department's Accounting Officer to enable the latter to satisfy his/her own responsibilities (Section 4.2 of the Management Statement);
 - the JNCC's banking arrangements shall be kept separate and distinct from those of any other person, NDPB or organisation;
 - adequate records are maintained of payments and receipts and adequate facilities are available for the secure storage of cash.

IX. COMPLIANCE WITH INSTRUCTIONS AND GUIDANCE

Relevant documents

81. The JNCC shall comply with the following general guidance documents:
- this document (both the Management statement and the Financial memorandum);
 - HM Treasury's 'Managing Public Money', and any other relevant guidance and instructions issued by the Treasury;
 - other relevant guidance and instructions issued by the Treasury in respect of Whole of Government Accounts;
 - other relevant instructions and guidance issued by central Departments;
 - specific instructions and guidance issued by the Department;
 - recommendations made by the Public Accounts Committee, or by other Parliamentary authority, which have been accepted by the Government and which are relevant to the JNCC.

X. REVIEW OF FINANCIAL MEMORANDUM

83. This financial memorandum will normally be reviewed at least every five years or following a review of the JNCC's functions as provided for in section 8 of the JNCC Accountability Framework document.
82. The Treasury will be consulted on any significant variation proposed to this financial memorandum and the associated management statement.

ANNEX 1. FINANCIAL DELEGATIONS

1. The JNCC shall obtain prior written approval from the Department before entering into any commitment to:
 - incur expenditure for any purpose which might be considered novel or contentious, or which may prove repercussive among other public sector bodies (see paragraph 15 of this Memorandum);
 - avoid reducing its gross expenditure if the income realised or expected to be realised in-year is less than estimated (see paragraph 28 of this Memorandum);
 - retain 'excess' income without an offsetting reduction in grant-in-aid (see paragraph 29 of this Memorandum, and noting the exceptions described in paragraph 30);
 - retain receipts from the EC that have not been taken into account in the JNCC's budget estimates for the year (see paragraph 36 of this Memorandum, and noting the exceptions described in paragraph 37);
 - undertake borrowing of any kind (see paragraph 39 of this Memorandum);
 - lend money, charge any asset or security, give any guarantee or indemnities or letters of comfort, or incur any other contingent liability (see paragraph 53 of this Memorandum);
 - make a grant or a loan to a third party;
 - enter into any property or finance lease; (see paragraphs 57-58 of this Memorandum)
 - establish subsidiary companies or joint ventures (see paragraphs 61-62 of this Memorandum);
 - make any investments in traded financial instruments;(see paragraph 63 of this Memorandum)
 - enter into any unconventional financing arrangement (see paragraph 64 of this Memorandum);
 - take out any insurance (see paragraph 65 of this Memorandum, and noting the exceptions described this paragraph);
 - retain receipts derived from the sale of assets where the value of the total sales for any financial year exceed 3% of grant-in-aid provision or where the value of an individual sale exceeds £1 million(see paragraphs 69-71 of this Memorandum);
 - spend more than £300,000 on any project (including capital expenditure) (see Annex 2 to this Memorandum, paragraph 4);
 - spend more than £25,000 on single tender contracts (see Annex 2 to this Memorandum, paragraph 2);

- make gifts with a value of more than £1,000 (see Annex 3 to this Memorandum, paragraph 2);
 - make any special payment (see Annex 3 to this Memorandum, paragraph 1);
 - write off losses over £5,000.(see Annex 3 to this Memorandum, paragraph 2).
2. All applications to exceed these delegations should be made to the Department.

ANNEX 2. PROJECTS AND CONTRACTS

Definitions

1. For the purpose of this schedule, the following definitions apply:
 - a **project** is normally a commitment to a discrete item of expenditure (including an individual grant award), or a set of expenditures related in such a way that the benefits of any one of them cannot be fully realised independently of the others;
 - the **cost** of a project is the total expenditure to which the JNCC would be committed over the life of the project, including VAT where applicable.

Single tender contracts

2. The JNCC has delegated authority to let single-tender contracts up to a total cost of £25,000

Project appraisal

3. All proposed projects must be appraised in line with Treasury guidance. The thoroughness of the appraisal should be appropriate to the size and importance of the project. All projects with a whole-life cost (including VAT) exceeding £150,000 should be subject to an appraisal consisting of thorough and (so far as possible) quantified analyses of all aspects of the project.
4. Before entering into any commitment, the JNCC shall submit to the Department for approval any project estimated to cost more than £300,000. Applications for approval by the Department shall be supported by formal notification that the proposed project or purchase has been examined and duly authorised by the Joint Committee.
5. If a project appears to be about to exceed its estimated costs when originally approved by 20% or more it shall be re-submitted to the Department; and shall be submitted to the Department for scrutiny or approval if the increase brings the costs above the thresholds set out in this Annex.

ANNEX 3. REQUESTS FOR APPROVAL TO MAKE SPECIAL PAYMENTS AND GIFTS AND TO WRITE OFF LOSSES

1. The JNCC may not without the prior approval of the Department make special payments.
2. The JNCC may without the prior approval of the Department make gifts and write off losses as follows:
 - any gifts not exceeding £1,000 in value (any gifts to staff will be subject to the requirements of the relevant Cabinet Office guidance);
 - write-off of losses not exceeding £5,000.
3. Requests for approval of **special payments and gifts** should include the following information, which should also be taken into consideration by the JNCC for cases within its delegated limits:
 - the nature and value of the payments;
 - the frequency of payments (are they one off or regular?);
 - what they will achieve for the JNCC (do they represent value for money?).

Requests should be made sufficiently in advance to allow time for consideration by the Department.

4. Requests for **approval to write off losses** in excess of the delegated limit should be set out under the headings below. The JNCC should also use this format in dealing with cases falling within its delegated limit. **All cases involving fraud - proven or suspected - must be referred to the Department immediately they come to light, irrespective of the amount involved.**
 - the amount of the loss;
 - how and when it occurred;
 - who was primarily responsible?
 - was it caused by negligence?
 - is there a suspicion of fraud?
 - have the police been informed?
 - is criminal prosecution, or are civil proceedings, proposed?
 - can insurance be claimed?
 - what other steps can be taken to recover the loss?
 - What steps are necessary to prevent a recurrence?

- any other relevant information;
 - conclusion and recommendations.
5. The report called for in paragraph 55 of this memorandum shall be submitted each June and contain the following information:
- the total amount of gifts made, write-offs, losses and other special payments individually valued at £5,000 or less;
 - details of each gift made, write-off loss or other special payment valued at over £5,000, showing in each case:
 - i. the value;
 - ii. the function(s) or programme to which it related;
 - iii. the date on which the payment was made, or the loss-making event occurred or crystallised;
 - iv. a brief description of the circumstances under which it was made.

For losses only there needs to be a note in the annual accounts showing the number and total value of losses together with corresponding figures for the previous financial year.

ANNEX 4. CATEGORIES OF EXPENDITURE

(See section 4.4.4 of the management statement)

JNCC's Categories of Expenditure shall be as follows:

RESOURCE DEL	CAPITAL DEL
Subsidies to the private sector (profit making firms) (C10)	Profit and loss on sales of other tangible capital (X16)
Current expenditure on goods and services, and receipts (B35)	Book value on sale of other tangible capital (E16)
Current grants to the private sector (persons and not-for-profit bodies (D10) (EU grants for revenue expenditure netted off under this heading)	Expenditure on the purchase of existing buildings (E10)
Current transfers abroad (D20)	Book value on sale of existing buildings (E11)
	Capital grants to the private sector (persons and not-for-profit bodies (G20)
Pay (A15)	Formation of tangible capital: dwellings, other new construction, vehicles (E15)
	Capital grants to the private sector (companies) (G10)
Income from services (B35)	Purchase of land (EO6)
	Profit and loss on sales of existing buildings (X11)
Settlement of provisions	
RESOURCE AME	
Depreciation under RAB (B90)	
Creation of and unwinding of provisions	
Interest paid to or received from the private sector (S10)	
Provisions for pensions for staff where body has theme release (L16)	
Provisions for pensions for staff where body has theme: take-up and revaluations (L15)	
Impairments of fixed assets (B95)	

Income and expenditure analysed by these categories will form part of JNCC's monthly reports to the Department.

ANNEX 5 TIMETABLE FOR SUBMISSION OF KEY FINANCIAL INFORMATION TO THE DEPARTMENT*

Sixth working day of April	Forecast expenditure profile for each category of expenditure in the Current DEL, Capital DEL and Current AME budgets and for non-budget items (see section 5.6 of the Management Statement and Annex 4 to this Memorandum).
Third week of April and of each successive month	Application for grant-in-aid for following month (see paragraph 21 and Annex 6 to this Memorandum).
Sixth working day of May and of each successive month	Expenditure forecast data for the previous month and (from June) spend data for the previous month, relating to each category of expenditure in the Current DEL, Capital DEL and Current AME budgets and for non-budget items and a provisional expenditure forecast for the remaining months of the current financial year (see section 5.6.2 of the Management Statement and Annex 4 to this Memorandum).
June	Reports on write-offs, losses, special payments and gifts (see paragraph 55 and Annex 3 to this Memorandum)
May	Final outturn figures for the preceding financial year (see section 5.6 of the Management Statement).
First week in June	Draft accounts and draft annual report (see section 4.11.3 of the Management Statement)
June	Annual review of internal audit and opinion ** and annual report on fraud and theft.
July	Final accounts signed by the Chief Executive (see section 4.11.1 of the Management Statement)
mid-August	Report on review of monthly profiles of expenditure and draw down of grant-in-aid to inform the Winter Supplementary Estimates process(see section 5.6 of the Management Statement) .
December	Budget for the following financial year reflecting the Current DEL, capital DEL and Current AME budget limits allocated by the Department and devolved administrations with an assessment of monthly cash and grant-in-aid requirement for the coming year .

* And to other devolved administrations/CAs if required

ANNEX 6. FORM FOR GRANT-IN-AID DRAW DOWN REQUEST

See financial memorandum paragraph 21

Cash grant-in-aid draw down request

For: ___month/year___

£K

Total cash grant-in-aid to date

Forecast cash requirement for ___month___

Less estimated cash balance @ ___month___

Cash advance required for ___month___

I certify that the conditions applying to the use of funds to date, as set out in the financial memorandum, have been observed and that further funds are required for the proper exercise of the JNCC's functions, as approved by sponsoring bodies where necessary.

Signature..... Date.....

Position – Head of Finance

JNCC ACCOUNTABILITY FRAMEWORK DOCUMENT

1. INTRODUCTION

1.1 This framework document has been drawn up by the Department for Environment, Food and Rural Affairs, the Scottish Government, the Welsh Assembly Government and the Department of the Environment in Northern Ireland, in consultation with Natural England, Scottish Natural Heritage, the Countryside Council for Wales, the Council for Nature Conservation and the Countryside and the Joint Nature Conservation Committee (JNCC).

1.2 In this document:

- 'the Department' means the Department for Environment, Food and Rural Affairs (Defra), including the Secretary of State and those acting on his/her authority;
- 'devolved administrations' means the Scottish Government and the Welsh Assembly Government, including relevant Ministers and those acting on their authority;
- 'administrations' means devolved administrations and the administration in Northern Ireland;
- 'legislatures' means UK Parliament, Scottish Parliament, the National Assembly for Wales and the administration in Northern Ireland;
- 'Secretary of State' means the Secretary of State for Environment, Food and Rural Affairs;
- 'Ministers' means the Secretary of State for Environment, Food and Rural Affairs and relevant Ministers of the Scottish Government, Welsh Assembly Government and the administration in Northern Ireland;
- 'UK conservation bodies' means Natural England, Scottish Natural Heritage, the Countryside Council for Wales and the Council for Nature Conservation and the Countryside;
- 'GB conservation bodies' means Natural England, Scottish Natural Heritage and the Countryside Council for Wales;
- 'the funding bodies' means GB conservation bodies and the relevant Northern Ireland Department;
- 'the relevant Northern Ireland department' means the Department of the Environment in Northern Ireland.

1.3 This document sets out the roles and responsibilities of the Department, devolved administrations and administration in Northern Ireland, relevant to the exercise of the JNCC's functions, duties and powers, in particular:

- accountability arrangements and levels of delegation;

- planning and budgeting procedures.

However, the framework document does not convey any legal powers or responsibilities.

- 1.4 The associated management statement and financial memorandum set out in greater detail the levels of delegation between the funding bodies and the JNCC with respect to governance arrangements, and the financial provisions which the JNCC shall observe.
- 1.5 The accountability framework document shall be periodically reviewed by the Department, devolved administrations and the administration in Northern Ireland in accordance with section 8 below.
- 1.6 The Department, devolved administrations, the administration in Northern Ireland, the UK conservation bodies or the JNCC may propose amendments to this document at any time. Any such proposals shall be considered in the light of evolving government policy aims, operational factors and the track record of the JNCC itself. The guiding principle shall be that the extent of flexibility and freedom given to the JNCC shall reflect both the quality of its internal controls and its operational needs. Ministers shall determine what changes, if any, are to be incorporated in the document. Legislative provisions shall take precedence over any part of the document. Significant variations to the document shall be cleared with the Treasury or Cabinet Office as appropriate. (The definition of “significant” will be determined by the sponsor department in consultation with the administrations and Treasury/Cabinet Office.)
- 1.7 This framework document is signed and dated by the Department, devolved administrations and the Department of the Environment in Northern Ireland.
- 1.8 Any question regarding the interpretation of the document shall be resolved by the Department, devolved administrations and the administration in Northern Ireland after consultation with the UK conservation bodies, the JNCC and, as necessary, Treasury and the Cabinet Office.
- 1.9 Copies of this document and any subsequent substantive amendments shall be placed in the Libraries of the House of Commons, the House of Lords, the Scottish Parliament, the National Assembly for Wales and the administration in Northern Ireland. Copies shall also be made available to members of the public on the JNCC’s website.

2. RESPONSIBILITIES AND ACCOUNTABILITY

2.1 Ministers

- 2.1.1 The Secretary of State for Environment, Food and Rural Affairs is accountable to UK Parliament for the activities and performance of the JNCC. In the same way, relevant Ministers in Scotland, Wales and Northern Ireland are accountable to the Scottish Parliament, the National Assembly for Wales and the administration in Northern Ireland respectively. Ministers’ responsibilities include:

- approving the JNCC’s strategic objectives and the policy and performance framework within which the JNCC will operate (as set out in this document and other associated documents);

- keeping Legislatures informed about the JNCC's performance;
- approving the amount of grant-in-aid to be paid to the JNCC, and securing Parliamentary approval;
- carrying out responsibilities specified in the Natural Environment and Rural Communities Act 2006 including appointments to the Joint Committee, approving the terms and conditions of Committee members, laying the annual report and accounts before the Legislatures, and establishing certain conditions and approving certain arrangements for the company limited by guarantee that provides support services to the JNCC.

2.2 The Accounting Officers¹ of the Department, devolved administrations and the administration in Northern Ireland.

2.2.1 The Permanent Secretaries within the Department, the devolved administrations and the administration in Northern Ireland, as the Department's/administrations' principal Accounting Officers, are responsible for the overall organisation, management and staffing of their respective Department/administration and for ensuring that there is a high standard of financial management in the Department/administration as a whole. The principal Accounting Officers are accountable to the Legislatures for the issue of any grant-in-aid to the JNCC.

2.2.2 The principal Accounting Officers of the Department/administrations shall ensure that:

- the JNCC's strategic aim and objectives support the Department's and administrations' wider strategic aims;
- control measures put in place by the funding bodies for the JNCC are appropriate.

2.2.3 In certain circumstances, in particular on financial matters, the Department's Accounting Officer will take a lead role on behalf of all the administrations. These circumstances are defined in section 7 and Annex 2 of this framework document.

2.2.4 The responsibilities of a departmental Accounting Officer are set out in more detail in the annex to Chapter 4 of *Government Accounting*.

2.2.5 The principal Accounting Officer within the Department, in agreement with the administrations, designates the Chief Executive of JNCC as Accounting Officer for the JNCC. As such, the Chief Executive may be expected to appear before the legislatures to answer questions concerning the use of resources and related activities.

2.2.6 The responsibilities of JNCC's Chief Executive are described in section 4.3 of the JNCC's Management Statement.

2.3 The sponsoring teams in the Department, devolved administrations and administration in Northern Ireland

¹ Note that Accounting Officers are termed Accountable Officers in Scotland.

- 2.3.1 Within the Department, the Wildlife and Countryside Directorate is the sponsoring directorate for the JNCC. The sponsoring directorate, in consultation as necessary with the relevant departmental Accounting Officer, is the primary source of advice to the Secretary of State on the discharge of his/her responsibilities in respect of the JNCC, and is the primary point of contact for the JNCC in dealing with the Department. The sponsoring directorate shall carry out its duties under a senior officer who shall have primary responsibility for overseeing the activities of the JNCC.
- 2.3.2 Within the devolved administrations and the administration in Northern Ireland, a similar role is played by the Scottish Government Natural Resources Division of the Rural and Environment Directorate (or equivalent), the Welsh Assembly Government Department for Environment, Planning and Countryside (or equivalent), and the Department of the Environment in Northern Ireland (or equivalent).
- 2.3.3 The sponsoring teams shall advise Ministers on:
- an appropriate framework of objectives and targets for the JNCC in the light of the Department's and administrations' wider strategic aims;
 - an appropriate budget for the JNCC in the light of the Department's and administrations' overall public expenditure priorities;
 - how well the JNCC is achieving its strategic objectives and whether it is delivering value for money.
- 2.3.4 In support of the departmental Accounting Officer the sponsoring directorate shall:
- inform the JNCC of relevant Government policy in a timely manner; advise on the interpretation of that policy; and issue specific guidance to the JNCC as necessary;
 - bring concerns about the activities of the JNCC to the attention of the Joint Committee and JNCC Chief Executive, as Accounting Officer, and require explanations and assurances from the Committee and JNCC Chief Executive that appropriate action has been taken;
 - in liaison with JNCC Chief Executive, as Accounting Officer, address in a timely manner any significant problems arising in the JNCC, whether financial or otherwise, making such interventions in the affairs of the JNCC as the Department judges necessary.

3. PROVISION OF SUPPORT TO THE JOINT COMMITTEE

- 3.1 The UK conservation bodies, through the Joint Committee, have established a company limited by guarantee, under paragraph 13 of Schedule 47 of the Natural Environment and Rural Communities Act 2006, to provide administrative and specialist support to the Joint Committee. The company provides the corporate vehicle through which the JNCC employs staff and administers its funds to deliver its corporate plan.
- 3.2 The JNCC is required to meet certain conditions set by the Secretary of State for the establishment and operation of the company. These are set out in Annex 1 to this framework document.

4. PLANNING AND BUDGETING

4.1 JNCC's status as a going concern

4.1.1 Under the normal conventions applying to parliamentary control over income and expenditure, grant-in-aid may not be issued in advance of need and the Legislatures are not bound in advance to authorise funds needed to honour any liabilities. There is, however, no reason to believe that sponsorship by the Department, the devolved administrations and the administration in Northern Ireland will not be forthcoming as part of the normal annual budgetary process.

4.2. Sponsors' meetings

4.2.1 The JNCC Sponsor's Group will consist of senior representatives of the Department, the devolved administrations, the administration in Northern Ireland, the UK conservation bodies and the JNCC. The Group will be chaired by the Department. The group will meet twice yearly and will:

- agree with the JNCC the issues and priorities to be addressed in the corporate plan and the timetable for its preparation;
- agree with the JNCC the main elements of the corporate plan - including the priority performance measures - in the light of decisions on policy and resources taken in the context of the Government's wider public expenditure plans and decisions;
- inform the JNCC and UK conservation bodies of the indicative budget for the JNCC for the following year and planning figures for the following two years;
- review the JNCC's performance and outturn for the previous financial year.

4.3. The JNCC's corporate and business plans

4.3.1 The JNCC shall prepare a biennial corporate plan and annual business plan in consultation with the administrations and UK conservation bodies, for agreement with the funding bodies, as described in sections 5.3 of the JNCC's management statement .

4.3.2 In order to ensure transparency between the activities delivered as part of JNCC's UK role and activities that JNCC deliver for one or more of the four countries, the JNCC shall agree with the Department and the administrations having taken account of the views of the UK conservation bodies the key deliverables of the strategic objectives in the JNCC business plan, including the resources required to deliver these, both planned and actual.

4.3.3 JNCC shall agree a format for reporting performance and key deliverables with the Department, and the administrations having taken account of the views of the UK conservation bodies.

4.4 Budgeting procedures

4.4.1 The total budget for the JNCC will be set each year by Departmental Ministers, after consultation and in agreement with their Scottish, Welsh and Northern Irish colleagues. The budget will comprise two parts:

- those 'reserved' matters to be funded by the Department i.e. matters which support activities in which there are reserved interests; and
- all other work to be funded jointly by the Department and, devolved administrations and the relevant Northern Ireland Department.

The budget will be based on an indicative budget given by the Department, after consultation with the devolved administrations and the administration in Northern Ireland.

4.4.2 The Department will determine the grant payable to JNCC under Schedule 4, paragraph 15 of the Natural Environment and Rural Communities Act 2006. The Department, devolved administrations and the administration in Northern Ireland will agree on what proportion of the remaining costs should be funded by each of them.. The current 'funding formula' agreed in 2005 is at Annex 2 of this document. The Department and devolved administrations will then ring-fence the relevant element of grant-in-aid to their respective funding bodies.

4.4.3 Each year, the Department will send to the JNCC a formal statement of the annual budgetary provision allocated to the JNCC by the Department and administrations.

4.4.4 Any grant-in-aid provided by a Department/administration for the year in question will be voted in the Department's/administration's Estimate and will be subject to Parliamentary control.

4.4.5 As set out in PES (2000)25, the Department, devolved administrations and the administration in Northern Ireland will aim to set firm multi-year plans. However the duration of budgets that can be agreed will have to reflect the settlement period within each of the countries

5. AUDIT

5.1 The JNCC's internal and external audit arrangements are described in sections 4.12 and 4.12.2 respectively of the JNCC's management statement.

5.2 The Department, devolved administrations and the administration in Northern Ireland shall have a right of access to all the JNCC's records and personnel for purposes such as sponsorship audits and operational investigations.

6. ANNUAL REPORT AND ACCOUNTS

6.1 After the end of each financial year the JNCC shall publish an annual report of its activities, including the activities carried out for devolved administrations and the administration in Northern Ireland, together with its audited annual accounts, as described in section 4.11 of the JNCC's management statement. The report and accounts shall be laid before the Legislatures by Ministers.

6.2 The Department and administrations shall have the opportunity to provide comments on a draft of the annual report;

6.3 The Department shall issue an Accounts Direction to the JNCC.

7. FINANCIAL FRAMEWORK

7.1 Introduction

7.1.1 This section sets out certain aspects of the financial framework within which the JNCC is required to operate, in particular the roles of the Department, devolved administrations and the administration in Northern Ireland.

7.1.2 The terms and conditions set out in the JNCC's financial memorandum provide more detail on the levels of delegation between the funding bodies and the JNCC. The financial memorandum and the accountability framework document may be supplemented by guidelines or directions issued by the Secretary of State in respect of the exercise of any individual functions, powers and duties of the JNCC.

7.2 Financial delegations

7.2.1 The JNCC shall not enter into any undertaking to incur any expenditure which falls outside the JNCC's delegations (as stipulated in the financial memorandum) without prior written approval, from the Department

7.2.2 All applications to exceed the JNCC's financial delegations will require Departmental approval.

7.2.3 Applications requiring Departmental approval are listed in Annex 3 to this framework document.

7.3 Payment of grant-in-aid

7.3.1 Grant-in-aid will be paid to the JNCC in monthly instalments, on the basis of a written application from the JNCC showing evidence of need.

7.3.2 Where draw-down of grant-in-aid by the JNCC is delayed to avoid excess cash balances at year-end, the Department, devolved administrations and the administration in Northern Ireland will make available in the next financial year - subject to approval by the Legislatures of the relevant Estimates provision - any such grant-in-aid which is required to meet any liabilities at year end, such as creditors.

8. REVIEWING THE ROLE OF THE JNCC

8.1 The JNCC shall be reviewed periodically in accordance with the Cabinet Office guidance on "lighter touch" reviews.

9. INDEMINITY OF JOINT COMMITTEE MEMBERS

9.1 Joint Committee members are indemnified in accordance with chapter 8 of *Government Accounting* against any liability incurred in their duties as Joint Committee members and as members and directors of the company referred to in section 3 of this framework document.

- 9.2 Any liabilities that are deemed to be of a magnitude that the JNCC can reasonably not expect to meet from its own grant-in-aid will be met by the Department, the devolved administrations and the administration in Northern Ireland in the same proportions as the funding formula.
- 9.3 The Department shall be given prior notification of all potential claims.

Signed

Robin Mortimer
Director, Wildlife and Countryside, Defra
On behalf of Defra, Scottish Government, Welsh Assembly Government and DOE Northern
Ireland

March 2011

ANNEX 1 CONDITIONS FOR THE COMPANY ESTABLISHED BY THE SECRETARY OF STATE

1. The company limited by guarantee must not be wound up without the prior approval of the Secretary of State and the Treasury. The Secretary of State will exercise this condition in such a way as to ensure that the directors of the company are not placed in breach of their duties under the Companies Act.
2. The Memorandum and Articles of Association must be cleared by the Department prior to adoption.
3. Any change of name of the company must be approved by the Secretary of State.
4. Any changes to the Memorandum and Articles of Association that amend or alter the company limited by guarantee's objects or provisions as to its membership or management must be approved by the Secretary of State and the Treasury.
5. There must be a minimum of seven members of any company limited by guarantee who broadly represent the balance between the UK conservation bodies' appointees and independent members on the Joint Committee.
6. There must be a minimum of seven directors on the board of any company limited by guarantee who are Joint Committee members and who broadly represent the balance between the UK conservation bodies' appointees and independent members on the Joint Committee.
7. No more than four persons who are not members of the Joint Committee, all of whom must be staff employed either directly by the Joint Committee or by the company limited by guarantee, may be directors of that company at any time.
8. The quorum of the board of directors shall be no less than four directors who are also Joint Committee members.
9. The board must supply the Secretary of State or his/her officials and the Treasury with copies of the company's annual report and accounts.
10. The company may not set up any subsidiary without the prior approval of the Secretary of State and the Treasury.

The Secretary of State has not included within the list of conditions any requirement that 'employee directors' may not vote upon any matter pertaining to the terms and conditions of staff employed by the company limited by guarantee in the expectation that this will be covered in the companies own policies on conflicts of interest.

ANNEX 2. 2005 FUNDING FORMULA

The agreement by Ministers in 2005 was that Defra would pay 100% of the costs of JNCC's work in relation to reserved matters and that Defra, the Scottish Government, Welsh Assembly Government and DOE Northern Ireland would share the remaining 'UK co-ordination costs' as follows:

Defra	49.25%
Scottish Executive	29%
Welsh Assembly Government	14.50%
DOENI	7.25%

ANNEX 3. BUSINESS REQUIRING DEPARTMENTAL APPROVAL

1. The JNCC Chief Executive as Accounting Officer shall obtain prior written approval from the Department, who will consult with the devolved administrations and the administration in Northern Ireland as necessary, before entering into any commitment to:
 - i. incur any expenditure which is not provided for in the JNCC's annual budget as approved by the Department, devolved administrations and the administration in Northern Ireland;
 - ii. incur any expenditure for any purpose which is or might be considered novel or contentious, or which has or could have significant future cost implications, including on staff benefits;
 - iii. make any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by the Department;
 - iv. make any change of policy or practice which has wider financial implications (e.g. because it might prove repercussive among other public sector bodies) or which might significantly affect the future level of resources required;
 - v. avoid reducing its gross expenditure if the income realised or expected to be realised in-year is less than estimated;
 - vi. retain 'excess receipts' (i.e. where income realised or expected to be realised in the year is more than estimated) without an offsetting reduction to grant-in-aid; this does not apply in cases where the income has been raised from project partners in respect of a contribution towards work aimed at delivering the Government's obligations and targets; the Department shall consider such applications, taking account of competing demands for resources;
 - vii. retain receipts from the EC that have not been included in the JNCC's corporate plan, forecast in the JNCC's budget estimates submission for the relevant year, and taken into account in the Department's, devolved administrations' and the administration in Northern Ireland's Expenditure Limits; exceptions to this are described in the JNCC's financial memorandum;
 - viii. undertake borrowing of any kind (to ensure that it has any necessary authority and budgetary cover for any borrowing or the expenditure financed by such borrowing);
 - ix. change the general pay structure for staff of the JNCC, whether on permanent or temporary contract;
 - x. move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office;
 - xi. lend money (except for loans to JNCC employees under normal terms and conditions of employment), charge any asset or security, give any guarantee or indemnities or letters of comfort, or incur any other contingent liability (as defined in chapter 26 of *Government Accounting*), whether or not in a legally binding form;

- xii. enter into any property or finance lease;
 - xiii. establish subsidiary companies or joint ventures; in judging such proposals the Department will have regard to the Department's, devolved administrations' and the administration in Northern Ireland's wider strategic aims and objectives;
 - xiv. make any investments in traded financial instruments or in equity shares in ventures which further the objectives of the JNCC;
 - xv. enter into any unconventional financing arrangement;
 - xvi. take out any insurance, other than third party insurance required by the Road Traffic Acts and any other insurance which is a statutory obligation or which is permitted in paragraph 30.4.2 of *Government Accounting*; the Department shall have a written agreement with the JNCC about the circumstances in which, in the case of a major loss or third-party claim, an appropriate addition to budget out of the Department's funds and/or adjustment to the JNCC targets shall be considered;
 - xvii. retain receipts derived from the sale of assets where the value of the total sales for any financial year exceed 3% of grant-in-aid provision or where the value of an individual sale exceeds £1 million;
 - xviii. spend more than £300,000 on any project (including capital expenditure);
 - xix. make gifts with a value of more than £1,000 or any special payments;
 - xx. write off losses with a value in excess of £5,000.
 - xxi. engage in addressing any potential claims against members of the Joint Committee or the company limited by guarantee.
2. Further details of delegations and the respective roles of the Department are provided in the JNCC's financial memorandum.

SCHEDULE OF DELEGATIONS

Introduction

1. Under the Regulatory Reform (Joint Nature Conservation Committee) Order 2005, and following approval from the Secretary of State, the Joint Committee set up the JNCC Support Co. as a company limited by guarantee. The purpose of the company is to provide services to the Joint Committee in connection with the functions specified in sections 33 and 36 of the Natural Environment and Rural Communities Act 2006 and in connection with any other functions of the Joint Committee. The change of arrangements for the provision of services to the Joint Committee implements action agreed in the Government's response, published in November 2002, to a review of the JNCC that reported in January 2002.
2. The Joint Committee, Company Board and Executive Management Board has made certain delegations in accordance with the attached schedule.
3. The schedule comprises:
 - Part 1 Delegations from the Joint Committee to the company, Board of the company, and any staff that the Board considers competent to undertake those responsibilities, and sub-groups of Committee.
 - Part 2 Delegations from the Company Board to the Executive Management Board, Audit and Risk Management Committee and Company Secretary.
 - Part 3 Delegations from the Executive Management Board to staff. This is supplemented separately by detailed financial delegations.²
4. Each schedule shows the matters reserved to the delegating body alongside the areas of responsibility delegated. The schedules also require the body to whom responsibilities are delegated to refer back up through the line any matters that may involve either the company or the Joint Committee in significant risk to their reputations, legal standing or financial positions.

² Available to Committee members on request.

PART 1. SCHEDULE OF DELEGATIONS FROM THE JOINT COMMITTEE TO THE JNCC SUPPORT COMPANY.

1. The responsibilities of the Joint Committee are set out in their Standing Orders.
2. The Joint Committee has agreed that certain of its functions will be discharged by the JNCC Support Company (hereafter known as the 'company'). The Joint Committee has delegated certain of its responsibilities to the company, the Company Board and any employees of the company which the Board considers competent to undertake those responsibilities. The following table sets out in the left hand column the general areas of responsibility delegated to the company and in the right hand column the specific matters from each of these areas that are reserved for the Joint Committee. The Joint Committee has established a Remuneration Committee and the delegations made to it by the Joint Committee are shown in the central column. The Committee may at any time take back any responsibilities that it has delegated and specifically requires the company to refer to it any matter that may involve either the company or the Joint Committee in significant risk to their reputations, legal standing or financial positions.
3. The Joint Committee has delegated certain of its responsibilities to the Chairman. These include:
 - i. a general delegation to form time-limited sub-groups where a clear need is demonstrated;
 - ii. determination of how individual items of business are dealt with;
 - iii. sign-off of corporate and business plans after consultation with full Committee;
 - iv. sign off of non-contentious advice after consultation with full Committee;
 - v. sign-off of reserved items that are of little relevance to country conservation body members.

Delegated to the company	Delegated to the Remuneration Committee	Delegated to the Marine Protected Areas Sub-Group	Reserved for the Committee
Maintaining an effective framework of corporate governance to ensure that the Joint Committee fulfils its responsibilities for promoting the efficient and effective use of staff and other resources by the JNCC. This includes maintaining effective systems of:			Regulating the Committee's own procedures, including approving and amending Standing Orders and a schedule of matters reserved to the Committee. Approving corporate governance arrangements for the JNCC, with the

Delegated to the company	Delegated to the Remuneration Committee	Delegated to the Marine Protected Areas Sub-Group	Reserved for the Committee
<ul style="list-style-type: none"> • delegated authorities; • risk management and audit; • planning and monitoring; • programme and project management; • financial management; • staff management; • environmental management; • information management; • health and safety; and • internal and external communications. 			<p>agreement of the GB country conservation bodies and Defra and devolved administrations where necessary.</p> <p>Ensuring that the company is run in accordance with the intentions of the Natural Environment and Rural Communities Act 2006 and making recommendations as necessary to the Secretary of State on matters concerning establishing or winding up the company or changing its objects.</p> <p>Approving and submitting to the Secretary of State the JNCC's annual report and accounts (Chairman).</p> <p>Establishing the strategic direction of the JNCC and approving corporate and business plans and associated budgets to be executed through the company.</p> <p>Approving projects outwith the corporate or business plan, where these have a total full-life cost of more than £300k prior to obtaining final approval from Defra</p>

Delegated to the company	Delegated to the Remuneration Committee	Delegated to the Marine Protected Areas Sub-Group	Reserved for the Committee
			<p>Approving high-level organisational strategies, such as communications and funding strategies, that have significant implications for the organisation.</p> <p>Reviewing and addressing major risks.</p> <p>Receiving and reviewing annual reports from the Audit and Risk Management Committee on the Committee's and company's control and risk management.</p>
<p>Delivering the Joint Committee's corporate and business plans. This includes the provision of any advice, information or other services necessary to fulfil the plans on behalf of the Joint Committee, including that delivered through inter-agency or lead agency working arrangements.</p> <p>Endorsing any in-year changes needed to performance measures.</p>		<p>Paper JNCC09P11 sets out delegations to the Marine Protected Areas Sub-Group. These will be reviewed at the June 2011 Joint Committee meeting.</p>	<p>Decisions which are potentially high-risk, contentious or novel for UK Government, devolved administrations or JNCC as follows:</p> <p>a) Strategies for JNCC's work including collaborative work with, or between, the GB country conservation bodies and Northern Ireland Environment Agency.</p> <p>b) Advice on the development or implementation of policy/legislation.</p> <p>Reviewing and contributing to new thinking and approaches for, or</p>

Delegated to the company	Delegated to the Remuneration Committee	Delegated to the Marine Protected Areas Sub-Group	Reserved for the Committee
			<p>affecting, nature conservation with a view to informing governments' high-level strategic thinking/decision-making.</p> <p>Receiving reports from the Executive Management Board and the MPA sub-group on significant decisions made on the Committee's behalf.</p> <p>Giving guidance or information to any of the country conservation bodies on any matter arising in connection with the functions of that body, which, in the opinion of the Committee, concerns nature conservation for the UK as a whole or nature conservation outside the UK.</p>
<p>Employing staff required to support the Committee in fulfilling its statutory and general responsibilities, and fulfilling all responsibilities associated with this.</p>	<p>Setting the overall pay remit for staff employed by the company on the Committee's behalf, with the approval of Defra and Treasury as required.</p> <p>In consultation with Defra, as necessary, setting and reviewing the terms and conditions and performance objectives for the Chief Executive and determining the</p>		<p>Appointing a Chief Executive.</p>

Delegated to the company	Delegated to the Remuneration Committee	Delegated to the Marine Protected Areas Sub-Group	Reserved for the Committee
	<p>amount of any performance bonuses.</p> <p>Determining pensions with the approval of the Secretary of State.</p>		
<p>Entering into, and managing, contracts and other agreements necessary for the provision of goods and services required for the Joint Committee to fulfil its statutory and general responsibilities and complying with associated requirements in the financial memorandum.</p>			
<p>Holding and managing funding and other assets provided to the Joint Committee for the fulfilment of its statutory and general responsibilities and complying with associated requirements in the financial memorandum. This includes responsibility for administering and accounting for any funds provided by the Joint Committee to the GB country conservation bodies and Northern Ireland Environment Agency.</p>			

PART 2. SCHEDULE OF DELEGATIONS FROM THE COMPANY BOARD

1. The responsibilities of the Company Board are set out in its standing orders.
2. The Board has delegated certain of its responsibilities to two sub-committees of the Board (the Executive Management Board and the Audit and Risk Management Committee) and to the company secretary. Delegations to the Executive Management Board reflect the responsibilities delegated to the Chief Executive as JNCC's Accounting Officer, as set out in the Management Statement. To ensure the Chief Executive is able to comply with these responsibilities, he/she will act as the Chairman of the Executive Management Board.
3. The following table sets out in the left hand column delegated responsibilities, in the middle column the group or individual to whom these responsibilities are delegated, and in the right hand column the specific matters from each of these areas that are reserved for the Company Board. The Board may at any time take back any responsibilities that it has delegated (but with regard to the Accounting Officer responsibilities delegated to the Chief Executive) and specifically requires the sub-committees and company secretary to refer to it any matter that may place either the company or the Joint Committee at significant risk.

Responsibility	Delegated to:	Reserved for the Company Board
Making company appointments (excluding staff).		<p>Admitting members of the company in accordance with the Articles of Association.</p> <p>Appointing additional directors to the company in accordance with the Articles of Association.</p> <p>In the absence of the chairman of the Company Board, appointing a chairman for the meeting in accordance with the provisions of the Articles of Association and the requirements of the Secretary of State.</p> <p>Establishing, amending or dissolving sub-committees of the Board as may from time to time be appropriate, including agreeing their terms of reference and membership.</p>
Maintaining a comprehensive system of internal delegated authorities which are notified to all staff, together with a system for regularly reviewing compliance with these delegations.	Executive Management Board	

Responsibility	Delegated to:	Reserved for the Company Board
<p>Planning JNCC's work in support of Joint Committee, producing corporate and business plans and putting in place appropriate mechanisms and staff and financial resources for their delivery.</p> <p>Delivering the Joint Committee's corporate and business plans. This includes the provision of any advice, information or other services necessary to fulfil the plan on behalf of the Joint Committee including that delivered through the GB country conservation bodies and Northern Ireland Environment Agency.</p> <p>Providing advice and information to the Joint Committee to enable them to deliver the matters reserved to them.</p> <p>Monitoring and advising the Board on the company's performance and resource (staff and financial) position against the JNCC's corporate and business plans, and deciding on remedial action where necessary.</p>	Executive Management Board	Endorsing quarterly reports on the company's performance and financial position against the JNCC's corporate and business plans, including any changes to performance measures.
Maintaining a system of risk management to inform decisions on financial and operational planning and to assist in achieving objectives and targets.	Executive Management Board	Reviewing changes to major risks concerning the company.
<p>Ensuring that all funds held by the company on the Joint Committee's behalf are used for the purpose intended by Parliament, and that such monies, together with assets, equipment and staff held/ employed by the company on the Joint Committee's behalf, are used economically, efficiently and effectively.</p> <p>Ensuring that adequate internal management and financial controls are maintained by the JNCC, including programme, project and contract management, and measures against fraud and theft.</p> <p>Being responsible for ensuring that proper records are kept relating to the</p>	Executive Management Board	<p>Approving any significant changes in financial management policies and practices.</p> <p>Approving the company's accounts and the related submission to the Joint Committee.</p>

Responsibility	Delegated to:	Reserved for the Company Board
<p>accounts and that the accounts are properly prepared, and presented in accordance with any directions issued by the Secretary of State.</p> <p>Signing the accounts and a Statement on Internal Control regarding the JNCC's system of internal control (Chief Executive).</p> <p>Producing an annual report for approval by the Chairman.</p> <p>Paying on time the proper amounts of tax, VAT and National Insurance.</p>		
<p>Ensuring that effective personnel management policies are maintained that meet the requirements of employment law and ensure the health and safety of staff.</p> <p>Appointing, removing and remunerating staff (except for the Chief Executive, who is appointed by the Joint Committee).</p>	Executive Management Board	Appointing or removing the company secretary.
<p>Ensuring compliance with information legislation.</p>	Executive Management Board	
<p>Ensuring that statutory documents are delivered to the Registrar as and when required by the Companies Acts and that other requirements of the Companies Acts are complied with. Advising the Board by means of a written report at each of its meetings of action taken in this respect.</p>	Company secretary	
<p>Promoting a climate of financial discipline and internal control, overseeing arrangements to attain value for money, regularity and propriety, and reducing the opportunity for financial or other mismanagement.</p>	Audit and Risk Management Committee	
<p>Appointing, re-appointing or removing internal auditors and determining their remuneration.</p>	Executive Management Board	

Responsibility	Delegated to:	Reserved for the Company Board
<p>Approving long-term and annual plans for internal audit and commissioning audits of specific projects and value for money audits as required.</p>	<p>Audit and Risk Management Committee</p>	
<p>Advising, by means of a written annual report and any other means considered appropriate, the Company Board and Chief Executive on:</p> <ul style="list-style-type: none"> • strategic policies and processes for risk, control and governance, and related assurances including the Statement of Internal Control; • accounting policies and processes, including the process for review of the accounts prior to submission for audit; • the accounts, the letter of management representation, and the pre-certification report and audit completion report, including levels of error identified and management's response; • internal audit plans, findings and results; • environmental audit issues. 	<p>Audit and Risk Management Committee</p>	
<p>Ensuring that a process operates effectively to enable any JNCC matters involving significant risk to the JNCC's, UK Government's or devolved administrations' reputation, legal standing or financial positions to be identified and referred to the Joint Committee.</p>	<p>Audit and Risk Management Committee</p>	

DRAFT TERMS OF REFERENCE FOR THE REMUNERATION COMMITTEE.

1. Background

- 1.1 In March 2006 the Joint Committee considered a paper concerning JNCC pay negotiations for 2006/07 and it was agreed that a pay sub-committee would be set up.

2. Role and Purpose

- 2.1 The role of the Committee is to:
- i. set the overall pay remit for staff employed by the company on the Committee's behalf;
 - ii. in consultation with Defra, as necessary, set and review the terms and conditions and performance objectives for the Chief Executive and determine the amount of any performance bonuses;
 - iii. determine pensions with the approval of the Secretary of State.

3. Members

- 3.1 Membership comprises:
- JNCC Chairman
 - JNCC Deputy Chairman
 - One JNCC Member from CCW, Natural England, SNH or CNCC

- 3.2 Two members must be present for the meeting to be deemed quorate.

4. Process

- 4.1 A draft pay remit and business case will be presented for decision to members of the Remuneration Committee on an annual basis, or as required if a long-term pay deal is in place, prior to submission to Defra.
- 4.2 The committee will set the performance objectives for the Chief Executive in March of each year, for the coming performance year April – March in line with the agreed process (see attached).
- 4.3 Information relating to the Chief Executive's performance and pay for the preceding year will be provided for consideration at the annual meeting in June.
- 4.4 Information about pensions will be provided as required.
- 4.5 Due to the requirement for swift decisions to be made it is anticipated that members will sometimes need to either meet at short notice (face to face, by telephone or video) or take decisions by e-mail correspondence.

- 4.6 Meetings will be in closed session, although members may invite others to the meeting as necessary to provide information and advice.
- 4.7 Minutes of meetings will be produced and provided to members of the Joint Committee and Company Board on request.

ANNEX A

PERFORMANCE ASSESSMENT PROCESS FOR JNCC'S CHIEF EXECUTIVE

1. JNCC's Chief Executive is eligible for an annual, non-pensionable, non-consolidated performance-related bonus.
2. The Chief Executive will agree annual performance objectives with the JNCC Chair at the start of each reporting year. Objectives will cover the following areas:
 - i. *corporate performance* (e.g. achievement of JNCC's key performance indicators set out in the business plan; financial performance);
 - ii. *organisational leadership* (e.g. chairing the Executive Management Board; providing support for the Chair and the Joint Committee; representing JNCC at a senior level with key stakeholders);
 - iii. *personal objectives* (e.g. linked to specific work areas or personal development).
3. As far as possible, objectives should be SMART, with clear measures of judging success.
4. The Remuneration Committee will agree the relative contribution of each group of objectives to the assessment of the size of the annual performance bonus at the start of the year.
5. The Chair will formally assess the Chief Executive's performance against the objectives at the mid-year and end-year points. Performance issues will also be discussed with the Chief Executive on an ongoing basis during the year, as necessary.
6. The Chair will seek feedback from stakeholders on the Chief Executive's performance at the end of each year. This will be done through a formal process, such as 360° assessment, that will be agreed in advance with the Chief Executive.
7. Based on performance against objectives and stakeholder feedback, the Chair will make a written recommendation to the Remuneration Committee who will agree the size of the Chief Executive's annual bonus, which will be no more than 15% of base salary and in line with Cabinet Office guidance for Senior Civil Servants. Defra will be informed of this decision.

DRAFT STANDING ORDERS FOR MEETINGS OF THE JOINT NATURE CONSERVATION COMMITTEE

1. Introduction

1.1 The Standing Orders relate to the conduct of meetings for the Joint Nature Conservation Committee.

2. Membership of Committee

2.1 The membership of the Joint Committee is set out in the Natural Environment and Rural Communities Act 2006.

3. Committee meetings

3.1 In accordance with the Natural Environment and Rural Communities Act (2006), paragraph 16 of Schedule 4 (1): 'Committee may regulate their own procedure (including quorum)' (2) 'No proceeding of the Joint Committee is invalidated by a vacancy amongst members or any defect in the appointment of any member'.

3.2 There will be three Committee meetings each year. The March and November meetings will usually take place in Peterborough. The June meeting will be held in a country on a rotational basis.

3.3 If more than half of the Committee members request an Extraordinary General Meeting, either following discussion at a Committee meeting or by notifying the Chairman in writing, the Chairman shall arrange such a meeting within 7 days of the request being received. The Extraordinary General Meeting so announced shall be held within 14 days of its announcement.

4. Participation in meetings

4.1 No decision shall be made at the Committee meeting unless at least six members (a quorum) participate.

4.2 Participation in a meeting will usually be in person, but, exceptionally, individual members may participate by telephone or video-conference. In such circumstances such members will be deemed to be present for the purposes of that meeting. Written comments on agenda items may be submitted to the Chairman in advance of the meeting by any non-participating members, however, these will not be part of the decision-making process.

4.3 If the Chairman of Committee is unable to participate the Deputy Chairman will substitute for that particular meeting. In the event that the Deputy Chairman is not present or the role is vacant, the members may appoint any member to be a 'substitute Chairman' for that particular meeting. Any power or duty assigned to the Chairman in relation to the conduct of a meeting may be exercised in his/her absence by the member presiding at the meeting.

5. Declaration of interests

- 5.1 Members of the Joint Committee may not participate in the discussion or determination of matters in which they have a direct pecuniary interest.
- 5.2 Members are responsible for stating any pecuniary interest they may have in any matter discussed during a meeting of the Joint Committee before the commencement of discussion of the item. In the event of a member not appreciating at the outset of a meeting that an interest exists, the member should declare such an interest as soon as (s)he becomes aware of it;
- 5.3 When an interest is not of a direct pecuniary kind, members should consider whether participation in the discussion or determination of a matter would involve a real danger of bias. This should be interpreted in the sense that members might unfairly regard with favour, or disfavour, the case of a party to the matter under consideration. In considering whether a real danger of bias exists in relation to a particular decision, members should assess whether they, a close family member, a person living in the same household as the Committee member, or a firm, business or other organisation with which the Committee member is connected, is or is likely to be affected more than the generality of those affected by the decision in question. This would cover, for example, a situation involving a connection with a non-governmental organisation which received grant aid from the Committee or which stood to benefit by a particular course of action which might be taken by the Committee.
- 5.4 In any case of doubt, the Committee member should openly declare the possibility of an interest, whether direct or indirect. The Chairman will rule on whether any interest was such as to prevent the member participating in discussion or determination of the matter.
- 5.5 Where in the opinion of the Chairman there is a potential conflict of interest between the member's interest and that of the Committee, the member shall withdraw from the meeting for the duration of the item.
- 5.6 Additionally, each member of the Joint Committee is responsible for:
 - i. declaring, at least annually as required, for recording in the Register of Interests, any personal interest they may have, whether financial or otherwise, in the business of the Joint Nature Conservation Committee. This includes any interest in other bodies whose business might impinge on that of the JNCC. Examples include being a paid employee, partner, Director or proprietor of a company, partnership or other body;
 - ii. declaring, at least annually as required, for recording in the Register of Interests, any such personal interest on the part of a close family member, and their involvement in any not-for-profit organisation, e.g. charity, as a Trustee or member of the Committee of management or other controlling body, if that body might receive grants from the JNCC or where the family members might be involved in promoting such other organisation, or other significant dealings;

- iii. maintaining the confidentiality of confidential JNCC business at all times, including confidential papers and discussions relating to Committee meetings.

6. Attendance of the public

- 6.1 All business sessions of the Committee shall be open to the public (except for discussion of confidential items, as determined by the Chairman).
- 6.2 The public are welcome to attend Committee meetings as observers, but not to participate.
- 6.3 No cameras or recording equipment shall be allowed into meetings of the Committee, except with prior permission from the Chairman.

7. Availability of agendas, papers and minutes in advance of meetings

- 7.1 The Committee is committed to the principle of open government. Items for consideration at meetings of Committee will be classified as confidential subject to the conditions set out in relevant legislation and government guidance³. Guidance on confidentiality of Joint Committee business is attached at Annex A.
- 7.2 The agenda and supporting papers for Committee meetings, including unconfirmed minutes of the previous meeting, will normally be dispatched to the receiving address of each Committee member at least ten working days prior to the Committee meeting.
- 7.3 Papers shall be made available to the public via the JNCC's website and on paper on request as far as practicable, including at meetings to which they relate. Agendas and papers will normally be made available on the website at least seven working days in advance of the meeting to which they relate and unconfirmed minutes no later than six weeks after the meeting to which they relate. Cover notes are provided with all papers on the website explaining their status and referring readers to the minutes of the meeting for the views of the JNCC on the paper.

8. Order of business

- 8.1 Business at Committee shall normally include items *inter alia*:
 - i. to record the names of members attending the meeting;
 - ii. to receive apologies for absence;
 - iii. to receive any declaration of interest for specific items of which any member or officer is aware;
 - iv. to consider matters brought forward at the direction of Chairman or members of Committee;
 - v. to consider matters arising

³ e.g. Environmental Information Regulations; Data Protection Act; Copyright Acts; Code of Practice on Access to Government Information; Freedom of Information Act.

- vi. to consider specific matters or documents relating to the Committee's work, including papers circulated subsequent to the normal issue of papers for the meeting;
- vii. to consider any other business;
- viii. to confirm the venue, date and time of the next meeting.

9. Decision-making procedures

- 9.1 Committee will normally reach decisions by consensus. Where agreement cannot be reached by consensus, a vote will be taken on recommendations to Committee, once all issues relating to them have been discussed.
- 9.2 Each Committee member is entitled to one vote.
- 9.3 A majority vote is required for a decision to be agreed. If a majority vote is not reached and the issue must be decided at the meeting, the Chairman has a second or 'casting' vote. If any member(s) disagree(s) with the final decision, (s)he may have their views noted in the minutes. If a vote is not taken then the issue(s) may be deferred so that additional information or options can be provided.
- 9.4 Once a vote has been taken and the outcome determined, the Chairman will state the decision made and this will be recorded for the minutes.
- 9.5 Committee may agree to specific decisions being made by consultation of members intersessionally. In such cases Committee should also agree the process by which this will be done.
- 9.6 In fulfilling its role the Committee will:
 - a. take the initiative, and facilitate others, in identifying strategic issues for or affecting nature conservation;
 - b. provide impartial scientific advice to Government, the UK conservation bodies and others;
 - c. establish a collective UK stance on issues whilst empathising with any different positions of countries within the UK.
 - d. lead changes relating to its advice, within the JNCC and more widely, through its behavior and decisions;
 - e. work collaboratively with the UK conservation bodies and share in each others' successes.
- 9.7 Independent members should, in particular:

endeavour to bring forward issues and thinking outside of the normal experience of the country agency bodies to the strategic development of JNCC's work and the formulation of policy and advice;

10. Production and distribution of minutes of Committee meetings

- 10.1 Minutes will be taken by a member of staff. Taken in conjunction with the papers presented to the meeting, the minutes should provide a correct record

of the meeting, in sufficient detail to comprise an audit trail of issues discussed and decisions taken by Committee.

- 10.2 Draft minutes shall be circulated to all members within 15 working days of the date of Committee meeting. Committee members should inform the Chairman of any proposed amendments to the minutes within 10 working days of receipt. The Chairman and Chief Executive will arbitrate over matters of dissent, following consultation with the Chief Executive. Within 30 working days of the meeting, the Chairman will clear the minutes for publication on the JNCC's website, amended as necessary, as the unconfirmed record of the meeting.
- 10.3 The unconfirmed minutes will be confirmed at the next meeting of the Committee, sent to all members and published on the JNCC's website (see 7.3 above).

11. Role and responsibilities of the Chairman, in respect of meetings of the Joint Committee

- 11.1 The Chairman is responsible for:
- i. preserving order amongst all those present in meetings of the Joint Committee, including any members of the public;
 - ii. determining all matters of order, conflict of interest, confidentiality, competency and relevancy;
 - iii. determining in which order members wishing to speak should do so;
 - iv. ensuring that members of the Committee have sufficient opportunity to express their views on any matter under discussion;
 - v. deciding whether to defer to a closed session discussion of any item if it becomes apparent that open debate would breach personal or commercial confidentiality or would otherwise compromise the JNCC's duty to safeguard the public interest. In reaching decisions of this nature, Chairman shall follow the guidance set out in Annex A to these Standing Orders, "JNCC guidance on confidentiality of papers relating to meetings of the Joint Committee and Board", especially the section headed "Criteria for determining confidentiality of JNCC business". If Chairman decides that an item of business should be deferred to a closed session, he shall advise the meeting of the reason(s) for his/her decision;
 - vi. making decisions intersessionally on behalf of the Committee when specifically authorised to do so;

12. Role and responsibilities of the Chief Executive, in respect of meetings of the Joint Committee

12.1 The Chief Executive is responsible for:

- i. ensuring that a register of members' interests is compiled and maintained, which shall be open to public inspection and published annually in the JNCC's annual report;
- ii. advising the Joint Committee on the following, for which (s)he is directly responsible:
 - a) the discharge of its responsibilities as set out in the Management Statement, in the founding legislation and in any other relevant instructions and guidance that may be issued from time to time;
 - b) ensure that financial considerations are taken fully into account by the Joint Committee at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed;
 - c) taking action as set out in paragraphs 3.7.5 of Managing Public Money if the Committee or its chairman, if contemplating a course of action which he/she considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration or efficiency or effectiveness, questionable feasibility, or is unethical.

12.2 In the event that his/her advice as set out above is overruled by the Joint Committee, and the Chief Executive feels that the action contemplated could not be defended before the Public Accounts Committee, the Scottish Parliament, the National Assembly for Wales and the administration in Northern Ireland, the Chief Executive may require the Chairman to give him/her a written instruction on the matter, which instruction will be drawn to the attention of the Comptroller and Auditor General.

13. Role and responsibilities of other officers of the JNCC and guests, in respect of meetings of the Joint Committee

13.1 Other officers of the JNCC and guests may be invited by the Chairman or presiding member to participate in Committee meetings. Their role is to:

- i. inform Committee on matters to enable Committee to reach decisions and to provide guidance on issues under discussion. They may take no part in the formal decision making process.
- ii.

14. Suspension and amendment of Standing Orders

14.1 These Standing Orders may not be suspended, amended or added to except by a decision by Committee at a meeting.

14.2 Notwithstanding the provision in paragraph 14.1 above, these Standing Orders not be suspended, amended or added to where this would contravene any statutory provision or direction made by the Secretary of State.

ANNEX A

JNCC GUIDANCE ON CONFIDENTIALITY OF PAPERS RELATING TO MEETINGS OF THE JOINT COMMITTEE AND BOARD

1. The Joint Committee intends that as much as possible of its business shall be open to public scrutiny.
2. Most information can be freely disclosed, subject to the conditions set out in relevant legislation and government guidance (e.g. Freedom of Information Act; Environmental Information Regulations; Data Protection Act; Copyright Acts; and the Code of Practice on Access to Government Information).
3. Papers written for consideration at meetings of the Committee or Board may be discussed in the presence of members of the public and will be published, with their associated minutes, unless classified as confidential. It should be made clear however that confidential papers can be requested by others and refusal to disclose could require a specific public interest test.
4. Only information of types listed in paragraphs 1–3 of the attached criteria may (although not necessarily will) be classified as confidential. Chairman may decide, having regard to the public interest as required, that a confidential classification should not be applied.
5. Authors of papers that need to include information of the types described in paragraphs 2 and 3 of the criteria should endeavour to obtain permission to publish from any third party involved before submitting the paper to the Committee or Board. If permission is not obtained in writing the paper must be classified as confidential and must not be disclosed to the public or discussed in their presence.
6. The Director sponsoring a paper that needs to include information of the types described in paragraphs 1-3 of the criteria should agree with the Chief Executive the status of the paper and explain the reason for the inclusion of any confidential information in the cover note.
7. If confidential information is essential to the purpose of the paper and cannot be entirely excluded, it should, where possible, be mentioned only in a separate, confidential, cover note so that the paper itself need not be confidential.
8. If confidential information cannot be mentioned separately from the rest of the paper without the paper becoming too opaque to be understood, the whole paper must be classified as confidential and must not be disclosed to the public or discussed in their presence.
9. Chairman may decide, before or during a Committee or Board meeting, that discussion of a paper not classified as confidential is likely to breach personal or commercial confidentiality or would otherwise compromise the JNCC's duty to safeguard the public interest to defer further discussion to a session to which the public is not admitted.
10. Minutes of confidential items will also be confidential where they contain information of the type described in paragraphs 1 – 3 of the criteria.

11. Confidential papers and minutes will be periodically reviewed. Where, in the opinion of the Chief Executive the reason for confidentiality is no longer relevant, papers will be made open and placed on the website.

CRITERIA FOR DETERMINING CONFIDENTIALITY OF JNCC BUSINESS

Revised May 2009

1. Never disclose information:
 - 1.1 whose publication is prohibited by statute, e.g. the Official Secrets Acts, the Data Protection Act 1998, Copyright Acts, Public Records Acts.
2. Disclose information only with permission from third party and legal advice:
 - 2.1 relating to legal proceedings (including public inquiries), where it is not already in the public domain;
 - 2.2 whose disclosure could endanger the life or physical safety of any person.
3. Disclose information after making a public interest judgement:
 - 3.1 relating to individual(s) (e.g. where publication would breach personal privacy rights);
 - 3.2 received by the JNCC in confidence;
 - 3.3 commercial-in-confidence and contractual information;
 - 3.4 whose disclosure would pre-empt its imminent publication in some other form;
 - 3.5 constituting advice given in confidence to the UK Government or devolved administrations;
 - 3.6 whose disclosure would increase the likelihood of damage to the environment but whose disclosure would nevertheless be in the overwhelming public interest;
 - 3.7 relating to sensitive staffing and management matters.
4. Papers should be written to be read by the general public. All papers should be:
 - factual
 - succinct
 - clear and self-explanatory
 - impersonal and dispassionate
 - free of jargon and/or abbreviations.
5. For further advice, please contact the JNCC's Business Unit.

CHIEF SCIENTISTS GROUP - TERMS OF REFERENCE OPERATING PRINCIPLES

1. The Chief Scientists will normally meet quarterly on a rotational basis in each of the countries (or by VC if required). The meetings will be chaired by the 'host' officer and the minute taker will be the chair of the succeeding meeting. In general, there will only be one representative from each organisation although a substitute can be nominated in exceptional circumstances.
2. The JNCC marine director may attend meetings with significant marine content. The Chief Scientists will also continue to exchange information on a regular basis between formal meetings.
3. Secretariat services to the group in terms of production of papers, setting agendas, coordinating inter-sessional work, organising discussion groups and disseminating information will be undertaken predominantly by JNCC, assisted by other officers as appropriate.
4. Minutes will be circulated to Chief Executives after each meeting and non confidential papers and elements of the minutes will be available through the JNCC website.
5. Requests for work by agency Chief Executives will be submitted to Chief Scientists Group from Chief Executives meetings or by individual Chief Executives via their own Chief Scientists.
6. JNCC will provide feedback to Chief Scientists Group on relevant items following each meeting of Joint Committee.

Specific Terms of Reference

1. Identify strategic issues which need consideration by the agency Chief Executives and/or Joint Committee and provide advice on marine, terrestrial, freshwater and earth science issues that are to be considered by the Joint Committee or its sub-groups, or are remitted to the Group by the agency Chief Executives.
2. Exchange information on research and science issues and programmes within the agencies, to promote alignment of these programmes, exchange best practice, avoid duplication of effort and to spot opportunities for further collaborative working.
3. Maintain an overview of essential common UK standards for surveillance, conservation management and UK and international reporting.
4. Oversee the work programmes and outputs of the agreed network of inter-agency groups.
5. Within the delegated responsibility of each officer, take and implement collective decisions to assist collaborative working, avoid duplication of effort, develop UK standards and guide inter-agency working.

APPENDIX 6

Governance Document	Key changes
JNCC Management Statement	<ol style="list-style-type: none"> 1 Designation of Chief Executive as Accounting Officer. 2 Functions, duties and powers updated to include web links to the legislation. Other statutory responsibilities updated. 3 JNCC objectives updated. 4 AO accountability to the devolveds increased. 5 Responsibilities for accounting to Parliament amended to include the Scottish Parliament, the National Assembly for Wales and the administration in Northern Ireland.
JNCC Accountability Framework Document	<ol style="list-style-type: none"> 1 Designation of Chief Executive as Accounting Officer. 2 References to Treasury and other guidance and policies updated. 3 References to devolveds sponsor teams updated. 4 Delegations amended –all special payments now need HMT approval. 5 Key deliverables of the strategic objectives and the format for reporting performance to be agreed with the Department, administrations and UK conservation bodies.
JNCC Financial Memorandum	<ol style="list-style-type: none"> 1 References to Treasury and other guidance and policies updated. 2 Designation of Chief Executive as Accounting officer. 3 References to some obsolete terms e.g. cost of capital amended. 4 Delegations level amended to match Treasury requirements i.e. single tender delegation reduced from £50k to £25k.

Governance Document	Key changes
JNCC Schedule of Delegations	<ol style="list-style-type: none"> 1 References to Managing Director changed to Chief Executive. 2 Delegations updated in line with Committee streamlining arrangements. 3 References to Head of Corporate Governance changed to Director of Corporate Services.
Standing orders for the Joint Committee	<ol style="list-style-type: none"> 1 References to Managing Director changed to Chief Executive. 2 Frequency of meetings and timings changed to reflect streamlining arrangements. 3 Delegations updated in line with Committee streamlining arrangements. 4 Roles and responsibilities of the Chief Executive updated in line with the revised Management Statement. 5 Paragraph references to the Management Statement and Accountability Framework Document updated in line with the revised documents.
Terms of reference for the Remuneration Committee	<ol style="list-style-type: none"> 1 References to Managing Director changed to Chief Executive. 2 Process procedures stated in line with other groups. 3 Performance assessment process for JNCC's Chief Executive added as an annex to the ToR.
Terms of reference for the Chief Scientists Group	<ol style="list-style-type: none"> 1. Updated to reflect that none of the members are Chief Scientists any more but have a broader remit covering policy advice and evidence both marine and terrestrial. 2. The group now has decision taking powers with regard to inter agency work reflective of the delegated responsibilities of its members .

Governance Document	Key changes
	<ol style="list-style-type: none"> <li data-bbox="691 248 1469 360">3. Advice and recommendations from the Chief scientists Group will always be presented to Committee regardless of EMBs treatment of the advice. <li data-bbox="691 398 1469 510">4. The group now has a responsibility for raising strategic issues that might require collective agency or committee consideration.

DECISIONS FOLLOWING SEPTEMBER MEETING FOR STREAMLINING JOINT COMMITTEE AND COMPANY BOARD ARRANGEMENTS

Component	Re-stated role	Agreed operational changes	Caveats
The Board	Focus on high-level financial and accounting responsibilities of the company.	<ol style="list-style-type: none"> 1. One meeting per year in June back to back with the Joint Committee meeting from April 2011. Decision kept open to review to ensure that ongoing governance arrangements are sufficient. 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. 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 - on hold for the time being. 	<ul style="list-style-type: none"> • Wales and NI invited to have a seat on the ARMC, subject to changes arising from CLOS. • Membership to remain the same but this will be kept under review.
The Committee	Focus on strategic governance and advisory responsibilities of the Committee.	<ol style="list-style-type: none"> 1. Three meetings per year (March, June and late November). 2. Two meetings with standing items (strategy and corporate/ business 	<ul style="list-style-type: none"> • Current membership and balance of independent and country conservation body members on Committee to be maintained, but this to be kept under review. • A review of the Marine Protected Areas sub-group to be undertaken in April to inform decisions on

Component	Re-stated role	Agreed operational changes	Caveats
		<p>plan), the others to discuss and agree major changes to governance, controversial 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 were proposed:</p> <ul style="list-style-type: none"> 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. Option 3 agreed but this would be kept under review. 	<p>future arrangements.</p>

Component	Re-stated role	Agreed operational changes	Caveats
		<ol style="list-style-type: none"> 5. Combination of <ol style="list-style-type: none"> i. Delegation of non-contentious issues to EMB with input from relevant inter-agency groups as appropriate. ii. Decisions taken by correspondence. iii. Delegation to standing or time limited sub-groups of Joint Committee comprising relevant mix of members. 6. Protocol to enable members to require items provided inter-sessionally to be deferred until a meeting if they consider this necessary. 7. Standing agenda item on governance issues to maintain strong role and fill any gaps left by reducing the number of Board meetings. 	