The one hundred and forty-fifth meeting of the Joint Nature Conservation Committee held on 3 December 2025 online via Teams

Paper JNCC 25 58D: Joint Committee six monthly risk appetite review

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Joint Nature Conservation Committee

Joint Committee six monthly risk appetite review

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1. Proposal

1.1 This paper provides JNCC's risk appetite statement in Annex 1, which sets out the agreed risk appetite scales and category-specific statements. The risk appetite statement aligns with governance requirements in the HM Treasury Orange Book on management of risk and helps to support informed decision-making.

1.2 The Joint Committee reviews the risk appetite statement every six months to ensure it aligns with the delivery of the strategic objectives and the organisation's current risk exposure. The last review was June 2025, and thus, the six-monthly review is due at this meeting. Accordingly, the Committee is asked to review the statement and identify any changes needed. The next review will be due to take place in June 2026.

1.3 Annexes 2 and 3 contain the Significant Risk Register and Corporate Risks Register respectively for information.

2. Background

2.1 JNCC's risk appetite defines the level of risk the organisation is willing to accept in pursuit of its strategic objectives and vision for thriving nature and a sustainable future.

2.2 Risk appetite levels influence risk management strategies across both the Corporate Risks Register (CRR) and Significant Risks Register (SRR). Having a risk appetite statement as one of the tools to manage risk, means that risks are managed within agreed tolerances, without it, the organisation could have unmanaged exposure to risk, resulting in reputational damage, and compliance breaches.

3. Risk appetite overview

3.1 Appetite categories range from Averse to Eager, with most operational areas being Cautious or Open and strategic initiatives such as Together for Nature and funding being Eager. While risk appetite will always mean different things to different people, a properly communicated and clearly defined risk appetite gives staff "freedom within boundaries," allowing them to make decisions and innovate without fear, as long as they stay within the acceptable risk levels.

3.2 By Category the appetite levels assigned in each area are:

- People/Culture/Values – Open
- Cyber Security & Data – Cautious
- Governance/Compliance – Cautious
- Reputation/Relationships – Open
- Together for Nature – Eager
- Financial Management – Cautious
- Funding – Eager

4. Next Steps

4.1 Once agreed, the revised statement will be updated and communicated to all staff and integrated into governance reporting and decision-making processes.

Annex 1

JNCC risk appetite statement

Introduction

Our risk appetite has been defined following consideration of organisational risks, issues and consequences. Appetite levels will vary, in some areas our risk tolerance will be minimalist or cautious, in others, we are open for risk and are willing to carry risk in the pursuit of our strategic objectives and to deliver our vision for thriving nature for a sustainable future.

We should always aim to operate our activities at the levels defined below. Where activities are anticipated to exceed the defined levels, this must be highlighted through the appropriate governance mechanisms.

Risk appetite scales: -
Averse - Avoidance of risk and uncertainty in achievement of key deliverables or initiatives is key objective. Activities undertaken will only be those considered to carry virtually no inherent risk.
Minimal – Preference for very safe business delivery options that have a low degree of inherent risk with the potential for benefit/return not a key driver. Activities will only be undertaken where they have a low degree of inherent risk.
Cautious - Preference for safe options that have a low degree of inherent risk and only limited potential for benefit. Willing to tolerate a degree of risk in selecting which activities to undertake to achieve key deliverables or initiatives, where we have identified scope to achieve significant benefit and/or realise an opportunity. Activities undertaken may carry a high degree of inherent risk that is deemed controllable to a large extent.
Open - Willing to consider all options and choose one most likely to result in successful delivery while providing an acceptable level of benefit. Seek to achieve a balance between a high likelihood of successful delivery and a high degree of benefit and value for money. Activities themselves may potentially carry, or contribute to, a high degree of residual risk.
Eager - Eager to be innovative and to choose options based on maximising opportunities and potential higher benefit even if those activities carry a very high residual risk.

Risk Appetite by Category

Risk Category	Risk Appetite
People/Culture/Values	Open
Cyber Security and Data Management	Cautious
Governance/Compliance/Legal	Cautious
Reputation/Relationships	Open
Together for Nature Implementation & Impact	Eager
Financial Management	Cautious
Funding	Eager

Risk Appetite Statements

People/Culture/Values

Risk appetite: **OPEN**

Risk appetite statement

We are prepared to invest in our people to create the innovative mix of skills that we need to deliver our vision for thriving nature for a sustainable future. We will support, develop and utilise the full potential of our people, delivering our new People Strategy effectively. JNCC will endeavour to be an excellent employer by making the workplace a stimulating and safe place to work, placing importance on a culture of diversity, equity and inclusion, dignity and respect, organisational values, learning and development, constructive performance appraisal, and personal security. We aim to build a resilient and flexible workforce now and for the future, which models the organisation we are and aspire to be, valuing our people for their capabilities, competencies, contributions and professionalism.

Cyber Security and Data Management

Risk appetite: **CAUTIOUS**

Risk appetite statement

On cyber security, we are committed to having in place robust and proportionate controls based on current security capabilities, the likelihood of threats, and the impact of any potential cyber breach. Continuing investment in cyber security will be sufficient to reduce the remaining technology and cyber risks to a point the organisation can tolerate. We are committed to ensuring that information is authentic, appropriately classified, properly conserved and managed in accordance with legislative and business requirements. We will ensure that a robust information management policy is in place, complete with a suite of protocols. All our people are expected to comply with policies and procedures in relation to cyber security and information management and annual training in this area for all of our people is mandatory.

Governance/Compliance/Legal

Risk appetite: **CAUTIOUS**

Risk appetite statement

We will comply with the high standards of corporate governance expected of a public body and ensure that our activities are carried out in accordance with the regulatory parameters set. We will also ensure that we follow all related legislation associated with our activities. Compliance with policies and procedures is expected at all times unless there is good reason for alternative action to be taken.

Reputation/Relationships

Risk appetite: **OPEN**

Risk appetite statement

JNCC's reputation has been a key driver to the organisation's success. Our reputation across the UK and internationally for delivering high quality evidence and advice should therefore be maintained and enhanced through acting in line with our values. To continue to carry out our role effectively, we need to build relationships and partnerships with a range of government and non-government bodies. Our key strengths are convenor and collaborator, collaboration being a key JNCC value. A strong partnership working culture is important in ensuring that we are successful in our pursuit of nature recovery. Our existing relationships are strong but we need to create and build additional relationships with appropriate sponsors, funders and partners in progress (particularly across government) to deliver our impact and establish a positive profile across a wider range of sectors. New relationships and partnerships are also essential to our continued success and financial sustainability. There may be necessary elements of risk-taking, working with a new, unfamiliar partner that we should be prepared to take to realise the ambition in our strategy. Risks must be fully understood, discussed and managed throughout the relationship building process.

Together for Nature Implementation and Impact

Risk appetite: **EAGER**

Risk appetite statement

Nature is in crisis around the world with species and habitats declining, ecosystem processes failing rapidly and people becoming disconnected from the natural world on which they depend. There is an urgent need to understand the changes we are seeing and to use this knowledge to help nature recover. We have a strong record of success in providing robust evidence and trusted advice to enable governments, and other stakeholders, to achieve their policy objectives via effective evidence-based decision making. We should work in a way that means we continue to be relevant and adaptable and, importantly, flexible to meet evolving and emerging challenges. We encourage all of our people to be innovative, one of our key values, and creative in the way we deliver 'Together for Nature'. We should all actively seek out opportunities to take on new roles that help deliver our outcomes and improve our reach and profile. In our day-to-day work, we should continue to be intentional about our influence and our impact, to ensure we leave a legacy that we would all be proud of.

Financial Management

Risk appetite: **CAUTIOUS**

Risk appetite statement

We recognise that public finances will continue to remain under significant pressure. As a public body it is imperative that we manage public money in accordance with the high standards of probity expected. We can and should innovate in carrying out our responsibilities, using new technology and adopting good business practices, ensuring value for money in the use and deployment of our financial resources and setting a balanced budget which is maintained each year. All staff must follow and meet the financial management standards set out in Managing Public Money.

Funding

Risk appetite: **EAGER**

Risk appetite statement

Our relevance, expertise and skills need to be sufficiently understood and supported to ensure we secure adequate and appropriate funding to have the maximum impact on nature recovery and to achieve the ambitions in 'Together for Nature'. While income generation alone cannot mitigate the financial burden we face, it is becoming increasingly important to ensure that the organisation is financially robust, resilient and offering quality services that are competitive in the sectors we work in. We have benefited from a number of years of increased funding opportunities, which has supported a growth in capacity and capability in our workforce, we now need to build on that further and be eager to diversify our income streams and explore new revenue opportunities, avoiding reliance solely on a small number of income sources. This requires setting clear goals, regularly reviewing and refining work areas, developing new and more broader collaborations and managing any risks associated in engaging with new partners and organisations. Colleagues will be supported in their pursuit of external funding, with the organisation adopting a no blame culture. Underpinning this move to a more commercial mindset, provides an opportunity to frame a way of working which seeks to maximise efficiency, improve our offer, target our services and provide best value in all we do as well as improving our financial resilience and sustainability.