



Department
for Environment
Food & Rural Affairs

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Report of the Triennial Review of the Joint Nature Conservation Committee - Principles of Corporate Governance

June 2013



Llywodraeth Cymru
Welsh Government



The Scottish
Government

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Any enquiries regarding this publication should be sent to us at:

Triennial Review Team, Defra, Area 6D, Nobel House, 17 Smith Square, London SW1P 3JR

Email: TRT@defra.gsi.gov.uk

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Summary

1. The Triennial Review of the Joint Nature Conservation Committee (JNCC)¹ concluded that it is performing well in delivering across its range of corporate plan performance indicators and has good governance systems in place. However it recognised that the situation is not static and that further improvements will be needed, these are detailed in the report of the Review. The Review of JNCC has been undertaken jointly by the Department for Environment, Food and Rural Affairs (Defra) and the Administrations of Northern Ireland, Scotland and Wales (Devolved Administrations).
2. This assessment provides further details about JNCC's corporate governance arrangements. It has been carried out in accordance with Cabinet Office Triennial Review Guidelines² on the controls, process and safeguards that JNCC has in place as an executive Non Departmental Public Body (NDPB).
3. JNCC comprises a Joint Committee responsible for strategic direction and high-level decision-making, and the JNCC support Company, a Company limited by guarantee which employs staff and implements work programmes set by the Committee. The evaluation of JNCC against the principles of good corporate governance refers to the Committee, support Company and Company Board.
4. Information on JNCC's performance and governance arrangements is published on its website

¹ <https://www.gov.uk/government/consultations/triennial-review-of-the-joint-nature-conservation-committee>

² Cabinet Office Guidance on Reviews of Non Departmental Public bodies, p8 and Annex B, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/62129/Cabinet-Office-Guidance-on-Reviews-of-Non-Departmental-Public-Bodies.pdf

Table 1 - JNCC Principles of Governance

Statutory Accountability	Principle: The public body complies with all applicable statutes and regulations, and other relevant statements of best practice.	Assessment of JNCC
<u>Supporting provisions</u>	The public body must comply with all statutory and administrative requirements on the use of public funds. This includes the principles and policies set out in the HMT publication “Managing Public Money” and Cabinet Office/HM Treasury spending controls.	<p>JNCC and its support Company comply with all statutory and administrative requirements on the use of public funds, including the principles and policies set out in “Managing Public Money” and Cabinet Office/HM Treasury spending controls. This is achieved through internal management and financial controls, guidance to staff, appropriate delegation levels, and in cases of doubt or uncertainty through discussion and clarification with Defra as lead sponsor.</p> <p>Information is disseminated to JNCC's staff through various routes (see below). Compliance is monitored and reported in the Governance Statement published in JNCC's Annual Report and Accounts.</p>
	The public body must operate within the limits of its statutory authority and in accordance with any delegated authorities agreed with the sponsoring department.	JNCC and its support Company operate within the limits of JNCC's statutory authority and in accordance with delegated authorities agreed by Defra and the Devolved Administrations and set out in its framework documents.
	The public body should operate in line with the statutory requirements and spirit of the Freedom of Information Act 2000. It should have a comprehensive Publication Scheme. It should proactively release information that is of legitimate public interest where this is consistent with the provisions of the Act.	JNCC and its support Company are committed to promoting and actively developing a culture of openness, transparency and accountability embodied in the Access to Information legislation including the Freedom of Information Act and Environmental Information Regulations. (Scotland has its own Scottish Environmental Information Regulations and the Freedom of Information (Scotland) Act 2002. These are regulated by the Scottish Information Commissioner.) JNCC has published comprehensive information on its website about how to make an information request. It proactively releases information of legitimate public interest within the provisions of the Act including information on invoices, contracts, staff posts and salaries and Director and Committee expenses under the Government's Transparency Agenda.
	The public body must be compliant with Data Protection legislation.	The way in which JNCC and its support Company ensure compliance with Data Protection legislation is clearly set out on its website, with the provision of contact details for Data Protection enquiries.
	The public body should be subject to the Public Records Acts 1958 and 1967.	JNCC and its support Company are subject to the Public Records Acts 1958 and 1967. The Access to Information Team within JNCC is responsible for the effective day-to-day management of compliance with this legislation.

Accountability for Public Money	Principle: The Accounting Officer of the public body is personally responsible and accountable to Parliament for the use of public money by the body and for the stewardship of assets.	Assessment of JNCC
<u>Supporting provisions</u>	There should be a formally designated Accounting Officer for the public body. This is usually the most senior official (normally the Chief Executive).	The Chief Executive has formally been designated as the Accounting Officer by the Permanent Secretary of Defra. He is personally responsible for safeguarding the public funds for which he 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 and its support Company.
	The role, responsibilities and accountability of the Accounting Officer should be clearly defined and understood. The Accounting Officer should have received appropriate training and induction. The public body should be compliant with the requirements set out in “Managing Public Money”, relevant Dear Accounting Officer letters and other directions. In particular, the Accounting Officer of the NDPB has a responsibility to provide evidence-based assurances required by the Principal Accounting Officer (PAO). The PAO requires these to satisfy him or herself that the Accounting Office responsibilities are being appropriately discharged. This includes, without reservation, appropriate access of the PAO’s internal audit service into the NDPB.	<p>The prime responsibilities of the Accounting Officer and the importance of “Managing Public Money” are set out in the appointment letter. This highlights the prime financial responsibilities, which are:</p> <p>(a) to ensure that there are proper financial systems in place which promote the efficient and economical conduct of business and the achievement of value for money, that safeguard financial propriety and regularity, and ensure that there is a high standard of financial management and administration in JNCC;</p> <p>(b) to ensure audit arrangements which give adequate assurance on money received and expenditure incurred and on the proper management and control of the funds at the disposal of JNCC; and</p> <p>(c) to ensure that all JNCC spending is for the purposes allowed by the Natural Environment and Rural Communities Act 2006 and that no other spending is incurred. The Accounting Officer is suitably trained. Defra’s head of Internal Audit attends meetings of JNCC’s Audit and Risk Committee.</p>
	<p>The public body should establish appropriate arrangements to ensure that public funds:</p> <ul style="list-style-type: none"> - are properly safeguarded; - used economically, efficiently and effectively; - used in accordance with the statutory or other authorities that govern their use; and - deliver value for money for the Exchequer as a whole 	JNCC complies with all statutory and administrative requirements on the use of public funds, including the principles and policies set out in “Managing Public Money” and Cabinet Office/HM Treasury spending controls. The Accounting Officer has responsibility for reviewing the effectiveness of internal control, informed by the Executive Management Board of the support Company who are responsible for the development and maintenance of the internal control framework. This is supported by the work of Internal Audit, comments made by the external auditors in their management letter and other reports and advice from the Committee, Company Board and its Audit and Risk Management Committee. To monitor and evidence compliance, assurance is sought annually through individual Directors’ Statements which inform the Governance Statement which forms part of JNCC’s Annual Report and Accounts. This ensures that public funds administered by JNCC and its support Company are used economically, efficiently and effectively in delivering value for money.

Accountability for Public Money	Principle: The Accounting Officer of the public body is personally responsible and accountable to Parliament for the use of public money by the body and for the stewardship of assets.	Assessment of JNCC
	The public body's annual accounts should be laid before Parliament. The Comptroller and Auditor General should be the external auditor for the body.	JNCC's annual accounts are audited by the Comptroller and Auditor General and are sent to the Secretary of State for Environment, Food and Rural Affairs, the National Assembly for Wales, the Scottish Ministers and the Department of the Environment, Northern Ireland. The Secretary of State and Scottish Ministers lay the Annual Report and Accounts before each House of Parliament and the Scottish Parliament respectively.
Ministerial Accountability	Principle: The Minister is ultimately accountable to Parliament and the public for the overall performance of the public body.	Assessment of JNCC
<u>Supporting provisions</u>	The Minister and sponsoring department should exercise appropriate scrutiny and oversight of the public body.	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. Scrutiny and oversight by Defra and the Devolved Administrations is secured through Ministerial approval of the JNCC's business plan and priority performance measures, through quarterly reporting on financial and performance matters and regular review meetings with JNCC. The Chair meets the relevant Defra Minister at least twice a year, and environment ministers from each of the Devolved Administrations at least once a year. Frequent meetings take place between Defra and the Devolved Administrations at official level including monthly meetings between the Defra Deputy Director responsible for JNCC sponsorship and the Chief Executive. Meetings of JNCC's Sponsors (Defra and the Devolved Administrations) are held quarterly.

Ministerial Accountability	Principle: The Minister is ultimately accountable to Parliament and the public for the overall performance of the public body.	Assessment of JNCC
	<p>Appointments to the board should be made in line with any statutory requirements and, where appropriate, with the Code of Practice issued by the Commissioner for Public Appointments.</p>	<p>The Secretary of State for Environment, Food and Rural Affairs, in consultation with Ministers from the Devolved Administrations, appoints the Chair and the five independent members of the Joint Committee; the other eight members sit by virtue of being on the Boards of Natural England, Natural Resources Wales, Scottish Natural Heritage and the Council for Nature Conservation and the Countryside.</p> <p>The Secretary of State makes Committee appointments in accordance with the requirements of the Natural Environment and Rural Communities Act 2006, and in compliance with the Code of Practice issued by the Commissioner for Public Appointments.</p> <p>The Articles of Association require that Company Board members should be members of the joint committee, or an employee of the joint committee or of the Company. Subject to that qualification the Joint Committee appoints the Board members. Membership currently consists of the 14 members of the Joint Committee (five of whom are appointed to the Joint Committee by the Secretary of State and 8 who are appointed to the Committee by virtue of their roles on the Country Conservation Bodies) and the JNCC CEO plus 4 Executive Directors. The Board's primary role is to provide administrative and corporate support services to the joint committee, including the employment of staff, for the purposes of its functions and it reports to the Committee. It operates according to its Memorandum and Articles of Association.</p> <p>Ministers have no role in the operation of the Company although under conditions set when the Board was originally set up Ministers' approval is required in the following cases: before the Company is wound up, before the Memorandum and Articles of Association are adopted or amended, before the name is changed, before setting up a subsidiary. The Board is also required to submit its Annual Report and Accounts to Ministers.</p>
	<p>The Minister will normally appoint the Chair and all non-executive board members of the public body and be able to remove individuals whose performance or conduct is unsatisfactory.</p>	<p>The Natural Environment and Rural Communities Act 2006 stipulates that JNCC's Chair and independent members must be appointed by the Secretary of State, in consultation with Ministers from Devolved Administrations. The appointments of Committee members may be terminated in the event of bankruptcy, absence from meetings or if they are unable or unfit to</p>

		discharge their functions.
Ministerial Accountability	Principle: The Minister is ultimately accountable to Parliament and the public for the overall performance of the public body.	Assessment of JNCC
	The Minister should be consulted on the appointment of the Chief Executive and will normally approve the terms and conditions of employment.	The Natural Environment and Rural Communities Act 2006 provides that the Joint Committee may employ staff, with the approval of the Secretary of State. This includes the appointment of the Chief Executive.
	The Minister should meet the Chair and/or Chief Executive on a regular basis.	JNCC's Chair and Chief Executive meet the relevant Defra Minister twice a year and the environment ministers from each of the Devolved Administrations once a year. Additional meetings take place as required.
	<p>A range of appropriate controls and safeguards should be in place to ensure that the Minister is consulted on key issues and can be properly held to account. These will normally include:</p> <ul style="list-style-type: none"> - a requirement for the public body to consult the Minister on the corporate and/or operational business plan; - a requirement for the exercise of particular functions to be subject to guidance or approval from the Minister; - a general or specific power of Ministerial direction over the public body; - a requirement for the Minister to be consulted by the public body on key financial decisions. This should include proposals by the public body to: (i) acquire or dispose of land, property or other assets; (ii) form subsidiary companies or bodies corporate; and (iii) borrow money; and - a power to require the production of information from the public body which is needed to answer satisfactorily for the body's affairs. 	<p>The Secretary of State, with the agreement of Ministers from the Devolved Administrations, approves the business plan which sets out JNCC's delivery and spending priorities and associated performance measures.</p> <p>The Natural Environment and Rural Communities Act 2006 contains powers for the Secretary of State to give JNCC general or specific directions, after consulting Ministers from Devolved Administrations.</p> <p>A range of controls and safeguards are in place and reflected in JNCC's Framework Documents. These include the requirement for JNCC to comply with Treasury and other relevant guidance and instructions issued by central departments and seeking Defra approval for a range of financial decisions including entering into any finance or property lease, forming subsidiaries and borrowing money.</p> <p>JNCC's Framework Documents require it to provide Defra with such information about its operations, performance individual projects or other expenditure as the Department may reasonably require.</p>
	There should be a requirement to inform Parliament of the activities of the public body through publication of an annual report.	JNCC publishes an annual report, which is laid in UK and Scottish Parliaments.

<p>Role of the Sponsoring Department</p>	<p>Principles: The departmental board ensures that there are robust governance arrangements with the board of each arm's length body. These arrangements set out the terms of their relationship and explain how they will be put in place to promote high performance and safeguard propriety and regularity.</p> <p>There is a sponsor team within the department that provides appropriate oversight and scrutiny of, and support and assistance to, the public body.</p>	<p>Assessment of JNCC</p>
<p><u>Supporting provisions</u></p>	<p>The departmental board's regular agenda should include scrutiny of the performance of the public body. The departmental board should establish appropriate systems and processes to ensure that there are effective arrangements in place for governance, risk management and internal control in the public body.</p>	<p>The Defra Supervisory Board has selected the following organisations to provide quarterly performance reports, given the proportion of Defra's overall budget and delivery priorities that they represent: - Environment Agency; Forestry Commission; Kew; Marine Management Organisation and, Natural England.</p> <p>JNCC has not been selected by the Supervisory Board to provide quarterly performance reports but remains fully accountable to Defra and Devolved Administration Ministers and officials. JNCC reports performance (including financial performance) quarterly to its sponsors and performance meetings are held each quarter with representatives of Defra, Scottish and Welsh Government and the relevant Northern Ireland Department. The JNCC Chair and CEO have a performance review every 6 months with Defra Ministers.</p> <p>JNCC framework documents (published on JNCC's website) set out detailed arrangements for governance, risk management and internal control. These documents have been subject to a recent review and will be further considered following the conclusion of the Triennial Review.</p> <p>In addition there is regular contact between JNCC (involving the CEO and senior JNCC directors) and the Defra sponsor team where any issues of concern can be raised.</p>

<p>Role of the Sponsoring Department</p>	<p>Principles: The departmental board ensures that there are robust governance arrangements with the board of each arm's length body. These arrangements set out the terms of their relationship and explain how they will be put in place to promote high performance and safeguard propriety and regularity.</p> <p>There is a sponsor team within the department that provides appropriate oversight and scrutiny of, and support and assistance to, the public body.</p>	<p>Assessment of JNCC</p>
	<p>There should be a Framework Document in place which sets out clearly the aims, objectives and functions of the public body and the respective roles and responsibilities of the Minister, the sponsoring department and the public body. This should follow relevant Cabinet Office and HM Treasury guidance. The Framework Document should be published. It should be accessible and understood by the sponsoring department, all board members and by the senior management team in the public body. It should be regularly reviewed and updated.</p>	<p>The aims, objectives and functions of JNCC and the respective roles and responsibilities are set out in JNCC's Framework Documents which are published on the JNCC website.</p>

<p>Role of the Sponsoring Department</p>	<p>Principles: The departmental board ensures that there are robust governance arrangements with the board of each arm's length body. These arrangements set out the terms of their relationship and explain how they will be put in place to promote high performance and safeguard propriety and regularity.</p> <p>There is a sponsor team within the department that provides appropriate oversight and scrutiny of, and support and assistance to, the public body.</p>	<p>Assessment of JNCC</p>
	<p>There should be a dedicated sponsor team within the parent department. The role of the sponsor team should be clearly defined.</p>	<p>JNCC is jointly sponsored by Defra, Scottish Government, Welsh Government and the Department of the Environment Northern Ireland with Defra acting as lead. The Defra sponsor team's role includes: co-ordinating policy input into JNCC's Corporate and Business Plans, monitoring financial performance and priority performance measures, oversight of the corporate governance framework, providing assurances of financial propriety to the Permanent Secretary as Defra's Accounting Officer, advising on appointments and relationship management.</p> <p>The dedicated sponsor team sits within Defra's Sponsorship and Public Body Reform Team.</p>
	<p>There should be regular and ongoing dialogue between the sponsoring department and the public body. Senior officials from the sponsoring department may as appropriate attend board and/or committee meetings. There might also be regular meetings between relevant professionals in the sponsoring department and the public body.</p>	<p>Regular and ongoing dialogue between Defra, the Devolved Administrations and JNCC is maintained through regular meetings (see above).</p>

<p>Role of the Board</p>	<p>Principle: The public body is led by an effective board which has collective responsibility for the overall performance and success of the body. The board provides strategic leadership, direction, support and guidance.</p> <p>The board – and its committees – have an appropriate balance of skills, experience, independence and knowledge.</p> <p>There is a clear division of roles and responsibilities between non-executive and executives. No one individual has unchallenged decision-making powers.</p>	<p>Assessment of JNCC</p>
	<p>The board of the public body should:</p> <ul style="list-style-type: none"> - meet regularly; - retain effective control over the body; and - effectively monitor the senior management team. 	<p>The Committee meets three times a year with dates of meetings published on JNCC's website. Members discuss strategic nature conservation and organisational issues as well as making high-level advice, strategy, funding and planning decisions.</p> <p>The Committee is supported by a Company limited by guarantee which is responsible for implementation of its Business Plan and operates in accordance with the JNCC's legal, governance and financial frameworks. The Company Board comprises Joint Committee members and up to four executive directors. It meets separately from Committee, annually, and receives quarterly performance reports and reports from the Joint Committee.</p> <p>The support Company was formed with the consent of the Secretary of State under a separate provision of the Natural Environment and Rural Affairs Act 2006. The objects of the Company are of providing administrative and corporate support services to the Joint Committee, including the employment of staff.</p> <p>The support Company is controlled by a Board of Directors consisting of the 14 members of the Joint Committee and up to four executive members (the CEO and three JNCC directors).</p> <p>The Framework Documents set out the legal, administrative and financial framework within which the Joint Committee and support Company operate. These documents are available from the JNCC website.</p>

Role of the Board	<p>Principle: The public body is led by an effective board which has collective responsibility for the overall performance and success of the body. The board provides strategic leadership, direction, support and guidance.</p> <p>The board – and its committees – have an appropriate balance of skills, experience, independence and knowledge.</p> <p>There is a clear division of roles and responsibilities between non-executive and executives. No one individual has unchallenged decision-making powers.</p>	Assessment of JNCC
	The size of the board should be appropriate.	<p>The Natural Environment and Rural Communities Act 2006 stipulates that the Joint Committee shall consist of 14 members including; a chair, five members appointed by the Secretary of State, the chairman or deputy chairman of each of the GB conservation bodies and one other member of each of those bodies appointed by the body in question; 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.</p> <p>The membership of the Joint Committee is being considered as part of the Triennial review.</p>
	Board members should be drawn from a wide range of diverse backgrounds.	Defra processes for appointing independent joint committee members comply fully with the requirements of the Natural Environment and Rural Communities (NERC) Act 2006 and the Code of Practice issued by the Commissioner for Public Appointments. Committee appointments are always advertised publicly in a way that is designed to attract a strong and diverse field of suitable candidates. As set out in the previous box, remaining members of the Committee comprise representatives from each country administration (as specified in the NERC Act).

Role of the Board	Principle: The public body is led by an effective board which has collective responsibility for the overall performance and success of the body. The board provides strategic leadership, direction, support and guidance. The board – and its committees – have an appropriate balance of skills, experience, independence and knowledge. There is a clear division of roles and responsibilities between non-executive and executives. No one individual has unchallenged decision-making powers.	Assessment of JNCC
	The board should establish a framework of strategic control (or scheme of delegated or reserved powers). This should specify which matters are specifically reserved for the collective decision of the board. This framework must be understood by all board members and by the senior management team. It should be regularly reviewed and refreshed.	The Joint Committee's internal delegations (e.g. from Committee to sub-committee) are set out in a Schedule of Delegations ³ . The schedule details the matters reserved to the delegating body alongside the areas of responsibility delegated, and requires the body or individuals to whom responsibilities are delegated to escalate any matters that may involve either the Company or the Joint Committee in significant risk to their reputations, legal standing or financial positions.
	The Board should establish formal procedural and financial regulations to govern the conduct of its business.	The Joint Committee and Company Board conduct business in accordance with standing orders and the Articles of Association.
	The Board should establish appropriate arrangements to ensure that it has access to all such relevant information, advice and resources as is necessary to enable it to carry out its role effectively.	The Joint Committee and Company Board are supported by the Chief Executive and Executive Directors. In turn these are supported by a Governance and Corporate Services Team who ensure that the Committee and Board receive the support and resources needed to carry out its roles effectively. Joint Committee meetings are also attended by senior executives from the country conservation bodies and Northern Ireland Environment Agency.
	The Board should make a senior executive responsible for ensuring that appropriate advice is given to it on all financial matters.	The Chief Executive is appointed as Accounting Officer. The Chief Executive's report to each Joint Committee meeting includes appropriate information on financial matters. The Chief Executive is also a member of JNCC support Company board.

³ The schedule of delegations is can be found at <http://jncc.defra.gov.uk/pdf/comm11P02.pdf>

Role of the Board	<p>Principle: The public body is led by an effective board which has collective responsibility for the overall performance and success of the body. The board provides strategic leadership, direction, support and guidance.</p> <p>The board – and its committees – have an appropriate balance of skills, experience, independence and knowledge.</p> <p>There is a clear division of roles and responsibilities between non-executive and executives. No one individual has unchallenged decision-making powers.</p>	Assessment of JNCC
	<p>The Board should make a senior executive responsible for ensuring that Board procedures are followed and that all applicable statutes and regulations and other relevant statements of best practice are complied with.</p>	<p>The Director of Corporate Services has responsibility for corporate governance in relation to JNCC as a whole, including JNCC support Company, and compliance is reported in the Governance Statement published in the Annual Report and Accounts.</p>
	<p>The Board should establish a remuneration committee to make recommendations on the remuneration of top executives. Information on senior salaries should be published. The board should ensure that the body's rules for recruitment and management of staff provide for appointment and advancement on merit.</p>	<p>The Joint Committee has a Remuneration Committee which sets the overall pay remit for JNCC staff who are employed by the support Company, with approval of Defra and Treasury as required, and the terms and conditions and performance of the Chief Executive. Salaries and expenses of Directors, and pay scales for all other staff, are published. Policies and procedures are in place to ensure that appointment and advancement are based on merit.</p>
	<p>The Chief Executive should be accountable to the Board for the ultimate performance of the public body and for the implementation of the Board's policies. He or she should be responsible for the day-to-day management of the public body and should have line responsibility for all aspects of executive management.</p>	<p>The Chief Executive has responsibility for all aspects of executive management, oversees day-to-day management and is accountable to the Joint Committee and Company Board for the performance of JNCC.</p>
	<p>There should be an annual evaluation of the performance of the board and its committees – and of the Chair and individual board members.</p>	<p>The Joint Committee/ Company Board and the Audit and Risk Management Committee evaluate their performance at least once every three years; this is commensurate with the size of the Committees and number of meetings each year. The Chair has an annual performance review meeting with the relevant Defra minister. The Chair conducts annual appraisals with all</p>

		independent Joint Committee members/ non-executive Directors of the Company board.
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Role of the Chair	Principle: The Chair is responsible for leadership of the board and for ensuring its overall effectiveness.	Assessment of JNCC
<u>Supporting provisions</u>	The board should be led by a non-executive Chair.	The Company Board and JNCC is led by a non-executive Chair.
	There should be a formal, rigorous and transparent process for the appointment of the Chair. This should be compliant with the Code of Practice issued by the Commissioner for Public Appointments. The Chair should have a clearly defined role in the appointment of non-executive board members.	The processes by which the Secretary of State appoints the Chair are formalised, rigorous and transparent. They comply with the Code of Practice issued by the Commissioner for Public Appointments, and are based on the principles of merit, fairness and openness.
Role of the Chair	Principle: The Chair is responsible for leadership of the board and for ensuring its overall effectiveness.	Assessment of JNCC
	<p>The duties, role and responsibilities, terms of office and remuneration of the Chair should be set out clearly and formally defined in writing. Terms and conditions must be in line with Cabinet Office guidance and with any statutory requirements. The responsibilities of the Chair will normally include:</p> <ul style="list-style-type: none"> - representing the public body in discussions with Ministers; - advising the sponsoring Department and Ministers about board appointments and the performance of individual non-executive board members; - ensuring that non-executive board members have a proper knowledge a understanding of their corporate role and responsibilities. The Chair should ensure that new members undergo a proper induction process and is 	<p>The Chair has received an appointment letter from the Secretary of State setting out his terms and conditions of appointment, which are in line with Cabinet Office guidance and statutory requirements.</p> <p>The Chair is responsible to the Secretary of State and Ministers in the Devolved Administrations. He or she is responsible for ensuring that policies and actions support Ministers' wider strategic policies and that JNCC's affairs are conducted with probity. The Chair's responsibilities are set out in the Framework Documents, and details are included in Committee Standing Orders. This makes clear, amongst other things, that the Chair is responsible to the Secretary of State and shall aim to ensure that JNCC's policies and actions support the wider strategic policies of the Secretary of State. It also stipulates that the Chair has a particular leadership responsibility in:</p> <ul style="list-style-type: none"> - formulating the Committee's strategy; - ensuring that the Committee, in reaching decisions, takes proper account of guidance provided by the Secretary of State or department; - promoting the efficient and effective use of staff and other resources; - encouraging high standards of regularity, propriety and value for money; - representing the views of the Committee to the general public.

	<p>normally responsible for undertaking an annual assessment of non-executive board members' performance;</p> <ul style="list-style-type: none"> - ensuring that the board, in reaching decisions, takes proper account of guidance provided by the sponsoring department or Ministers; - ensuring that the board carries out its business efficiently and effectively; - representing the views of the board to the general public; and - developing an effective working relationship with the Chief Executive and other senior staff. 	
	The roles of Chair and Chief Executive should be held by different individuals.	The Chair of the Committee is also the Chair of the Company. The roles of the Chairman and the Chief Executive are held by different individuals.
Role of Non-Executive Board Members	Principle: As part of their role, non-executive board members provide independent and constructive challenge.	Assessment of JNCC
<u>Supporting provisions</u>	There should be a majority of non-executive members on the board.	Members of the Committee are all non-executive members. The Company Board comprises a majority of non-executive members who are also Joint Committee members.
	There should be a formal, rigorous and transparent process for the appointment of non-executive members of the board. This should be compliant with the Code of Practice issued by the Commissioner for Public Appointments.	The processes by which the Secretary of State appoints independent Committee members are formalised, rigorous and transparent. They comply with the Code of Practice issued by the Commissioner for Public Appointments, and are based on the principles of merit, fairness and openness.

Role of Non-Executive Board Members	Principle: As part of their role, non-executive board members provide independent and constructive challenge.	Assessment of JNCC
	<p>The duties, role and responsibilities, terms of office and remuneration of non-executive board members should be set out clearly and formally defined in writing. Terms and conditions must be in line with Cabinet Office guidance and with any statutory requirements. The corporate responsibilities of non-executive board members (including the Chair) will normally include:</p> <ul style="list-style-type: none"> - establishing the strategic direction of the public body (within a policy and resources framework agreed with Ministers); - overseeing the development and implementation of strategies, plans and priorities; - overseeing the development and review of key performance targets, including financial targets; - ensuring that the public body complies with all statutory and administrative requirements on the use of public funds; - ensuring that the board operates within the limits of its statutory authority and any delegated authority agreed with the sponsoring department; - ensuring that high standard of corporate governance are observed at all times. This should include ensuring that the public body operates in an open, accountable and responsive way; and - representing the board at meetings and events as required. 	<p>Independent Committee members have received an appointment letter from the Secretary of State setting out their terms and conditions of appointment.</p> <p>The Committee's responsibilities and those of its members are set out in JNCC's Framework Documents. The responsibilities of the Committee include:</p> <ul style="list-style-type: none"> - 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.

Role of Non-Executive Board Members	Principle: As part of their role, non-executive board members provide independent and constructive challenge.	Assessment of JNCC
	All non-executive Board members must be properly independent of management.	All Committee members are properly independent of management, and are required by the Management Statement and Committee Members' Code of Practice to carry out their roles with integrity, honesty, objectivity and impartiality. Amongst other matters the Code requires members to register their interests and sets out how members should deal with any potential conflicts of interest or commercial interactions with JNCC.
	All non-executive board members must allocate sufficient time to the board to discharge their responsibilities effectively. Details of board attendance should be published (with an accompanying narrative as appropriate).	The minimum time commitment of Committee members is agreed with Defra and the Chair of JNCC, in consultation with Devolved Administrations, so that it is sufficient for him or her to discharge their responsibilities effectively.
	There should be a proper induction process for new board members. This should be led by the Chair. There should be regular reviews by the Chair of individual members' training and development needs.	Appropriate induction arrangements for new board members are provided by JNCC and led by the Chair with support from the Chief Executive. The Chair also keeps individual members' training and development needs under review.
Effective Financial Management	Principle: The public body has taken appropriate steps to ensure that effective systems of financial management and internal control are in place.	Assessment of JNCC
<u>Supporting provisions</u> Annual reporting:	The body must publish on a timely basis an objective, balanced and understandable annual report. The report must comply with HM Treasury guidance.	An annual report is published, which is objective, balanced, understandable and compliant with HM Treasury guidance.
Internal Controls:	The public body must have taken steps to ensure that effective systems of risk management are established as part of the systems of internal control.	There is a risk management strategy in place that outlines how JNCC manages risk. The risk management strategy is in line with Treasury guidance. All significant risks are described in a risk register and each corporate risk is owned by a Director. Significant risks are escalated to Directors who review the risk register quarterly. The Audit and Risk Management Committee receives a monthly report on key risks.

Effective Financial Management	Principle: The public body has taken appropriate steps to ensure that effective systems of financial management and internal control are in place.	Assessment of JNCC
	The public body must have taken steps to ensure that an effective internal audit function is established as part of the systems of internal control. This should operate to Government Internal Audit Standards and in accordance with Cabinet Office guidance.	JNCC's internal audit is carried out under a framework agreement between Defra and an internal audit provider. Internal audit activity is targeted at assessing the adequacy and effectiveness of the systems of internal control and governance. The Head of Internal Audit reports to the Audit and Risk Management Committee (a sub committee of the Company Board) and provides assurance to the Accounting Officer.
	There must be appropriate financial delegations in place. These should be understood by the sponsoring department, by board members, by the senior management team and by relevant staff across the public body. Effective systems should be in place to ensure compliance with these delegations. These should be regularly reviewed.	The delegated limits of JNCC are set out in a Financial Memorandum which is on JNCC's website. Within JNCC, financial and non financial delegations are set out in a Schedule of Delegations approved by the Joint Committee, Company Board and Executive Management Board as appropriate. This is published on the internet. The Finance and Planning Team checks compliance with the financial delegations.
	There must be effective anti-fraud and anti-corruption measures in place.	The JNCC Anti-fraud and Corruption Policy is published on the intranet. All relevant staff have completed Counter Fraud Training.
	There must be clear rules in place governing the claiming of expenses. These should be published. Effective systems should be in place to ensure compliance with these rules. The public body should proactively publish information on expenses claimed by board members and senior staff.	JNCC has a Staff Expenses Policy which complies with the Treasury's principles governing travel and subsistence claims. Compliance is monitored. Information on the expenses of Committee members and senior staff is published.
	The annual report should include a statement on the effectiveness of the body's systems of internal control.	Effectiveness of internal control systems is reported in the Governance Statement published in the Annual Report and Accounts.
Audit Committee:	The board should establish an audit (or audit and risk) committee with responsibility for the independent review of the systems of internal	An Audit and Risk Committee is a sub-committee of the Company Board and keeps under independent review JNCC's internal control systems and the external audit process. It advises the Company Board and the Accounting Officer on matters of financial accountability, risk,

	control and of the external audit process.	control and governance.
Effective Financial Management	Principle: The public body has taken appropriate steps to ensure that effective systems of financial management and internal control are in place.	Assessment of JNCC
External Auditors:	The body should have taken steps to ensure that an objective and professional relationship is maintained with the external auditors.	An objective and professional relationship is maintained with the National Audit Office who attend all Audit and Risk Management Committee meetings.
Communications	Principle: The Public Body is open, transparent, accountable and responsive.	Assessment of JNCC
<u>Supporting provisions</u> Communications with Stakeholders:	The public body should have identified its key stakeholders. It should establish clear and effective channels of communication with these stakeholders.	JNCC engages with stakeholders through a combination of: regular and ad hoc (issues based) bilateral meetings with senior executives; regular multi-stakeholder groups; occasional workshops according to need; and on a day to day basis at officer level.
Communications with the Public:	The public body should make an explicit commitment to openness in all its activities. It should engage and consult with the public on issues of real public interest or concern. This might be via new media. It should publish details of senior staff and boards members together with appropriate contact details.	Information on members of the Joint Committee, Company Board and Executive Management Board are published on the JNCC website, with details of how to contact JNCC. As a body receiving public funding JNCC is committed to being open about the decisions it makes and the way in which it makes them. It works with Defra, the Devolved Administrations and other partners in a flexible, open and truly collaborative way. It involves partners early in developing issues, shares data and analysis and reviews working relationships regularly. Every effort is made to respect institutional, procedural and cultural differences. A Partnership Agreement is in place setting out how JNCC works with Defra and the Devolved Administrations and JNCC has similar agreements with other partners. JNCC has published a Data and Information Access Statement with commitments to deliver improved access to Government information and providing the most open access to the data and information held by JNCC.
	The public body should consider holding open board meetings or an annual open meeting.	The Committee is committed to the principle of open government and has been holding open meetings since 2001. Members of the public are welcome to attend meetings as observers except when confidential issues are being discussed.
	The public body should proactively publish agendas and minutes of board meetings.	Agendas and Committee papers are made available one week ahead of meetings and draft minutes six weeks later. Inter-sessional papers, provided between Committee meetings, are also available. Meetings are run in accordance with a set of Standing Orders.

Communications	Principle: The Public Body is open, transparent, accountable and responsive.	Assessment of JNCC
	The public body should proactively publish performance data.	Performance data is included in quarterly reports to the Company Board, which are published on JNCC's website, and is also published in JNCC's Annual Report and Accounts.
	In accordance with transparency best practice, public bodies should consider publishing their spend data over £500. By regularly publishing such data and by opening their books for public scrutiny, public bodies can demonstrate their commitment to openness and transparency and to making themselves more accountable to the public.	JNCC publishes all invoices over £25,000, contracts over £10,000 and credit card expenditure over £500 but it has decided not to publish general spend data over £500 after consideration of the administrative burden.
	The public body should establish effective correspondence handling and complaint procedures. These should make it simple for members of the public to contact the public body and to make complaints. Complaints should be taken seriously. Where appropriate, complaints should be subject to investigation by the Parliamentary Ombudsman. The public body should monitor and report on its performance in handling correspondence.	JNCC has a published complaints procedure. Appropriate monitoring and reporting systems are in place.

Marketing and PR:	The public body must comply with the Government's conventions on publicity and advertising. These conventions must be understood by board members, senior managers and all staff in press, communication and marketing teams.	Relevant conventions are complied with. JNCC implements in full the spending controls set by Government on various categories of spend, including advertising, marketing and communications. Guidance for staff is provided on the intranet.
	Appropriate rules and restrictions must be in place limiting the use of marketing and PR consultants.	Appropriate rules and restrictions are in place. All staff are advised of the spending controls and a system has been introduced to cover any proposed expenditure covered by the controls.
	The public body should put robust and effective systems in place to ensure that the public body is not, and is not perceived to be, engaging in political lobbying. This includes restrictions on board members and staff attending Party Conferences in a professional capacity.	Appropriate rules and restrictions are in place, as set out in the Committee Code of Practice and Staff Code of Conduct.
Conduct and Behaviour	Principle: The board and staff of the public body work to the highest personal and professional standards. They promote the values of the public body and of good governance through their conduct and behaviour.	Assessment of JNCC
<u>Supporting provisions</u> Conduct:	A Code of Conduct must be in place setting out the standards of personal and professional behaviour expected of all board members. This should follow the Cabinet Office Code. All members should be aware of the Code. The Code should form part of the terms and conditions of appointment.	A Committee Code of Practice is in place and provided to members during induction. This also applies to members in their roles on the Company Board.
	The public body has adopted a Code of Conduct for staff. This is based on the Cabinet Office model Code. All staff should be aware of the provisions of the Code. The Code should form part of the terms and conditions of employment.	A Staff Code of Conduct setting out the standards of behaviour expected of all JNCC employees has been agreed and published. This Code is part of the contractual relationship between JNCC and its employees.
	There are clear rules and procedures in place for managing conflicts of interest. There is a publicly available Register of Interests for board members	A yearly Register of Interests is compiled by questionnaire and responses are centrally held. Access to the Board members' Register of Interests is published in the Annual Report.

	and senior staff. This is regularly updated.	
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Conduct and Behaviour	Principle: The board and staff of the public body work to the highest personal and professional standards. They promote the values of the public body and of good governance through their conduct and behaviour.	Assessment of JNCC
	There are clear rules and guidelines in place on political activity for board members and staff. There are effective systems in place to ensure compliance with any restrictions.	The Committee Code of Practice sets out clear guidance on political activities.
	There are rules in place for board members and senior staff on the acceptance of appointments or employment after resignation or retirement. These are effectively enforced.	Committee members and the Chief Executive are required to clear with Defra, in advance, any appointment or employment taken up within two years of leaving JNCC where their official duties resulted in personal involvement with the Company or other organisation making the offer, or access to commercially sensitive information of this Company or other organisation. This is detailed in part 17a of the Terms and Conditions for Appointment.
Leadership:	Board members and senior staff should show leadership by conducting themselves in accordance with the highest standards of personal and professional behaviour and in line with the principles set out in respective Codes of Conduct.	This is covered in the Committee and Staff Codes of Conduct which place emphasis of promoting the highest standards of personal and professional behaviour.