



The thirty-six meeting of the JNCC Support Co. Board to be held
at 13.00 on 3 June 2021 virtually via MS Teams

This paper was provided to the JNCC Support Co. Board for
decision/discussion or information. Please refer to the minutes of the
meeting for the Board's position on the paper.

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JNCC Support Co.

Board of Directors

Adoption of the JNCC Annual Report and Accounts for the year ended 31 March 2021

Cover note by Emer O'Connor

1. Action required

1.1 The Company Board is asked to:

- i. **approve and adopt** the JNCC Annual Report and Accounts (ARA) for the year ending 31 March 2021, and authorise the Chief Executive to sign the ARA on their behalf;
- ii. **authorise** the Company Secretary to lodge the accounts with Companies House;
- iii. **authorise** the Chief Executive to arrange for the ARA to be laid before the Houses of Parliament and the Scottish Parliament; and
- iv. **authorise** the Chief Executive to sign the letter of representation for the year ended 31 March 2021.

2. Key issues

2.1 The Company Board is responsible for approval and adoption of the Annual Report and Accounts (ARA) of the JNCC Support Co, following review and recommendation provided by the Audit and Risk Assurance Committee (ARAC).

JNCC Support Co.

Board of Directors

Adoption of the JNCC Annual Report and Accounts for the year ended 31 March 2020

Paper by Emer O'Connor

1. The Company board is responsible for approving and adopting the JNCC Support Co Annual Report and Accounts (ARA) in order that the Company Secretary may lodge the Annual Report Accounts with the Registrar at Companies House.
2. Under the governance arrangements of the company, the Audit & Risk Assurance Committee (ARAC) is required to review the ARA for the year ended 31 March 2021 together with the letter of representation that accompanies the ARA when it is sent to the Comptroller and Auditor General (C&AG). ARAC is then required to report to the Board any comments or reservations it may have on these documents prior to the Board approving them.
3. A copy of the ARA is attached at Annex 1. The ARA has been examined by auditors from the National Audit Office (NAO) and although it has yet to be certified by the Comptroller and Auditor General, it includes a copy of the draft audit certificate stating the C&AG's unqualified audit opinion of the accounts.
4. At its meeting on 2nd June 2021, ARAC are expected to agree adoption of the 2020/21 JNCC Annual Report and Accounts and to recommend them to the Board for approval.
5. The ARA as circulated has been reviewed by representatives of Defra and the Scottish Government. This version includes some minor amendments arising from these reviews in addition to those previously incorporated following Nigel Reader's review on behalf of ARAC.
6. Attached at Annex 2 is the letter of representation which is to be signed by the Interim Chief Executive on behalf of the Board on the same date that she signs the ARA, confirming that the Board is satisfied as to the completeness of the information provided and disclosures given to the external auditors. The Interim Chief Executive will sign the ARA and the Letter of Representation a day before the Comptroller & Auditor General will sign the accounts, we are expecting this to be between the 10th and 17th of June.

Annex 1

Joint Nature Conservation Committee and JNCC Support Co Annual Report and Accounts for year ending 31 March 2021

Report presented to Parliament pursuant to paragraph 18 of Schedule 4 of the Natural Environment and Rural Communities Act 2006.

Accounts presented to Parliament pursuant to Article 6 of the Government Resources and Accounts Act 2000 (Audit of Non-profit-making Companies) Order 2009.

Ordered by the House of Commons to be printed on XX July 2021.

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JNCC SUPPORT CO.
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 MARCH 2021

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Chair's and Chief Executive's Foreword

2020/21 was an extraordinary year, dominated by the coronavirus (Covid-19) pandemic. This caused huge disruption across the globe and inevitably affected JNCC. The organisation's plans had to be adjusted as major international meetings were cancelled or postponed and fieldwork was put on hold. The way JNCC worked changed fundamentally, with almost all staff working from home for most of the year, and rapidly having to become accustomed to participating in virtual meetings.

Despite the challenges presented by the pandemic, 2020/21 was a successful year for JNCC. The organisation's core grant in aid (provided by the Department for Environment, Food and Rural Affairs, the Scottish Government, the Welsh Government and the Northern Ireland Department for Agriculture, Environment and Rural Affairs) was supplemented by additional income (primarily from government bodies). In total, JNCC received £15.3 million funding for the year. This funding was deployed to deliver a critical programme of work in the UK and internationally.

JNCC published a new strategy in 2020, which describes how the organisation will provide evidence and advice to address the twin crises of biodiversity loss and climate change. The strategy comprises four themes:

- Assessing environmental status in the UK – Continuing to maintain and enhance a UK-scale evidence base, which integrates data from across the four countries with other sources, to support UK-scale assessments and international reporting obligations as well as informing devolved policies within each of the countries.
- Supporting better decisions – Supporting decision makers to make the best use of evidence to understand the potential outcomes of decisions and evaluate options within the UK, in the UK's Overseas Territories and internationally.
- Influencing international action – Advising on the development and implementation of global and regional environmental agreements to help address the main drivers of biodiversity loss through co-ordinated global action.
- Advising on offshore management – Using JNCC's advisory responsibilities in the UK offshore environment to demonstrate improved use of evidence and analysis in decision making and to support the delivery of clean, healthy, safe, productive and biologically diverse seas.

The following are highlights of JNCC's work in 2020/21 within each of these themes.

Assessing environmental status in the UK

- Maintenance of species surveillance schemes – The species surveillance schemes provide key indicators of change in biodiversity across the UK. Despite the restrictions on fieldwork, data collection still occurred when possible and work was undertaken to ensure these data could be analysed in comparison to other years. There was greater focus on online engagement, including JNCC's largest ever Partnership of Partnerships Conference, which discussed innovation and sharing best practice, both scientific and in support of Equality, Diversity and Inclusion.
- Development of Earth observation (EO) techniques – The use of satellite imagery provides a robust and cost-effective mechanism to detect change in terrestrial habitats. Over the last year, extensive work was carried out to support the use of EO data within the country nature conservation bodies (CNCBs) and the development of a prototype application to detect changes in habitat condition for a wide range of applications, such as agri-environment, net gain and site management. The prototype was tested by the CNCBs and Historic Environment Scotland and received very positive feedback. Extensive work with Defra on the Natural Capital and

Ecosystem Assessment programme developed methods which combine the use of EO data with volunteer-collected data to detect more subtle local change.

- Marine evidence products – New and improved marine evidence products developed over the year included the new image library that exploits JNCC's bank of high-quality images obtained from marine work. Seabed mapping continued to be improved and EUSeaMap seabed habitat mapping techniques were extended into new international areas.

Supporting better decisions

- Air pollution projects – JNCC led on several important national and international projects, providing models and tools to improve understanding of air pollution in the biodiversity context and to deliver on government priorities, both in the UK and in ODA-funded countries.
- Environmental impacts of globally produced commodities – JNCC provided support to Defra on how existing evidence and research can be used to provide insight into, and indicators for, the global impacts of the UK's consumption. In late 2020 this included publication of a guide to help government, industry and others link trade to its impact on the natural environment. JNCC also delivered a draft indicator to measure the deforestation impacts of UK consumption for the Government's 25-year Environment Plan – the first national indicator of this type globally.

Influencing international action

- Preparation for the Super Year 2021 and a new Global Biodiversity Framework – The provision of scientific support to Defra continued in the development of the post-2020 global biodiversity framework, including consideration of how the existing suite of UK Biodiversity indicators might underpin the potential new targets. Covid-19 meant that international meetings were held virtually, and the pandemic also highlighted the likely relationship between management of the natural environment and the emergence of novel diseases. To support the development of a better evidence base, JNCC commissioned UNEP-WCMC to conduct a study of potential zoonoses arising from trade in specimens of species listed on the Convention on International Trade in Endangered Species (CITES).
- CITES licensing – Exit from the EU will mean a significant rise in the volume of licenses for CITES-listed products and efforts were scaled to meet the expected demand. However, the implications of Covid-19 have resulted in less overall trade and delayed the full impact. JNCC also worked extensively to address the potential impacts on other aspects of trade, for example, trade between the UK and EU in European eels.
- Overseas Territories – Engagement with the UK's Overseas Territories continued, with a particular focus on the potential role of the natural environment in providing disaster resilience, including developing understanding of the role of coral reefs. This work involved supporting the development of coral reef action plans to improve their resilience and to address diseases of coral species. An important part of this work was the strengthening of relationships with key partners, such as the UK Hydrographic Office and Vulcan (private sector).

Advising on offshore management

- Offshore wind – This year saw the conclusion of a successful pilot year of the Offshore Wind Strategic Monitoring & Research Forum (<https://jncc.gov.uk/our-work/owsmrf/>), including delivery of several key evidence products on the impact of offshore wind on kittiwakes, a key species of concern in offshore windfarm consenting. JNCC also supported the development and initiation of several new

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government-led strategic initiatives designed to understand and overcome the cumulative environmental impacts of accelerated offshore wind deployment. These initiatives involve working closely with, and delivering work through, The Crown Estate Offshore Wind Evidence & Change Programme, and the Defra Offshore Wind Enabling Actions Programme.

- Offshore industry advice – JNCC responded to over 400 statutory requests for advice from marine industry regulators and launched a discretionary advice service for marine industry operators to help improve oil and gas infrastructure decommissioning plans.
- Advice on Marine Protected Areas – JNCC's expertise and advice enabled Marine Scotland to designate the West of Scotland Marine Protected Area which is larger in size than the landmass of Scotland and Wales combined.
- Offshore marine surveys – Despite the pandemic, JNCC participated in several marine surveys in offshore waters. These surveys make a fundamental contribution to the baseline assessment and monitoring of offshore Marine Protected Areas.

JNCC – working together

Whilst the previous section summarised some of JNCC's key achievements over the past year, it is important to highlight the way in which these were achieved. JNCC's scientists and technical experts delivered high-profile outputs and outcomes and led on significant UK and international initiatives. This was only possible due to the excellent teamwork across all parts of the organisation. As well as scientists and technical experts, it is important to recognise the role of the Corporate Services staff whose work is crucial to the success of the organisation. In a year where everyone was working from home, all teams adapted quickly to new ways of working whilst maintaining a high level of service across the organisation.

Successful delivery of such a diverse range of outputs in a uniquely challenging year is a testament to the resilience, flexibility and commitment of JNCC staff. Everyone faced their own challenges at various times during the year and the supportive culture of the organisation has never been more important.

JNCC celebrated its 30th anniversary on 1 April 2021. Everyone involved can look back on the past 30 years with pride, and also look forward to the future with confidence. The coming year will be an important year for the environment, both within the UK and internationally, and JNCC's trusted evidence and advice will be greatly in demand.

Finally, the latter part of 2020/21 saw changes to the leadership of JNCC, for both the Joint Committee and the JNCC Support Co. JNCC's Joint Committee Chair, Professor Chris Gilligan, retired on 5 December 2020. From 5 December to 24 January, Professor Galbraith acted as Chair in his existing capacity as Deputy Chair, until his appointment as Chair on 25 January 2021.

In addition, JNCC's Chief Executive, Marcus Yeo, left the helm of the JNCC Support Co on 1 April 2021 after 22 years of valuable service. His departure was followed by the appointment of Dr Gemma Harper as interim Chief Executive.

We would like to extend our deep appreciation and gratitude to both Marcus and Chris for their vital contributions to JNCC and wish them well in their future endeavours.

Professor Colin Galbraith
(Chair)

Dr Gemma Harper
(Interim Chief Executive)

Facal-toisich a' Chathraiche agus an Àrd-oifigeir

'S e bliadhna air leth àraid a bh' ann an 2020/21 mar thoradh air lèir-sgaoileadh a' choròna-bhiorais. Dh'adhbharaich seo buaireadh mòr air feadh an domhain agus thug e buaidh air obair JNCC. B' fheudar don bhuidhinn a cuid phlanaichean atharrachadh is chaidh coinneamhan mòra eadar-nàiseanta a chur dheth agus dàil a chur air obair-làraich. Thàinig atharrachadh mòr air dòigh-obrach JNCC agus chuir sinn eòlas air leth sgiobalta air com-pàirteachadh ann an coinneamhan-lìn.

B' e bliadhna shoirbheachail a bh' ann an 2020/21 do JNCC a dh'aindeoin nan dùbhlannan an lùib lèir-sgaoileadh a' bhiorais. Chaidh teachd a-steach a bharrachd (a' mhòr-chuid bho bhuidhnean riaghaltais) a chur ri prìomh thabhartas-taic na buidhne (bho Roinn na h-Àrainneachd, a' Bhidhe is Chùisean Dùthchail, Riaghaltas na h-Alba, Riaghaltas na Cuimrigh agus Roinn an Àiteachais, na h-Àrainneachd is Chùisean Dùthchail an Èirinn a Tuath. Fhuair JNCC £15.3 millean de mhaoineachadh airson na bliadhna. Chaidh am maoinachadh seo a chur an sàs airson prògram obrach riatanach a thoirt gu buil san Rìoghachd Aonaichte agus gu h-eadar-nàiseanta.

Dh'fhoillsich JNCC Ro-innleachd ùr an 2020, a chuir an cèill mar a bheir a' bhuidheann fianais is comhairle seachad airson freagairt ris an dà chùis èiginneach - call bith-iomadachd agus atharrachadh na gnàth-shìde. Tha ceithir prìomh chuspairean an lùib na Ro-innleachd:

- A' meas inbhe àrainneachail san Rìoghachd Aonaichte – A' leantainn oirnn a' gleidheadh is a' neartachadh bun-stèidh fianais san RA, a tha a' filleadh dàta bho na ceithir dùthchannan le tùsan eile airson taic a chumail ri sgrùdaidhean aig ìre na RA agus geallaidhean aithriseach eadar-nàiseanta cho math ri bhith a' cur ri poileasaidhean co-roinnte anns na ceithir dùthchannan.
- A' cumail taic ri co-dhùnaidhean nas fheàrr – A' cumail taic riuthasan a nì co-dhùnaidhean gus an cuir iad an fhianais gu feum ach an tuigear na dh'fhaodadh co-dhùnaidhean adhbharachadh agus gus an dèanar measadh air roghainnean anns an RA, ann an Tìrean Thall Thairis na RA agus gu h-eadar-nàiseanta.
- A' toirt buaidh air gnìomhan eadar-nàiseanta – A' cumail comhairle air leasachadh is stèidheachadh aontaidhean eadar-nàiseanta is roinneil airson freagairt ri prìomh adhbharan call bith-iomadachd tro ghnìomhan co-òrdanaichte eadar-nàiseanta.
- A' comhairleachadh air stiùireadh far cladaich – A' cur dleastanasan comhairleachaidh JNCC air àrainnean far cladaich san RA gu feum airson cleachdadh nas fheàrr de dh'fhianais is sgrùdadh ann an co-dhùnaidhean a shealltainn agus airson taic a chumail ri libhrigeadh chuantan a tha glan, fallainn, sàbhailte, torrach agus measgaichte a thaobh bith-iomadachd.

Tha na leanas am measg prìomh obair JNCC an 2020/21 a-rèir nan cuspairean seo.

A' sgrùdadh inbhe àrainneachail san Rìoghachd Aonaichte

- Gleidheadh sgeamaichean sgrùdadh ghnèithean – Tha na sgeamaichean sgrùdadh ghnèithean mar phrìomh chomharran air atharrachadh bith-iomadachd air feadh na RA. A dh'aindeoin nam bacaidhean air obair-làraich, chaidh cruinneachadh dàta air adhart fhathast, nuair a b' urrainn, chaidh obair a ghabhail os làimh airson dèanamh cinnteach gum b' urrainnear an dàta a sgrùdadh an coimeas ri bliadhnanachan eile. Chaidh barrachd cuideim a chur air com-pàirteachadh air-loidhne, m.e. a' cho-labhairt Partnership of Partnerships a bu mhotha a chùim JNCC a-riamh, far an deach innleachdas is sàr dhòighean-obrach saidheansail a thaisbeanadh agus mar thaic ri co-ionannachd, iomadachd agus ion-ghabhaltas.
- Leasachadh dòighean sgrùdaidh na talmhainn – 'S e dòigh làidir is èifeachdach a thaobh cosgais a th' ann an iomhaigheachd saideil airson atharrachadh àrainnean

talmhainn a chomharrachadh. Anns a' bhliadhna a chaidh seachad, chaidh obair mhòr a choilionadh mar thaic ri cleachdadh dàta EO an lùib bhuidhnean glèidhteachais agus leasachadh modal ùr airson atharrachaidhean ann an staid àrainnean a chomharrachadh an lùib iomadh gnìomh a leithid àrainn-àiteachas, toradh lom is stiùireadh làraichean. Chaidh am modal ùr fheuchainn le buidhnean glèidhteachais is Àrainneachd Eachdraidheil Alba agus fhuair e deagh mholaidhean. Chaidh dòighean-obrach a leasachadh an com-pàirteachas le Defra air prògram Calpa Nàdarra is Meas Eag-shiostaman a tha a' ceangal dàta EO le dàta a chruinnich saor-thoilich airson atharrachaidhean beaga ionadail a chomharrachadh.

- Bathair fianais mara – Chaidh bathar fianais mara ùr is leasaichte a leasachadh tron bhliadhna, a leithid leabharlann ìomhaighean ùr a tha a' cur sàr ìomhaighean le JNCC air obair mhara gu feum. Lean an obair leasachaidh air mapadh grunn na mara agus chaidh EUSeaMap, 's e sin dòighean-obrach air mapadh grunn na mara a leudachadh, is e a' toirt a-steach àiteachan ùra eadar-nàiseanta a-nis.

A' cumail taic ri co-dhùnidhean nas fheàrr

- Pròiseactan air truailleadh adhair– Stiùirich JNCC grunn phròiseactan mòra nàiseanta is eadar-nàiseanta anns a bheil modalan is uidheam airson eòlas a thoirt am feabhas air truailleadh adhair ann an seagh bith-iomadach is airson prìomhachasan riaghaltais a thoirt gu buil, san RA is dùthchannan a gheibh maoinachadh ODA.
- Buaidh àrainneachail air bathar eadar-nàiseanta – Chùm JNCC taic ri Defra air mar a chleachdar fianais is rannsachadh a th' ann mar-thà a chumas fios air buaidh eadar-nàiseanta air na chosgas an RA. Chaidh leabhar-ùil fhoillseachadh aig deireadh 2020, a chum taic ri riaghaltsan, gnìomhachas is eile le an cuid malairt is a buaidh air an àrainneachd nàdarra. Thug JNCC dreach sgrìobhainn gu buil air tomhas bhùilean di-choillteachaidh air cleachdadh na RA airson Plana Àrainneachd 25 bliadhna an Riaghaltais – a' chiad chomharra nàiseanta den t-seòrsa san t-saoghal.

A' toirt buaidh air gnìomhan eadar-nàiseanta

- Ullachadh airson Sàr Bhliadhna 2021 is Frèam ùr Bith-iomadachd na Cruinne – Lean liubhairt taic shaidheansail ri Defra an lùib leasachadh frèam bith-iomadachd na cruinne an dèidh 2020, m.e. tro bheachdachadh air mar a dh'fhaodadh Comharran Bith-iomadachd na RA stèidh a chumail ri targaidean ùra a dh'fhaodadh a bhith ann. Chaidh coinneamhan eadar-nàiseanta a chumail air-loidhne air sgàth Covid-19 agus ri linn an lèir-sgaoilidh chaidh an dàimh eadar stiùireadh na h-àrainneachd nàdarra is sgaoileadh ghalaran ùra a shònrachadh. Airson taic a chumail ri leasachadh stèidh fianaise nas fheàrr, chuir JNCC coimisean UNEP-WCMC an sàs airson sù-nòsan an ùra a sgrùdadh a dh'fhaodadh èirigh à malairt ghnèithean air liosta Cunnradh air Malairt Eadar-nàiseanta Ghnèithean an Cunnart (CITES).
- Ceadan CITES – Thèid an àireamh de cheadan airson bathar air liosta CITES am meud is chaidh an obair ullachaidh a thoirt am meud air sgàth is gun robh an RA a' tarraing às an Aonadh Eòrpach. Ach cha robh uiread a mhalairt ann mar thoradh air Covid-19 is bha dàil air a' bhùile. Rinn JNCC obair mhòr a' freagairt ris a' bhùaidh a dh'fhaodadh a bhith air taobhan eile de mhalairt, m.e. eadar an RA is an t-AE air easgannan Eòrpach.
- Tìrean Thall Thairis na RA – Lean com-pàirteachadh le Tìrean Thall Thairis na RA gu h-àraid air na dh'fhaodadh an àrainneachd nàdarra a chur ri leigheas ri linn mòr-thubaist, mar eisimpleir a' neartachadh eòlais air cho cudromach 's a tha riofachan corail. Ri linn na h-obrach seo, chaidh taic a chumail ri leasachadh planaichean gnìomh riofachan corail airson an cuid seasmhachd a neartachadh is freagairt ri galaran corail. Chaidh dàimhean le prìomh chom-pàirtichean a neartachadh, mar eisimpleir le UK Hydrographic Office agus Vulcan (an roinn phrìobhaideach).

A' cumail comhairle air stiùireadh far cladaich

- Gaoth far cladaich – Thàinig a' bhliadhna dheuchainn de Offshore Wind Strategic Monitoring & Research Forum (<https://jncc.gov.uk/our-work/owsmrf/>) gu crìch shoirbheachail, anns an deach grunn prìomh bhatharan fianais a thoirt gu buil air buaidh thuathanasan-gaoithe air seagairean, prìomh ghnè air am bithear a' beachdachadh a thaobh cead thuathanasan-gaoithe far cladaich. Chùm JNCC taic ri leasachadh is stèidheachadh grunn iomairtean riaghaltais airson eòlas is làmh an uachdair fhaighinn air buaidh àrainneachail an cois stèidheachadh mhuilnean-gaoithe far cladaich. Mar thoradh air na h-iomairtean seo, bhathar a' com-pàirteachadh gu dlùth le Crown Estate Offshore Wind Evidence & Change Programme agus Defra Offshore Wind Enabling Actions Programme.
- Comhairle don ghnìomhachas far cladaich – Fhreagair JNCC còrr is 400 iartas reachdail airson comhairle bho riaghladairean a' ghnìomhachais mhara agus stèidhich e seirbheis chomhairleachaidh fo ùghdarras airson taic a chumail ri planaichean di-choimiseanadh bun-structar na h-ola is a' ghas.
- Comhairle air Roinntean Dion Mara – Leig eòlas is comhairle JNCC le Marine Scotland Roinn Dion Mara Taobh Siar na h-Alba ainmeachadh, a tha nas motha na fearann na h-Alba is na Cuimrigh gu lèir.
- Sgrùdaidhean mara far cladaich – A dh'aindeoin an lèir-sgaoilidh, bha JNCC an sàs an grunn sgrùdaidhean mara ann an uisgeachan far cladaich. Tha na sgrùdaidhean seo riatanach airson bun-sgrùdadh is meas nan Roinntean Dion Mara far cladaich.

JNCC – ag obair còmhla

Ged a chaidh cuid de phrìomh obair JNCC an-uiridh a shònrachadh gu h-àrd, feumar aire a thoirt don dòigh a chaidh a coileanadh cuideachd. Thug luchd saidheans is eòlaichean teicnigeach JNCC toraidhean àrd-ìre gu buil agus bha JNCC air ceann iomairtean mòra nàiseanta is eadar-nàiseanta. Cha robh seo air a bhith comasach às aonaid na sàr obrach sgioba air feadh na buidhne. A thuilleadh air an luchd-saidheans is na h-eòlaichean teicnigeach, feumar aire a thoirt do dh'obair luchd-obrach Sheirbheisean Corporra a tha riatanach airson soirbheachadh na buidhne. Am-bliadhna nuair a bha a h-uile duine ag obair bhon taigh, ghabh a h-uile sgioba ri dòighean-obrach ùra gu sgiobalta is iad a' cumail ri seirbheisean aig ìrean àrda air feadh na buidhne.

Tha e mar thoradh air cho daingeann, sùbailte is dealasach is a tha luchd-obrach JNCC gum b' urrainnear farsaingeachd mhòr a thoirt gu buil. Bha dùbhlannan aig a h-uile duine aig diofar amannan agus cha robh cultar taiceil na buidhne cho cudromach a-riamh.

Chomharraich JNCC 30 bliadhna air 1 Giblean 2021. 'S urrainn don a h-uile duine moit fhaighinn às na trichead bliadhna agus coimhead air thoiseach le misneachd. Tha bliadhna chudromach air fàire don àrainneachd, an dà chuid san RA is gu h-eadar-nàiseanta agus bidh fèill mhòr air fianais is comhairle earbsach JNCC.

Anns an dealachadh, chunnaic sinn atharrachaidhean an ceannardas JNCC, anns a' Cho-chomataidh agus le JNCC Support Co. Leig Cathraiche Co-chomataidh JNCC, An t-Àrd-ollamh Chris Gilligan dheth a dhreuchd air 5 Dùbhlachd 2020. Bha an t-Àrd-ollamh Galbraith ag obair na Leas-chathraiche eadar 5 Dùbhlachd is 24 Faoilleach gus an deach fhastadh mar Chathraiche air 25 Faoilleach 2021.

Agus leig Àrd-oifigear JNCC, Marcus Yeo, a dhreuchd dheth mar cheannard JNCC Support Co. air 1 Giblean 2021, an dèidh 22 bhliadhna de sheirbheis ionmholta. Chaidh Dr Gemma Harper fhastadh mar Àrd-oifigear eadar-amail.

Bu toigh leinn ar taing is ar buidheachas a thoirt do Mharcus is Chris airson an cuid saothrach às leth JNCC is tha sinn a' guidhe gach soirbheachaidh dhaibh san àm ri teachd.

An t-Àrd-ollamh Colin Galbraith
(Cathraiche)

Dr Gemma Harper
(Àrd-oifigear eadar-amail)

DRAFT

Rhagair y Cadeirydd a'r Prif Weithredwr

Roedd 2020/21 yn flwyddyn eithriadol wedi'i llywio gan bandemig y coronafeirws. Bu i hyn amharu'n sylweddol ar bob cwr o'r byd ac wrth gwrs mae'n anochel ei fod wedi effeithio ar JNCC hefyd. Rhaid oedd addasu cynlluniau'r mudiad yn sgil canslo neu ohirio cyfarfodydd cenedlaethol sylweddol ac oedi gyda gwaith maes. Bu i weithdrefnau JNCC newid yn sylfaenol gyda bron bob aelod o staff yn gweithio o adref am ran helaeth o'r flwyddyn. At hyn, roedd gofyn i bawb ddod i arfer gyda chymryd rhan mewn cyfarfodydd rhithiol ar unwaith.

Er gwaethaf yr heriau yn sgil y pandemig, roedd 2020/21 yn flwyddyn lwyddiannus i JNCC. Cafodd cymorth grant craidd y mudiad (gan Adran yr Amgylchedd, Bwyd a Materion Gwledig, Llywodraeth yr Alban, Llywodraeth Cymru ac Adran Amaethyddiaeth, yr Amgylchedd a Materion Gwledig Gogledd Iwerddon) ei ategu gan incwm ychwanegol (gan gyrff llywodraethol yn bennaf). Fe lwyddodd JNCC i dderbyn cyfanswm o £15.3 miliwn o gyllid ar gyfer y flwyddyn. Cafodd y cyllid hwn ei neilltuo i gynnal rhaglen waith tyngedfennol ym Mhrydain a gweddill y byd.

Bu i JNCC gyhoeddi Strategaeth newydd yn 2020, sy'n disgrifio sut y byddai'r mudiad yn cynnig tystiolaeth a chngor i fynd i'r afael â'r ddau argyfwng o golli bioamrywiaeth a newid mewn hinsawdd. Mae pedair thema ynghlwm â'r Strategaeth:

- Asesu'r statws amgylcheddol ym Mhrydain – parhau i gynnal a gwella'r sail dystiolaeth yn ymwneud â phrydain. Mae'r dystiolaeth yn gyfuniad o ddata gan y pedair gwlad, gyda ffynonellau eraill i gefnogi asesiadau ledled Prydain a rhwymedigaethau adroddi ynghyd â llywio polisïau datganoledig ym mhob un o'r gwledydd.
- Cefnogi gwell benderfyniadau – cefnogi gwneuthurwyr penderfyniadau i fanteisio i'r eithaf ar dystiolaeth er mwyn deall deilliannau dichonol penderfyniadau ynghyd â gwerthuso opsiynau ym Mhrydain, yn Nhiriogaethau Tramor Prydain ac yn rhyngwladol.
- Dylanwadu ar weithrediadau rhyngwladol – Cynghori ynghylch datblygu a gweithredu cytundebau amgylcheddol byd-eang a rhanbarthol i geisio mynd i'r afael â phrif ysgogwyr colli bioamrywiaeth drwy weithrediadau byd-eang cydgyssylltiedig.
- Cynghori ar reoli ar y môr – Rhoi cyfrifoldebau ymgynghorol JNCC ar waith yn amgylchedd ar y môr Prydain i ddangos defnydd gwell o dystiolaeth a dadansoddi wrth wneud penderfyniadau a chefnogi cynnig moroedd glân, iach, diogel, cynhyrchiol gydag bioleg amrywiol ynddyn nhw.

Dyma uchafbwyntiau gwaith JNCC yn 2020/21 yn ymwneud â phob un o'r themâu hyn.

Asesu'r statws amgylcheddol ym Mhrydain

- Cynnal a chadw cynlluniau i gadw golwg ar rywogaethau – Mae'r cynlluniau cadw golwg ar rywogaethau'n cynnig prif ddangosyddion o ran newid yn ymwneud â bioamrywiaeth ledled Prydain. Er gwaethaf y cyfyngiadau ynghlwm â gwaith maes, bu inni barhau i gasglu data lle'n bosib ynghyd â chyflawni gwaith i sicrhau bod modd dadansoddi data o'i gymharu â blynyddoedd blaenorol. Bu inni ganolbwyntio mwy ar gydweithio ar-lein, gan gynnwys Cynhadledd Partneriaeth Partneriaethau mwyaf erioed JNCC lle bu'r aelodau'n trafod arloesedd ac yn rhannu ymarfer da yn ymwneud â gwyddoniaeth ac er mwyn ategu Cydraddoldeb, Amrywioldeb a Chynhwysiant.
- Datblygu technegau i arsylwi'r Ddaear – Mae'r defnydd o ddelweddau lloeren yn cynnig dull cadarn a chost effeithiol i ganfod newidiadau mewn cynefinoedd daearol. Yn ystod y flwyddyn ddiwethaf, bu i gyrff cadwraeth natur gwlad (CNCB) gyflawni gwaith sylweddol er mwyn cefnogi'r defnydd o ddata Arsylwi'r Ddaear. At hyn, bu

iddyn nhw ddatblygu prototeip i ganfod newidiadau yng nghyflwr cynefinoedd er budd ystod eang o weithdrefnau fel amaeth amgylcheddol, enillion net a rheoli safleoedd. Bu i gyrff cadwraeth natur gwlad ac Amgylchedd Hanesyddol yr Alban roi'r prototeip ar brawf ac fe dderbyniwyd adborth cadarnhaol dros ben. Bu gwaith helaeth ar y cyd ag Adran yr Amgylchedd, Bwyd a Materion Gwledig (Defra) ynghylch rhaglen Asesu Cyfalaf Naturiol a System Eco gan ddatblygu dulliau sy'n cyfuno defnyddio data Arsylwi'r Ddaear gyda data wedi'i gasglu gan y gwirfoddolwyr er mwyn canfod newidiadau lleol mwy cynnil.

- Cynnyrch tystiolaeth forol – Ymysg y cynnyrch tystiolaeth forol newydd a gwell a ddatblygwyd yn ystod y flwyddyn oedd llyfrgell lluniau newydd sy'n manteisio ar gasgliad o luniau ansawdd uchel JNCC yn sgil gwaith morol. Bu inni barhau i wella'r gwaith i fapio gwely'r môr ac fe gafodd technegau mapio gwely'r môr EUSeaMap eu hymestyn i ardaloedd newydd ledled y byd.

Cefnogi gwell benderfyniadau

- Prosiectau llygredd aer – bu i JNCC arwain ar sawl brosiect cenedlaethol a rhyngwladol o bwys gan gynnig modelau ac arfau i wella dealltwriaeth o lygredd aer yng nghyd-destun bioamrywiaeth. Bu i JNCC hefyd gyflawni blaenoriaethau'r llywodraeth ym Mhrydain ac mewn gwledydd wedi'u hariannu gan Gymorth Datblygu Swyddogol (ODA).
- Effeithiau nwyddau wedi'u cynhyrchu'n fyd-eang ar yr amgylchedd – bu i JNCC gefnogi Adran yr Amgylchedd, Bwyd a Materion Gwledig gyda defnyddio tystiolaeth ac ymchwil blaenorol i gynnig cipolwg ar, a dangosyddion ar gyfer, effeithiau byd-eang yn sgil defnydd Prydain. Erbyn diwedd 2020, bu inni gyhoeddi canllaw i gynorthwyo'r llywodraeth, diwydiannau ac eraill i gysylltu masnach gyda'i effaith ar yr amgylchedd naturiol. Bu i JNCC hefyd gyflwyno dangosydd drafft er mwyn mesur effeithiau datgoedwigo defnydd Prydain ar gyfer Cynllun Amgylcheddol 25 mlynedd y Llywodraeth. Dyma'r dangosydd cyntaf o'r fath yn y byd i gyd.

Dylanwadu ar weithrediadau rhyngwladol

- Paratoi ar gyfer Blwyddyn Wych 2021 a Fframwaith Bioamrywiaeth Fyd-eang newydd sbon – Bu inni barhau i gynnig cefnogaeth wyddonol i Defra wrth ddatblygu'r fframwaith bioamrywiaeth fyd-eang wedi 2020 gan ystyried sut gallai'r gyfres bresennol o ddangosyddion Bioamrywiaeth Prydain ategu'r targedau newydd arfaethedig. Yn sgil Covid-19, rhaid oedd cynnal cyfarfodydd rhyngwladol yn rhithiol. At hyn, bu i'r pandemig hefyd amlygu'r berthynas debygol rhwng rheoli'r amgylchedd naturiol a cyfodiad afiechydon newydd. I ddatblygu sail tystiolaeth well, bu i JNCC gomisiynu UNEP-WCMC i gynnal astudiaeth ar filheintiau arfaethedig yn sgil y fasnach mewn creaduriaid o rywogaethau wedi'u rhestru yn y Confensiwn ar Fasnachu Rhyngwladol mewn Rhywogaethau sydd Dan Fygythiad (CITES).
- Trwyddedu CITES – Bydd ymadael â'r UE yn golygu cynnydd sylweddol yn y nifer o drwyddedau ar gyfer nwyddau ar y rhestr CITES a bu inni ymdrechu i fodloni'r galw disgwylidig. Fodd bynnag, bu i oblygiadau Covid-19 olygu llai o fasnach yn gyffredinol ac felly bu i hyn oedi'r effaith lawn. Bu i JNCC hefyd weithio'n ddiwyd i fynd i'r afael ag effeithiau arfaethedig ar agweddau eraill masnach, er enghraifft masnach rhwng Prydain a'r UE o ran llysywod Ewropeaidd.
- Tiriogaethau Tramor – Bu inni barhau i gydweithio gyda Thiriogaethau Tramor Prydain gan ganolbwyntio'n bennaf ar rôl arfaethedig yr amgylchedd naturiol yn cynnig gwytnwch rhag trychinebau, gan gynnwys dysgu am rôl riffiau cwrel. Ynghlwm â'r gwaith hwn bu inni gefnogi datblygu cynlluniau gweithredu'n ymwneud â riffiau cwrel i wella'u gwytnwch a mynd i'r afael gydag afiechydon rhywogaethau cwrel. Rhan bwysig o'r gwaith hwn oedd cryfhau perthnasau gyda phartneriaid allweddol, fel Swyddfa Hydrograffig Prydain a Vulvan (sector preifat).

Cyngori ar reoli ar y môr

- Gwynt ar y môr – Eleni bu inni gloi pen y mwdwl ar flwyddyn brawf llwyddiannus gyda'r Fforwm Monitro ac Ymchwil Strategol Gwynt ar y Môr (<https://jncc.gov.uk/our-work/owsmrf/>). Yn ogystal, bu inni gyflawni sawl cynnyrch tystiolaeth allweddol ar effaith gwynt ar y môr i wylanod coesddu, un o'r prif rywogaethau rydym yn pryderu yn eu cylch wrth gymeradwyo ffermydd gwynt ar y môr. At hyn, bu i JNCC gefnogi datblygu a gweithredu sawl menter strategol newydd dan ofal y llywodraeth gyda'r nod o ddeall a goresgyn effeithiau amgylcheddol cronrus yn sgil cynlluniau gwynt ar y môr cyflym. Ynghlwm â'r mentrau hyn bydd gofyn inni gydweithio'n agos gydag a chyflawni gwaith drwy Raglen Tystiolaeth a Newid Gwynt ar y Môr Ystad y Goron a Rhaglen Galluogi Gweithrediadau Gwynt ar y Môr Defra.
- Cyngor diwydiannau ar y Môr – Bu i JNCC ymateb i dros 400 o geisiadau statudol am gyngor gan reoleiddwyr y diwydiant morol a lansio gwasanaeth cyngor diamedd i weithredwyr y diwydiant morol i helpu gyda gwella cynlluniau dadgomisiynu isadeiledd olew a nwy.
- Cyngor ar Ardaloedd Morol wedi'u Gwarchod – Gydag arbenigedd a chyngor JNCC, roedd modd i Marine Scotland ddynodi Ardal Forol Gwarchodedig Gorllewin Yr Alban sy'n fwy o ran maint na thir Yr Alban a Chymru wedi'u cyfuno.
- Arolygon morol ar y Môr – Er gwaethaf y pandemig, bu i JNCC gyflawni sawl arolwg morol mewn dyfroedd alltraeth. Mae'r arolygon hyn yn gyfraniad sylweddol at y gwaith asesu a monitro sylfaenol o Ardaloedd Morol Gwarchodedig ar y Môr.

JNCC – cydweithio

Bu i'r rhan flaenorol grynhoi rhai o brif lwyddiannau JNCC yn ystod y flwyddyn ddiwethaf ond mae'n bwysig amlygu'r ffordd y bu inni eu cyflawni. Bu i wyddonwyr ac arbenigwyr technegol JNCC gyflawni deilliannau aruthrol ynghyd ag arwain ar fentrau sylweddol ym Mhrydain a ledled y byd. Roedd hyn ond yn bosib yn sgil y cydweithio arbennig rhwng holl adrannau'r mudiad. Yn ogystal â'r gwyddonwyr a'r arbenigwyr technegol, mae'n bwysig cydnabod rôl staff y Gwasanaethau Corfforaethol hefyd gan fod eu gwaith nhw'n annatod i lwyddiant y mudiad. Yn ystod blwyddyn lle'r oedd pawb yn gweithio o adref, bu i'r holl dimau addasu'n gyflym i ffyrdd newydd o weithio gan gynnal gwasanaethau o safon fel arfer.

Mae cyflawni ystod mor eang o ddeilliannau mewn blwyddyn heriol heb ei debyg yn dyst i wytnwch, hyblygrwydd ac ymroddiad staff JNCC. Roedd pawb a'u her eu hunain ar wahanol adegau yn ystod y flwyddyn a bu diwylliant cefnogol y mudiad yn bwysig dros ben.

Bu i JNCC ddathlu 30 mlynedd o wasanaeth ar Ebrill y 1af 2021. Gallai pawb fu ynghlwm â'r mudiad fwrw golwg ar y 30 mlynedd diwethaf gyda balchder ac edrych ymlaen at y dyfodol yn hyderus. Bydd y flwyddyn ar y gweill yn flwyddyn bwysig i'r amgylchedd, ym Mhrydain a ledled y byd. O ganlyniad, fe fydd galw mawr am dystiolaeth a chyngor dibynadwy JNCC.

Yn olaf, yn ystod ail hanner 2020/21 bu newidiadau i arweinyddiaeth JNCC, o ran y Pwyllgor ar y Cyd a Chwmni Cefnogaeth JNCC. Bu i Gadeirydd Pwyllgor ar y Cyd JNCC, Yr Athro Chris Gilligan, ymddeol ar Ragfyr y 5ed 2020. O Ragfyr y 5ed hyd at Ionawr y 24ain, bu i'r Athro Galbraith weithredu fel Cadeirydd ynghyd â chyflawni ei rôl bresennol fel y Dirprwy Gadeirydd nes ei benodi fel Cadeirydd ar Ionawr y 25ain 2021.

At hyn, bu i Brif Weithredwr JNCC, Marcus Yeo, ymadael â Chwmni Cefnogaeth JNCC ar Ebrill y 1af 2021 wedi 22 flynedd o wasanaeth heb ei ail. Yn dilyn ei ymadawiad, fe benodwyd Dr Gemma Harper fel Prif Weithredwr Dros Dro.

Hoffem estyn ein gwerthfawrogiad a'n diolch dwysaf i Marcus a Chris am eu cyfraniad hollbwysig i JNCC a dymunwn y gorau iddyn nhw gyda'u hymdrechion yn y dyfodol.

Yr Athro Colin Galbraith
(Cadeirydd)

Dr Gemma Harper
(Prif Weithredwr Dros Dro)

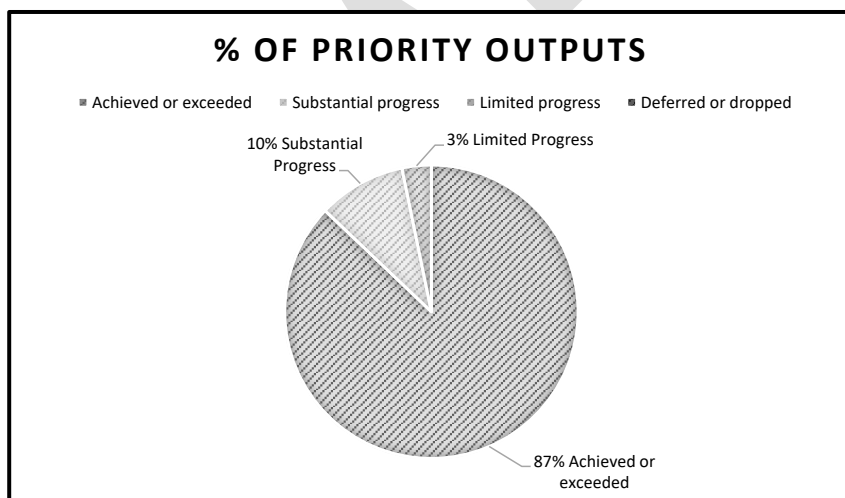
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Performance Report

Performance against Priority Outputs for 2020/21

Output Ratings	Description	Number of priority outputs reporting in this category at end of year
Green	Achieved or exceeded	27
Amber	Substantial progress made with full achievement anticipated early in 2021/22, subject to consideration of the impacts of Covid-19	3
Red	Limited progress	1
Black	Deferred or dropped	0

JNCC summary



Priority outputs are those which are most closely aligned to the organisation's forward strategy and where it is considered that failure to achieve these outputs will have a significant impact on achieving this. Non-priority outputs, while still important to stakeholders, are not considered critical to achieve; these are reported on by exception only (Amber or Red status only).

Theme

Assessing environmental status in the UK

Sub-themes

[1.1] Species surveillance

[1.2] Habitat surveillance

Priority Outputs

Output number	Output	Year end rating
1.1.2	Maintain capability underpinning structured survey programmes for bats, birds (including seabirds), butterflies, some mammals and plants, and continue to work across schemes to innovate and improve	Amber
1.1.3	Provide trends and data for a wide range of taxonomic groups (particularly invertebrates) and work with the National Biodiversity Network Trust to improve the flow of, and access to, data from the general recording community	Green
1.1.5	Conclude the review of the Seabird Monitoring Programme, making recommendations on future governance and scope and initiating any agreed changes	Green
1.2.2	Continue to enhance, and improve access to, the UK's benthic habitat maps with a focus on improved maps for offshore marine protected areas and collaborative development of mapping standards	Red ^[1]
1.2.5	Continue to work with partners to develop an Earth Observation - based habitat condition service which meets country needs and demonstrate how it could be automated to inform operational activity	Green

^[1] This area has been affected by Covid-19. Some time-sensitive work had to be prioritised. Staff shortages have added a delay of 7–8 months to an area that was already stretched. The Defra-funded Natural Capital Ecosystem Assessment project may present an opportunity to dedicate resources and make progress.

Theme

Supporting better decisions

Sub-themes

[2.1] UK joint working
[2.2] International implementation
[2.3] International trade

Priority Outputs

Output number	Output	Year end rating
2.1.1	Maintain a network of liaison posts with governments and country nature conservation bodies to align JNCC's work with country priorities, seeking opportunities to apply JNCC's capabilities	Green
2.1.4	Pilot a framework to implement a risk-based approach to Common Standards Monitoring of protected sites across the UK that makes best use of emerging methods and technologies including remote sensing	Green
2.1.8	Support the development of UK Conservation Strategies for Seabirds and Dolphins and Porpoises	Green
2.1.12	Develop natural capital concepts and evidence to improve understanding and support decision making in the marine environment	Green
2.1.13	Develop the evidence base to support implementation of nature-based solutions to underpin a natural capital approach for nature, climate and people, particularly in terms of climate change adaptation and mitigation, across marine and terrestrial environments, and contribute to the development of the UK position on nature-based solutions in preparation for UNFCCC COP26 and CBD COP15	Green
2.2.3	Develop an improved understanding of how the natural environment could be considered and integrated within UK Government spend of International Climate Finance and broader Official Development Assistance (ODA) overseas, and enhance JNCC's expertise to provide evidence and advice in this area	Green
2.3.1	Support UK and devolved governments in assessing the environmental impact of globally produced commodities	Green
2.3.2	Provide expert advice and support to UK government in the implementation of the Convention on International Trade in Endangered Species (CITES), including representing the UK at the 31st Animals Committee and supporting Defra at the 73rd Standing Committee, and advise on related policy areas (e.g. trophy hunting and ivory ban)	Green
2.3.3	Provide advice to APHA on trade in CITES-listed animals for approximately 20,000 consultations per annum within agreed service standards and associated training and advice, and work with Defra and other agencies to ensure continued compliance with CITES following the end of the Transition Period in December 2020	Green

Theme

Influencing international action and co-ordination

Sub-themes

[3.1] International influence and advice
[3.2] International reporting

Priority Outputs

Output number	Output	Year end rating
3.1.1	Provide expert input to Defra, devolved administrations and the Overseas Territories in the implementation of the Convention on Biological Diversity, especially in the development of the post-2020 global biodiversity framework including preparing for COP15 in 2021	Green
3.1.3	Provide biodiversity advice to UK Governments on implementation of the OSPAR Convention (through participation in a range of committees and sub-groups), including undertaking JNCC's lead role as co-convenor of ICG-COBAM	Green
3.2.1	Undertake reporting for the OSPAR Quality Status Report	Green
3.2.2	Continue to test and make operational marine biodiversity indicators, in collaboration with country nature conservation bodies and others, and streamline marine assessment tools to meet future national and international requirements	Green
3.2.3	Provide expert input to the UK Marine Strategy Framework Directive reports on monitoring programmes (UK Marine Strategy Part 2) and the review of programme of measures (UK Marine Strategy Part 3)	Amber
3.2.4	Co-ordinate input to the UK's international reporting obligations including ASCOBANS, ACAP, Common Database on Designated Areas and the transfer of SAC and SPA data to the Bern Emerald database	Green

Theme

Advising on offshore management

Sub-themes

[4.1] Offshore industries
[4.2] Well-managed Marine Protected Areas (MPAs)
[4.3] Improving the offshore evidence base

Priority Outputs

Output number	Output	Year end rating
4.1.1	Provide scientific support to governments in their delivery of sustainable fisheries management in offshore waters following EU exit	Green
4.1.2	Provide advice to competent authorities, within agreed consultation periods, for the regulation of offshore industry activities (including oil and gas, renewables and aggregates)	Green
4.1.4	Work with regulators, industry and country nature conservation bodies to identify key issues that constrain offshore wind energy deployment and consider how these could be addressed; engage with The Crown Estate strategic enabling actions programme for accelerated offshore wind deployment	Green
4.2.1	Develop options to address gaps in the Welsh MPA network through stakeholder workshops in partnership with Natural Resources Wales and the Welsh Government	Green
4.2.3	Work with Marine Scotland to develop and implement a science plan for a well-managed and ecologically effective deep-sea marine reserve	Amber
4.2.5	Work with UK Government, devolved administrations and regulators to support the development and implementation of MPA fisheries management proposals	Green
4.3.1	Undertake one survey in English offshore waters in partnership with Cefas: develop the survey plan, oversee delivery and quality assurance of data analysis contracts and produce survey report	Green
4.3.2	Undertake one survey in Scottish offshore waters in partnership with Marine Scotland Science: develop the survey and data management plan, procure equipment, undertake survey, produce survey report and let and manage data analysis contracts	Green

Theme

Supporting a high-performing business

Sub-theme

[5.1] Corporate Services

Priority Outputs

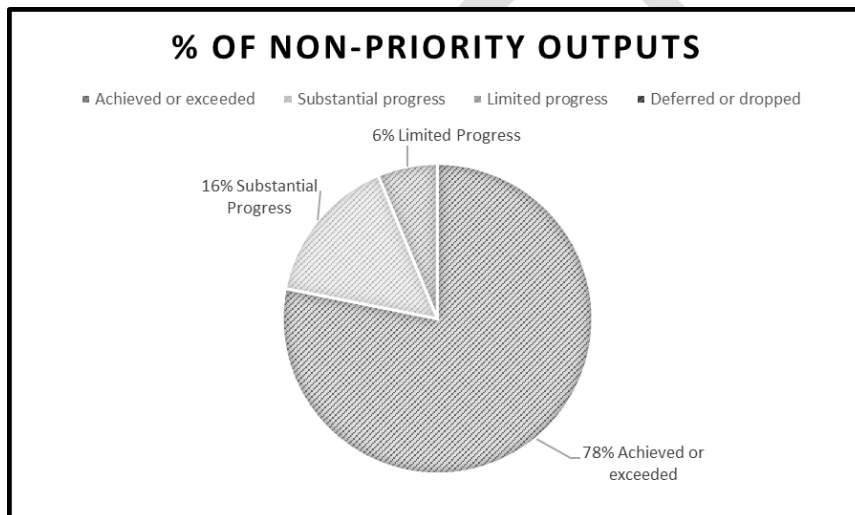
Output number	Output	Year end rating
5.1.2	Deliver a series of targeted marketing campaigns aligned to the priorities in JNCC's new strategy	Green
5.1.3	Implement strategic workforce planning to meet the evolving resourcing needs of the organisation over the next three years	Green
5.1.5	Establish a strategy for income generation to meet organisational priorities and enhance financial sustainability	Green

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Performance against Non-Priority Outputs for 2020/21

Output Ratings	Description	Number of non-priority outputs reporting in this category at end of year
Green	Achieved or exceeded	25
Amber	Substantial progress made with full achievement anticipated early in 2021/22, subject to consideration of the impacts of Covid-19	5
Red	Limited progress	2
Black	Deferred or dropped	0

JNCC Summary



Non-Priority Outputs reported Red

Theme

Assessing environmental status in the UK

Sub-themes

[1.2] Habitat surveillance

Non-Priority Outputs

Output number	Output	Year end rating
1.2.3	Update the Marine Habitat Classification scheme for Britain and Ireland to enhance biotope descriptions and improve user experience	Red ^[2]

^[2] This area has been affected due to a lack of available staff resource. Covid-19 lockdowns have meant a decrease of available Project Manager time and an H grade working in this area was seconded to Defra in Q3

Theme

Influencing international action and co-ordination

Sub-theme

[3.2] International reporting

Non-Priority Outputs

Output number	Output	Year end rating
3.2.5	Through a review of all international reporting processes, develop recommendations to streamline international and UK reporting to comply with future requirements and to make best use of available data	Red ^[3]

^[3] Covid-19 pressures have prevented progress. This will be addressed as a component of a wider international strategy in 2021/22.

JNCC Sustainability Report

This report relates solely to JNCC's Peterborough office. JNCC's Aberdeen office is situated in a BREEAM (Building Research Establishment Environment Assessment Method) building, where facilities and office space are shared with the Scottish Environment Protection Agency (SEPA) and NatureScot. With this co-share situation, we are unable to provide usage information for the Aberdeen office.

Due to Covid-19 restrictions, both our Aberdeen and Peterborough offices closed in March 2020. Our Peterborough office re-opened in July 2020 for a restricted number of key staff and those who were unable to work from home.

Our key focus throughout the year was to protect our staff and to minimise the potential for the virus to spread. The majority of JNCC staff worked remotely during this period and continue to do so. The usage figures detailed in this report are based upon consumption in our Peterborough office. We are unable to account for consumption in individual home settings.

Covid-19 impeded the implementation of ISO 14001 and the environmental management system which continues to be developed for audit certification (due to take place in the financial year 2021/22, Covid-19 dependant).

JNCC continued to implement the environmental policy, engaging with staff to advise on sustainability issues under these new working conditions and practices. JNCC will be moving forward with the environmental management system, obtaining ISO 14001, and will also engage with Defra to input into the sustainability strategy and greening government commitments 2021/22.

Fuel and power usage

Combined gas and electricity consumption was reduced due to the office closure and Covid-19 pandemic. 2019/2020 figures have been adjusted to reflect actual usage; final months figures were unavailable prior to the end of final reporting period 2019/20. The final month of 2020/21 has been calculated on an average of the past six months due to the final usage statement being unavailable.

To preserve JNCC functionality the server on which remote working is based was running at capacity within Monkstone House. The cooling system used to maintain the system is approximately 77% of the total energy usage. The remaining 23% being lower than normal with the adjustment to be offset by homeworking which is an unknown variable attributable to the pandemic and we are unable to report on (Figure 1).

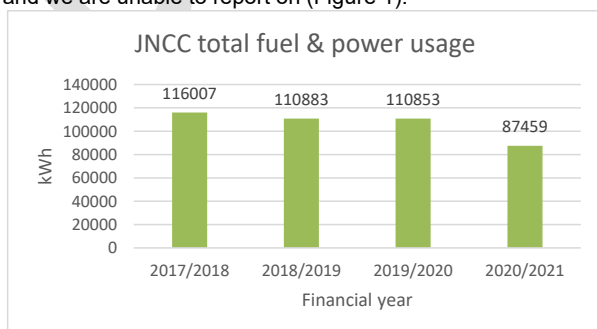


Figure 1. JNCC Peterborough office total fuel and power usages per financial year per kWh

Water usage

Water readings are unavailable for 2020/21 due to water meter equipment failure. The building owner has rectified the issue and readings will be available for future reporting.

Waste disposal

JNCC disposes of mixed municipal and mixed recyclable waste. Figures for this financial year have been reduced by 95% to reflect the closure of the Peterborough office during the period March 2020 – July 2020.

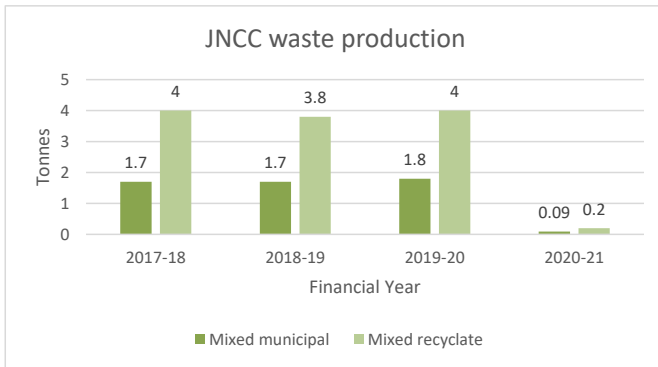


Figure 2. JNCC Peterborough Office waste production in tonnes

Hazardous waste – including electronic waste

All waste, including electronic waste, is stored safely until there is enough accumulated to permit economic collection and disposal; therefore, collection is periodic. Due to office closure only clinical waste collection took place in the financial year 2020/21.

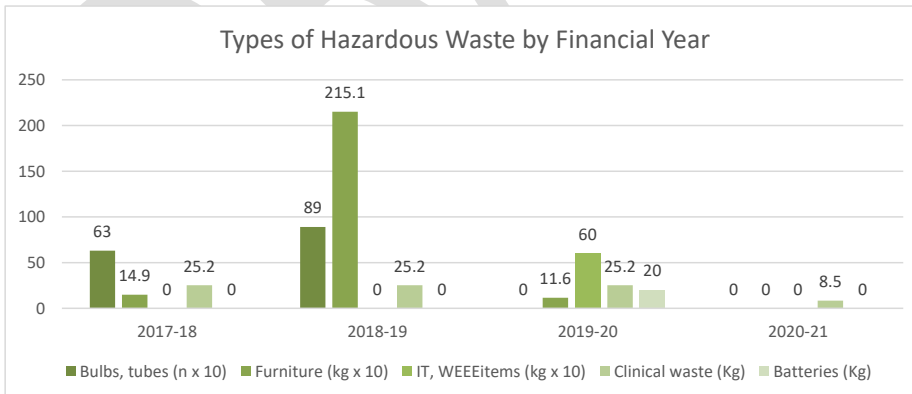


Figure 3. Types of hazardous waste by financial year

Redundant fluorescent tubes and other bulbs are disposed of through the landlord's building service contractor. No collection of this material was made during this reporting year.

There was no redundant office furniture during this reporting year.

JNCC disposes of all electronic equipment in compliance with WEEE Directive requirements with no recorded disposals this financial year. Any electrical items reported as disposed of on the fixed asset register 2020/21 are being securely held in Monkstone House until such time as they can be disposed of utilising a WEEE registered company.

Clinical wastes are collected monthly under a service contract with PHS. The office closure affected waste collection, which is reflected in the 2020/21 figures.

No battery collection took place in 2020/21 due to office closure.

There are separate arrangements for the collection and recycling of printer cartridges and toners through approved disposal contractors. No collections were made in 2020/21 due to office closure.

Sustainable procurement

As a public sector body, we adhere to the Public Contracts Regulations. We are continually reviewing our JNCC office supplier-base to examine each supplier's 'Green Credentials'. Where possible, we expect our preferred suppliers to be accredited to ISO 14001 or equivalent and/or have an implemented environmental policy and/or a sustainability policy and/or a social responsibility policy.

Due to Covid-19 our sustainable procurement plan has been disrupted and will be included as one of the key performance indicators within the environmental management system, measured as the proportion of suppliers with and without 'Green Credentials'. Currently 46% of our contracted 70 suppliers have Green Credentials this figure is expected to rise as more suppliers are contracted and reviewed.

Sustainable travel

JNCC's commuting and wider travel policy supports the most sustainable and cost-effective travel option where possible. Walking, cycling and the use of public transport are the preferred options.

Covid-19 restrictions during this reporting period, and a move to home working, led to a significant reduction in business travel. We embraced new and existing virtual tools and technologies to deliver our work programmes. Many of these new working practices, including virtual Joint Committee meetings, are likely to continue once Covid-19 restrictions are lifted.

Biodiversity measurements

A key function of JNCC's work is to improve biodiversity. 'Biodiversity improvement' will be included as a key performance indicator within our environmental management system, such as re-wilding of green areas around the JNCC estate and within the office environment with appropriate metrics to be developed.

Staff greening group

JNCC is committed to greening and throughout the pandemic our greening group provided weekly updates on sustainability at home. Items such as 'tips for better recycling' and 'packaging symbols explained' were shared and these can be transferred back to the office environment aiding the implementation of our environmental management system objectives.

Directors' Report For the year ended 31 March 2021

Joint Committee and Support Co

The Joint Nature Conservation Committee, originally established under the Environmental Protection Act 1990, and starting operations on 1 April 1991, was reconstituted by the Natural Environment and Rural Communities Act 2006.

The Joint Committee comprises 14 members: a Chair and five independent members appointed by the Secretary of State for Environment, Food and Rural Affairs; the Chair of the Council for Nature Conservation and the Countryside (Northern Ireland); the Chair or Deputy Chair of Natural Resources Wales, Natural England and NatureScot; and one other member from each of these bodies. The term of appointments for the Chair and independent members is initially for three years. Members from the UK Country nature conservation bodies may continue as members of the Committee as long as they retain their membership of the Councils or Boards of their respective bodies.

Support is provided to the Joint Committee by the JNCC Support Co, a Company limited by guarantee. The Company was established with the consent of the Secretary of State for Environment, Food and Rural Affairs under the provisions of Schedule 4 para 13 (1) of the Natural Environment and Rural Communities Act 2006. The Company Board consists of the Joint Committee members and the Chief Executive.

The Committee has adopted the Guidance on Codes of Practice for Board Members of Public Bodies issued by the Cabinet Office, for the purposes of corporate governance.

JNCC Support Co information

Company number: 05380206 (England and Wales)

Peterborough office and registered office

Joint Nature Conservation Committee
Monkstone House, City Road, Peterborough, PE1 1JY
Tel: +44 (0) 1733 562626
Email: feedback@jncc.gov.uk
Web: www.jncc.gov.uk

Aberdeen office

Joint Nature Conservation Committee
Inverdee House, Baxter Street Aberdeen, AB11 9QA
Tel: +44 (0) 1224 266564
Email: feedback@jncc.gov.uk

Senior staff in JNCC in 2020/21

Chief Executive	Mr MJM Yeo
Director of Finance and Resources	Mr CM Brooks
Chief Scientist	Professor CA Maggs
Director of Marine Evidence and Advice	Dr JC Goold
Science Director	Dr SD Gibson (seconded to Defra from 7 April 2019)
Director of Ecosystem Evidence and Advice	Dr S Wilkinson

Company directors in 2020/21

Professor MCV Austen
Mr CER Banner
Professor IJ Bateman
Rt Hon Lord Blencathra
Dr MB Cantlay (resigned 15 February 2021)
Ms CS Denholm
Professor CA Galbraith
Professor CA Gilligan (resigned 5 December 2020)
Sir DG Henshaw
Dr AH Kirkpatrick
Professor SJ Ormerod
Professor EM Scott
Professor DM Winter
Mr MJM Yeo (resigned 31 March 2021)

Company secretary Mr CM Brooks

Donations

There were no political or charitable donations made in the financial year ending 31 March 2021.

Losses and special payments

JNCC reported three losses totalling £0.8k (one loss of £0.8k reported in the year to 31 March 2020) and one special payment of £0.4k during the year to 31 March 2021 (none reported in the year to 31 March 2020). Three fruitless payments were recorded in 2020/21 with a total value of £1.5k (22 fruitless payments totalling £5.5k were reported in 2019/20).

Data security

In the year to 31 March 2021 there was a security incident detected by the National Data Security Centre at JNCC, details of which can be found in Section 12 of the Governance report on page 44. No penalties or financial impact to JNCC resulted from this breach.

There were no incidences of fraud or attempted fraud identified or reported in the year.

Events since the end of the financial year

There are no events that have happened since the end of the financial year to materially affect the contents of these financial statements.

The government plans which outline the timing of easing of restrictions from Covid-19 suggest we might begin to return to some office working from June 2021 onwards. Any return will be phased and in accordance with guidance at the time to minimise any risks to staff.

The Annual Report and Accounts were authorised for issue on the date that the Comptroller and Auditor General signed his certificate and audit report.

Results and dividends

The Company has no share capital and consequently the question of the payment of a dividend does not arise. Any surplus at the year-end is transferred to the forthcoming year and applied to meet the objectives of the company.

Directors' interests

As the company has no share capital, directors have no rights to subscribe for additional shares or debentures.

The Articles of Association do not require any of the directors to retire by rotation. However, directors must retire if they are no longer members of the company. A member will cease to be a member of the company if they cease to be a member of the Joint Committee.

A register of the interests of all Company Board members is held by the Company Secretary and may be viewed during office hours at the company's registered office by request to Mrs Tracey Quince, Monkstone House, City Road, Peterborough, PE1 1JY or tracey.quince@jncc.gov.uk.

Sickness absence

In 2020/21 the average sickness absence per full-time employee was 0.8 days (3.5 days in 2019/20).

Health and safety

JNCC is committed to complying with all legal obligations for health and safety and is proactive in anticipating and assessing problems to remove or reduce any risks to staff. The table below details the number of health and safety incidents recorded at JNCC for the past two years.

Table 1: Recorded health and safety incidents for the past two years

	2020/21	2019/20
Minor Accidents	1	16
Near Miss Incidents	0	3
Lost Time	1	0

Trade Union Facility Time

Under the Trade Union (Facility Time Publication Requirements) Regulations 2017, JNCC is required to disclose information relating to paid Trade Union activities undertaken by relevant union officials.

Table 2: Relevant union officials

	2020/21	2019/20
Number of employees who were relevant union officials during the relevant period	12.0	8.5
Full-time equivalents (FTEs)	11.5	8.5

Table 3: Percentage of time spent on facility time

Percentage of time	Number of employees	
	2020/21	2019/20
0%	221	198
1% — 50%	6	3
51% – 99%	0	0
100%	0	0

Table 4: Percentage of pay bill spent on facility time

Total cost of facility time	£11.2k
Total pay bill	£9.782m
Percentage of the total pay bill spent on facility time	0.11%

Table 5: Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time	0.13%
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Pension liabilities

Full details of pension liabilities and their accounting treatment are given in the accounting policies note on page 71 of this report.

Responsibilities of the Chief Executive

The Interim Chief Executive of JNCC (Dr G Harper) is the Accounting Officer for JNCC, appointed by the Permanent Secretary of the Department for Environment, Food and Rural Affairs, as Principal Accounting Officer.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records, and for safekeeping JNCC Support Co's assets, are set out in *Managing Public Money* published by the Treasury.

Auditors

Following the passing of the Government Resources and Accounts Act 2000 (Audit of Non-profit-making Companies) Order 2009 the Comptroller and Auditor General (C&AG) is empowered to audit JNCC Support Co's financial statements. The C&AG's certificate and report (Auditors' Report) commence on page 56. The audit fee charged in the Profit and Loss Account was £22k (£23k in 2019/20) which is split between £23k for NAO less £1k credit from the reversal of an accrual in the prior year for a project funding audit by FLC. The auditor received no fees for non-audit services. Internal audit fees for the year were £23k.

The Directors confirm that:

- There is no relevant audit information of which the auditor is unaware; and
- They have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that JNCC's auditor is aware of that information.

Dr G Harper
Interim Chief Executive
On behalf of the board of directors
_____ 2021

Strategic Report

For the year ended 31 March 2021

The directors present their report and the financial statements for the year ending 31 March 2021. This report should be read in conjunction with the Governance Statement commencing on page 32 and the Directors' report commencing on page 23.

JNCC Support Co

The Joint Nature Conservation Committee (JNCC) is the statutory adviser to the UK Government and devolved administrations on UK and international nature conservation. Our vision is to be a world-leading provider of innovative solutions, placing nature at the heart of sustainable wealth and wellbeing.

JNCC delivers the UK and international responsibilities of the Council for Nature Conservation and the Countryside, Natural Resources Wales, Natural England and NatureScot (formally Scottish Natural Heritage).

JNCC's strategy to 2025 is delivering five high-level priorities:

- Deep expertise in biodiversity and how it underpins the ecosystem services that benefit society and the economy.
- A UK and international role that supports devolved implementation of country-specific priorities by providing cost-effective delivery, global leadership and solutions to cross-border environmental challenges.
- A position at the interface between science and policy, providing evidence and advice to enable governments and others to make informed decisions.
- People with a blend of scientific and technical skills, including environmental science, UK and international environmental policy, and data modelling and analysis, that can be deployed across terrestrial, freshwater and marine environments.
- Well-established partnerships with the country nature conservation bodies, other government bodies, academia, research organisations, businesses and NGOs, utilising our convening power to bring organisations together.

Business model

JNCC, originally established under the Environmental Protection Act 1990, was reconstituted by the Natural Environment and Rural Communities Act 2006. JNCC Support Co is a company limited by guarantee established in 2005 whose principal activity is the provision of support to JNCC.

JNCC Support Co is funded primarily by grant in aid, with additional monies received for other work related to non-core activities.

The total budget for JNCC's core activities is set each year by Ministers of the Department for Environment, Food and Rural Affairs (Defra) after consultation and in agreement with their Scottish, Welsh and Northern Irish counterparts. Additionally, the Committee agrees longer-term financial plans related to its non-core activity.

Budget

The budget for 2020/21 comprised two parts:

Core activities

Grant in aid for JNCC's core activities is from four sources:

- UK co-ordination work funded through Natural England, NatureScot and Natural Resources Wales (the GB conservation bodies) and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland, for work which applies across the UK including UK marine waters, for example development of common guidelines, standards and tools and UK-level co-ordination;
- Funding provided by Defra for work relating to territories outside of the UK and work in support of, or on behalf of, UK Government in contributing to international, European or regional fora;
- Funding provided by Defra for operational work in offshore waters (beyond 12 nautical miles); and
- Governance and corporate services, funded by all funding bodies, in proportion to their contributions to the other three funding streams.

Under the provisions of the Government's alignment process, all JNCC's grant in aid, including that funded by devolved administrations through the UK conservation bodies, is channelled through Defra and therefore counts towards Defra's Departmental Expenditure Limit.

Non-core activities

Non-core activities are funded from a range of sources, including from EU grants and royalties and fees. Financial plans and risks related to such activities are reported on a quarterly basis.

Funding, which is usually linked to specific projects, is detailed in the accounts.

Risks

Overall responsibility for risk lies with the Joint Committee. Responsibility for the effective management of risk within JNCC rests with the Executive Leadership Team, with leadership of the risk management process provided by the Chief Executive and Accounting Officer. Effective risk management and governance is critical to the ability of JNCC to achieve its objectives and manage the risks it faces. Any significant risks identified by management considered likely to affect the performance of the business have been reported as part of the Governance Statement commencing on page 32 of this report.

Review of business

During the financial year ending 31 March 2021, the company made a significant contribution to nature conservation on both the national and international level through an extensive and varied programme of work. Twenty-eight of the thirty-one success measures relating to priority outputs were fully achieved, and substantial progress was made on two other success measures, whilst one objective was not achieved. Further details of performance against success measures are given on pages 12 to 19.

For the year-ending 31 March 2021 the company made a surplus on ordinary activities of £726k (surplus on ordinary activities of £449k in 2019/20). The surplus has increased the reserves to £1,855k as at 31 March 2021 (£1,129k as at 31 March 2020).

JNCC manages both its core and non-core activities closely, evaluating the extent to which value for money has been achieved and costing, where practicable, its activities according to its strategic outcomes.

JNCC plans for activities related to its statutory responsibilities to operate on a break-even basis. Cash-flow forecasting largely mirrors its budgeted funding profile. Non-core activities are planned to generate a nominal surplus, providing opportunities to pump-prime future activity and to enhance JNCC's financial resilience and ability to withstand, to an extent, decreases in grant in aid funding.

Future developments

JNCC's priorities for 2021/22 have been determined in consultation with Defra and the devolved administrations. Work will contribute to four strategic themes:

- Assessing UK status
- Supporting better decisions
- Influencing international action
- Advising on offshore management

In 2021/22, our performance will be measured primarily in terms of delivering outputs of advice, evidence and services, described in terms of success measures set out in JNCC's business plan. Following final consultation with Defra and the devolved administrations, the plan will be submitted to ministers for approval.

The work described in the business plan for 2021/22 will contribute to the achievement of the national and international obligations of the UK Government, the Scottish Government, the Welsh Government and the Northern Ireland Executive.

Going concern

The balance sheet at 31 March 2021 shows the reserves of the company as £1,855 (£1,129k in 2019/20). The future financing of JNCC is to be met by grant in aid from Defra and the devolved administrations. Grant in aid for the year ending 31 March 2022, taking into account the amounts required to meet JNCC's liabilities falling due in that year, has already been included in Defra's and the devolved administrations' estimates for that year. Due to parliamentary control processes, Defra do not have authority to commit to providing grant in aid to JNCC beyond March 2022, however JNCC's funding is guaranteed by legislation. The Natural Environment and Communities Act 2006, schedule 4, paragraph 14.1 states that the funding bodies must provide the joint committee with such financial resources as the appropriate authorities consider are needed for the proper discharge of the functions conferred by Part 2.

Consequently, it is considered appropriate to adopt the going concern basis for the preparation of these financial statements.

The directors are not aware of any significant risks which may have an impact on the ability of the company to continue to operate at the current level of activity.

Our staff

During the year ending 31 March 2021 JNCC Support Co employed, on average, 201 full-time equivalent staff, based primarily in offices in Peterborough and Aberdeen. Our staff bring together scientific and technical expertise, extensive knowledge of policy at global, European and national levels, and skills in working with other organisations.

Appointments are made in line with the Civil Service Commissioners' Recruitment Code, which requires appointment to be on merit on the basis of fair and open competition. We promote equality of opportunity for all staff, irrespective of their gender, sexual orientation,

marital status, age, pregnancy and maternity, disability, race, religion or belief. We seek to provide learning and development opportunities for all staff to maximise effectiveness, increase performance and develop staff for the future. Conditions of employment, policies and procedures are available on the JNCC website, www.jncc.gov.uk. A performance management system was in operation throughout the year ending 31 March 2021.

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We set out to be a socially responsible organisation, providing flexibility to enable our staff to combine work with home responsibilities and to contribute to the communities they live in.

JNCC employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). Details of the scheme and the company's liabilities in this regard can be found in the remuneration report and account policies note.

The breakdown of staffing by gender at the year-end was as follows:

Table 6: Breakdown of staff by gender

Staff by gender	Number of staff			Percentage of total	
	Male	Female	Total	2020/21	2019/20
Directors of the company (Joint Committee members and Chief Executive)	5	3	8	4	4
Executive directors	4	1	5	2	2
Other staff	63	151	214	94	94
Total	72	155	227	100	100

Sustainability

Whilst JNCC is exempt from the requirement to provide a Sustainability Report under the government's Greening Government Commitments, a Sustainability Report for 2020/21 has been provided on page 20.

Dr G Harper
Interim Chief Executive
On behalf of the board of directors
_____ 2021

Annual Governance Statement for the Joint Nature Conservation Committee for the year ending 31 March 2021

1. Introduction

This statement sets out how JNCC has managed and controlled its resources during the year. It provides assurance on how JNCC has carried out its corporate governance responsibilities, managed organisational risks and addressed control issues. As the Interim Chief Executive and Interim Accounting Officer I am responsible for maintaining a sound system of internal control that supports the achievement of the policies, aims and objectives of JNCC, whilst safeguarding public funds and the assets for which I am personally responsible, in accordance with the responsibilities assigned to me in *Managing Public Money*. I am required to provide assurances of operating sound systems of internal control and to set out how these duties have been discharged.

As Interim Chief Executive, I am responsible for all executive matters carried out by the JNCC Support Co. In delivering this role, I am supported and challenged by the Joint Committee who provide strategic leadership for JNCC within a framework of prudent and effective controls, which enables risk to be assessed and managed. In my Accounting Officer role, I have responsibilities (and associated powers) to advise the Joint Committee and to take action if I feel that the Committee makes any decisions that would infringe their governance or statutory responsibilities.

I was appointed Interim Accounting Officer on 1 April 2021, taking over from Mr Marcus Yeo who was the Accounting Officer for the period covered by this Governance Statement. I met with Mr Yeo and the Chair of the Audit and Risk Assurance Committee, to review assurances that a sound system of internal control had been put in place during 2020/21. My review has further been informed by the work of internal audit, assurances from Executive Directors with delegated responsibility within JNCC, and the comments and recommendations made by the external auditors in the annual management letter and other reports.

Overall, I am satisfied there are no significant control weaknesses to report and the effectiveness of the overall governance and risk frameworks has continued to be demonstrated. A comprehensive process of risk management and the system of internal control has been in place in JNCC for the year ended 31 March 2021, up to the approval of the Annual Report and Accounts and accords with HM Treasury guidance.

2. Governance arrangements

The governance framework

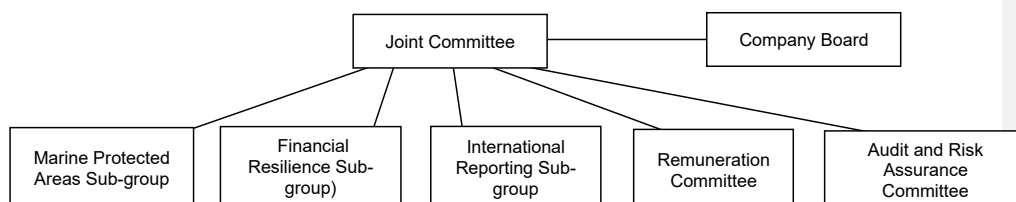
JNCC is an executive Non-Departmental Public Body (NDPB) sponsored jointly by Defra and the devolved administrations. It carries out its UK and international functions with technical expertise, impartiality and transparency, and at arm's length from its sponsors.

JNCC is led by the Joint Committee, which brings together members from the nature conservation bodies for England, Scotland, Wales and Northern Ireland and independent members appointed by the Secretary of State for the Environment, Food and Rural Affairs under an independent Chair.

Governance arrangements for JNCC, and the relationship between JNCC, UK government departments, devolved administrations and the country nature conservation bodies, are described in a Governance Framework document which was approved in 2018. This is available at http://jncc.defra.gov.uk/pdf/JNCC_Framework_Document.pdf.

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<https://hub.jncc.gov.uk/assets/d2c546d0-5eda-466a-b598-e609a5e51dd5>

A diagram of the governance structure is presented below.



JNCC operates to a Corporate Governance Framework that is based on the seven core principles ('the Nolan Principles') of good governance for public services. Through this Framework, JNCC complies with the Principles of Good Governance in Executive NDPBs as they apply to JNCC.

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control and this is informed by the work of the internal auditors and the senior managers responsible for the development and maintenance of the internal control framework.

3. Joint Committee and sub-committees

The Joint Committee has overall responsibility for fulfilling the statutory functions of JNCC, maintaining an effective framework of corporate governance, and promoting the efficient and effective use of resources. The Joint Committee is responsible for setting the strategic direction of the organisation, for ensuring that JNCC has appropriate policies and procedures in place to fulfil its statutory and administrative obligations with regard to the use of public funds, and for challenging and supporting organisational performance. It meets four times a year.

The membership of the Joint Committee is defined in Schedule 4 of the Natural Environment and Rural Communities Act 2006, and in total comprises 14 non-executive members. In 2020/21 the Committee consisted of 13 members, as one of the positions from Northern Ireland was vacant.

The Committee was chaired by Professor Chris Gilligan until 4 December 2020 (see Table 1). Professor Colin Galbraith (JNCC Deputy Chair) acted as JNCC Chair from 5 December 2020 whilst a recruitment exercise for a new JNCC Chair was completed. On 25 January 2021, Professor Colin Galbraith was appointed as JNCC's Chair for a period of three years.

Joint Committee membership provides an appropriate balance of skills, experience, independence, and knowledge to discharge duties effectively. The Joint Committee welcomes a diverse range of members and considers diversity to be a key strength. Differences in ideas, backgrounds, patterns of thinking and approaches to work generate value for the organisation and its stakeholders.

Conflicts of interest declared by Joint Committee members are managed by the Chair to ensure any necessary separation of the topic and the individual. During the year no material conflicts of interest have been reported.

Attendance at meetings of the Joint Committee, its standing sub-committees and the Company Board during 2020/21 is detailed in Table 1.

Standing agenda items for the Joint Committee include a report from the Chief Executive on topical issues, a report on discussions held at meetings of the inter-agency Chief Scientists' Group, the Committee's forward programme, reports from the Joint Committee's sub-committees, and strategic developments.

In 2020/21 key items of business included:

- overseeing delivery of the 2020/21 business plan through the scrutiny of quarterly performance reports, and discussing preparation of a business plan for 2021/22;
- undertaking a quarterly review of significant risks and an annual review of risk management in JNCC, including annual approval of the risk appetite statement;
- setting direction for strategic priorities, including international advice, offshore wind power, terrestrial monitoring and air pollution;
- discussing JNCC's input to the global biodiversity and climate change conferences in 2021;
- reviewing JNCC's response to the Covid-19 pandemic; and
- discussing JNCC's readiness for the end of the EU Transition Period.

The Joint Committee currently undertakes an assessment of its performance every three years. The most recent assessment was undertaken in January 2019. The results of the assessment indicated that the Committee worked well, with good dynamics and complementary skill-sets, and provided appropriate challenge to JNCC's management. In March 2021, Joint Committee members agreed to undertake a self-assessment biennially, in line with ARAC assessments.

Annually, the Joint Committee agrees a small number of performance objectives that are aligned with selected organisational goals where non-executive members can add significant value. The objectives form the basis of an annual appraisal for independent members of the Joint Committee.

The Joint Committee is supported by five sub-committees: Audit and Risk Assurance Committee, Remuneration Committee, Marine Protected Areas Sub-Group, International Reporting Sub-Group and Financial Resilience Sub-Group. The Marine Protected Areas, International Reporting and Financial Resilience Sub-Groups are all time-limited groups. In 2020/21, the Financial Resilience Sub-Group changed its name from the Wider Markets Sub-Group and revised its terms of reference to include all funding sources.

A schedule of delegations is in place which is revised and updated as necessary to reflect the responsibilities of the Joint Committee, Company Board and sub-committees and the JNCC Framework Document.

Sub-committees

The **Audit and Risk Assurance Committee** (ARAC) meets four times a year. Its meetings are attended by JNCC's internal audit providers (Government Internal Audit Agency) and the National Audit Office.

ARAC was chaired by Professor Colin Galbraith from 1 April 2020 until his appointment as JNCC Chair on 25 January 2021. Mr Charles Banner was appointed Chair of ARAC from 15 March 2021.

During 2020/21 ARAC's membership consisted of two Joint Committee members and two independent external members. ARAC monitors JNCC's corporate governance and control systems and advises on internal and external audit matters, risk and governance in JNCC. Key topics during the year included delivery of the annual audit programme, reviewing the financial statements and annual report, seeking assurance on information risks and cyber security, receiving updates on JNCC's response to Covid-19 and the Peterborough accommodation move, and monitoring the adequacy and efficacy of JNCC's approach to corporate risk management.

ARAC currently undertakes assessments of its performance annually. The most recent review took place in July 2020. The results of this exercise indicated that ARAC is an effective committee which provides an appropriate level of challenge and oversight, ensuring that sufficient and relevant assurance was provided to the Joint Committee and to me as Accounting Officer. ARAC members noted the need to consider the skills gap in the IT and cyber security area when considering future membership. ARAC agreed that future reviews would take place every two years, in line with Joint Committee effectiveness reviews.

The **Remuneration Committee** sets the overall pay remit for staff employed by the company on the Joint Committee's behalf (with the approval of Defra and Treasury as required) and sets and reviews the terms and conditions and performance objectives for the Chief Executive. The Committee met twice in 2020/21: in April and July. It was chaired by Professor Chris Gilligan until 4 December 2020. Professor Galbraith became Chair from 5 December 2020. The Committee has two additional members from the Joint Committee.

The **Marine Protected Areas Sub-Group** advises the Joint Committee, and in some cases makes decisions on the Joint Committee's behalf, on matters relating to the identification, designation and management of the various types of Marine Protected Area (primarily in offshore waters) and the achievement of an ecologically coherent site network in UK waters. The Sub-Group is chaired by Professor Mel Austen. In 2020/21, the Sub-Group met once. The main item of business during the year was advice on harbour porpoise Special Areas of Conservation.

The **Financial Resilience Sub-Group** was established in October 2018 to provide direction for JNCC's income generation activities. The Sub-Group was chaired by Mr Charles Banner and has three additional members from the Joint Committee. In 2021/22 a new Chair will be appointed. The Sub-Group held two meetings in 2020/21. Key business included revising the Sub-Group's remit and associated strategy and discussing opportunities for income generation and stakeholder engagement.

The **International Reporting Sub-Group** was established in April 2019 to advise on how the Joint Committee can optimise its role in international reporting, fulfilling the requirements of the UK Government and strengthening the communication of key messages. The Sub-Group is chaired by Professor Steve Ormerod and has two additional members from the Joint Committee. The Sub-Group did not meet during 2020/21 but provided oral updates on international matters to meetings of the Joint Committee.

4. Company Board

Support is provided to the Joint Committee by a company limited by guarantee, JNCC Support Co, which was incorporated on 2 March 2005. The Joint Committee has delegated the operational delivery of JNCC's functions and duties to the company through me as Chief

Executive. The Company Board comprises Joint Committee members and me as Chief Executive.

The Company Board meets annually in June to approve the Annual Report and Accounts.

Table 1. Attendance at meetings in 2020/21

Member	Joint Committee		JNCC Support Co Board		ARAC		Remuneration Committee	
	Meetings	Attended	Meetings	Attended	Meetings	Attended	Meetings	Attended
Professor Melanie Austen	4	4	1	1	N/A		N/A	
Mr Charles Banner	4	3	1	1	4	2	N/A	
Professor Ian Bateman	4	4	1	1	N/A		N/A	
Lord Blencathra	4	4	1	1	N/A		N/A	
Dr Mike Cantlay	4	0	1	0	N/A		N/A	
Ms Cath Denholm	4	3	1	1	4	4	N/A	
Professor Colin Galbraith	4	4	1	1	4	4	2	2
Professor Chris Gilligan ¹	4	3	1	1	4	3 ²	2	1
Sir David Henshaw	4	0	1	0	N/A		N/A	
Dr Hilary Kirkpatrick	4	4	1	1	N/A		2	2
Professor Steve Ormerod	4	4	1	1	N/A		N/A	
Professor Marian Scott	4	4	1	1	N/A		N/A	
Professor Michael Winter	4	4	1	1	N/A		N/A	
Mr Nigel Reader	N/A		N/A		4	4	N/A	
Ms Karen Balmer	N/A		N/A		4	4	N/A	
Mr Marcus Yeo	4	4	1	1	4	4	N/A	

5. Executive governance

Executive Leadership Team

The Executive Leadership Team (ELT) is a corporate decision-making group, chaired by me as Chief Executive. It decides issues pertaining to the management of JNCC, in relation to the authority delegated by the Company Board and supports me in my role as Accounting Officer.

During 2020/21, membership of ELT consisted of:

- Mr Marcus Yeo, Chief Executive (Chair of ELT)
- Professor Christine Maggs, Chief Scientist
- Mr Chris Brooks, Director of Finance and Resources
- Dr John Goold, Director of Marine Evidence and Advice
- Dr Steve Wilkinson, Director of Ecosystem Evidence and Advice

Dr Gemma Harper became Interim Chief Executive from 1 April 2021.

During 2020/21, ELT:

¹ Professor Gilligan's term as JNCC Chair ended on 4 December 2020.

² Professor Gilligan attended ARAC meetings as an observer.

- held formal business meetings every four weeks to oversee corporate performance, agree policies and approaches, and undertake forward planning. Attendance at meetings was excellent.
- held occasional workshops to discuss issues of strategic importance.
- held weekly meetings to allow members to keep abreast of 'live' issues and make timely decisions when required.

ELT is supported by a Science Management Board and a Resource and Planning Board. A comprehensive schedule of delegations is in place. An annual review of the terms of reference of both Boards is undertaken by the Executive Leadership Team, led by the Chief Executive.

Science Management Board

The Science Management Board oversees JNCC's scientific and technical work. This Board has specific responsibilities to support the Chief Scientist and Directors in ensuring coherent delivery of scientific and technical components of JNCC's strategy and business plan. The Board meets monthly.

Membership includes:

- Chief Scientist (Chair)
- Science Directors
- Science Team Leaders
- Head of Business Development
- Finance, HR and Communications representatives

Resource and Planning Board

The Resource and Planning Board was established to optimise the efficient delivery of JNCC's work by enabling resources to be allocated flexibly to meet changing demands. The Board meets monthly.

Membership includes:

- Director of Finance and Resources (Chair)
- Science Directors
- Science Team Leaders
- Head of Business Development
- Finance, HR and Digital & Data representatives

6. Financial management and control

JNCC's system of internal financial control is based on a framework of administration procedures including the segregation of duties, and a system of delegation and accountability. Financial management is supported through monthly management accounts and quarterly financial reporting to the Executive Leadership Team and Joint Committee. Financial information is made available monthly to all budget holders so that they can monitor performance against budget closely through the year.

7. Internal control framework

The internal audit function is independent of management and is overseen by the Audit and Risk Assurance Committee (ARAC). It provides assurance that financial and operational risks are being managed appropriately and the internal control framework is operating effectively. In 2020/21, internal audit of JNCC and JNCC Support Co was carried out by the Government Internal Audit Agency (GIAA).

The Head of Internal Audit role was undertaken by a staff member of the GIAA. In April 2021, a new Head of Internal Audit, was appointed, also from the GIAA. During the year, ARAC received regular reports from internal audit in accordance with the requirements of Government Internal Audit Standards. Internal audit activity is targeted at assessing the adequacy and effectiveness of the systems of internal control and governance in the areas reviewed. The areas for review were determined by reference to JNCC's risk registers and through discussion with directors, senior managers and members of ARAC.

The Internal Audit Strategy and Plan are approved by ARAC and the auditors provide ARAC with regular updates on progress against the annual operational plan. Any changes to the internal plan require authorisation by ARAC and ELT.

Head of Internal Audit's annual opinion

For 2020/21, the annual opinion of the Head of Internal Audit was to give a moderate assurance rating over the framework of governance, risk management and control. The opinion is based on the following information:

- ❖ outcomes of the engagements on the 2020/21 internal audit plan;
- ❖ cumulative knowledge gained from attendance at ARAC meetings, access to risk registers, and discussions with management; and
- ❖ information from the National Audit Office.

All internal audit work is completed in accordance with Public Sector Internal Audit Standards.

External audit of JNCC

The external audit of the financial statements is undertaken by the National Audit Office (NAO). The audit is planned to respond to the risks of material misstatement to transactions and balances and irregular transactions. In 2020/21 NAO found no issues of irregularity or impropriety during their audit.

Commented [TQ4]: To be updated after final audit findings.

ARAC assurance statement

ARAC is required to provide an opinion on the adequacy and effectiveness of the organisation's arrangements for risk management, control and governance, efficiency and effectiveness. ARAC's opinion is based on its consideration of the organisation's risk registers, the internal auditor's annual report and opinion, the external auditor's Audit Completion Report and Letter of Representation, other work undertaken or commissioned by ARAC such as risk drill-downs and discussions at its meetings. In addition, ARAC receives a range of written reports throughout the year. These include annual reports on information management and cyber security, updates to the organisation's counter-fraud and anti-corruption policy and an annual paper on legislative compliance.

During 2020/21, ARAC has operated to a high standard and has received appropriate, regular and timely information regarding the production of JNCC's Annual Report and Accounts and about JNCC's internal control environment. ARAC assists the Accounting Officer and Joint

Committee to formulate their assurance needs and to consider how well these needs are met by gauging the extent to which assurance on the management of risk is comprehensive and reliable.

Assurance draws attention to the aspects of risk management, governance and control that are functioning effectively and, just as importantly, the aspects which need to be given attention to improve. Assurance cannot be absolute, so ARAC needs to know that the organisation is making effective use of the assurance mechanisms at its disposal, targeting these at areas of greatest risk.

The establishment of JNCC's internal control and risk management systems is based on the identification of the numerous external and internal risk factors that could influence the operational and financial objectives of the organisation. It includes an effective system of monitoring, reporting and operational reviews. All material risk management activities have been discussed with ARAC and subsequently reported to the Joint Committee through quarterly performance reports and an annual discussion paper on risk assessment and management.

Financial management in JNCC has continued to be applied with rigour, and reliance can be placed on the financial statements and disclosures presented in JNCC's Annual Report and Accounts.

As with other organisations, cyber security incidents continue to pose an increasing threat to management of JNCC's information, with the possibility of hacking, ransomware, cyber fraud and potential accidental information losses. This was particularly the case in 2020/21, as JNCC was notified by the National Cyber Security Centre (NCSC) of a security breach to its systems. To date, despite extensive investigations including contracting an external security consultant recommended by NCSC, no evidence of data leakage or damage has been found. Cyber security is an area of management activity that ARAC scrutinises at each meeting and discusses in detail when it receives the annual report on information risk and cyber security.

The Peterborough office move into the Government hub being built by the Government Property Agency (GPA) at Fletton Quays has been a prominent feature of ARAC agendas this year. During the year, ARAC have monitored the risks around the move, including desk and meeting space availability, the additional running costs of the new building, the building's environmental credentials, the suitability of the new accommodation to meet JNCC's long-term requirements as the organisation returns to a new blended working model and staff views and buy-in to the move. ARAC will continue to monitor the risks through to completion of the project in the summer of 2022.

Covid-19 has been a significant challenge to the organisation in 2020/21. ARAC monitored the necessary change in working practices and the transition of staff to working from home. Policies, guidance and working practices were effectively revised to support the new situation. Re-planning work was undertaken in line with government priorities, budget changes and other constraints. Evaluating risks at each stage of the transition was vital and will continue as the organisation moves, in due course, to post Covid-19 working arrangements.

ARAC, on behalf of the Joint Committee, has conducted an annual assessment of the operation of the organisation's systems of risk management and internal control. Overall, the organisation has performed well in 2020/21. JNCC's accounts for 2019/20 were unqualified and for the first time in 10 years there were no audit points raised by National Audit Office. This demonstrates the strength of JNCC's internal controls and the quality of information presented. During the year, there were no significant losses and no fraud. The IT area has stood up well, despite the breach that did not result in loss or damage. Staff turnover in JNCC

remains low and within the Defra norm. The Executive's response to Covid-19 was rapid and comprehensive and the delivery of strategic objectives was strong.

8. Risk management

Overall responsibility for risk lies with the Joint Committee. Responsibility for the effective management of risk within JNCC rests with ELT, with leadership of the risk management process provided by me as Chief Executive and Accounting Officer. Effective risk management and governance is critical to the ability of JNCC to achieve its objectives and manage the risks it faces.

The risk management system is based on a hierarchical structure, with risk escalation processes in place up to corporate levels. This structure allows and promotes the escalation of risks that cannot be controlled at lower levels or which may have an impact on teams or the organisation as a whole. JNCC's risk management process comprises:

- a high-level corporate risk register, which includes the principal long-term risks affecting JNCC;
- an annual significant risk register capturing a small number of significant risks which are 'live' and require active management during the year;
- a comprehensive risk appetite statement;
- quarterly reporting on significant risks to ELT, the Joint Committee and the Audit and Risk Assurance Committee; and
- risk drill-downs undertaken by non-executives to evidence and challenge the mitigation measures in place and propose additional action where required.

In addition to quarterly risk reporting on significant risks, regular consideration and reporting of new or fast-evolving risks is undertaken by ELT and ARAC. A review of the corporate risk register is undertaken annually by ELT and the Joint Committee.

In addition to the above, in 2020/21 a Covid-19 risk register was established to tabulate risks in relation to the pandemic. High priority was given to maintaining staff well-being and motivation and delivery of key priorities.

Risk drill-downs by members of ARAC provide detailed scrutiny of JNCC's key risks and are a useful exercise in gaining assurance on mitigation activity and identifying any gaps that need to be filled. During 2020/21 risk drill-downs were undertaken in the following areas:

- i. EU exit and devolution;
- ii. Change management in JNCC;
- iii. JNCC's response to Covid-19;
- iv. Staffing risks.

The ARAC Chair refers to the Joint Committee all issues that pose a major risk to the business integrity of JNCC and those that in his judgement require disclosure to the full Committee or need immediate action. In addition, the Chair of ARAC informs the Joint Committee of any fraud, misappropriation or malpractice immediately that it is discovered or suspected.

JNCC's significant risks in 2020/21 can be found in Table 2.

Risk appetite

In 2020/21, the risk appetite statement was reviewed by ARAC and the Joint Committee. JNCC focuses its efforts on addressing the significant risks affecting its ability to achieve the success measures set out in the annual business plan and to meet longer-term strategic goals but accepts that exposure to some risk is necessary to enable the effective delivery of objectives and in the pursuit of new opportunities and additional funding sources. Defining JNCC's risk appetite means defining as an organisation the amount and type of risk that it is prepared to seek, accept, tolerate or be exposed to in the pursuit of its long-term objectives.

Being clear at all levels of the organisation about the amount of risk JNCC is willing to take ensures that performance and delivery are maximised, and opportunities are seized whilst ensuring the stability of the organisation. In the main, JNCC has adopted an informed and prudent appetite for taking significant risks. The need to assure the quality of scientific evidence is vital and it is important to have a strong reputation and good working relationships with a range of stakeholders and partners. Acceptance of greater risk is necessary to foster innovation and generate income and represents a balance between the potential benefits of innovation and the risks that change inevitably brings.

Management of fraud risk

JNCC has zero tolerance towards fraud, bribery and corruption, and all staff are required to undertake mandatory 'Responsible for Information' training which includes content relating to fraud, bribery and corruption.

JNCC continued to contribute to Government counter-fraud initiatives and activities through collaboration with the Defra Fraud and Error Board where best practice is shared between Defra and its arm's-length bodies. In 2020/21, JNCC completed a Government Functional Standard (GovS 013) counter-fraud annual assurance checklist. This Cabinet Office requirement has supported JNCC in enhancing its fraud response and assessing compliance and training needs against the functional standard. JNCC's Counter Fraud and Anti-corruption policy was also revised and updated.

Regular training and internal communications with staff continue to provide an effective way of maintaining awareness of obligations and reporting arrangements for dealing with potential fraud, bribery, information security and whistleblowing matters.

Table 2. Significant risks faced by JNCC in 2020/21

Risk	Management Action
The Covid-19 pandemic adversely affects JNCC's ability to deliver its priorities	<ul style="list-style-type: none">• Re-plan work programme for 2020/21 in line with changing circumstances• Maintain staff motivation and well-being while working from home• Provide effective IT support for remote working• Take action to minimise any shortfall in income for 2020/21• Maintain a strategic focus on the biodiversity and climate change crises, and advise governments on the development of a post-Covid 'green recovery'
JNCC's ability to undertake its core functions is compromised because governments in the	<ul style="list-style-type: none">• New strategy aligns JNCC more closely with country priorities

Risk	Management Action
UK adopt divergent priorities, approaches and structures	<ul style="list-style-type: none"> • Business plan setting out priorities agreed with each government • Liaison posts improve 2 two-way communication between JNCC and country nature conservation bodies and governments • Maintain awareness of legislative and policy developments in each country and take action accordingly
Insufficient core funding to maintain a robust evidence base and deliver high-quality advice to governments	<ul style="list-style-type: none"> • Appropriately resourced annual business plan that meets governments' priorities • Input to Spending Review to secure appropriate multi-year funding for JNCC • income generation to maintain critical mass of expertise within JNCC
Failure to increase and diversify income, leading to reduced capability	<ul style="list-style-type: none"> • Strategic approach to income generation, focussed on developing priority business areas • Regular review of income pipeline • Strengthen partnerships with key organisations
Internal processes and structures hinder implementation of JNCC's strategy	<ul style="list-style-type: none"> • Introduce strategic workforce planning • Strategic approach to income generation, focussed on developing priority business areas • Introduce a more systematic approach to engagement with key stakeholders • Embed a flexible and responsive approach to delivery
Dissatisfaction with pay and reward leads to low staff morale and increased turnover	<ul style="list-style-type: none"> • Submit pay flexibilities case to Treasury • Introduce new system for performance pay and reward
Failure to take advantage of opportunities for international action on biodiversity and climate change	<ul style="list-style-type: none"> • Work closely with governments and country conservation bodies to provide input to CBD COP15 and UNFCCC COP26 • Strengthen support to government on ODA spend • Build capacity in priority areas (e.g. economics)
Change of Chair and CEO causes problems with delivery, stakeholder relationships or corporate governance	<ul style="list-style-type: none"> • Appoint Interim CEO well in advance of current CEO leaving to give plenty of time for handover • Implement induction programme for new Chair • Maintain continuity as far as possible in JNCC's senior leadership and Committee membership
New Peterborough office accommodation at Fletton Quays does not meet JNCC's long-term requirements	<ul style="list-style-type: none"> • Define JNCC's user requirements for Fletton Quays and use as basis for negotiation • Review JNCC's long-term operating model and the balance between office and home-based working • Raise concerns with senior Defra officials

Covid-19 response

In response to the coronavirus (Covid-19) pandemic the Government introduced progressively restrictive social distancing measures during March 2020. On 24 March 2020, JNCC closed its offices in Peterborough and Aberdeen and all staff moved to working from home. The Peterborough office was reopened in July to cater for people who were unable to work effectively from home. The Aberdeen office remained closed for the entire year.

A team was established to oversee JNCC's response to the pandemic, chaired by the Chief Executive. The team initially met daily, which was gradually reduced to weekly and then every six weeks. The Executive Leadership Team (ELT) provided overall direction, and regular reports were provided to ARAC and the Joint Committee.

The majority of staff have been working from home to a reasonable extent for the past 12 months, with a small number returning to JNCC's Peterborough office in July 2020. However, capacity across the organisation was significantly reduced at various times by illness, childcare responsibilities and other factors. IT support for home working has worked extremely well and JNCC has made a step change in the use of tools to support communication and collaborative working.

The pandemic presented serious risks to delivery of JNCC's work programme for 2020/21. Priorities were reassessed at the start of the year to take account of the impacts of Covid-19 and were kept under review for the remainder of the year. Many priorities were still achievable, although in some cases over a longer timescale than originally planned. Fieldwork and international engagement were the hardest hit. At all levels of the organisation regular contact with governments, country nature conservation bodies and other key stakeholders was maintained.

Other key risks associated with Covid-19 included reduced staff motivation and well-being and the viability of partner organisations.

To assess the executive's response to the pandemic, Nigel Reader (an ARAC independent member) undertook a risk drill-down into the mitigation measures in October 2020. The results were discussed by ARAC in December. The overall conclusion from the drill-down was that "The risks and issues arising from Covid-19 have been effectively managed to date. ARAC has been kept well-informed and has been able to offer advice to management at key points in the response process." The areas identified for improvement as a result of the drill-down were appropriately followed up by management.

An internal audit was also commissioned. This report was received in April 2021. The audit resulted in a substantial assurance rating.

9. Assurance reporting

In 2020/21, JNCC introduced quarterly assurance reporting to gather information to build and maintain an assurance map of the organisation. Quarterly reporting assists in identifying gaps in assurance and strengthens accountability and ownership of control and risk issues within JNCC teams. Returns from teams are collated and an average organisational rating is calculated for each of seven assurance areas. Action plans are devised to address any weaknesses with the Governance Manager offering support where required. Outputs from reporting are shared with team leaders, ARAC and the Joint Committee. JNCC executive directors use outputs to provide evidence to support their annual Director Assurance Statements.

10. JNCC strategy and values

JNCC's strategy for 2020–2025 sets out the direction of the organisation and contains four themes:

1. Assessing environmental status in the UK
2. Supporting better decisions

3. Influencing international action
4. Advising on offshore management

The strategy provides a high-level framework for JNCC's annual business plan.

Alongside the strategy, JNCC has a set of values that help to shape the culture of the organisation. Communicating and living these values provides standards to guide actions, judgements and attitudes. JNCC's values are:

- **Be agile and embrace change** – We operate in a rapidly changing world and are quick to adapt skills to meet new situations.
- **Meet challenges creatively** – We apply our expertise to continuously improve and innovate what, and how, we deliver.
- **Communicate openly** – We maximise benefits from our expertise and develop and work to common goals because we share information, ideas and concerns.
- **Grow our expertise** – We are good at what we do because we invest in continuously developing and updating our skills and knowledge.
- **Deliver quality** - We create and provide excellent products and services – fit for purpose and right the first time.
- **Work collaboratively** – We maximise impact through teamwork across the organisation and with our partners.
- **Be accountable for our actions and decisions** – We create trust by meeting our commitments, being transparent and acting with integrity.
- **Be respectful** – We enjoy good relationships and high levels of engagement because we are respectful.

The values form part of JNCC staff performance appraisals and are communicated to JNCC partners and contractors.

11. Income diversification

In 2020/21 JNCC continued to evolve its approach to income generation to meet organisational priorities and enhance financial sustainability. Income generation was more closely aligned with JNCC's strategic priorities and the Financial Resilience Sub-Group amended its terms of reference to reflect the changing approach. The Sub-Group's amended responsibilities are to advise the Joint Committee on the balance of funding from different sources and the associated risks and opportunities; align funding with JNCC's five-year strategy; and develop strategic approaches to stakeholder engagement to achieve financial resilience.

The Joint Committee retains ultimate responsibility for making decisions on JNCC's priorities and funding, within the policy and resources framework determined by Defra and the devolved administrations.

12. Information management and cyber security

JNCC is an information-rich organisation. This information needs to be managed appropriately. JNCC maintains an information management policy which details processes and procedures to be used by staff when handling both scientific data and personal information. All JNCC staff undergo annual information management training in line with standard Civil Service policy enhanced by additional training in GDPR and countering social engineering attempts. Through the processes of financial management and control the Audit and Risk Assurance Committee considers the information used by the Joint Committee to be

of good quality. Improvements in data protection continue at pace with the implementation of recommendations from the GDPR review conducted with the Defra Data Protection Office in 2020.

The shifting nature of threats to IT is challenging, particularly to a small organisation like JNCC. JNCC's increased profile and role in international agreements and conferences has increased the overall risk profile in relation to state-level actors. In late 2020, JNCC was informed by the National Cyber Security Centre that JNCC's systems had been penetrated by a state-level actor. To date, despite extensive investigations including contracting an external security consultant recommended by NCSC, no evidence of data leakage or damage has been found. There is no evidence that the incident resulted in financial loss.

IT policy continues to evolve to meet new threats in a fast-evolving and changing environment. Security is a journey, not a destination. In 2020/21, JNCC held data that is classified (under the standard classification system) as:

- OFFICIAL
- OFFICIAL – SENSITIVE

JNCC does not hold any data of higher standard classification. All previous systems requiring special handling have been discontinued.

As a UK body, JNCC is uniquely placed to benefit from regular contact with a wide range of bodies, including UK Government departments, the devolved administrations and the country nature conservation bodies. Technical collaboration around remote working, incident remediation and cloud computing have enabled all parties to reduce costs, plan work, and learn from each other's experiences.

13. Performance management

JNCC maintains a comprehensive performance management system. A dashboard style quarterly reporting format is used to provide information in a concise and accessible form, enabling executives and non-executives to quickly review important information.

Outputs are set annually through JNCC's business planning process and are endorsed by the Joint Committee and the UK and devolved governments. The outputs are used to assess performance in-year. During the year, ELT and the Joint Committee undertook quarterly reviews of JNCC's performance against its success measures and its financial position. JNCC also submits quarterly performance reports to its government sponsors.

JNCC performed well in 2020/21, although Covid-19 inevitably had an adverse effect on overall delivery of the work programme. Out of a total of 31 priority outputs, 27 were fully achieved and three were partially achieved. One output was not achieved.

The JNCC Chair and the Chief Executive have a meeting every six months with the Defra minister responsible for JNCC. In 2020/21, two meetings between Defra ministers and JNCC have taken place. These were in September 2020 with Minister Pow and in January 2021 with Minister Pow and Minister Goldsmith.

14. Compliance with the NDPB Corporate Governance Code

In 2020/21 JNCC complied with the NDPB Corporate Governance Code in so far as it applies to the organisation with the following exceptions.

JNCC does not currently undertake an annual evaluation of Committee and Board performance. The Joint Committee evaluates its performance at least once every three years; this was commensurate with the size of the Committee and number of meetings each year. A proposal to move to biennial reviews was agreed by Joint Committee members in March 2021. The Chair undertakes a comprehensive annual performance review for each of the independent members of the Joint Committee.

JNCC monitors performance in handling Freedom of Information and Environmental Information Regulations requests and reports this information quarterly on the JNCC website: <https://jncc.gov.uk/about-jncc/corporate-information/access-to-information/>. Significant resources would be required to develop and implement systems to monitor and report on other correspondence, and there are currently no plans to do this. JNCC has a complaints procedure documented on its website which explains who is responsible for investigating and adjudicating on any complaints: <https://jncc.gov.uk/about-jncc/corporate-information/complaints/>. All correspondence is handled on a need to know basis and held in a confidential file with restricted access.

15. Evidence quality

JNCC has robust evidence quality assurance processes in place to maintain its reputation for scientific excellence. Policies and associated guidance notes provide a standard for JNCC staff to follow to ensure that the quality of JNCC scientific advice and evidence is fit for purpose. A key principle is that quality assurance should be proportionate to the intended use of the advice or evidence. JNCC's policy is compliant with *The Government Chief Scientific Adviser's Guidelines on the Use of Scientific and Engineering Advice in Policy Making* (2010).

In 2020/21, a series of in-house audits was conducted on projects subject to the evidence quality assurance process. These audits assessed whether processes had been followed and relevant documentation produced. Recommendations were raised to address any perceived weaknesses and ensure consistency across projects. Best practice was shared with JNCC project managers.

JNCC does not own any business-critical models.

16. Ministerial directions

In 2020/21 JNCC received no ministerial directions.

17. Whistleblowing

JNCC has a Public Interest Disclosure Policy (Whistleblower's Charter) in place. The policy promotes openness in dealing responsibly with wrongdoing in the workplace and if staff have concerns, they can raise them as a 'qualifying disclosure'. Compliance with the policy is monitored and reported to the Audit and Risk Assurance Committee each quarter. In 2020/21, there were no instances of whistleblowing reported.

18. Plans and challenges for future years

During 2021/22, we anticipate delivering an ambitious and diverse programme of work in support of Defra and devolved administrations, following the new five-year strategy.

The key risks facing JNCC in 2021/22 are considered to be:

- Decline in staff wellbeing and morale and increased staff turnover due to impacts of Covid-19, low pay and other factors.

- Divergence in priorities, approaches and structures between the four nations of the UK affects JNCC's ability to undertake its core functions and deliver its strategy.
- Insufficient funding to deliver core functions and maintain critical mass of expertise.
- Cybercrime and/or failure of information technology systems results in financial loss, disruption or damage to JNCC's reputation.
- Leadership changes in JNCC cause problems with delivery, stakeholder relationships or corporate governance.
- Failure to take advantage of opportunities for international action on biodiversity and climate change.

The extent to which these risks are successfully managed will be kept under review during 2021/22 by the Joint Committee, ARAC and ELT. A programme of risk drill-downs undertaken by non-executive members of the Joint Committee and ARAC is in place to challenge the effectiveness of mitigating actions and propose additional action where appropriate.

19. Conclusion

During 2020/21, the world changed and became a more challenging place. JNCC's governance arrangements were tested in response to the pandemic and were found to be robust and well managed. JNCC was able to continue to fulfil its role as a scientific authority on UK and international nature conservation and to deliver a wide-ranging programme of work on behalf of government and other stakeholders. Governance arrangements continued to support JNCC's aims as evidenced through high levels of stakeholder satisfaction, world-class scientific capability, sustainable finances and highly engaged staff. In forming my opinion of the governance arrangements, I have taken into account the various sources of assurance available to me, which include the Head of Internal Audit's opinion and the ARAC assurance statement.

In 2021/22, JNCC will continue to face a number of significant risks especially in relation to the complex and uncertain environment in which it operates. These risks are detailed in section 18 of this Governance Statement.

Dr G Harper
Interim Chief Executive

2021

JNCC Support Co Remuneration Report

Remuneration policy

The remuneration for the JNCC Chair and independent Committee members is set by the Department for Environment, Food and Rural Affairs (Defra).

The remuneration of the Chief Executive is reviewed regularly against the advice issued by the Review Body on Senior Salaries. Any proposed changes are then subject to the approval of Defra.

All pay awards for staff other than the Chief Executive have to conform to the annual Civil Service Pay Guidance document issued by Treasury. This guidance document forms part of the pay remit process and is intended to ensure that pay awards are affordable, offer value for money, and meet the needs of individual businesses. As part of this process JNCC has to submit its recommended pay award to Defra, who have delegated authority to approve pay remits that conform to Treasury guidance. Pay remits that do not conform to the guidance require Treasury approval.

The JNCC applies a number of reward principles which aim to:

- meet business needs of the organisation;
- be affordable for the organisation in the short- and long-term;
- provide a pay structure which is sustainable in the longer term;
- reward, retain and motivate staff;
- support equal pay;
- be fair and transparent;
- ensure that appropriately skilled and experienced staff can be recruited;
- recognise and reward good performance;
- offer comparable salary levels with other relative workforce groups;
- aim to maintain the total staff remuneration package at a level which is appropriate given the financial environment and reflects competitiveness in the appropriate market.

Contracts of employment

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the directors and other staff covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme. Independent members of the Committee, who are appointed by Defra under an instrument of appointment, would not be eligible for compensation under the Civil Service Compensation Scheme.

The periods of appointment for independent Committee members are detailed below.

Table 9: Independent Committee member appointment periods

Independent Committee Member	Term (Years)	Commencement Date
Professor CA Gilligan (reappointed) ¹	3.5	1 June 2017
Professor CA Galbraith (reappointed)	4	1 November 2017
Professor IJ Bateman (reappointed)	4	1 November 2017
Professor MCV Austen	3	15 December 2020
Mr CER Banner	3	15 December 2020
Professor EM Scott	3	15 December 2020

1. Professor CA Gilligan's appointment was extended on 1 June 2020 until 4 December 2020

Further information about the work of the Civil Service Commissioners can be found at <http://civilservicecommission.independent.gov.uk>.

Remuneration (including salary) and pension entitlements

The following sections provide details of the remuneration and pension interests of the most senior JNCC staff, and those of the Chair and independent members of the Committee. JNCC is advised of the salaries of the Chair and independent Committee members by the Department for Environment, Food and Rural Affairs. Members appointed by the country nature conservation bodies are remunerated directly by those bodies. This information is subject to audit.

Salary

'Salary' includes gross salary and any allowances, such as recruitment and retention allowances, to the extent that it is subject to UK taxation. This report is based on payments made by JNCC Support Co and thus recorded in these accounts.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by Her Majesty's Revenue and Customs as a taxable emolument. At the present time, no senior member of staff of JNCC Support Co is in receipt of taxable benefits.

Bonuses

Bonuses are based on performance levels and are made as part of the formal staff appraisal process. The bonuses awarded in 2020/21 relate to performance in 2019/20.

Single total figure of remuneration (subject to audit)

Table 10: Committee member remuneration

Committee members	Period of appointment	Days service 2020/21	Salary (£000)	
			2020/21	2019/20
Prof CA Gilligan (Chair)	01.06.2014 to 04.12.2020	104	25–30	40–45
Prof CA Galbraith (Chair)*	25.01.2021 to 24.01.2024	65	10–15	0
Independent members				
Prof CA Galbraith *	19.11.2014 to 24.01.2021	37	5–10	10–15
Prof IJ Bateman	19.11.2014 to 18.11.2021	30	5–10	5–10
Prof MCV Austen	15.12.2017 to 14.12.2023	30	5–10	5–10
Mr CER Banner	15.12.2017 to 14.12.2023	30	10–15	5–10
Prof EM Scott	15.12.2017 to 14.12.2023	30	5–10	5–10
Mr NF Reader **	01.09.2016 to 31.08.2023	10	0–5	0–5
Ms K Balmer **	02.09.19 to 01.09.2021	9	0–5	0–5

No Committee members received bonus payments or pension benefits in either 2019/20 or 2020/21.

* Prof CA Galbraith was appointed Chair on 25.01.2021 for a term of three years.

From 05/12/20 to 24/01/21 Prof CA Galbraith acted as Chair in his existing capacity as Deputy Chair, he also continued in his role as Chair of ARAC to 15th March. The remuneration for the acting Chair and ARAC to 15 March are included in the total for this role.

** Mr NF Reader and Ms K Balmer are not members of the Joint Committee but have been added to the disclosure because they were remunerated for their work for the Audit and Risk Assurance Committee. Payment for one amount each paid in arrears in April 2021 is included in this total.

Table 11: Senior staff remuneration

Senior staff	Salary (£,000)		Bonus payments (£,000)		Pension benefits (£,000) ¹		Total (£,000)	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Mr MJM Yeo (Chief Executive)	90–95	90–95	5–10	5–10	44	42	140–145	140–145
Executive directors								
Dr JC Goold	55–60	55–60	0–5	0–5	23	23	80–85	80–85
Professor C Maggs	55–60	70–75	0	0	23	28	80–85	100–105
Dr SB Wilkinson ²	55–60	35–40	0–5	0	36	-10	95–100	25–30
Mr CM Brooks	70–75	70–75	0–5	0	28	28	100–105	100–105

¹ The value of benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increase excludes increase due to inflation or any increase or decreases due to a transfer of pension rights.

² Dr S Wilkinson was appointed as an executive director on 29 July 2019. His salary for 2019 expressed as a full-time equivalent falls in the band £50,000–£55,000.

Pay multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in JNCC Support Co in the financial year 2020/21 was £100–£105k (£100–£105k in 2019/20). This was 2.87 times the median remuneration of the workforce (2.97 times in 2019/20), which was £34.9k (£33.7k in 2019/20). The increase in the median remuneration of the workforce arises from a change in the mix of staff grades between the two years.

No employees received remuneration in excess of the highest paid director in either 2020/21 or 2019/20.

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Pension benefits (subject to audit)

Table 13: Pension Benefits

Senior staff:	Total accrued pension at pension age at 31/03/21 and related lump sum £000s	Real increase in pension and related lump sum at pension age £000s	CETV at 31/03/21 £000s	CETV at 31/03/20 £000s	Real increase in CETV £000s
Mr MJM Yeo (Chief Executive) ¹	50–55	2.5–5	932	870	30
Dr JC Goold ¹	15–20	0–2.5	244	218	14
Professor C Maggs ¹	5–10	0–2.5	107	80	20
Dr SB Wilkinson	15–20 plus lump sum of 35–40	0–2.5 plus lump sum of 0–2.5	338	301	24
Mr PM Rose	15–20 plus lump sum of 55–60	0 - 2.5 plus lump sum of 0–2.5	467	444	2
Dr SD Gibson	25–35 plus lump sum of 50–55	0–2.5 plus lump sum of 0–2.5	510	467	23
Mr CM Brooks	0–5	0–2.5	66	41	18

¹ Mr MJM Yeo, Professor C Maggs, Mr CM Brooks and Mr JC Goold are members of pension schemes that do not include a lump sum payment.

Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switched into **alpha** sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of **classic**, **premium**, **classic plus**, **nuvos** and **alpha**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Dr G Harper
Interim Chief Executive
_____ 2021

Statement of Directors' Responsibilities

Under Section 393 of the Companies Act 2006 directors of a company must not approve accounts unless they are satisfied that they give a true and fair view of the assets, liabilities, financial position and profit or loss of the company.

For the purposes of these accounts it should be noted that in referring to the directors, this includes the Chief Executive who also holds the position of Accounting Officer.

Section 394 of the Companies Act 2006 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make independent judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and maintained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Where amounts are presented within items in the profit and loss account and balance sheet, the directors have had regard to the substance of the reported transactions or arrangement, in accordance with generally accepted accounting principles or practice. In the case of each of the persons who are directors at the time when the Directors' Report is approved:

- So far as the directors are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing the report) of which the company's auditors are unaware; and
- Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Accounting Officer confirms that the annual report as a whole is fair, balanced and understandable and that she takes personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

THE REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE MEMBERS OF THE JNCC SUPPORT Co

Opinion on financial statements

I have audited the financial statements of the JNCC Support Co for the year ended 31 March 2021 under the Government Resources and Accounts Act 2000. The financial statements comprise the Profit and Loss account, Statement of Total Recognised Gains and Losses, Balance Sheet, Cash Flow statement and the related notes, including the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom generally Accepted Accounting Practice).

I have also audited the information in the Remuneration Report that is described in that report as having been audited. In my opinion the financial statements:

- give a true and fair view of the state of the JNCC Support Co's affairs as at 31 March 2021 and of the gain for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice); and
- have been prepared in accordance with the Companies Act 2006.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the JNCC Support Co in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the JNCC Support Co's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on JNCC Support Co's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises information included in the Annual Report, but does not include the parts of the of the Remuneration Report described in that report as having been audited, the financial statements and my auditor's report thereon. The directors are responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters [prescribed by the Companies Act 2006]

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Remuneration Report to be audited have been properly prepared in accordance with the Government Financial Reporting Manual;
- the information given in the Performance Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Performance Report and the Strategic Report have been prepared in accordance with applicable legal requirements

Matters on which I report by exception

In the light of the knowledge and understanding of the JNCC Support Co and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and the Strategic Report.

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- a corporate governance statement has not been prepared by the parent company; or
- I have not received all of the information and explanations I require for my audit;

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for:

- the preparation of the financial statements and for being satisfied that they give a true and fair view.
- such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- assessing the JNCC Support Co's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors and the Accounting Officer anticipate that the services provided by the JNCC Support Co will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- Inquiring of management, the JNCC Support Co's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the JNCC Support Co's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the JNCC Support Co's controls relating to the Natural Environment and Rural Communities Act 2006 and the Companies Act 2006.
- discussing among the engagement team and involving relevant internal and or external specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition and posting of unusual;
- obtaining an understanding of the JNCC Support Co's framework of authority as well as other legal and regulatory frameworks that the JNCC Support Co operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the JNCC Support Co. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, and employment, taxation and pensions legislation;

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Committee and in-house legal counsel concerning actual and potential litigation and claims; and
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my report.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Gareth Davies

Date

Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Profit and Loss Account
For the year ended 31 March 2021

	Note	2020/21	2019/20
		£000s	£000s
Turnover	2	15,259	14,123
Cost of activities	2	<u>(12,682)</u>	<u>(11,499)</u>
Gross profit		2,577	2,624
Administrative expenditure	3	(1,852)	(2,181)
Operating gain/(loss)	2	725	443
Gain/(loss) on ordinary activities before interest		725	443
Other interest receivable and similar income	2	1	8
Gain/(loss) on ordinary activities before taxation		726	451
Tax on interest receivable		-	(2)
Gain/(loss) for the financial year		726	449

The notes commencing on page 65 form part of these accounts.

**Statement of Total Recognised Gains and Losses
For the year ended 31 March 2021**

	Note	2020/21	2019/20
		£000s	£000s
Gain/(loss) for the financial year	2	<u>726</u>	<u>449</u>
Total gain relating to and recognised in the year		<u>726</u>	<u>449</u>

The notes commencing on page 65 form part of these accounts.

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Balance Sheet
As at 31 March 2021

	Note	As at 31 March 2021 £000s	As at 31 March 2020 £000s
Fixed assets			
Intangible assets	8	5	7
Tangible assets	9	131	150
		136	157
Current assets			
Cash at bank and in hand	10	3,372	2,720
Debtors	11	1,180	774
		4,552	3,494
Creditors			
Amounts falling due within one year	12	(2,347)	(2,049)
		2,205	1,445
Net current assets			
Total assets less current liabilities		2,341	1,602
Provisions for liabilities	13	(486)	(473)
		1,855	1,129
Capital and reserves			
Profit and loss account	14	1,855	1,129
Total reserves		1,855	1,129

The Financial Statements on pages 60 to 64 were approved by the board of directors on _____ 2021 and signed on its behalf.

Dr G Harper
Interim Chief Executive

Company Number 05380206 (England and Wales)

The notes commencing on page 65 form part of these accounts.

Cash Flow Statement
For the year ended 31 March 2021

	Note	2020/21 £000s	2019/20 £000s
Gain/(loss) on ordinary activities before interest	2	725	443
Adjustments for:			
Amortisation of intangible assets	8	5	5
Depreciation of property, plant and equipment	9	41	23
(Increase)/decrease in trade and other receivables	11	(406)	206
Increase/(decrease) in provisions	13	13	(7)
Increase/(decrease) in trade payables	12	298	615
Cash from operations		676	1,285
Income taxes paid	2	-	(2)
Net cash generated from operational activities		676	1,283
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(22)	(91)
Purchase of intangible assets	8	(3)	(1)
Interest received	2	1	8
Net cash from investing activities		(24)	(84)
Net increase/(decrease) in cash and cash equivalents	10	652	1,199
Cash and cash equivalents at beginning of the year	10	2,720	1,521
Cash and cash equivalents at end of year	10	3,372	2,720

The notes commencing on page 65 form part of these accounts.

Analysis of changes in net debt	As of 01/04/20 £000s	Cash flows £000s	As of 31/03/21 £000s
Cash and cash equivalents			
Cash at bank and in hand	2,720	652	3,372
Short term debtors	774	406	1,180
	<u>3,494</u>	<u>1,058</u>	<u>4,552</u>
Debt			
Creditors due within one year	<u>(2,049)</u>	<u>(298)</u>	<u>(2,347)</u>
	<u>(2,049)</u>	<u>(298)</u>	<u>(2,347)</u>
Net debt	<u><u>1,445</u></u>	<u><u>760</u></u>	<u><u>2,205</u></u>

The notes commencing on page 65 form part of these accounts.

JNCC Support Co Notes to the Financial Statements For the year ended 31 March 2021

1. Accounting policies

Statement of accounting policies

The financial statements are intended, without limiting the information given, to conform to the requirements of the Companies Act 2006 and have been prepared in accordance with the Financial Reporting Standard (FRS) 102. Where the requirements do not conflict with the Government Financial Reporting Manual (FRoM) information has been presented utilising the FRoM requirements.

Where the requirements of the Companies Act or the FRoM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the JNCC Support Co, for the purpose of giving a true and fair view, has been selected.

Accounting convention

These financial statements have been prepared under the historical cost convention.

Estimation

In accordance with paragraph 2.9 of FRS 102, the Executive Leadership Team is satisfied that prudence has been applied in the exercise of any judgments needed where estimation of the value of assets or liabilities has been required in the production of these accounts.

Turnover

The principal form of income is grant in aid received from the Department for Environment, Food and Rural Affairs. This is treated as income in the accounts as it is provided to enable JNCC Support Co to provide the services necessary to support the Joint Nature Conservation Committee in the delivery of its objectives.

The bulk of the remaining turnover is in the form of contributions to project work, plus further income comprising grants from European Union sources, income for the provision of advice, and royalties.

Expenditure is stated gross of VAT because as a non-trading public sector organisation JNCC is only able to reclaim a fraction of the VAT paid on expenses incurred as part of its normal business. However, all income is stated net of VAT and trade discounts.

Going concern

Grant in aid for the next financial year, taking into account the amounts required to meet JNCC Support Co's budgeted liabilities for 2021/22, has already been included in Defra's and the devolved administrations' estimates for the coming year. Due to parliamentary control processes, Defra do not have authority to commit to providing grant in aid to JNCC beyond March 2022, however JNCC's funding is guaranteed by legislation. The Natural Environment and Communities Act 2006, schedule 4, paragraph 14.1 states that the funding bodies must provide the joint committee with such financial resources as the appropriate authorities consider are needed for the proper discharge of the functions conferred by Part 2. It is therefore considered appropriate that these financial statements have been prepared on a going concern basis.

Fixed assets

JNCC has elected to value fixed assets at depreciated historic cost as a proxy for fair value on the basis that the assets are low value and/or have short useful economic lives. This approach is permitted under paragraph 10.1.4 of the 2020/21 FReM and paragraph 17.15 of FRS 102.

Individual assets costing £2,000 or more including VAT are capitalised as tangible or intangible assets, assuming they are intended to be used on a continuing basis. These assets are valued at depreciated historical cost. Assets costing less than £2,000 are charged to the profit and loss account in the year of purchase.

Depreciation

Depreciation is provided on all tangible and intangible fixed assets at rates calculated to write off the cost or valuation of each asset evenly over its expected useful life. Standard write-off periods, shown below, are normally used, although alternative lives may be used where relevant information is available to ascribe a more accurate expected useful life:

Leasehold premises and fixtures	over the period of individual leases
Computer equipment	5 years
Other equipment	5 to 10 years
Software licences	5 years

Research and development

The company writes off all expenditure on research and development in the year it occurs.

Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Receipts received in foreign currencies are normally converted to sterling on the day of receipt unless JNCC will be making payments to third parties in the currency received.

Transactions in foreign currencies are translated into sterling at the rate ruling at the date of the transaction. Exchange differences are recognised in the profit and loss account.

Leases

Rental costs arising in respect of operating leases are charged to the profit and loss account over the life of each lease. JNCC Support Co has no finance leases.

Accrued holiday pay

In accordance with paragraph 28.6 of FRS 102, JNCC accrues for all short-term compensated absences as holiday entitlement earned, but not taken at the date of the statement of financial position.

Pension costs

Pension benefits are provided through the Civil Service pension arrangements, full details of which are described within the remuneration report.

Although the Civil Service pension arrangements include defined benefit schemes (the Principal Civil Service Pension Scheme (PCSPS) and Alpha), entities such as JNCC Support Co covered by these schemes recognise the cost of the elements on a systematic and rational basis over the period during which it benefits from employees' services, by payment to the PCSPS and Alpha, of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS and Alpha.

Note 6 provides details of JNCC Support Co's pension costs.

Previous JNCC Chairs were entitled to accrue pension benefits but were not eligible to join the Principal Civil Service Pension Scheme (PCSPS). Individual "by analogy to the PCSPS" schemes were therefore established to provide pensions for the Chairs, with any ongoing liability arising from these arrangements being borne by JNCC Support Co. The future cumulative cost of these pensions was calculated and based on this valuation a provision was taken for the liability, in line with the requirements of Section 21 of FRS 102 (Provisions and Contingencies). The estimated liability is reviewed each year and the current value of this provision is disclosed in note 13 to these accounts.

Remuneration for the post of JNCC Chair no longer includes entitlement to membership of a pension scheme.

Early departure costs

JNCC Support Co is required to meet the additional costs of benefits beyond the normal PCSPS benefits in respect of certain qualifying employees who retire early. These benefits conform to the rules of the PCSPS. JNCC Support Co bears the costs of these benefits until normal retiring age of the employees retired under the Early Retirement Scheme.

The total pension liability up to normal retiring age in respect of each employee is charged to the net expenditure account, in the year in which the employee takes early retirement and a provision for future pension payments is created. Pensions and related benefits payments to the retired employee are then charged annually against the provision.

No qualifying early retirements have taken place or been approved since 31 March 2010.

Grants received

Grant in aid received of a revenue nature is credited to income for the year to which it relates and is recognised on a cash basis. Grants received from sources other than Government grants, including from European Union sources, are matched to the corresponding project expenditure in the year in which it is incurred.

In respect of European Union funding, where JNCC Support Co was acting as the lead partner in respect of joint projects and where income for this work has been channelled to the individual partners through the lead partner, only income and expenditure related to JNCC's own work is shown in the financial statements. Any cash received by JNCC Support Co, but not distributed to the partners as at the date of the balance sheet, is shown as a third-party asset in the balance sheet.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities would be recognised in the balance sheet if JNCC became a party to the contractual provisions of an instrument.

JNCC has no borrowings and relies primarily on grant in aid from Defra and the devolved administrations for its cash requirements and is therefore not exposed to liquidity risks. All material assets and liabilities are denominated in sterling so it is not exposed to significant currency risk.

Taxation

Corporation Tax

JNCC Support Co's Corporation Tax liability is limited to that arising from Case III investment income and capital gains. In 2020/21 the Corporation Tax charge for the year is £0.3k (2019/20 £1.6k).

Value Added Tax

Most of the activities of JNCC Support Co. are outside the scope of VAT so in general output tax does not apply and input tax on purchases is not recoverable. Expenditure is therefore charged gross to the relevant expense category or included in the capitalised purchase cost of non-current assets. Where output tax is charged, the amounts are stated net of VAT. As JNCC makes exempt supplies for VAT it has partially exempt status. JNCC uses an agreed formula to enable the quarterly calculation of the amount of reclaimable input tax, which is credited to the profit and loss account.

The amount of reclaimable input tax is small and is therefore shown as a credit to the profit and loss account. During 2020/21 the amount of reclaimed input tax was £27k (£27k in 2019/20).

JNCC Support Co receives grant in aid from the Department for Environment, Food and Rural Affairs and the devolved administrations, and this is treated as non-business income for the purposes of VAT.

Provisions

In accordance with section 21 of FRS 102, JNCC provides for obligations arising from past events where it is probable that it will be required to settle the obligation and a reliable estimate of it can be made. Future costs are not discounted unless this would significantly affect the valuation of an obligation.

2. Detailed trading profit and loss account for the year ended 31 March 2021

	2020/21	2019/20
	£000s	£000s
Turnover		
JNCC grant in aid	13,157	11,665
Notional income relating to corporate overheads	-	2
Secondment income	206	420
European Union funding	331	288
Royalties	6	9
Scientific advice and information	1,559	1,739
	15,259	14,123
Cost of activities		
Conservation support	3,381	2,474
Publicity and information	88	112
Direct staff costs	9,213	8,913
	12,682	11,499
Gross profit	2,577	2,624
Administrative expenditure		
Directors' emoluments	569	603
Other administrative costs	1,283	1,578
	1,852	2,181
Operating gain/(loss)	725	443
Gain/(loss) on ordinary activities before interest	725	443
Other interest receivable and similar income	1	8
Gain/(loss) on ordinary activities	726	451
Less tax on profit on investment activities	-	(2)
Gain/(loss) after tax	726	449

Operating gain/loss

	2020/21	2019/20
	£000s	£000s
This is stated after charging		
Total directors' emoluments	569	603
Auditors' remuneration	22	23
Depreciation and amortisation of owned assets	46	33
Pension costs	1,804	1,742
Operating lease rentals	326	282

3. Schedule of overhead expenses for the year ended 31 March 2021

	2020/21	2019/20
	£000s	£000s
Directors' emoluments		
Directors' remuneration	472	497
Contribution to directors' pensions	97	106
	569	603
Other administration costs		
Cash items		
Auditors' remuneration	22	23
Rental costs under operating leases	326	282
Accommodation costs	224	254
Information technology	337	244
Human resources	106	70
Travel and subsistence	18	506
Printing, postage, stationery and subscriptions	48	65
Other expenses	30	21
Less reclaimed VAT	(27)	(27)
Legal and professional fees	48	31
Consultancy	79	74
Bank charges	2	3
Exchange rate losses	4	(3)
	1,217	1,543
Non-cash items		
Corporate overhead recharge (notional)	-	2
Depreciation and amortisation for the year	46	33
Additions to provisions	20	0
	66	35
Administrative expenses	1,852	2,181

The fees payable to the auditor for the audit of the annual accounts for the year were £23k (2019/20: £22k). The amount shown in these accounts comprises £23k for NAO less £1k credit from the reversal of an accrual in the prior year for a project funding audit by FLC.

4. Directors' emoluments

	2020/21	2019/20
	£000s	£000s
Directors' emoluments	472	497
Company contributions to defined benefit schemes in relation to directors' pensions	97	106
	<u>569</u>	<u>603</u>

The Chief Executive and five executive directors accrued retirement benefits in respect of qualifying service for the defined benefit scheme during the year.

5. Staff costs

The aggregate payroll costs were as follows:

	2020/21	2019/20
	£000s	£000s
Directors' emoluments	472	497
Other wages and salaries	6,723	6,629
Movement in holiday pay accrual	105	(4)
Social security costs	659	633
Apprenticeship Levy	19	19
Other pension costs	1,804	1,742
	<u>9,782</u>	<u>9,516</u>

Total holiday pay accrued at 31 March 2021 was £466,000 (£334,000 at 31 March 2020).

6. Pension costs

JNCC's defined benefit pension schemes (the Principal Civil Service Pension Scheme (PCSPS) and Other Pension Scheme (CSOPS) are unfunded multi-employer schemes for which JNCC is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2016. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation <https://www.civilservicepensionscheme.org.uk/about-us/resource-accounts>.

For 2020/21, employers' contributions of £1,759k were payable to the PCSPS (£1,724k in 2019/20) at one of four rates in the range 26.6% to 30.3% of pensionable pay, based on salary bands.

The scheme's actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2020/21 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £15k (£17k in 2019/20) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and ranged between 8% and 14.75%.

Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £1,000 were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees (£1k in 2019/20), this representing 0.01% of pensionable pay.

Contributions due to the partnership pension providers at the balance sheet date were £1k (£1k at 31 March 2020). There were no prepaid contributions at this date.

7. Staff numbers

The average number of full-time equivalent (FTE) persons employed by the company, including directors, during the year was as follows:

	2020/21	2019/20
	FTEs	FTEs
Chief Executive and executive directors	6	6
Chair and non-executive directors	1	1
Team Leaders	23	24
Science and Data Services	136	135
Corporate Services	30	31
IT	5	4
	<u>201</u>	<u>201</u>

8. Intangible fixed assets

2020/21	
	£000s
Cost	
At 1 April 2020 (opening balance)	197
Additions during year	3
Disposals	-
At 31 March 2021 (closing balance)	200
Amortisation	
At 1 April 2020 (opening balance)	190
Charge for the year	5
Amortisation on disposals	-
At 31 March 2021 (closing balance)	195
Net Book Value	
At 1 April 2020 (opening balance)	7
At 31 March 2021 (closing balance)	5
2019/20	
Cost	
At 1 April 2019 (opening balance)	200
Additions during year	1
Disposals	(4)
At 31 March 2020 (closing balance)	197
Amortisation	
At 1 April 2019 (opening balance)	189
Charge for the year	5
Amortisation on disposals	(4)
At 31 March 2020 (closing balance)	190
Net Book Value	
At 1 April 2019 (opening balance)	11
At 31 March 2020 (closing balance)	7

Intangible assets represent the value of the software licences held. Intangible assets are disposed of when no longer used or when superseded by an upgrade, in which case a new asset is created, reflecting the cost of the upgrade.

9. Tangible fixed assets

2020/21				
	Leasehold property improvements	Computer equipment	Other equipment	Total
Cost	£000s	£000s	£000s	£000s
At 1 April 2020 (opening balance)	-	439	134	573
Additions during year	-	18	4	22
Disposals	-	(14)	(20)	(34)
At 31 March 2021 (closing balance)	-	443	118	561
Depreciation				
At 1 April 2020 (opening balance)	-	302	121	423
Charge for the year	-	37	4	41
Depreciation on disposals	-	(14)	(20)	(34)
At 31 March 2021 (closing balance)	-	325	105	430
Net Book Value				
At 1 April 2020 (opening balance)	-	137	13	150
At 31 March 2021 (closing balance)	-	118	13	131
2019/20				
	Leasehold property improvements	Computer equipment	Other equipment	Total
Cost	£000s	£000s	£000s	£000s
At 1 April 2019 (opening balance)	5	394	120	519
Additions during year	(5)	82	14	91
Disposals	-	(37)	-	(37)
At 31 March 2020 (closing balance)	-	439	134	573
Depreciation				
At 1 April 2019 (opening balance)	5	316	116	437
Charge for the year	(5)	23	5	23
Depreciation on disposals	-	(37)	-	(37)
At 31 March 2020 (closing balance)	-	302	121	423
Net Book Value				
At 1 April 2019 (opening balance)	-	78	4	82
At 31 March 2020 (closing balance)	-	137	13	150

10. Cash at bank and in hand

	1 April 2020 £000s	Cash flows £000s	31 March 2021 £000s
Analysis of changes in net funds			
Cash at bank	2,719	652	3,371
Cash in hand	1	-	1
Total cash	2,720	652	3,372

11. Debtors – amounts falling due within one year

	2020/21 £000s	2019/20 £000s
Trade debtors	629	459
Other debtors	37	4
Prepayments and accrued income	514	311
	1,180	774

The balance relating to debtors included £505k (2019/20: £381k) of intra-government balances. All balances were reviewed and it was considered appropriate to make provision for one bad debt for £19k (2019/20 £nil).

12. Creditors – amounts falling due within one year

	2020/21 £000s	2019/20 £000s
Due within one year:		
Trade creditors	-	424
Other creditors	296	276
Taxation and social security	263	232
Accruals	1,119	708
Deferred income	669	409
	2,347	2,049

The balance for creditors at year end included £767k (2019/20: £802k) of intra-government balances.

13. Provisions for liabilities

	Pensions and similar obligations	Other provisions	Total provisions
2020/21			
Balance at 1 April 2020	75	398	473
Provision for year	-	20	20
Utilised	(7)	-	(7)
Balance at 31 March 2021	68	418	486
2019/20			
	Pensions and similar obligations	Other provisions	Total provisions £000s
Balance at 1 April 2019	82	398	480
Provision for year	-	-	-
Utilised	(7)	-	(7)
Balance at 31 March 2020	75	398	473

Other provisions of £418,000 includes £332,000 representing the expected cost of dilapidations that will be required when JNCC ceases to occupy Monkstone House, the amount reflecting a review carried out in March 2019. The condition of the building has not changed since the 2019 valuation. A further £66,000 is an amount set aside to provide against the potential costs arising from an ongoing HMRC compliance review which was established during 18/19. There have been further discussions with HMRC during the current year, but the review remains outstanding. Management expect this to be resolved in the next financial year. The pensions and similar obligations figure of £67,000 represents the remaining balance of a provision established in 2013/14 to reflect the estimated cost of future pension payments to retired JNCC Chairs entitled to a pension "by analogy to the Principal Civil Service Pension Scheme".

14. Profit and Loss account

	2020/21	2019/20
	£000s	£000s
Balance at 1 April 2020	1,129	680
Gain/(loss) for the year	726	449
Balance at 31 March 2021	1,855	1,129

15. Leasing commitments

	Land and buildings 2020/21	Others 2020/21	Land and buildings 2019/20	Others 2019/20
	£000s	£000s	£000s	£000s
Operating leases which expire:				
Within one year	164	-	164	-
Within 2 to 5 years	492	-	656	-
Total	656	-	820	-

The operating lease represents the lease on Monkstone House. The previous lease expired on 17 March 2020, however, JNCC has secured an extension to 17 March 2025 with an agreed rent of £163,990 per annum, this was signed on 28 May 2020.

JNCC also occupies Inverdee House in Aberdeen under a Memorandum of Terms of Understanding (MOTU) with the Scottish Environment Protection Agency (SEPA).

Although this is not a legal lease arrangement, the arrangement is consistent with a lease. The MOTU for Inverdee House operates on a three-year rolling contract and the current agreement expires on 1 April 2022. The annual charge for 2020/21 was £57,500 (2019/20: £56,088). The charge for 2020/21 is estimated based on information received from SEPA, who are unable to invoice the costs because of a cyber-attack on their computer systems. The 2019/20 charge has been restated to include capital charges.

16. Legal status

The company is limited by guarantee. In the event of a liquidation, the liability of each member does not exceed £1 if they are a member at the date of the liquidation, or if they cease to be a member within one year of the date of the liquidation.

17. Contingent liability

There are no contingent liabilities to declare for the current year.

18. Ultimate controlling party

Eleven out of the twelve directors in post at 31 March 2021 are members of the Joint Nature Conservation Committee. The Committee sets the overall direction and priorities for the work of the support company. For these reasons the directors consider the Joint Nature Conservation Committee to be the ultimate controlling party.

19. Related party transactions

In order to ensure accuracy in the consolidation of Whole of Government Accounts, the Clear Line of Sight Initiative requires that Arm's Length Bodies (ALBs) such as JNCC receive their grant in aid funding from a single source. As a result, from 1 April 2011 the JNCC Support Co received its grant in aid funding solely via the Department for Environment, Food and Rural Affairs (Defra), whereas prior to this date, grant in aid was received from the GB conservation bodies, the Department of Agriculture, Environment and Rural Affairs in Northern Ireland and Defra. The GB Conservation bodies are regarded as Non-Departmental Public Bodies sponsored individually by Defra, the Scottish Government and the Welsh Government. Because the grant in aid now received from Defra still originates from the GB conservation bodies, the Department of Agriculture, Environment and Rural Affairs in Northern Ireland and Defra, these remain considered to be related parties. During

the year, the Company has carried out a number of material transactions with these bodies in the normal course of business.

The quantum of the transactions between the Company and these bodies was as follows:

	Grant in aid		Specific project funding		Services purchased by the company	
	2020/21 £000s	2019/20 £000s	2020/21 £000s	2019/20 £000s	2020/21 £000s	2019/20 £000s
Natural England	-	-	51	24	139	131
Defra	13,157	11,665	349	676	75	53
NatureScot	-	-	32	78	9	6
Natural Resources Wales	-	-	49	2	35	-
Department of Agriculture, Environment and Rural Affairs Northern Ireland	-	-	173	78	-	-
Total	13,157	11,665	654	858	258	190

The company discloses information for individual directors which relates to contracts in excess of £25,000. Any contract for a lesser sum is not considered to be material in the context of these financial statements.

The directors consider a financial interest to be the ability to influence the company in placing a contract with a party with whom they have a position of influence, or the ability to influence the performance of that contract by the contractor.

There were no contracts or financial interests which met these criteria during the current or previous year.

Annex 2



From the Chief Executive: Gemma Harper
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The Comptroller and Auditor General
National Audit Office
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LETTER OF REPRESENTATION: JNCC SUPPORT CO 2020-21

I acknowledge as Accounting Officer of the JNCC Support Co my responsibility for preparing accounts that give a true and fair view of the state of affairs, profit, changes in tax payers equity and cash flows of the JNCC Support Co for the year ended 31 March 2021. In preparing the accounts, I was required to:

- observe the accounts direction issued by the Treasury, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis in accordance with UK GAAP in force at the reporting date;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed and disclosed and explain any material departures in the accounts; and
- make an assessment that the JNCC Support Co is a going concern and will continue to be in operation throughout the next year; and ensure that this has been appropriately disclosed in the financial statements.

I confirm that for the financial year ended 31 March 2021:

- neither I nor my staff authorised a course of action, the financial impact of which is that transactions infringe the requirements of regularity as set out in Managing Public Money;
- having considered and enquired as to the JNCC Support Co's compliance with law and regulations, I have disclosed to you any actual or potential noncompliance that could have a material effect on the ability of the JNCC Support Co to conduct its business or whose effects should be considered when preparing financial statements;
- all accounting records have been provided to you for the purpose of your audit. All other records and related information, including minutes of all management meetings which you have requested have been supplied to you;
- all transactions undertaken by the JNCC Support Co have been recorded in the accounting records and are properly reflected in the financial statements; and
- the information provided regarding the identification of related parties is complete; and the related party disclosures in the financial statements are adequate.

All material accounting policies as adopted are detailed in note 1 to the financial statements.

INTERNAL CONTROL

I acknowledge as Accounting Officer my responsibility for the design and implementation of internal controls to prevent and detect error and I have disclosed to you the results of my assessment of the risk that the financial statements could be materially misstated.

I confirm that I have reviewed the effectiveness of the system of internal control and that the disclosures I have made are in accordance with HM Treasury guidance on the Governance Statement.

FRAUD

I acknowledge as Accounting Officer my responsibility for the design and implementation of internal controls to prevent and detect fraud and I have disclosed to you the results of my assessment of the risk that the financial statements could be materially misstated as a result of fraud.

I have disclosed to you any knowledge of fraud or suspected fraud affecting the JNCC Support Co involving management, employees who have significant roles in internal control, or others where the fraud could have a material effect on the financial statements.

I have disclosed to you any knowledge of any allegations of fraud or suspected fraud, affecting the JNCC Support Co's financial statements communicated by employees, former employees, analysts, regulators or others.

ACCOUNTING ESTIMATES

I acknowledge as Accounting Officer my responsibility to make judgments and estimates on a reasonable basis.

I confirm that the methods, the data, and the significant assumptions used by the JNCC Support Co in making accounting estimates and related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of UK GAAP.

GOING CONCERN

I have assessed whether the going concern basis of accounting is appropriate for the JNCC Support Co. The plans for future actions upon which this assessment is based are feasible. The assumptions made in my assessment are reasonable and appropriate in the context of the UK GAAP.

INCOME

The JNCC Review recommended "JNCC pursues suitable opportunities to diversify non-GiA income to increase its long-term resilience, where this is consistent with HM Treasury's Managing Public Money and does not impact on its delivery for government customers". Since then, JNCC Support Co has been encouraged to grow its non-JNCC income and has been successful in doing so. In light of preliminary legal advice arising from a proposed Service Level Agreement (SLA) with the aggregates industry association, we are seeking clarification of our charging powers from Government Legal Department (GLD) and will advise the Committee when we have received that legal advice. I can confirm that for the year to 31 March 2021, JNCC received income of £10k in respect of such discretionary services.

ASSETS

General

All assets included in the balance sheet were in existence at the reporting date and owned by the JNCC Support Co and free from any lien, encumbrance or charge, except as disclosed in the financial statements. The balance sheet includes all tangible assets owned by JNCC Support Co.

Non-Current Assets

All assets over £2,000 are capitalised. They are revalued annually in accordance with depreciated replacement cost. Depreciation is calculated to reduce the net book amount of each asset to its estimated residual value by the end of its estimated useful life in the JNCC Support Co's operations.

Other Current Assets

On realisation in the ordinary course of the JNCC Support Co's operations the other current assets in the balance sheet are expected to produce at least the amounts at which they are stated. Adequate provision has been made against all amounts owing to the JNCC Support Co which are known, or may be expected, to be irrecoverable. **LIABILITIES**

General

All liabilities have been recorded in the balance sheet in accordance with UK GAAP.

Provisions and Contingent Liabilities

Provision is made in the financial statements for:

- the expected cost of dilapidations that will be required when the JNCC Support Co ceases to occupy Monkstone House. I am satisfied that the amount provided for is the best estimate of the potential liability to JNCC;
- legal costs expected to be incurred by JNCC Support Co in relation to a claim brought against NatureScot;
- an amount set aside to provide against the potential costs arising within the next 12 months from an ongoing HMRC compliance review and;
- the "by analogy" pension for previous Chairs. I consider the amount provided to be a reasonable estimate for the provision.

I have disclosed to you all actual or possible litigation and claims whose effects should be considered when preparing the financial statements. All such matters have been accounted for and disclosed in accordance with UK GAAP.

I am not aware of any action which is or may be brought against the JNCC Support Co under the Insolvency Act 1986.

OTHER DISCLOSURES

Results

Except as disclosed in the financial statements, the results for the year were not materially affected by transactions of a sort not usually undertaken by the JNCC Support Co, or circumstances of an exceptional or non-recurring nature.

Losses and special payments

All losses and special payments requiring disclosure under the requirements of Managing Public Money have been included in the Annual Report.

Unadjusted Errors

There are no unadjusted misstatements in the JNCC 2020-21 accounts.

Events after the Reporting Period

All matters regarding events occurring subsequent to the date of the financial statements, and for which UK GAAP requires adjustment or disclosure, have been adjusted or disclosed.

EU Exit

Except as already disclosed in the accounts there are no other impacts to date arising from the UK's EU exit which needs to be reflected in the financial statements.

Covid-19

Following the COVID-19 outbreak, the directors and I have sought to assess and manage the impact of the outbreak on JNCC Support Co's operations. I can confirm that the annual report and accounts fully reflect the impact on JNCC Support Co of the COVID-19 outbreak.

Dr Gemma Harper
Accounting Officer

Date: