

# **Joint Nature Conservation Committee and JNCC Support Co**

Annual Report and Accounts for Year Ending  
31 March 2011



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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.

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**JNCC SUPPORT CO**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2011**

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## **Chair's introduction**

The financial year ending 31 March 2011 saw the election of a Coalition Government in Westminster, with a far-reaching programme of reform for the whole public sector. Soon after election, the Government took steps to tackle the structural deficit in public finances. Controls on certain types of expenditure were put in place and in-year reductions in funding for departments and their arms-length bodies (including JNCC) were announced. Later in the year, the Spending Review set out financial profiles for the period 2011-15, with substantial reductions in funding for most areas.

Throughout 2010/11 we continued to fulfil our core role of providing evidence and advice relating to UK-wide and international nature conservation to our principal funding and sponsoring bodies: the Department for Environment, Food and Rural Affairs, the Scottish Government, the Welsh Assembly Government and the Department of the Environment in Northern Ireland. Our efforts have been focused on reinforcing and developing our strategic strengths: providing an evidence base for policy development and implementation within the UK, advising on international aspects of nature conservation, and supporting nature conservation in offshore marine waters.

In response to budgetary constraints, we rigorously reassessed our priorities, both within 2010/11 and for the future. This has required us to stop, or reduce, work in some areas, while gearing up for new challenges in others, especially to help UK and devolved governments meet their obligations for nature conservation in the marine environment. We have also continued to achieve efficiency savings across all parts of our business.

JNCC has always placed great emphasis on collaboration with other organisations – with the country nature conservation bodies, other statutory bodies, and non-governmental organisations. During 2010/11, we strengthened and extended partnerships, in particular with non-governmental organisations involved in biodiversity monitoring and with organisations working in the marine environment, and we will continue to build these partnerships in the future.

Inevitably, budgetary constraints have affected JNCC's ability to meet the targets in our business plan for 2010/11, and we have made less progress than anticipated in some areas. Nevertheless, out of 42 key performance indicators, 35 were substantially or fully achieved by the end of the year. This represents a significant contribution to UK, European and wider international nature conservation.

Recognising all the challenges in the public service environment, JNCC will continue to play our part, with all our government and non-government partners, in working towards a greener and more sustainable UK in 2011/12 and beyond.

## **Chief Executive's introduction**

### ***International nature conservation***

International nature conservation is a core component of JNCC's work. Our role is to act as a link between international agreements and domestic implementation (which is largely devolved). We provide technical support to Government in its interactions with European and global decision-making bodies, and provide intelligence and analysis to the country conservation bodies and devolved administrations to underpin the development and implementation of devolved policy.

Key achievements during the year included:

- providing technical advice in support of Government at the 10<sup>th</sup> Conference of the Parties to the Convention on Biological Diversity in Japan in October 2010, where outcomes included a new framework of 2020 biodiversity targets;
- contributing to the successful establishment of an Intergovernmental Platform on Biodiversity and Ecosystem Services;
- supporting implementation of the UK Government strategy for the conservation and sustainable use of biodiversity in the Overseas Territories, in particular by funding a suite of projects in the Territories dealing with marine biodiversity and invasive non-native species and providing guidance and training on external funding;
- publishing a report on the impacts of UK biomass trade on global biodiversity and contributing a chapter on the UK's overseas impacts to the National Ecosystem Assessment;
- providing evidence-based advice to Government on the development and implementation of EU policy and legislation, including the EU biodiversity strategy, green infrastructure, agriculture and land use, sustainable development, and implementation of the Habitats and Birds Directives.

### ***Marine nature conservation***

Using its extensive marine expertise, JNCC helps the UK government and devolved administrations to meet their commitments under the OSPAR Convention, the Marine Strategy Framework Directive, the Habitats and Birds Directives, and domestic marine legislation. Our efforts are focused on offshore waters beyond 12 nautical miles, and at a European level, and we also work with the country conservation bodies and others to ensure that there is a sound evidence base to support decision-making across the marine environment as a whole, and that international obligations can be met in a consistent manner.

Key achievements during the year included:

- responding to 696 requests for statutory advice on licensed activities that affect the marine environment, including oil and gas activities, marine renewables and aggregate extraction;
- making a significant contribution towards completing the Natura 2000 site network in UK waters, by:
  - recommending to Defra three new Special Areas of Conservation (SACs) in offshore waters
  - reporting to Defra and Scottish Government on the results of public consultation on eight offshore or partly offshore possible SACs
  - reporting to the country conservation bodies on 18 possible Special Protection Areas in inshore waters (15 in Scotland, one each in England, Wales and Northern Ireland) following analysis of survey data
- supporting the establishment of marine protected areas to contribute to a UK network of sites:
  - working in partnership with Natural England to progress four Marine Conservation Zone (MCZ) regional projects, leading to a third iteration of possible sites in February 2011 that shows very significant progress towards meeting the targets for MCZ identification
  - working in partnership with Scottish Natural Heritage and Scottish Government to identify possible Marine Protected Areas in Scottish offshore waters by undertaking data collation, survey, research and stakeholder engagement

- providing technical advice to support the identification of possible MCZs in Welsh inshore waters
- advising on the development of biodiversity-related targets and indicators to support implementation of the Marine Strategy Framework Directive in UK waters;
- undertaking seabird and cetacean pilot surveys and completing seabed habitat maps using existing data, as a contribution towards the development of an operational biodiversity surveillance and monitoring programme in UK marine waters.

### ***Evidence and information***

JNCC provides evidence and information to support environmental decision-taking and policy development within the UK, and advises on the adequacy of the evidence base. We play a pivotal role in encouraging and enabling public bodies, industry and volunteers to share their biodiversity data to strengthen the policy evidence base. We also engage with international initiatives to ensure that UK data can be placed within a wider geographical context.

Key achievements during the year included:

- updating UK trend information for wetland birds, breeding birds, seabirds, bats and butterflies;
- advising country conservation bodies and government administrations on options for filling gaps in biodiversity surveillance in order to meet Habitats Directive obligations;
- providing technical support for the Biodiversity Action Reporting System (BARS) and rolling out a revised geographic interface;
- supporting the National Biodiversity Network by developing tools to improve the quality of records and rolling out a revised interactive map interface;
- supporting a review of the UK's network of terrestrial and coastal Special Protection Areas through the provision of technical advice.

### ***Governance and corporate services***

While maintaining effective support for the achievement of corporate priorities and to meet external requirements, we continued to examine working practices to improve efficiencies and reduce costs. In 2010/11 we achieved a 2.6% reduction in expenditure on governance and corporate services compared to the previous year.

Key achievements and efficiency savings during the year included:

- advising UK and devolved governments on the implications for JNCC of the Spending Review, and developing implementation plans;
- preparing plans for Peterborough office accommodation beyond 2011;
- moving Aberdeen-based staff into a new purpose-built shared office, resulting in reductions in office cost per staff member from £2,700 to £1,600 while improving working conditions;
- streamlining arrangements for the Joint Committee and Company Board to reduce costs whilst ensuring that governance oversight was not compromised;
- reviewing the need for staff to attend external meetings and increasing the use of video-conferencing, resulting in savings in both costs (9% compared to the previous year) and carbon footprint;
- improving IT systems through investment in better hardware to enable more efficient working;
- moving to a new internal audit provider using Defra's internal audit contract which will result in a saving of £9,166 p.a. from 2011/12.

## **Cyflwyniad y Cadeirydd**

Yn ystod y flwyddyn ariannol a ddaeth i ben ar 31 Mawrth 2011, gwelwyd ethol Llywodraeth Glymblaid yn San Steffan, a oedd â rhaglen gynhwysfawr ar gyfer y sector cyhoeddus cyfan. Yn fuan wedi'r etholiad, cymerodd y Llywodraeth gamau i fynd i'r afael â'r diffyg strwythurol mewn cyllid cyhoeddus. Gosodwyd rheolaethau ar rai mathau o wariant, a chyhoeddwyd gostyngiadau canol blwyddyn mewn cyllid ar gyfer adrannau a'u cyrff hyd braich (gan gynnwys y CBCN). Yn ddiweddarach yn y flwyddyn, rhestrodd yr Adolygiad o Wariant broffiliau ariannol ar gyfer y cyfnod 2011–15, a oedd yn cynnwys gostyngiadau sylweddol mewn cyllid ar gyfer y rhan fwyaf o feysydd.

Drwy gydol 2010/11, gwnaethom barhau i gyflawni ein rôl graidd o ddarparu tystiolaeth a chyingor, ynglŷn â chadwraeth natur ledled y DU ac yn rhyngwladol, i'r prif gyrff sy'n ein hariannu a'n noddi: Adran yr Amgylchedd, Bwyd a Materion Gwledig; Llywodraeth yr Alban; Llywodraeth Cynulliad Cymru; ac Adran Amgylchedd Gogledd Iwerddon. Mae ein hymdrechion wedi canolbwyntio ar atgyfnerthu a datblygu ein cryfderau strategol: darparu trysorfa dystiolaeth ar gyfer datblygu a gweithredu polisi yn y DU, cynghori ynglŷn ag agweddau rhyngwladol ar gadwraeth natur, a chynorthwyo cadwraeth natur mewn dyfroedd morol oddi ar yr arfordir.

Mewn ymateb i gyfyngiadau cyllidebol, gwnaethom ailasesu ein blaenoriaethau'n drylwyr, ar gyfer 2010/11 ac i'r dyfodol. Mae hyn wedi ei gwneud yn ofynnol arnom i leihau neu roi'r gorau i waith mewn rhai meysydd, tra'n paratoi ar gyfer heriau newydd mewn meysydd eraill, yn enwedig er mwyn cynorthwyo llywodraeth y DU a'r llywodraethau datganoledig i gyflawni eu rhwymedigaethau i gadwraeth natur yn yr amgylchedd morol. Rydym hefyd wedi parhau i gyflawni arbedion effeithlonrwydd ar draws holl rannau ein busnes.

Mae'r CBCN yn wastad wedi gosod pwyslais mawr ar gydweithrediad â sefydliadau eraill — y cyrff cadwraeth natur gwladol, cyrff statudol eraill, a chyrff anllywodraethol. Yn ystod 2010/11, gwnaethom gryfhau ac ymestyn partneriaethau, yn neilltuoel felly gyda chyrff anllywodraethol a oedd yn ymwneud â monitro bioamrywiaeth, a chyda sefydliadau sy'n gweithio yn yr amgylchedd morol, a byddwn yn parhau i ddatblygu'r partneriaethau hyn yn y dyfodol.

Yn anochel, mae cyfyngiadau cyllidebol wedi effeithio ar allu'r CBCN i gyrraedd y targedau yn ein cynllun busnes ar gyfer 2010/11, ac rydym wedi gwneud llai o gynnydd nag a ragwelwyd mewn rhai meysydd. Er hynny, allan o 42 o ddangosyddion perfformiad allweddol, cafodd 37 eu cyflawni i raddau sylweddol neu'n llawn erbyn diwedd y flwyddyn. Mae hyn yn gyfraniad sylweddol at gadwraeth natur yn y DU, yn Ewrop ac ar raddfa ryngwladol ehangach.

Gan gydnabod yr holl heriau a geir yn yr amgylchedd gwasanaethau cyhoeddus, bydd y CBCN yn parhau i chwarae ei ran, ar y cyd â'i holl bartneriaid llywodraethol ac anllywodraethol, mewn gweithio tuag at DU fwy gwyrdd a chynaliadwy yn 2011/12 a thu hwnt.

## **Cyflwyniad y Prif Weithredwr**

### ***Cadwraeth natur ryngwladol***

Mae cadwraeth natur ryngwladol yn elfen graidd o waith y CBCN. Ein rôl yw gweithredu fel dolen rhwng cytundebau rhyngwladol a gweithrediad mewnwladol (sy'n ddatganoledig i raddau helaeth). Rydym yn darparu cymorth technegol i'r llywodraeth yn ei rhyngweithiadau â chyrff penderfynu Ewropeaidd a byd-eang, ac yn darparu gwybodaeth a dadansoddi i'r



cyrff cadwraeth gwladol a'r gweinyddiaethau datganoledig er mwyn ategu datblygiad a gweithrediad polisi datganoledig.

Yr oedd ein llwyddiannau allweddol yn ystod y flwyddyn yn cynnwys:

- darparu cyngor technegol i gynorthwyo'r Llywodraeth yn 10<sup>fed</sup> Cynhadledd y Partion i'r Confensiwn ar Amrywiaeth Fiolegol yn Japan ym mis Hydref 2010, lle'r oedd y deilliannau'n cynnwys fframwaith newydd o dargedau bioamrywiaeth ar gyfer 2020;
- cyfrannu at sefydlu Llwyfan Rynglywodraethol ar Wasanaethau Bioamrywiaeth ac Ecosystem;
- cynorthwyo gweithrediad strategaeth Llywodraeth y DU ar gyfer cadwraeth a defnydd cynaliadwy o fioamrywiaeth yn y Tiriogaethau Tramor, yn neilltuol drwy ariannu cyfres o brosiectau yn y Tiriogaethau sy'n ymwneud â bioamrywiaeth forol a rhywogaethau anffroddol goresgynnol a darparu arweiniad a hyfforddiant ynglŷn ag ariannu allanol;
- cyhoeddi adroddiad ar effeithiau masnach fïomas y DU ar fioamrywiaeth fyd-eang, a chyfrannu pennod ar effeithiau tramor y DU at yr Asesiad Ecosystemau Cenedlaethol;
- darparu cyngor ar sail tystiolaeth i'r Llywodraeth ar ddatblygiad a gweithrediad polisi a deddfwriaeth yr UE, gan gynnwys strategaeth fioamrywiaeth yr UE, isadeiledd gwyrdd, amaeth a defnydd o dir, datblygu cynaliadwy, a gweithredu'r Cyfarwyddebau Cynefin ac Adar.

### **Cadwraeth natur forol**

Gan ddefnyddio ei arbenigedd morol helaeth, mae'r CBCN yn cynorthwyo'r Llywodraeth a'r gweinyddiaethau datganoledig i gyflawni eu rhwymedigaethau o dan Gonfensiwn OSPAR, Cyfarwyddeb Fframwaith y Strategaeth Forol, y Cyfarwyddebau Cynefinoedd ac Adar, a deddfwriaeth forol fewnwladol. Mae ein hymdrechion yn canolbwyntio ar ddyfroedd ar y môr y tu hwnt i 12 môr-filltir, ac ar lefel Ewropeaidd; ac rydym hefyd yn gweithio gyda'r cyrff cadwraeth gwladol ac eraill i sicrhau bod yna drysorfa dystiolaeth gadarn i ategu penderfyniadau ar draws yr amgylchedd morol fel cyfanwaith, a bod modd cyflawni rhwymedigaethau rhyngwladol mewn modd cyson.

Yr oedd ein llwyddiannau allweddol yn ystod y flwyddyn yn cynnwys:

- ymateb i 696 o geisiadau am gyngor statudol ar weithgareddau trwyddedig sy'n effeithio ar yr amgylchedd morol, gan gynnwys gweithgareddau olew a nwy, adnoddau adnewyddadwy morol, a chloddio am agregau;
- gwneud cyfraniad sylweddol tuag at gwblhau'r rhywydwaith safleoedd Natura 2000 yn nyfroedd y DU, drwy:
  - argymhell i Defra dair o Ardaloedd Cadwraeth Arbennig (ACA) mewn dyfroedd oddi ar yr arfordir
  - adrodd i Defra a Llywodraeth yr Alban ar ganlyniadau ymgynghoriad cyhoeddus ynglŷn ag wyth o ACA'oedd posibl oddi ar yr arfordir neu'n rhannol oddi ar yr arfordir
  - adrodd i'r cyrff cadwraethol gwladol ar 18 o Ardaloedd Gwarchodaeth Arbennig mewn dyfroedd gyda'r glannau (15 yn yr Alban, ac un bob un yng Nghymru, Lloegr a Gogledd Iwerddon) yn dilyn dadansoddiad o ddata arolwg
- cynorthwyo sefydlu ardaloedd gwarchoddedig morol er mwyn cyfrannu at rwydwaith o safleoedd yn y DU:
  - gweithio mewn partneriaeth â *Natural England* i symud pedwar o brosiectau rhanbarthol Parth Cadwraeth Morol (PCM) ymlaen, gan arwain at drydydd

- adroddiad ar safleoedd posibl yn Chwefror 2011 sy'n dangos cynnydd sylweddol tuag at gyrraedd y targedau ar gyfer canfod PCM'au
- gweithio mewn partneriaeth â *Scottish Natural Heritage* a Llywodraeth yr Alban i ganfod Ardaloedd Gwarchoddedig Morol posibl mewn dyfroedd oddi ar arfordir yr Alban drwy goladu data, cynnal arolwg ac ymchwil, ac ennyn cyfranogiad budd-ddeiliaid
- darparu cyngor technegol i gynorthwyo canfod PCM'au posibl mewn dyfroedd gyda'r glannau yng Nghymru
- cyngori ynglŷn â datblygiad targedau a dangosyddion yn ymwneud â bioamrywiaeth, er mwyn cynorthwyo gweithrediad Cyfarwyddeb Fframwaith y Strategaeth Forol yn nyfroedd y DU;
- cynnal arolygon peilot o adar môr a morfilod, a chwblhau mapiau o gynefinoedd ar wely'r môr gan ddefnyddio data sy'n bodoli eisoes, fel cyfraniad tuag at ddatblygu rhaglen weithredol o fonitro a chadw gwyliadwriaeth dros fioamrywiaeth yn nyfroedd morol y DU.

### ***Tystiolaeth a gwybodaeth***

Mae'r CBCN yn darparu tystiolaeth a gwybodaeth i gynorthwyo penderfyniadau amgylcheddol a datblygiad polisi yn y DU, ac yn cyngori ynglŷn â digonolrwydd y drysorfa dystiolaeth. Rydym yn chwarae rôl ganolog yn y gwaith o annog a galluogi cyrff cyhoeddus, diwydiant a gwirfoddolwyr i rannu eu data ar fioamrywiaeth er mwyn cryfhau'r drysorfa dystiolaeth ynglŷn â pholisi. Rydym hefyd yn ymwneud â mentrau rhyngwladol er mwyn sicrhau bod modd gosod data'r DU mewn cyd-destun daearyddol ehangach.

Yr oedd ein llwyddiannau allweddol yn ystod y flwyddyn yn cynnwys:

- diweddarau'r wybodaeth am dueddiadau yn y DU mewn perthynas ag adar gwlyptir, adar sy'n nythu, adar môr, ystumod a gloynnod byw;
- cyngori cyrff cadwraeth gwladol a gweinyddiaethau llywodraeth ynglŷn â dewisiadau ar gyfer cau bylchau yn yr wyladwriaeth dros fioamrywiaeth, er mwyn cyflawni rhwymedigaethau o dan y Gyfarwyddeb Cynefinoedd;
- darparu cymorth technegol i'r System Adrodd ar Weithrediadau ynglŷn â Bioamrywiaeth (BARS), a rhoi rhyngwyneb daearyddol diwygiedig ar waith fesul cam;
- cynorthwyo'r Rhwydwaith Bioamrywiaeth Cenedlaethol drwy ddatblygu offer ar gyfer gwella ansawdd cofnodion a rhoi rhyngwyneb map rhyngweithiol ar waith fesul cam;
- cynorthwyo adolygiad o rwydwaith y DU o Ardaloedd Gwarchodaeth Arbennig daearol ac arfordirol drwy ddarparu cyngor technegol.

### ***Llywodraethu a gwasanaethau corfforaethol***

Tra'n cynnal cymorth effeithiol i gyflawniad blaenoriaethau corfforaethol, ac er mwyn bodloni gofynion allanol, gwnaethom barhau i edrych ar arferion gwaith er mwyn gwella effeithlonrwydd a lleihau costau. Yn 2010/11 gwnaethom gyflawni gostyngiad o 2.6% mewn gwariant ar llywodraethu a gwasanaethau corfforaethol o'i gymharu â'r flwyddyn flaenorol.

Yr oedd y llwyddiannau ac arbedion effeithlonrwydd allweddol yn ystod y flwyddyn yn cynnwys:

- cyngori llywodraeth y DU a'r llywodraethau datganoledig ynglŷn â goblygiadau'r Adolygiad o Wariant i'r CBCN, a datblygu cynlluniau gweithredu;
- paratoi cynlluniau ar gyfer adeilad swyddfa yn Peterborough y tu hwnt i 2011;

- symud staff yn Aberdeen i swyddfa bwrpasol newydd a rennir, gan ddeillio ar ostyngiadau yn y costau swyddfa fesul aelod staff, o £2,700 i £1,600, tra'n gwella amodau gwaith;
- rhesymoli'r trefniadau i Gyd-Bwyllgor a Bwrdd y Cwmni leihau costau tra'n sicrhau nad oedd goruchwyliaeth dros lywodraethu'n cael ei pheryglu;
- adolygu'r angen i staff fynychu cyfarfodydd allanol, a chynyddu'r defnydd o fideo-gynadledda, gan ddeillio ar arbedion mewn costau (9% o'u cymharu â'r flwyddyn flaenorol) ac yn ein hól-troed carbon;
- gwella cyfundrefnau TG drwy fuddsoddi mewn caledwedd gwell er mwyn galluogi gweithio mwy effeithlon;
- symud i ddarparwr archwilio mewnol newydd, gan ddefnyddio contract archwilio mewnol Defra; bydd hyn yn deillio ar arbediad o £9,166 y.f. o 2011/12 ymlaen.

## Ro-ràdh a' Chathraiche

Annas a' bhliadhna ionmhasail a chrìochnaich 31 Màrt 2011, bha Riaghaltas Co-bhoinn air a thaghadh ann an Westminster, agus bidh an clàr leasachaidh aca a' toirt buaidh mhòr air an roinn phoblaich gu lèir. Goirid an dèidh an taghaidh, ghabh an Riaghaltas ceumannan gus dèiligeadh ri easbhaidh structarail ann an ionmhas poblach. Chuireadh an sàs riaghailtean a thaobh grunn sheòrsachan de chaiteachas agus dh'fhoillsicheadh lùghdachaidhean in-bhliadhna air maoinachadh do na roinnean riaghaltais 's na buidhnean neo-eisimeileach aca (JNCC nam measg). Nas fhaide dhen bhliadhna, thug Sgrùdadh a' Chaiteachais cunntas air ionmhas airson an àm bho 2011-15, far am bi lùghdachaidhean nach beag ann am maoinachadh don mhòr-chuid de na raointean riaghaltais.

Rè 2010/11 air fad, chùm sinn oirnn a' coileanadh ar dleasanais as bunaitiche; 's e sin a bhith a' toirt fianais agus comhairle a thaobh glèidhteachas nàdair na Rìoghachd Aonaichte 's an t-saoghail eadar-nàiseanta do na prìomh bhuidhnean maoinachaidh agus urrais againn: Roinn Cùisean na h-Àrainneachd, Bìdh agus Dùthcha, Riaghaltas na h-Alba, Riaghaltas Seanadh na Cuimrigh agus Roinn na h-Àrainneachd ann an Èirinn a Tuath. Bha sinn a' leigeil cuideam ar saothrach air a bhith a' daingneachadh 's a' leasachadh ar buadhan ro-innleachdail: a' toirt stèidh fianais airson leasachadh 's buileachadh poileasaidh an taobh a-staigh na Rìoghachd Aonaichte agus comhairle air feartan eadar-nàiseanta de ghèidhteachas nàdair, agus a' cumail taic ri glèidhteachas nàdair ann an uisgeachan a' chuain.

Mar fhreagairt don teannachadh sa bhuidseat againn, rinn sinn ath-mheasadh cruaidh air ar prìomhachasan, an dà chuid ann an 2010/11 agus don àm ri teachd. Chuir seo riatanas oirnn lùghdachadh a thoirt air, no stad a chur air obair ann an cuid de raointean, 's sinn a' deisealachadh aig an aon àm airson dùbhlain ùra ann an càch, gu sònraichte mar chuideachadh don Rìoghachd Aonaichte agus riaghaltasan tiomnaichte le bhith a' toirt gu buil an cuid dleasanais a thaobh glèidhteachas nàdair anns an àrainneachd mara. Cuideachd, lean sinn oirnn a' caomhnadh le èifeachdachd thairis air gach raon de ar gnìomhachas.

Bha JNCC a' meas riamh gun robh e fìor chudromach dlùth-chomann a bhith againn ri buidhnean eile – buidhnean glèidhteachas nàdair air an tuath, buidhnean reachdail eile, agus buidhnean gun cheangal ri riaghaltas. Rè 2010/11, bha sinn a' neartachadh agus a' leudachadh chaidreachais, gu sònraichte ri buidhnean gun cheangal ris an riaghaltas a bha an sàs ann an sgrùdadh bith-iomadachd agus ri buidhnean a bha ag obair ann an àrainneachd a' chuain. Mar sin, leanaidh sinn oirnn a' togail nan caidreachas seo anns an àm ri teachd.

Air sgàth cion airgid sa bhuidseat, bha e do-sheachainte gun toireadh sin buaidh air na b' urrainn do JNCC a choileanadh de na h-amasan againn anns a' phlana gnothaich airson 2010/11, agus cha deach uiread de dh'adhartas a dhèanamh 's a bha sinn an dùil ann an cuid de raointean. Gidheadh, à 42 de phrìomh chomharran coileanaidh, bha 37 air an toirt gu buil gu ìre mhath, no gu h-iomlan ro dheireadh na bliadhna. 'S e seo cuid nach bu bheag de na thathar a' cur ri glèidhteachas nàdair san Rìoghachd Aonaichte, san Roinn Eòrpa agus san t-saoghal eadar-nàiseanta air fad.

Le aithne air na dùbhlain uile a gheibhear an lùib nan seirbheisean poblach, leanaidh sinne aig JNCC oirnn, ag obair còmhla ri gach com-pàirtiche riaghaltais agus gun cheangal ri riaghaltas, fa chomhair Rìoghachd Aonaichte a bhios nas uaine agus nas seasmaiche ann an 2011/12 agus san àm ri teachd.

## Ro-ràdh an Àrd Oifigeir

### **Glèidhteachas nàdair eadar-nàiseanta**

Tha glèidhteachas nàdair eadar-nàiseanta luaidhte ann an obair JNCC. 'S e ar dleastanas a bhith mar cheangal eadar aontaidhean eadar-nàiseanta agus buileachadh dùthchail (a' mhòr-chuid tiomnaichte). Bidh sinn a' cumail taic theicnigeach ri Riaghaltas nuair a bhios e a' conaltradh ri buidhnean co-dhùnaidh na h-Eòrpa 's na Cruinne-cè, 's a' tabhann ro-fhiosrachadh agus mion-sgrùdadh do bhuidhnean glèidhteachais air an tuath agus do riaghaltasan tiomnaichte gus stèidh a chumail ri leasachadh agus buileachadh poileasaidh tiomnaichte.

Bha na leanas am measg prìomh euchdan na bliadhna:

- a' toirt comhairle theicnigeach mar thaic don Riaghaltas aig an 10<sup>mh</sup> Cruinneachadh de Luchd-aonta a' Chùmhnaint air Bith-iomadachd ann an Iapan san Dàmhair 2010, le frèam ùr de thargaidean bith-iomadachd 2020 am measg nam buil;
- a' cur ri stèidheachadh soirbheachail de dh'Àrd-ùrlar Eadar-riaghaltasan air Seirbheisean Eag-shiostaim agus Bith-iomadachd;
- a' cur taic ri buileachadh ro-innleachd na Rìoghachd Aonaichte airson glèidhteachais agus cleachdadh seasmhach bith-iomadachd sna Ranntairean Cèine, gu h-àraidh le bhith a' maoinachadh sreath phròiseactan sna Ranntairean a bha a' dèiligeadh ri bith-iomadachd mara agus gnèithean ionnsaigheach neo-dhùthchasach agus a' tabhann stiùireadh agus trèanadh air maoinachadh a-muigh;
- a' foillseachadh aithisg air buaidh malairt bith-thomad na RA air bith-iomadachd na cruinne agus a' cur caibideil ri Measadh Eag-shiostaim Nàiseanta mu dheidhinn buaidh na RA thall thairis;
- a' toirt comhairle stèidhichte air fianais don Riaghaltas a thaobh leasachadh agus buileachadh poileasaidh is reachdas an Aonaidh Eòrpaich, le ro-innleachd bith-iomadachd an AE, bun-structar uaine, àiteachas is cleachdadh fearainn, leasachadh seasmhach, agus cur an gnìomh Òrduighean nan Eun 's nan Àrainn na lùib.

### **Glèidhteachas nàdair na mara**

Le bhith a' cleachdadh an eòlais mhòir a th' aice a thaobh na mara, tha JNCC a' cuideachadh riaghaltas na RA agus nan riaghaltasan tiomnaichte gus an gealltanasan fo Chunnradh OSPAR, Òrdugh Frèama Ro-innleachd Mara, Òrduighean nan Eun 's nan Àrainn agus fo reachdas mara na dùthcha a thoirt gu buil. Tha sinn a' leigeil cuideam ar saothrach air uisgeachan far a' chladaich seachad air 12 mìle mara, agus tha sinn ag obair aig ìre Eòrpach còmhla ri buidhnean glèidhteachais air an tuath agus còmhla ri càch gus dearbhadh gu bheil deagh fhianais stèidhichte mar thaic do cho-dhùnaidhean a thaobh àrainneachd a' chuain gu lèir, agus gun gabh dleastanasan eadar-nàiseanta a choileanadh air dòigh chunbhalach.

Bha na leanas am measg prìomh euchdan na bliadhna:

- a' freagairt 696 iarrtas airson comhairle reachdail mu gnìomhachdan ceadichte a tha a' toirt buaidh air an àrainneachd mara, nam measg sin, gnìomhachd ola is gas, cumhachd mara ath-nuadhachail agus às-tharraing cloiche;
- a' cur gu mòr ri crìochnachadh lìonra làraich Natura 2000 ann an uisgeachan na RA, le bhith:
  - a' moladh trì Ionadan Sònraichte Glèidhteachais (SACs) ùra do Dhefra ann an uisgeachan far a' chladaich

- ag aithris do Dhefra 's Riaghaltas na h-Alba mu thoradh a' chonaltraidh phoblaich air ochd ionadan sònraichte glèidhteachais a dh'fhaodadh suidheachadh air a' chuan no beagan far a' chladaich
- ag aithris ri buidhnean glèidhteachais air an tuath mu 18 Roinnean Dìon Sònraichte ann an uisgeachan an cois a' chladaich (15 ann an Alba, tè an urra ann an Sasainn, anns a' Chuimrigh agus ann an Èirinn a Tuath) an dèidh mion-sgrùdadh air dàta suirbhidh
- a' cur taic ri stèidheachadh roinnean dìon na mara mar chuideachadh le lìonra làraichean na Rìoghachd Aonaichte:
  - ag obair an co-chomann ri Natural England gus ceithir pròiseactan roinneil Ceàrnan Glèidhteachais Mara a chur air adhart, a' ruith gu treas aithris air làraichean comasach sa Ghearran 2011 a tha a' nochdadh adhartas mòr fa chomhair coileanadh nan targaidean do chomharrachadh Ceàrnan Glèidhteachais Mara
  - a' co-obrachadh le Dualchas Nàdair na h-Alba is Riaghaltas na h-Alba gus Roinnean Dìon Mara comasach a chomharrachadh ann an uisgeachan far cladaichean na h-Alba le bhith a' tionail dàta, a' sgrùdadh, a' rannsachadh agus a' conaltradh ri com-pàirtichean
  - a' tabhann comhairle theicnigeach mar thaic do chomharrachadh nan Ceàrnan Glèidhteachais Mara ann an uisgeachan an cois cladaichean na Cuimrigh
- a' comhairleachadh mu leasachadh air targaidean is comharran co-cheangailte ri bith-iomadachd mar thaic do chur an gnìomh Òrdugh Frèama Ro-innleachd na Mara ann an uisgeachan na Rìoghachd Aonaichte;
- a' dèanamh sgrùdaidhean dearbhaidh air beathaichean is eòin na mara agus a' cur crìoch air mapaichean àrainn grunn na mara le bhith a' cleachdadh dàta a th' ann mar-thà, mar chuideachadh fa chomhair leasachadh air prògram gnìomhan faire is sgrùdadh bith-iomadachd ann an uisgeachan mara na Rìoghachd Aonaichte.

### ***Fianais agus fiosrachadh***

Bidh JNCC a' tabhann fianais agus fiosrachadh airson taic a chumail ri co-dhùnaidhean na h-àrainneachd agus leasachadh poileasaidh anns an Rìoghachd Aonaichte, agus bidh e a' toirt comhairle air iomchaidheachd a' bhunait fianaise. Tha dreuchd dheatamach againn a bhith a' brosnachadh 's a' toirt comas do bhuidhnean poblach, gnìomhachas agus saor-thoilich an dàta aca a chom-pàirteachadh airson a bhith a' neartachadh bunait fianais a' phoileasaidh. Bidh sinn cuideachd a' dol an sàs le iomairtean eadar-nàiseanta mar dhòigh air dàta na Rìoghachd Aonaichte a chur ann an seagh nas fharsainghe tir na cruinne.

Tha na leanas am measg prìomh euchdan na bliadhna:

- ag ùrachadh fiosrachadh claoaidh na Rìoghachd Aonaichte airson eòin grunnachaidh, eòin briodachaidh, eòin-mhara, ialtagan agus dealain-dè;
- a' comhairleachadh buidhnean glèidhteachais air an tuath agus riaghaltasan a thaobh nan roghainnean airson beàrnan a lìonadh ann an sgrùdadh bith-iomadachd, air chor 's gun tèid dleastanasan Òrdugh nan Àrainn a choileanadh;
- a' toirt taic theicnigeach airson Siostam Aithris Gnìomhan Bith-iomadachd (BARS) agus a' sgaoileadh eadar-aghaidh na tìre;
- a' cumail taic ri Lìonra Nàiseanta Bith-iomadachd le bhith a' leasachadh innealan gus clàraidhean nas fheàrr a dhèanamh agus a' sgaoileadh mapa eadar-aghaidh is eadar-ghnìomhach a tha air ath-leasachadh;
- a' cumail taic ri lèirmheas air lìonra nan Roinnean Dìon Sònraichte air tìr 's air an oirthir anns an Rìoghachd Aonaichte le bhith a' tabhann comhairle theicnigeach.

## **Seirbheisean riaghlaidh is corporra**

Lean sinn oirnn a' sgrùdadh modhan obrach gus freagairt ri feumalachdan bhon taobh a-muigh mar dhòigh air èifeachdachd a leasachadh agus cosgaisean a lùghdachadh, fhad 's a bha sinn a' cumail taic thàbhachdach ri coileanadh nam prìomhachasan corporra. Ann an 2010/11 choilean sinn lùghdachadh 2.6% ann an caiteachas air seirbheisean riaghlaidh is corporra an taca ris a' bhliadhna ron sin.

Bha na leanas am measg nam prìomh euchdan agus caomhnadh èifeachdachd:

- a' comhairleachadh riaghaltas na Rìoghachd Aonaichte 's nan riaghaltasan tiomnaichte mun bhuidh a dh'fhaodadh a bhith aig an Lèirmheas air Cosgaisean JNCC fhèin, agus a' leasachadh planaichean buileachaidh;
- ag ullachadh phlanaichean do dh'oifisean obrach ann am Peterborough seachad air 2011;
- a' gluasad luchd-obrach Obar Dheathain gu oifis ùr a chaidh a thogail a dh'aona ghnothach airson an cur còmhla, 's le sin a' lùghdachadh cosgais na h-oifise do gach neach-obrach bho £2,700 gu £1,600 agus a' leasachadh cor an àite obrach;
- a' gearradh ullachaidhean do Cho-bhòrd Companaidh is Comataidh gus cosgaisean a lùghdachadh 's aig an aon àm a' dearbhadh nach do rinneadh dearmad air an stiùireadh riaghlaidh;
- ag ath-sgrùdadh feum nan coinneamh a-muigh do luchd-obrach agus a' cur barrachd feum air bhideo airson cumail choinneamhan, 's le sin a' caomhnadh air an dà chuid cosgaisean (9% an taca ris a' bhliadhna ron sin) agus air an làrach truailidh;
- a' leasachadh siostaman IT le bhith a' tasgadh airgead ann am bathar cruaidh nas fheàrr gus am faighear air obair nas tàbhachdaiche a dhèanamh;
- a' gluasad gu solaraidhe ùr sgrùdaidh a-staigh le bhith a' cleachdadh a' chùmhnannt sgrùdaidh a-staigh aig Defra, 's le sin bithear a' caomhnadh air £9,166 p.a. bho 2011/12.

## **Joint Committee and Support Company**

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 Chairman and five independent members appointed by the Secretary of State; the Chairman of the Council for Nature Conservation and the Countryside (Northern Ireland); the Chairmen or Deputy Chairmen of the Countryside Council for Wales, Natural England and Scottish Natural Heritage; and one other member from each of these bodies. The term of appointments for the Chairman and independent members is initially for three years. The Chairman and independent members may be considered for re-appointment for one further term. Members from the UK 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 JNCC by a company limited by guarantee, JNCC Support Co, which was incorporated on 2 March 2005 (registration number 05380206). The Company Board comprises Joint Committee Members and up to four executive directors.

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.

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 or by request to Mrs J Swift, Monkstone House, City Road, Peterborough, PE1 1JY or [june.swift@jncc.gov.uk](mailto:june.swift@jncc.gov.uk).

### **JNCC offices**

#### ***Headquarters***

Joint Nature Conservation Committee  
Monkstone House, City Road, Peterborough, PE1 1JY  
Tel: +44 (0)1733 562626 Fax: +44 (0)1733 555948  
Web: [www.jncc.defra.gov.uk](http://www.jncc.defra.gov.uk)

#### ***Aberdeen office***

Joint Nature Conservation Committee  
Inverdee House, Baxter Street, Aberdeen, AB11 9QA  
Tel: +44 (0)1224 266564 Fax: +44 (0)1224 896170

#### ***Brussels office***

UK Nature and Landscape Office  
Quai au Foin 55 / Hooikaai 55, B 1000 Bruxelles, Belgium  
Tel: +32 (0) 27 38 74 80/81 Fax: +32 (0) 27 38 74 87



### **Senior JNCC staff in 2010/11**

Chief Executive	Mr MJM Yeo (from 1 April 2011)
Managing Director	Mr MJM Yeo (to 31 March 2011)
Director of Evidence and Advice	Mr PM Rose (from 7 February 2011)
Director of Science	Dr A Stott (to 18 April 2010) (on secondment from Defra)
	Mr PM Rose (from 3 May 2010 to 6 February 2011)
Director of Corporate Services	Mrs SE McQueen
Director of Marine	Dr JC Goold
Head of European and Global Advice	Dr LV Fleming (to 31 March 2011)

### **Company Board members in 2010/11**

Dr P Bridgewater (Chair)  
Mr PM Archdale  
Dr R Brown  
Mr P Casement  
Mr PA Christensen  
Mr DJ Crawley  
Mr G Duke  
Dr JC Goold \*  
Professor D Hill  
Dr IM Joyce  
Mrs SE McQueen \*  
Mr M Parry  
Mr DE Pritchard  
Mr PM Rose \* (from 16 February 2011)  
Mr A Thin  
Professor LM Warren  
Judith Webb  
Mr MJM Yeo \*

\* Executive directors

**Company secretary**

Mrs SE McQueen

**JNCC Support Co information**

Company number: 05380206 (England and Wales)

**Registered office**

Monkstone House  
City Road  
Peterborough  
Cambridgeshire  
PE1 1JY

**Auditors**

Comptroller and Auditor General

**Bankers**

Lloyds Bank plc  
30-31 Long Causeway  
Peterborough PE1 1YH

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2011**

The directors present their report and the financial statements for the year ended 31 March 2011.

### **JNCC Support Co – history and statutory background**

The Joint Nature Conservation Committee (JNCC) is the statutory adviser to the UK Government and devolved administrations on UK and international nature conservation. Its work contributes to maintaining and enriching biological diversity, conserving geological features and sustaining natural systems.

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

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

### **Change of Accounting Officer**

Under the provision of the Government's Alignment Policy each Arm's Length Body such as JNCC will have their own Accounting Officer. Prior to 31 March 2011 Accounting Officer responsibilities for JNCC were jointly held by the Chief Executives of the GB conservation bodies (Countryside Council for Wales, Natural England and Scottish Natural Heritage) and the Permanent Secretary of the Department of the Environment in Northern Ireland. The Chief Executive of Natural England (Dr Helen Phillips) acted as lead Accounting Officer. This arrangement ended on 31 March 2011.

As from 1 April 2011 Mr Marcus Yeo was appointed as Accounting Officer for JNCC and his post title re-designated as Chief Executive. During the period covered by this Annual Report and Accounts Marcus Yeo was Managing Director and had responsibilities analogous to those of an Accounting Officer.

### **Funding**

The total budget for JNCC is set each year by Ministers of the Department for Environment, Food and Rural Affairs after consultation and in agreement with their Scottish, Welsh and Northern Irish colleagues.

The budget comprises two parts: those 'reserved' matters funded by the Department for Environment, Food and Rural Affairs, and all other work funded through the Countryside Council for Wales, Natural England and Scottish Natural Heritage (the GB conservation bodies) and the Department of the Environment in Northern Ireland. The Department for Environment, Food and Rural Affairs and devolved administrations ring-fence the relevant element of grant-in-aid to their respective funding bodies. Any grant-in-aid provided by a Department/administration for the year in question is voted in the Department's/administration's Estimate and is subject to Parliamentary control.

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

## Review of business

During the financial year ending 31 March 2011 the company made a significant contribution to nature conservation on both the national and international level via an extensive and varied programme of work. Thirty-five of the company's 42 key performance indicators were fully, or substantially, met.

For the year-ending 31 March 2011 the company made a surplus of £305,950 (loss of £71,413 in 2009/10). The surplus contributed towards an increase in total reserves which now stand at £584,374 (£193,666 for 2009/10). The company continues to demonstrate a high level of control over the management of public monies for which it has stewardship responsibilities.

The surplus was generated by two factors, expenditure being less than anticipated and utilisation of provisions built up in previous years.

The majority of income for JNCC Support Co comes in the form of a cash grant-in-aid from the Defra, GB conservation bodies and the Department of Environment in Northern Ireland. This grant is claimed monthly throughout the year. The monthly claims are made at the end of the previous month and because net expenditure in March 2011 was less than anticipated, grant claimed for March exceeded net expenditure thereby generating a small surplus.

When JNCC Support Co utilised provisions made in previous years it was required to draw down grant-in-aid because the provisions are not backed by cash at the start of the year, owing to Treasury instructions are that grant should not be drawn down in advance of need. Therefore in the year that the provisions are utilised, income, in the form of grant-in-aid is greater in order to make the payment, but the cost is not recognised in the accounts, as it had been recognised in the year that the provision is made.

## Comparison of outturn against budget

The table below shows the comparison of outturn against the original budget, prepared in March 2010 and the latest revision of the budget as at 31 December 2010.

All figures in £'000	Original Budget*	Actual Outturn	Variance	Revised Budget*
Revenue Expenditure	11,851	10,359	(1,492)	11,294
Capital Expenditure	8	91	83	97
Total Expenditure	11,859	10,450	(1,409)	11,391
Less: Non-GIA income	(1,835)	(1,210)	625	(1,757)
Total spend to be met from GIA	10,024	9,240	(784)	9,634
GIA received	9,970	9,546	424	9,706
Surplus/(Deficit)	(54)	306	360	72

\* The original budget is based on the JNCC corporate plan as approved by Defra. The revised budget is a final variation of the original budget, adjusted over the course of the year, which is reported to Defra.

The movement in spend between the original budget and the outturn was caused by a number of factors but the three main reasons were:

- the spending restrictions introduced by the Coalition Government after the 2010 General Election;
- the provision made for a possible relocation of the Peterborough Office not being required; and
- a shortfall of expenditure against budget on some marine activities because of difficulties and delays in recruiting staff.

### **Future developments**

Through the provision of evidence, information and advice JNCC will make a distinctive contribution to three inter-related strategic goals:

- i. decisions affecting the natural environment are informed by a sound UK, EU and global evidence base;
- ii. UK government and devolved administrations meet their international obligations and achieve favourable outcomes for biodiversity in the UK and internationally;
- iii. the UK's offshore marine waters are healthy and biologically diverse.

JNCC's work over the period 2011-15 will be focused on six objectives:

- i. maintain and develop biodiversity surveillance programmes, sufficient to achieve policy and statutory obligations cost-effectively;
- ii. provide access to, and reporting of, information, evidence and knowledge on UK and international biodiversity;
- iii. provide advice to enable UK and devolved governments to meet their EU and international obligations for biodiversity and sustainable development;
- iv. enable UK administrations to substantially complete the UK network of well managed marine protected areas, sufficient to meet national, EU and international requirements;
- v. provide advice on marine biodiversity to enable sustainable management of the offshore environment;
- vi. manage and develop the organisation to meet changing demands and opportunities, maximise its effectiveness in achieving our strategic goals and improve operational efficiency.

In 2011/12, progress in achieving each objective will be assessed against performance measures set out in JNCC's business plan, which is approved by Defra and the devolved administrations and is accessible at <http://jncc.defra.gov.uk>.

The work described in the business plan will support the collective priorities of the UK Government and devolved administrations, enabling them to meet their international and national obligations for nature conservation. Some marine work streams will be provided with enhanced funding in 2011/12, to enable JNCC to make an effective contribution to

governments' priorities in these areas. Financial support for some other areas of work will be reduced, in line with the outcome of the Spending Review.

In delivering our priorities, we will work in partnership with the country nature conservation bodies and a large number of other organisations. This will enable us to join up nature conservation policy and implementation at different geographical scales and across different sectors, and to maximise returns in investments in research and surveillance to provide a strong and cost-effective evidence base.

### **Donations**

There were no political nor charitable donations made in the financial year ending 31 March 2011.

### **Personal data**

There were no losses of personal data in the financial year ending 31 March 2011.

### **Our staff**

During the year ending 31 March 2011 JNCC Support Co employed, on average, 138 full-time equivalent staff, based in offices in Peterborough and Aberdeen, with out-posted staff in Brussels and the Falkland Islands. They 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, disability, race, religion or belief. We also seek to provide learning and development opportunities for all staff to maximise effectiveness, increase performance and develop staff for the future. Further details regarding JNCC's remuneration policies can be found in the remuneration report on page 28.

Conditions of employment, policies and procedures are available on the JNCC website, [www.jncc.defra.gov.uk](http://www.jncc.defra.gov.uk). A performance management system is in operation and has been reviewed and enhanced for roll out in the year commencing April 2011. We set out to be a socially responsible organisation, providing flexibility to enable our staff to combine work with family 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.

### **Sickness absence**

In 2010/11 the average sickness absence per full-time employee was 4.3 days (4.2 days in 2009/10). This compares favourably with the current average level of absence for the Civil Service which is 8.5 days.

### **Fixed assets**

In the financial year ending 31 March 2011 the company spent nothing on improvements to leasehold premises (£nil in 2009/10), £58,059 on computer equipment (£23,282 in 2009/10), £12,200 on other equipment (£nil in 2009/10), and £20,758 on software licences (£8,733 in 2009/10).

## **Financial instruments**

JNCC is not exposed to significant liquidity, interest rate or exchange rate risk. Details of financial assets and liabilities are provided in notes 12 to 15 in the accounts.

## **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 Annual Report and Accounts were authorised for issue by the Company Board on 23 June 2011.

## **Going concern**

The balance sheet at 31 March 2011 shows the reserves of the company as £584,374. The future financing of the JNCC is to be met by grant-in-aid from Defra and the devolved administrations. Grant-in-aid for the year ending 31 March 2012, 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, which have been approved by the relevant parliament. It has accordingly been considered appropriate to adopt the going concern basis for the preparation of these financial statements.

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

## **Risks**

Any significant risks identified by management have been reported on as part of the Statement on Internal Control on pages 22 to 27 of this report.

## **Payment of creditors**

JNCC follows the principles of the Better Payment Practice Code, and the policy is to ensure that all payments are made by the due date. This policy is known throughout the organisation and there is a formal complaints procedure to enable suppliers' complaints to be dealt with quickly. Ninety-seven per cent of invoices were paid by the due date in the year ending 31 March 2011, an improvement of two per cent on the previous year. JNCC has also taken the steps necessary to meet, where possible, the Treasury's target of paying invoices within 10 days of receipt to assist suppliers in the current demanding economic climate.

## **Results and dividends**

The company has no issued 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 have to retire if they are no longer members of the company or cease to be members of the Executive Management Board. 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 or by request to Mrs J Swift, Monkstone House, City Road, Peterborough, PE1 1JY or [june.swift@jncc.gov.uk](mailto:june.swift@jncc.gov.uk).

### **Responsibilities of the directors**

Company law 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 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.

### **Responsibilities of the Chief Executive**

During the financial year ended 31 March 2011, the Chief Executive of Natural England, acting as Lead Accounting Officer for JNCC, delegated responsibilities analogous to those of Accounting Officer to the Managing Director of JNCC. 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 the JNCC Support Co's assets, are set out in *Managing Public Money* published by the Treasury.

As from 1 April 2011 the Chief Executive of JNCC (Mr Marcus Yeo) has been appointed Accounting Officer for JNCC by the Permanent Secretary of the Department for Environment, Food and Rural Affairs.



## **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 is empowered to audit the JNCC Support Co's financial statements. His certificate and report appear on page 24. The audit fee charged in the Profit and Loss Account was £17,500. The auditors received no fees for non-audit services.

The Chief Executive confirms that:

- there is no relevant audit information of which the auditors are unaware; and
- he has taken all the steps he ought to have taken to make himself aware of any relevant audit information and to establish that the JNCC's auditors are aware of that information.

On behalf of the board.

Marcus Yeo  
Chief Executive  
23 June 2011

## **Statement on Internal Control**

### **Introduction**

As from 1 April 2011 I have acted as Chief Executive of JNCC and have been appointed Accounting Officer for JNCC by the Permanent Secretary of the Department for Environment, Food and Rural Affairs. During the financial year ending 31 March 2011 I was Managing Director of JNCC and had responsibilities analogous to those of an Accounting Officer.

### **Scope of responsibility**

As Managing Director, I had responsibility for maintaining a sound system of internal control for the JNCC and its Support Company that supports the achievement of the JNCC's policies, aims and objectives, whilst safeguarding the public funds and the assets for which I was personally responsible, in accordance with the statement of accounting responsibilities placed upon me by the Chief Executive of Natural England on her own behalf and that of the Accounting Officers of Scottish Natural Heritage, the Countryside Council for Wales and the Department of the Environment in Northern Ireland in accordance with the responsibilities assigned to them in *Managing Public Money*.

From 1 April 2011 as Accounting Officer I am responsible for maintaining a sound system of internal control for the JNCC and its Support Company that supports the achievement of the JNCC's policies, aims and objectives, whilst safeguarding the public funds and the assets for which I am personally responsible, in accordance with the statement of accounting responsibilities placed upon me by the Permanent Secretary of the Department of Environment, Food and Rural Affairs in accordance with the responsibilities assigned to me in *Managing Public Money*.

Governance arrangements for the JNCC, and the relationship between the JNCC, government departments, devolved administrations and the country nature conservation bodies, are described in an Accountability Framework, Management Statement and Financial Memorandum.

The Joint Committee sets the strategy and programmes of work for the JNCC; implementation is monitored by the Company Board. JNCC's annual work programme and associated performance indicators are set out in a business plan, which is agreed with ministers following discussion of priorities by the JNCC Sponsors Group. This group comprises representatives from government departments, devolved administrations and the country nature conservation bodies. The JNCC Sponsors Group also reviews achievement of programmes.

### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the JNCC's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the JNCC for the year ended 31 March 2011 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

## **Capacity to handle risk**

Leadership of the risk management process within the JNCC was provided by me as Managing Director and analogous Accounting Officer. A risk management strategy is in place, which outlines how I and the other executive directors (who comprise the Executive Management Board) require the organisation to manage risk. The Executive Management Board is committed to embedding the principles of effective risk management into the culture of the organisation.

The risk management strategy entails embedding the risk management process into each part of the work planning, delivery and reporting process. The Executive Management Board and other internal management groups take a formal role in the risk management process and have responsibility for ensuring risk management processes remain effective and relevant to the organisation's needs. Project managers are required to identify risks in their projects and attribute a rating in each of five specified areas. High-risk/high-cost projects are identified through the planning process. An audit on risk management is undertaken annually and includes an element of best practice.

## **The risk and control framework**

JNCC's risk management strategy has been drawn up and implemented in line with Treasury guidance. Key elements of the strategy include:

- maintenance of organisation-wide risk registers, comprising high-level corporate risks, high inherent risks and medium/low risks;
- assignment of risk owners to each risk (members of the Executive Management Board for corporate risks, appropriate senior managers for high inherent and medium/low risks);
- quarterly reports from risk owners on the steps they are taking to manage risks in their areas of responsibility, including reports on the effectiveness of controls in place to manage the risks, and progress reports on implementing future controls; and
- regular consideration and reporting of new and emerging risks by the Executive Management Board (monthly) and the Audit and Risk Management Committee (quarterly).

The JNCC takes a balanced approach to determining its risk appetite, by accepting that major risks affecting the organisation must be controlled, but that exposure to some risks is necessary to enable the effective delivery of its objectives. We will take the action needed to safeguard our assets and resources, meet legal requirements and comply with our governance arrangements, but given financial constraints will not always be able to meet 'best practice'. We apply high standards in providing evidence and advice to government, recognising that lowering standards in this area could potentially have serious political and reputational consequences. Political changes, both in Whitehall and the devolved administrations, present the JNCC with particular challenges, e.g. in leading the development of new areas of work, building new partnerships and adopting new working practices. These developments will often involve a high degree of risk, and we will manage them accordingly.

During 2010/11, significant risks to the system of internal control were presented by:

- the making, within 2009/10, of four payments without the appropriate authorisation being sought or obtained beforehand from Natural England and Defra as was required under the JNCC Financial Memorandum;
- implementing the spending restrictions introduced by the new Coalition Government;
- preparing for the Spending Review and associated processes;
- managing increasingly complex funding arrangements;
- ensuring advice to government, especially on novel or contentious issues, is underpinned by a sound evidence base.

During 2010/11, an exercise was undertaken to streamline risk management processes to bring together into one process the various elements of risk management in the organisation, ensuring that risks are managed more effectively. A new risk management process has been devised and all risks are described in a single corporate risk register. Each risk is owned by an executive director. The new process will come into effect from 1 April 2011.

The JNCC's system of internal financial control is based on a framework of regular management information, administration procedures including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- an online, real-time financial management information system;
- Financial Memorandum and Financial Regulations;
- comprehensive budgeting systems;
- regular reviews by the Executive Management Board of periodic and annual financial reports which indicate financial performance against forecasts; and
- anti-fraud and corruption policy and whistleblowing policy.

The JNCC has effective arrangements in place for archiving, storing and backing-up data and information. In 2010/11, action to reinforce data security arrangements with partners was taken by ensuring all new contracts included data security information. A new IT security policy was published, which provides guidelines on how to handle confidential data.

Issues identified in an independent and in-depth penetration test of JNCC's perimeter network security undertaken in the previous year were implemented, and action to strengthen security included upgrading both the hardware and software at the JNCC perimeter. During 2010/11 there were no known breaches of the security of confidential data.

A project to implement an information management system, due to be completed by September 2010, was put on hold to allow other priorities to be addressed. As part of the information management project, an enterprise search engine was deployed during 2010/11. In 2011/12, further work will be carried out to consolidate electronic directories into the current directory structure.

Other action taken in 2010/11 to address priorities identified in the Statement on Internal Control for 2009/10 included:

- strengthening medium-term resource planning processes;
- providing training in change management to all senior managers;
- enhancing engagement with Government stakeholders and partners, with a focus on sharing intelligence and building partnerships;
- strengthening processes for the quality assurance of evidence and advice by implementing the recommendations of an internal Science Quality Task Force; and
- strengthening communications between Natural England and JNCC and to ensure that the provisions of the JNCC Financial Memorandum are clearly understood by the relevant staff in both organisations, and that advice is sought before payments requiring delegated authority are made.

### **Review of effectiveness**

As Chief Executive, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive directors within the JNCC Support Company who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Executive Management Board, the Company Board and the Audit and Risk Management Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Control of the process for maintaining and reviewing the effectiveness of the system of internal control is exercised by the Joint Committee, the Company Board, the Audit and Risk Management Committee, and the Executive Management Board.

Members of the Joint Committee have overall responsibility for fulfilling its statutory functions and promoting the efficient and effective use of resources by the JNCC. In 2010/11 the Joint Committee met quarterly.

The Company Board has overall responsibility for discharging the Joint Committee's corporate and business plans and for maintaining an effective framework of corporate governance. This includes maintaining effective systems of risk management and audit, financial management and planning and monitoring. The Company Board reviews annual reports from the Audit and Risk Management Committee on the JNCC's and company's control and risk management. In 2010/11 the Board met quarterly.

The Audit and Risk Management Committee is a sub-committee of the Company Board and has an exclusively non-executive membership, with one external member. The Audit and Risk Management Committee is accountable to the Board and to the Joint Committee. Its role is to support the Board in its responsibilities for issues of risk, control and governance and associated issues. The Committee meets quarterly.

The Executive Management Board is a sub-committee of the Company Board and meets monthly. In 2010/11, it comprised the Managing Director and four executive directors, of which three were appointed to the Company Board. The Executive Management Board has responsibility for directing and managing the affairs of the company to deliver corporate and business plans within a framework of effective controls. It is also responsible for managing, reviewing and assessing the corporate risks of the organisation. All executive directors have completed assurance statements.

In 2010/11, internal audit of the JNCC and JNCC Support Co was carried out by Deloitte & Touche Public Sector Internal Audit Limited. They submitted regular reports 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 are determined by reference to the levels of risk in the risk register. Audit reports include the assurance levels for each system on the adequacy and effectiveness of the JNCC Support Co's system of internal control together with recommendations for improvement.

In 2010/11, the Joint Committee and Company Board considered proposals to streamline the way they conduct their business. A number of operational changes and changes to delegations have been agreed which will make the best use of members' time and will reduce cash and environmental costs. All changes will take effect from 1 April 2011.

### Significant control issues

The following table shows significant internal control issues that were identified in 2010/11 and summarises the management action taken. The extent to which these actions have successfully addressed the control issues will be kept under review during 2011/12, and if necessary additional management action will be taken.

Issue	Management action
The spending restrictions put in place by the Coalition Government have led to delays in taking forward some important programmes of work.	Internal procedures have been revised to take account of the spending restrictions and the need to gain Defra approval for certain types of expenditure. Robust forward planning and option evaluation should minimise the impact of spending restrictions in future.
Work associated with the Spending Review has been resource-intensive and has diverted effort from other tasks (e.g. improving the efficiency of back-office function). Uncertainty over JNCC's future role and funding has hindered forward planning.	Much of the uncertainty has now been resolved following completion of the Spending Review. From 2011/12 onwards, resources can be redirected to other areas. Risk-based action to minimise the impact of budget cuts has avoided the need for costs (e.g. redundancy payments).
There has been increased scrutiny of the evidence underpinning JNCC's advice to government, especially in relation to the identification of marine protected areas.	Building on work undertaken by an internal Science Quality Task Force, procedures for the production and quality assurance of evidence will be reviewed in 2011/12 and amended where appropriate.

Existing processes and systems have not always supported effective financial planning, management and reporting.	Actions to be taken in 2011/12 include enhancing technical expertise in JNCC's finance team, reviewing the responsibilities of project managers and programme leaders, and improving the financial management system.
Some marine work programmes have been disrupted by failure to recruit suitably qualified staff.	Competency requirements for marine posts will be defined carefully to ensure that they are not too highly specified. Opportunities for recruiting in collaboration with other organisations will be explored.

Marcus Yeo  
Chief Executive  
23 June 2011

## **JNCC Support Co Remuneration Report**

### **Remuneration policy**

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

The remuneration of the Chief Executive/Managing Director 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 below Grade 5 (i.e. all staff except for 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 the 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**

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 but also includes the circumstances when appointments may otherwise be made.

Unless otherwise stated below, the directors and officials covered by this report hold appointments which are open-ended. Early termination for all staff, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme. However, 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.



Dr P Bridgewater was re-appointed for a three-year term commencing on 1 October 2010

Prof. L Warren was re-appointed for a three-year term commencing on 1 April 2009

Dr R Brown was appointed for a three-year term commencing on 1 December 2009

Mr G Duke was appointed for a three-year term commencing on 1 December 2009

Mr D Pritchard was re-appointed for a three-year term commencing on 1 December 2009

Judith Webb was appointed for a three-year term commencing on 1 September 2008

Further information about the work of the Civil Service Commissioners can be found at [www.civilservicecommissioners.gov.uk](http://www.civilservicecommissioners.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 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 the 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 staff of the JNCC Support Co are 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 2010/11 relate to performance in 2009/10.

JNCC also operates a reward and recognition scheme where individuals receive bonuses of up to £200. These are paid on a quarterly basis.

## JNCC Support Co - Remuneration (audited figures)

	Period of appointment	Days service 2010/11	Salary 2010/11	Salary 2009/10
<b>Committee members:</b>			£ 000s	£ 000s
<b>Chair</b>				
Dr P Bridgewater	01.10.2007 to 30.09.2013	104	35 - 40	40 - 45
<b>Independent members</b>				
Prof LM Warren	01.04.2006 to 31.03.2012	30	5 - 10	5 - 10
Mr DE Pritchard	01.12.06 to 30.11.2012	42	10 - 15	15 - 20 <sup>1</sup>
Prof M Usher	01.12.06 to 30.11.2009	0	0	5 - 10 <sup>2</sup>
Judith Webb	01.09.2008 to 31.08.2011	30	5 - 10	5 - 10
Dr R Brown	01.12.09 to 30.11.2012	30	5 - 10	0 - 5 <sup>2</sup>
Mr G Duke	01.12.09 to 30.11.2012	30	5 - 10	0 - 5 <sup>2</sup>

No Committee Members received bonus payments in either 2010/11 or 2009/10.

1. Mr DE Pritchard's salary for 2009/10 reflects an element of back pay following an increase in time commitment. His salary expressed as a full-year equivalent falls in the band 10-15.

2. The salaries for 2009/10 for Professor M Usher, Dr R Brown and Mr G Duke reflect that they were not employed for the entire year. Their salaries expressed as full-year equivalents fall in the band 5-10.

### JNCC Support Co - Remuneration (audited figures)

	Appointment date	2010/11		2009/10	
		Salary	Bonus payments	Salary	Bonus payments
Senior Staff:		£ 000s	£ 000s	£ 000s	£ 000s
<b>Managing Director</b>					
Mr D Steer	Retired 08.09.2009	0	0	45 - 50 <sup>1</sup>	0
Mr MJM Yeo	09.09.2009	85 - 90	0	70 - 75 <sup>2</sup>	0
<b>Other Directors</b>					
Dr JC Goold	01.10.2008	50 - 55	0	50 - 55	0
Mrs SE McQueen	09.09.2009	50 - 55	0	45 - 50 <sup>3</sup>	0
Mr PM Rose	03.05.2010	50 - 55 <sup>4</sup>	0 - 5	n/a	0
<b>Other Senior Staff</b>					
Dr A Stott <sup>5</sup>	Resigned 18.04.2010	0	0	60 - 65	0
Dr LV Fleming <sup>6</sup>	21.09.2009 to 31.03.2011	50 - 55	0 - 5	50 - 55	0

No benefits in kind were paid in either 2010/11 or 2009/10.

- Mr D Steer's salary for 2009/10 expressed as a full-year equivalent falls in the band 85 - 90.
- Mr MJM Yeo's salary for 2009/10 expressed as a full-year equivalent falls in the band 85 - 90.
- Mrs SE McQueen's salary for 2009/10 expressed as a full-year equivalent falls in the band 50 - 55.
- Mr PM Rose was an existing employee of JNCC Support Co when he was appointed director. His salary for 2010/11 expressed as a full-year equivalent falls in the band 50 - 55.
- Dr A Stott was on secondment from Defra and the 2009/10 figures are based on his Defra salary. The actual cost charged to the profit and loss account in 2009/10 for his secondment was £79,947. Dr Stott returned to his post with Defra from 18/04/2010. Defra made no charge for his services in 2010/11 in recognition of work he carried out for Defra in 2009/10 whilst still on secondment.
- Dr LV Fleming was on temporary, part-time promotion to the Executive Management Board but was an existing full-time employee of JNCC Support Co.

### JNCC Support Co - Pension benefits (audited figures)

	Total accrued pension at age 60 at 31/03/11 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31/03/11	CETV at 31/03/10	Real increase in CETV
Senior Staff:	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s
<b>Managing Director</b>					
Mr MJM Yeo	25 - 30 LS 0	5 - 7.5 LS 0	347	247	61
<b>Other Directors</b>					
Dr JC Goold	0 - 5 LS 0	0 - 2.5 LS 0	27	15	8
Mrs SE McQueen	10 - 15 LS 40 - 45	0 - 2.5 LS 2.5 - 5	194	154	17
Mr PM Rose	10 - 15 LS 35 - 40	0 - 2.5 LS 2.5 - 5	213	168	19
<b>Other Senior Staff</b>					
Dr LV Fleming <sup>6</sup>	15 - 20 LS 50 - 55	0 - 2.5 LS 0 - 2.5	356	302	11

The actuarial factors used in the calculation of Cash Equivalent Transfer Values (CETVs) were changed during 2010 due to changes in demographic assumptions and the move from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI) as the measure used to uprate Civil Service pensions. This means that the CETV in this year's report for 31/03/10 will not be the same as the corresponding figure shown in last year's report.

## Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a final salary scheme (**classic**, **premium** or **classic plus**), or a whole career scheme (**nuvos**). 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** and **nuvos** are increased annually in line with Pensions Increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (**partnership** pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for **classic** and 3.5% for **premium**, **classic plus** and **nuvos**. 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/her 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. 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 a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. 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 0.8% 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** and 65 for members of **nuvos**.

Pension benefits for the Chairman are provided broadly by-analogy with the Civil Service pension scheme. This is because the Chairman cannot be pensioned in the same scheme as staff but may have access to similar types of benefits. The other independent Committee members do not receive pension benefits.

Further details about the Civil Service pension arrangements can be found at the website <http://www.civilservice.gov.uk/my-civil-service/pensions/index.aspx>.

## **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 individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are worked out within the guidelines and framework prescribed by the Institute and the Faculty of Actuaries 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 effectively 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.

Marcus Yeo  
Chief Executive  
23 June 2011

## **The certificate and report of the Comptroller and Auditor General to the Members of the Joint Nature Conservation Committee Support Co**

I certify that I have audited the financial statements of JNCC Support Co for the year ended 31 March 2011 under the Government Resources and Accounts Act 2000. These comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and Statement of Total Recognised Gains and Losses and the related notes. 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.

### **Respective responsibilities of the directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income 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.

### **Opinion on Regularity**

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

### **Opinion on Financial Statements**

In my opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its gain for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the Companies Act 2006.

### **Opinion on other matters**

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Government Financial Reporting Manual; and
- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which I am required to report by exception**

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records or returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement on Internal Control does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

*Amyas C E Morse  
Comptroller and Auditor General  
National Audit Office  
157-197 Buckingham Palace Road  
Victoria, London, SW1W 9SP*

*29 June 2011*

## Profit and loss account for the year ended 31 March 2011

	Note	2010/11 £	2009/10 (restated) £
<b>Turnover</b>	2	10,664,454	10,371,644
Cost of activities	2	(8,668,564)	(8,332,735)
<b>Gross profit</b>		<b>1,995,890</b>	<b>2,038,909</b>
Administrative expenses	3	(1,696,606)	(2,245,067)
<b>Operating gain/(loss)</b>	2	<b>299,284</b>	<b>(206,158)</b>
Transfer from government grant reserve	16	6,258	150,309
<b>Gain/(loss) on ordinary activities before interest</b>		<b>305,542</b>	<b>(55,849)</b>
Other interest receivable and similar income		618	381
<b>Gain/(loss) on ordinary activities before taxation</b>		<b>306,160</b>	<b>(55,468)</b>
Tax on profit on ordinary activities		(210)	(15,945)
<b>Gain/(loss) for the financial year</b>		<b>305,950</b>	<b>(71,413)</b>

The turnover and cost of activities figures for 2009/10 have been restated to reflect the removal of funding and expenditure relating to project partners in line with the change in accounting policy detailed in note 1 under the heading grants received. As these adjustments are equal and opposite, there is no impact on the overall loss for the year.

The company has made no acquisitions nor discontinued any operations during 2010/11 therefore turnover and operating profit derive entirely from continued operations.

The notes on pages 40 to 54 form part of these accounts.



## Statement of total recognised gains and losses for the year ended 31 March 2011

	Note	2010/11 £	2009/10 (restated) £
Gain/(loss) for the financial year		305,950	(71,413)
Capital grant for the purchase of assets	16	91,017	32,015
Transfer from the government grant reserve	16	(6,258)	(150,309)
Total gains and (losses) relating to and recognised in the year		<u>390,709</u>	<u>(189,707)</u>

The figures for 2009/10 have been restated in line with the change in accounting policy on fixed assets. The amounts previously quoted in the accounts for 2009/10 included the effect of asset revaluations.

The notes on pages 40 to 54 form part of these accounts.

## Balance sheet as at 31 March 2011

	Note	As at 31 March 2011		As at 31 March 2010 (restated)	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	8		88,616		77,896
Tangible assets	9		221,060		147,022
			<b>309,676</b>		<b>224,918</b>
<b>Current assets</b>					
Cash at bank and in hand	10	562,896		919,239	
Stocks	11	27,866		52,523	
Debtors	12a	370,206		276,579	
			960,968		1,248,341
<b>Creditors</b>					
Amounts falling due within one year	13a	(653,476)		(1,010,798)	
<b>Net current assets</b>			307,492		237,543
<b>Total assets less current liabilities</b>			<b>617,168</b>		<b>462,461</b>
<b>Provisions for liabilities</b>	14		(32,794)		(268,795)
<b>Net assets</b>			<b>584,374</b>		<b>193,666</b>
<b>Capital and reserves</b>					
Government grant reserve	16		309,676		224,918
Profit and loss account	17		274,698		(31,252)
<b>Total reserves</b>			<b>584,374</b>		<b>193,666</b>

Fixed assets and capital and reserves for 2009/10 have been restated to reflect that all fixed assets are now being held on an historic cost basis. Some fixed assets were previously valued on a Current Cost Accounting basis, the revaluation being carried within the government grant reserve. Further information on this change can be found in the accounting policies note on page 41.

**The Financial Statements on pages 36 to 54 were approved by the board of directors on 23 June 2011 and signed on its behalf.**

M Yeo  
Chief Executive

The notes on pages 40 to 54 form part of these accounts.

## Cashflow statement for the year ended 31 March 2011

	Note	2010/11 £	2009/10 £
Net cash (outflow)/inflow from operating activities	18	(265,734)	331,194
Taxation			
Corporation Tax	2	(210)	(15,945)
Capital expenditure			
Purchase of fixed assets	16	(91,017)	(32,015)
Returns from investments and servicing of finance			
Interest received	2	618	381
<b>(Decrease)/increase in cash</b>	10	<b>(356,343)</b>	<b>283,615</b>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net funds at the beginning of the period	10	919,239	635,624
<b>Net funds at the end of the period</b>	10	<b>562,896</b>	<b>919,239</b>

The notes on pages 40 to 54 form part of these accounts.

## **JNCC Support Co notes to the Financial Statements for the year ended 31 March 2011**

### **1. Accounting policies**

#### **Statement of accounting policies**

The financial statements are intended, without limiting the information given, to conform with the requirements of the Companies Act 2006 and the Statements of Standard Accounting Practice and Financial Reporting Standards issued or approved by the Accounting Standards Board insofar as these requirements are appropriate. Where the requirements do not conflict with guidance provided by the 2010/11 Government Financial Reporting Manual (FReM) information has been presented utilising the FReM requirements.

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

The financial statements conform with the provisions of the Companies Act 2006 and the UK Generally Accepted Accounting Practice (GAAP) which does not require adoption of the International Financial Reporting Standard (IFRS). The Executive Management Board considers that the adoption of IFRS would not improve the understanding of the Financial Statements and have therefore decided not to adopt IFRS within these statements.

#### **Accounting convention**

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

#### **Estimation**

In the view of the Executive Directors no estimation techniques have been adopted in the preparation of these financial statements which are significant for the purposes of paragraph 57 of the FRS 18.

#### **Turnover**

The principal form of income is grant-in-aid received from the Department for Environment, Food and Rural Affairs, the GB conservation bodies and the Department of the Environment in Northern Ireland. This is treated as income in the accounts as it is provided to enable the 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, royalties and amounts generated by sales of publications.

Expenditure is stated gross of VAT because as a 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 2011/12, taking into account the amounts required for JNCC Support Co's liabilities falling due in that year, has already been approved by UK Parliament, the Scottish Parliament, the National Assembly for Wales and the Northern Ireland Assembly. It is therefore considered appropriate that these financial statements have been prepared on a going concern basis.

## Fixed assets

In 2010/11 JNCC changed its policy regarding 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 6.2.8 (h) of the FReM 2010-11.

This change in policy has resulted in the restatement of the brought forward balances for fixed assets. For asset costs the restated brought forward balances were as follows (original figures in brackets); £172,572 (£177,466) for intangible assets and £720,826 (£739,926) for tangible assets. For amortisation and depreciation the restated brought forward balances were as follows; £94,676 (£96,402) for intangible assets and £573,804 (£544,954) for tangible assets.

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 are normally used at the start of an asset's useful life. These are shown below 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

Where an asset is still being used as at the end of the original write-off period, the write-off period is extended to reflect the asset's revised economic life and previous depreciation is recalculated.

Depreciation is charged on a monthly basis from the date of purchase.

## Stocks

Stocks are valued at the lower of cost and net realisable value. The stock valuation is adjusted for obsolete stock via a write down of stock where the volume of current sales indicate specific stock items are unlikely to generate future income flows.

## **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 does not have any finance leases.

## **Pension costs**

Pension benefits are provided through the Principal Civil Service Pension Scheme (PCSPS), full details of which are described within the remuneration report.

Although the PCSPS is a defined benefit scheme, entities such as JNCC Support Co, covered by the scheme 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 of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS.

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

The Chair is entitled to a pension scheme but is prohibited from joining the Principal Civil Service Pension Scheme (PCSPS). An individual scheme has been set up described as "by analogy to the PCSPS". Any ongoing liability arising from this arrangement will be borne by JNCC Support Co. The cost of the by analogy pension scheme is not deemed to be material and the cost of the pension will be charged to the profit and loss account in the years that it is paid.

## **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.

During 2010/11 no early retirements took place or were approved. One early severance took place during 2010/11 however a provision for this severance was made in the 2009/10 accounts and the payment charged against this provision.

## **Grants received**

Grant-in-aid received for capital expenditure is credited to a government grant reserve and is released to revenue over the useful expected life of the relevant asset. Grant-in-aid received of a revenue nature is credited to income for the year to which it relates. Grants received outside of grant-in-aid, including from European Union sources, are matched to the corresponding project expenditure in the year in which it is incurred.

To ensure that the financial statements show a true and fair view the treatment of expenditure and income in respect of joint projects funded by the European Commission has been changed. 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 now shown in the financial statements. In previous years the total spend and income of all the partners to the project was shown. Any cash received by JNCC Support Co, but not yet distributed to the partners as at the date of the balance sheet is now shown as a third party asset in the balance sheet.

Following the restatement of the 2009/10 financial statements, the turnover figure in the profit and loss account reduced by £147,407 with a corresponding reduction in the figure for conservation support expenditure.

## **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 the JNCC became a party to the contractual provisions of an instrument.

The 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.

## **Notional costs**

The financing structure of the company does not include specific interest bearing debt. However the figures for 2009/10 include an appropriate charge for the use of capital in the annual financial statements, a notional interest charge being added. In accordance with Treasury guidance, the calculation was based on a 3.5% cost of capital on average net assets.

The requirement to show a charge for use of capital was removed as from 1 April 2010 and therefore there is no cost of capital shown in the 2010/11 accounts.

## **Taxation**

### ***Corporation Tax***

JNCC Support Co does not trade with a view to profit and therefore its Corporation Tax liability is limited to that arising from Case III investment income and capital gains.

**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.

JNCC Support Co receives GIA 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 FRS12, 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 to 31 March 2011

	2010/11		2009/10 (restated)	
	£	£	£	£
<b>Turnover</b>				
JNCC grant-in-aid		9,454,983		7,730,985
European Union funding		124,910		101,804
Contributions to projects		865,200		2,407,052
Royalties		3,266		2,319
Scientific advice and information		149,535		87,359
Publication sales		18,515		20,818
Other receipts		48,045		21,307
		<b>10,664,454</b>		<b>10,371,644</b>
<b>Cost of activities</b>				
Conservation support	3,189,260		3,164,341	
Publicity and information	114,528		217,132	
Notional cost of capital	0		11,244	
Direct staff costs	5,364,776		4,940,018	
		<b>(8,668,564)</b>		<b>(8,332,735)</b>
<b>Gross profit</b>		<b>1,995,890</b>		<b>2,038,909</b>
<b>Admin expenses</b>				
Directors' emoluments	393,835		358,215	
Other administrative costs	1,302,771		1,898,096	
Add back notional cost of capital	0		(11,244)	
		<b>(1,696,606)</b>		<b>(2,245,067)</b>
<b>Operating gain/(loss)</b>		<b>299,284</b>		<b>(206,158)</b>
Transfer from government grant reserve		6,258		150,309
<b>Gain/(loss) on ordinary activities before interest</b>		<b>305,542</b>		<b>(55,849)</b>
Other interest receivable and similar income		618		381
<b>Gain/(loss) on ordinary activities</b>		<b>306,160</b>		<b>(55,468)</b>
<b>Less tax on profit on investment activities</b>		<b>(210)</b>		<b>(15,945)</b>
<b>Gain/(loss) after tax</b>		<b>305,950</b>		<b>(71,413)</b>

Turnover figures for 2009/10 have been restated to reflect the reclassification of Convention on International Trade in Endangered Species income from 'Other receipts' to 'Scientific advice and information'. The turnover figure for European Union funding and the cost of activities figure for conservation support have also been adjusted to remove funding and expenditure relating to project partners in line with the change in accounting policy detailed in note 1 under the heading grants received.

### Operating gain/loss

	2010/11	2009/10
	£	£
This is stated after charging		
Total directors' emoluments	393,835	358,215
Auditors' remuneration	17,500	15,000
Depreciation and amortisation of owned assets	98,187	148,354
Pension costs	816,647	740,833
Compensation on early retirement	0	191,090
Operating lease rentals	297,057	257,667

### 3 Schedule of overhead expenses for the year ended 31 March 2011

	2010/11		2009/10	
	£	£	£	£
<b>Directors' emoluments</b>				
Directors' remuneration	338,751		310,374	
Contributions to directors' pensions	55,084		47,841	
		<b>393,835</b>		<b>358,215</b>
<b>Other administrative costs</b>				
<b>Cash items</b>				
Auditors' remuneration	17,500		15,000	
Rental costs under operating leases	297,057		257,667	
Accommodation costs	256,100		304,044	
Information technology	245,313		165,237	
Human resources	95,906		136,279	
Travel and subsistence	444,017		488,216	
Printing, postage, stationery and subscriptions	57,820		37,153	
Other expenses	19,064		26,103	
Less reclaimed VAT	(6,283)		(7,624)	
Legal and professional fees	27,906		35,209	
Consultancy	75,327		90,289	
Bank charges	1,671		2,075	
Exchange rate losses	1,115		243	
		<b>1,532,513</b>		<b>1,549,891</b>
<b>Non-cash items</b>				
Depreciation and amortisation for the year	98,187		148,354	
Asset life and reinstated asset adjustments	(98,026)		0	
Additions to provisions	0		198,695	
Utilisation and release of provisions	(236,001)		0	
(Profit)/loss on disposal of assets	6,098		1,156	
		<b>(229,742)</b>		<b>348,205</b>
		<b>1,696,606</b>		<b>2,256,311</b>
Add back notional cost of capital		0		(11,244)
Administrative expenses		<b>1,696,606</b>		<b>2,245,067</b>

#### 4 Directors' emoluments

	2010/11	2009/10
	£	£
Directors' emoluments	338,751	310,374
Company contributions to defined benefit schemes in relation to directors' pensions	55,084	47,841
	<u>393,835</u>	<u>358,215</u>

Four directors accrued retirement benefits in respect of qualifying service for the defined benefit scheme during the year.

The above details include the following amounts in respect of the highest paid director:

	2010/11	2009/10
	£	£
Highest paid director's emoluments	85,250	73,764
Company contributions to money purchase schemes in relation to the highest paid director's pension	20,655	16,662
	<u>105,905</u>	<u>90,426</u>

At 31 March 2011 the highest paid director had accrued a pension of £27,926 with no accrued lump sum.

#### 5 Staff costs

The aggregate payroll costs were as follows:

	2010/11	2009/10
	£	£
		(restated)
Directors' emoluments	338,751	310,374
Other wages and salaries	4,187,439	3,859,849
Social security costs	346,418	314,087
Other pension costs	886,004	813,923
	<u>5,758,612</u>	<u>5,298,233</u>

Staff costs for 2009/10 have been restated to differentiate Directors' emoluments and other wages and salaries.

Other pension costs includes an amount of £85,206 for early pension payments. This amount did not represent a charge to the profit and loss account in 2010/11 as it was met from a provision recognised in 2009/10.

## 6 Pension costs

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme but the Joint Nature Conservation Committee is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation [www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk).

For 2010/11, employers' contributions of £800,798 (£723,831 in 2009/10) were payable to the PCSPS at one of four rates in the range 16.7% to 24.3% of pensionable pay, based on salary bands. The scheme's actuary reviews employer contributions usually every four years following a full scheme valuation. From 2011/12, the rates will remain in the range 16.7% to 24.3%. The contribution rates are set to meet the cost of the benefits accruing during 2011/12 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 £14,578 (£15,771 in 2009/10) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3% to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £1,271, 0.8% of pensionable pay, 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 (£1,231 in 2009/10).

Contributions due to the partnership pension providers at the balance sheet date were £1,234. There were no prepaid contributions at this date.

## 7 Staff numbers

The average number of persons employed by the company, including directors, during the year was as follows:

	2010/11	2009/10
Executive directors	4	3
Chairman and non-executive directors	6	5
Management	7	11
Operational	102	91
Administration	30	29
IT	3	3
	<hr/>	<hr/>
	152	142
	<hr/>	<hr/>

## 8 Intangible fixed assets

	<b>Software licences</b>
<b>Cost</b>	<b>£</b>
At 1 April 2010 (restated)	172,572
Additions during year	20,758
Disposals	0
At 31 March 2011	<b>193,330</b>
<b>Amortisation</b>	<b>£</b>
At 1 April 2010 (restated)	94,676
Charge for the year	31,581
Amortisation on disposals	0
Asset life adjustments	(21,543)
As at 31 March 2011	<b>104,714</b>
<b>Net Book Value</b>	<b>£</b>
<b>At 1 April 2010</b>	<b>77,896</b>
<b>At 31 March 2011</b>	<b>88,616</b>

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 the cost of the upgrade.

The balances at 1 April 2010 have been restated to adjust the split between historic cost and accumulated amortisation. As the net effect of this is zero the net book value at 31 March 2010 remains unchanged

Intangible assets were previously revalued according to the principles of Current Cost Accounting (see note 1 - accounting policies). The Net Book Value of intangible assets calculated on this basis is estimated at £91,200 at 31 March 2011.

Asset life adjustments represent the reversal of accumulated depreciation on assets that have had their useful economic lives extended to reflect their continued use by JNCC.

## 9 Tangible fixed assets

	Leasehold properties	Computer equipment	Other equipment	Total
Cost	£	£	£	£
At 1 April 2010 (restated)	308,124	274,619	138,083	720,826
Additions during year	0	58,059	12,200	70,259
Disposals	(198,198)	(31,462)	(35,171)	(264,831)
Adjustments for previously disposed assets	0	0	67,976	67,976
At 31 March 2011	<b>109,926</b>	<b>301,216</b>	<b>183,088</b>	<b>594,230</b>
<b>Depreciation</b>				
At 1 April 2010 (restated)	280,797	176,582	116,425	573,804
Charge for the year	22,936	33,504	10,166	66,606
Depreciation on disposals	(198,198)	(29,047)	(31,487)	(258,732)
Asset life adjustments	(13,761)	(33,451)	(31,153)	(78,365)
Adjustments for previously disposed assets	0	1,881	67,976	69,857
At 31 March 2011	<b>91,774</b>	<b>149,469</b>	<b>131,927</b>	<b>373,170</b>
<b>Net Book Value</b>				
<b>At 1 April 2010</b>	<b>27,327</b>	<b>98,037</b>	<b>21,658</b>	<b>147,022</b>
<b>At 31 March 2011</b>	<b>18,152</b>	<b>151,747</b>	<b>51,161</b>	<b>221,060</b>

The balances at 1 April 2010 have been restated to adjust the split between historic cost and accumulated depreciation. As the net effect of this is zero the net book value at 31 March 2010 remains unchanged

Tangible assets were previously revalued according to the principles of Current Cost Accounting (see note 1 - accounting policies). The Net Book Value of tangible assets calculated on this basis is estimated at £226,934 at 31 March 2011.

Adjustments for previously disposed assets reflect the reinstatement of assets previously removed from the asset register but which have subsequently continued to be utilised.

Asset life adjustments represent the reversal of accumulated depreciation on assets that have had their useful economic lives extended to reflect their continued use by JNCC.

## 10 Cash at bank and in hand

	1 April 2010	Cash flows	31 March 2011
	£	£	£
<b>Analysis of changes in net funds</b>			
Cash at bank	919,006	(356,479)	562,527
Cash in hand	233	136	369
<b>Total cash</b>	<b>919,239</b>	<b>(356,343)</b>	<b>562,896</b>

The cash at bank figure for 2009/10 includes £131,851 representing third party assets relating to project partner funding (nil for 2010/11).

## 11 Stocks

	2010/11	2009/10
	£	£
Finished goods	27,866	52,523

## 12a Debtors - amounts falling due within one year

	2010/11	2009/10
	£	£
Trade debtors	154,082	97,471
Other debtors	3,161	12,202
Prepayments and accrued income	212,963	166,906
	370,206	276,579

The balance relating to trade debtors was reviewed at year end and no provision for bad debts was deemed necessary.

## 12b Intra-government balances

	2010/11	2009/10
	£	£
Balances with other central government bodies	102,101	71,119
Balances with local authorities	59,754	56,455
Intra-government balances	161,855	127,574
Balances external to government at 31 March 2010	208,351	149,005
Total debtors as at 31 March 2010	370,206	276,579

## 13a Creditors - amounts falling due within one year

	2010/11	2009/10
	£	£
Due within one year:		
Trade creditors	3,939	126,499
Other creditors	90,113	85,950
Taxation and social security	120,988	123,587
Total creditors	215,040	336,036
Accruals	164,013	301,909
Deferred income	274,423	372,853
	653,476	1,010,798

The accruals figure for 2009/10 includes £131,851 relating to project partner funding (nil for 2010/11).

### 13b Intra-government balances

	2010/11	2009/10 (restated)
	£	£
Balances with other central government bodies	503,235	528,034
Intra-government balances	503,235	528,034
Balances external to government at 31 March 2010	150,241	482,764
Total creditors as at 31 March 2010	653,476	1,010,798

The figure for balances with other central government bodies has been restated for 2009/10 to include creditor balances relating to taxation, social security and pensions.

### 14 Provisions for liabilities

	Pensions and similar obligations 2010/11	Other provisions 2010/11	Total provisions 2010/11	Pensions and similar obligations 2009/10	Other provisions 2009/10	Total provisions 2009/10
	£	£	£	£	£	£
Balance at 1 April	178,000	90,795	268,795	0	70,100	70,100
Provision for year	0	0	0	251,090	82,195	333,285
Utilised in the profit and loss account	(145,206)	(82,246)	(227,452)	(73,090)	(60,448)	(133,538)
Released to the profit and loss account	0	(8,549)	(8,549)	0	(1,052)	(1,052)
Balance at 31 March	32,794	0	32,794	178,000	90,795	268,795

No new provisions have been created in 2010/11. Of the £268,795 provisions brought forward from 2009/10 £145,206 has been utilised for the payment of early retirement pensions, £8,016 for the payment of service charge arrears, and £74,230 for costs associated with the termination of the lease for Dunnet House. £7,965 was released to the profit and loss account in respect of unused provision allocated for the Dunnet House lease costs along with £584 relating to the service charge arrears provision. The remaining provision will be fully utilised in 2011/12.

### 15 Financial instruments

In line with JNCC's accounting policy, there have been no financial instruments utilised which require disclosure under FRS 23, 25, 26 and 29 and financial instruments play a limited role in the activities of the company.

### 16 Government grant reserve

	2010/11	2009/10 (restated)
	£	£
Balance at 1 April	224,918	343,212
Capital grant received in the period	91,017	32,015
Transfer to P&L of amortisation for the year	(31,581)	(37,030)
Transfer to P&L of depreciation for the year	(66,606)	(111,324)
Transfer to P&L for current cost accounting adjustment	0	(799)
Transfer to P&L for unexpended depreciation on assets disposed of in year	0	(1,156)
Intangible asset disposals at cost for the year	0	(76,666)
Tangible asset disposals at cost for the year	(264,831)	(154,987)
Amortisation on disposal for the year	0	76,666
Depreciation on disposal for the year	258,732	154,987
Transfer from P&L of depreciation arising on extending Useful Economic Life of assets	99,908	0
Transfer to P&L to adjust previously disposed assets	(1,881)	0
Balance at 31 March	309,676	224,918

The figures for 2009/10 have been restated in line with the change in accounting policy on the revaluation of fixed assets (the amounts previously quoted in the accounts for 2009/10 included the effect of asset revaluations) and to reflect adjustments to the useful economic lives of a number of assets.

### 17 Profit and loss account

	2010/11	2009/10
	£	£
Balance at 1 April	(31,252)	40,161
Gain/(loss) for the year	305,950	(71,413)
Balance at 31 March	274,698	(31,252)



## 18 Reconciliation of operating loss to net cash inflow from operating activities

	2010/11	2009/10
	£	£
Operating gain/(loss)	299,284	(206,158)
Depreciation charges	66,606	111,324
Amortisation	31,581	37,030
Reversal of depreciation arising on extending useful economic life of assets	(99,908)	0
Transfer to P&L to adjust previously disposed assets	1,881	0
Transfer to government grant reserve re capital expenditure	91,017	32,015
(Profit)/loss of disposal of assets	6,098	1,156
Decrease in stocks	24,657	3,252
Decrease / (increase) in debtors	(93,627)	21,766
Increase / (decrease) in creditors	(357,322)	132,114
Increase / (decrease) in provisions	(236,001)	198,695
Net cash flow from operating activities	<b>(265,734)</b>	<b>331,194</b>

## 19 Leasing commitments

	Land and buildings	Others	Land and buildings	Others
	2010/11	2010/11	2009/10	2009/10
	£	£	£	£
<b>Operating leases which expire:</b>				
Within one year	0	13,500	227,501	14,000
Within 2 to 5 years	217,000	0	0	0
<b>Total</b>	<b>217,000</b>	<b>13,500</b>	<b>227,501</b>	<b>14,000</b>

JNCC is currently in negotiation with the landlord of Monkstone House with respect to extending the lease on the property. The figure for land and buildings for 2010/11 represents an estimate based on the expected rent and service charge associated with the extension.

## 20 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.

## 21 Contingent liability

Following discussions with the Government Property Unit, JNCC Support Co will be taking a four year lease, with a break clause at the 2nd and 3rd anniversaries, on their present office accommodation in Peterborough. As part of the preparations for lease renewal JNCC commissioned a dilapidations liability assessment report which indicated a potential liability of approximately £300,000 for dilapidations that will be due during the next four years, either when the new lease comes to the end or when the JNCC Support Co exercises a break clause, whichever is earlier.

## 22 Losses and special payments

During the year there were two losses with a combined value of £5,627 and seven fruitless payments totalling £1,500. There were no losses or fruitless payments reported in 2009/10. There were no special payments made in 2010/11 (five special payments were made in 2009/10 totalling £195,330).

## 23 Ultimate controlling party

Fourteen of the seventeen directors 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.

## 24 Related party transactions

The JNCC Support Co receives its grant-in-aid funding from Natural England, Scottish Natural Heritage and the Countryside Council for Wales (the GB conservation bodies), the Department of the Environment in Northern Ireland and the Department of Environment, Food and Rural Affairs (Defra). The GB conservation bodies are regarded as Non-Departmental Public Bodies respectively sponsored by Defra, the Scottish Government and the Welsh Assembly Government. The GB conservation bodies, the Department of the Environment in Northern Ireland and Defra are 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	
	2010/11 £	2009/10 £	2010/11 £	2009/10 £	2010/11 £	2009/10 £
Natural England	<b>2,779,246</b>	2,866,139	<b>185,959</b>	197,005	<b>213,340</b>	77,098
Defra	<b>3,812,301</b>	1,912,081	<b>216,636</b>	1,592,271	<b>114,484</b>	82,095
Scottish Natural Heritage	<b>1,637,239</b>	1,688,006	<b>75,189</b>	81,547	<b>120,098</b>	132,088
The Countryside Council for Wales	<b>818,124</b>	843,505	<b>24,754</b>	47,173	<b>81,450</b>	22,100
Department for the Environment Northern Ireland	<b>408,072</b>	421,254	<b>25,989</b>	71,887	<b>0</b>	0
<b>Total</b>	<b>9,454,982</b>	7,730,985	<b>528,527</b>	1,989,883	<b>529,372</b>	313,381

		Paid by JNCC		Paid to JNCC	
		2010/11 £	2009/10 £	2010/11 £	2009/10 £
Director	Corporate related body				
Prof L Warren	British Geological Survey (NERC)	436,056	893,933	0	0
Mr D Pritchard	RSPB	0	25,000	0	0
Mr P Rose	National Biodiversity Network Trust	25,000	52,020	(76,980)	(66,302)

The information for individual directors 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.





KPI Rating	Description
▲	Target achieved or exceeded
▶	Substantial progress made, with full achievement of target anticipated early in 2011/12
▼	Limited progress against target
<b>D</b>	Target deferred or dropped as no longer appropriate for 2010/11

	Key performance indicator	Year end rating	Comments relating to performance
	<b>Global Advice</b>		
1	<p>Provide evidence-based scientific support to Government with respect to priority multilateral environmental agreements (MEAs), seeking to take a thematic approach across agreements:</p> <ul style="list-style-type: none"> <li>- provide input to meetings of MEAs, in particular to the 10th Conference of the Parties to the Convention on Biological Diversity in October 2010 and preparatory meetings, and to technical meetings of the Convention on International Trade in Endangered Species (CITES) and the Convention on Migratory Species (CMS);</li> <li>- develop JNCC's role in relation to biodiversity aspects of international forest and timber policy (including in relation to carbon management) on the basis of a scoping study completed in 2009/10.</li> <li>- take a strategic overview of the scope for complementarity and synergy between listing commercially exploited aquatic animals on MEAs (CITES and CMS) and fisheries management.</li> </ul>	▲	<p>JNCC staff contributed to the UK delegation to the 10<sup>th</sup> Conference of the Parties to the Convention on Biological Diversity, with a successful outcome achieved, most notably a new framework of 2020 biodiversity targets. Significant input was also made to technical committees of the Ramsar Convention, the African-Eurasian Waterbird Agreement and CITES (including EU groups) on a range of issues.</p> <p>In September 2010 Joint Committee endorsed greater JNCC engagement in international forest issues. Liaison with Defra and other stakeholders was undertaken to identify suitable niches for JNCC support.</p> <p>A report on synergy between MEAs and fisheries management for commercially exploited aquatic animals was completed during the year.</p>

2	Provide, to agreed service standards, high-quality advice to Animal Health on approximately 20,000 CITES licence consultations per annum.	▲	Service standards were maintained throughout 2010/11. The total number of permits referred to JNCC for advice during the year was 15,258. This represents a significant reduction from the previous two years (approximately 20,000 licence applications in each year) which may be related to the increase in charges introduced by Animal Health and/or the effects of the recession.
3	Publish an annual overview of potential impacts on global biodiversity of the UK economy through trade and investment	▲	An annual overview of the <i>Global Land Use Impact of the UK's Biomass Consumption</i> was published in March 2011. A chapter on the UK's global biodiversity impact for the National Ecosystem Assessment chapter was also completed.
<b>Overseas Territories</b>			
4	Provide advice to Overseas Territory and Crown Dependency governments, UK Government and others to support implementation of the UK Government strategy for the conservation and sustainable use of biodiversity in the Overseas Territories.	▲	Advice and support (financial and technical) was provided across the Overseas Territories during the year, including work on terrestrial habitat mapping and marine monitoring capacity building. JNCC also provided the secretariat for the UK Government's Overseas Territories Biodiversity Group, and agreed to lead on multilateral environmental agreement consultation and development of a marine Overseas Territories framework in 2011.
5	Facilitate the identification and implementation of Overseas Territories and Crown Dependencies research priorities, including through the development of information sharing capacity.	▲	Support for addressing research priorities was provided by funding three research projects in the Turks and Caicos Islands, the Falklands and South Georgia, and by supporting Defra's funding allocation for invasive species research in the South Atlantic Overseas Territories.
6	By June 2010, establish regional (Caribbean and South Atlantic) focal points for skill sharing and training, and provide advice, guidance and training to governments of the Overseas Territories and Crown Dependencies, with special emphasis on sourcing funding for nature conservation projects (two training courses to be delivered by	▲	The Caribbean and South Atlantic Focal Points are now fully functional, the latter being successfully used during the year to support work on invasive alien species funded by JNCC and Defra. The training programme for Overseas Territories' governments was successfully completed.

	November 2010) and invasive alien species and marine issues (suite of cross-territory projects completed by March 2011).		
	<b>European Intelligence and Advice</b>		
7	Gather intelligence on priority EU policy areas affecting nature conservation and disseminate to the country conservation bodies and other key stakeholders.	▲	Intelligence on a wide range of EU policies affecting nature conservation was disseminated through websites, regular briefing notes, and email updates on key issues.
8	Analyse current and future EU policy priorities and the implications for the work of JNCC and the country conservation bodies during and beyond 2010, taking account of the work programme of the European Commission and Parliament, the 18-month Presidency programme and any implications of the Lisbon Treaty coming into force.	▲	The European Commission's work programme was assessed, and information and advice roadmaps were produced for priority initiatives. A new information and advice framework was set up on the UK Nature and Landscape Office website to facilitate future delivery of analysis and advice.
9	Provide evidence-based advice to influence the development of EU biodiversity policy post-2010 and other relevant EU policy developments, including the budget review, the EU Sustainable Development Strategy, agriculture and land use, maritime, climate change and energy, transport and the 7th Environmental Action Programme.	▲	JNCC responded to consultations on the EU post-2010 biodiversity strategy and provided advice on indicators. Advice was also provided on indirect land use change in relation to the Renewable Energy Directive, Common Agricultural Policy reform (through membership of the inter-agency Land Use Policy Group), and the Common Fisheries Policy. Advice on the 7th Environmental Action Programme is being developed.  JNCC assisted Defra in co-ordination of UK input to expert groups of the EU Co-ordination Group for Biodiversity and Nature, and provided advice on green infrastructure, agriculture and land use, sustainable development and implementation of the nature Directives.
10	Promote a thematic approach to Multilateral Environmental Agreements with EU partners through a stakeholder event in Brussels in summer 2010.	D	This KPI was deleted because of in-year budget reductions.


	<b>Sustainability Advice</b>		
11	Provide evidence on the practical application of ecosystem services valuation techniques to inform UK positions in advance of the Conference of the Parties to the Convention on Biological Diversity in October 2010 (CBD CoP 10), drawing on the experience of a variety of international and national projects, such as TEEB (The Economics of Ecosystems and Biodiversity) and the UK National Ecosystem Assessment.	▲	JNCC provided input to the National Ecosystem Assessment project, including substantial advice to inform drafting of the economics chapter. Comments and advice were also provided to the TEEB project.
12	Analyse the biodiversity implications of the outcomes of the 15th Conference of the Parties to the UN Framework Convention on Climate Change (held in Copenhagen in December 2009), and provide advice based on this analysis to inform UK preparations for CBD CoP 10.	▲	Briefing on climate change issues was provided to inform preparations for the 10th Conference of the Parties to the Convention on Biological Diversity.
13	Provide timely and relevant advice to Defra, the GB Non-Native Species Programme Board and country conservation bodies on the development of the EU Invasive Species Strategy, and ensure that requirements for information on non-native species are addressed within reviews of JNCC's surveillance and data management projects	▲	During 2010/11, JNCC worked closely with partner organisations through participation in the GB Non Native Species Programme and provided advice on a range of issues.
	<b>Conservation Advice</b>		
14	Support the Phase 1 review of the UK's terrestrial and coastal network of Special Protection Areas, delivering quality-assured reports from the technical review contract by March 2011, as a step towards agreed recommendations in October 2011.	▲	The British Trust for Ornithology completed the technical review contract, containing up-to-date bird population estimates and site-level counts, advice on the bird species associated with cropped habitats, and reports on five bird species related to the European Court of Justice Irish-ruling. A draft framework was developed to assess provision of Special Protection Areas for all relevant bird species. A work plan covering the remaining tasks in Phase 1 of the review was signed off.

15	By June 2011, oversee a revision of, and consultation on, the guidance for the selection of biological Sites of Special Scientific Interest.		Following publication of <i>Making Space for Nature</i> (the "Lawton Review") work on this KPI was restarted under the supervision of an inter-agency group. A Chief Editor was appointed and members of the inter-agency group began work to make proposals for editing Parts A and B of the SSSI Guidelines. Consultation with specialist staff in the country conservation bodies will start in the first quarter of 2011/12.
16	Provide advice to support UK-wide and international conservation of geodiversity:  - by March 2011, complete online publication of submitted information and site descriptions from the Geological Conservation Review.		Two paper Geological Conservation Review (GCR) books (volumes 35 and 36) were produced during the year. The Geologists Association will publish the remaining nine GCR volumes as Special Issues of the Proceedings of the Geologists Association. All of their publications are made available on-line. Four of the nine outstanding titles have been placed in their hands and plans are well developed for the remaining five, which will be published in 2012/13.
17	Following completion of the review of inter-agency science groups in 2009/10 establish new arrangements to support inter-agency working on priority themes	<b>D</b>	This KPI was deleted following a decision to cease financial support for the inter-agency Lead Co-ordination Groups from April 2011.
	<b>Marine Management Advice</b>		
18	Ensure that 95% of requests for statutory advice on offshore industries (including oil and gas, renewables and aggregates) are responded to fully within the relevant consultation period.		JNCC responded to 696 requests for statutory advice on offshore industries during the year.
19	Provide advice on offshore marine protected areas: - report to Defra and Scottish Government on the second public consultation on offshore Special Areas of Conservation (SACs), and initiate consultation on a third tranche of offshore sites, including an Impact Assessment for each site; - develop and communicate conservation objectives and Operations Advice on offshore		JNCC reported to Defra and the Scottish Government on the second tranche of the Natura consultation (13 sites, of which five were fully or partly offshore) in August 2010. Impact Assessments on the five offshore or partly offshore sites, plus two additional sites from 2008 consultation, were completed. Consultation on the Dogger Bank was also completed during the year.






	<p>SACs and Special Protection Areas (SPAs) as they are recommended to Scottish Government and Defra within 12 months of their notification to the European Commission;</p> <ul style="list-style-type: none"> <li>- in co-operation with the country conservation bodies, develop and communicate advice on management of offshore Marine conservation Zones/Marine Protected Areas</li> </ul>		<p>Conservation Objectives and Advice on Operations were prepared for the seven sites noted above, Dogger Bank and five sites submitted to the European Commission in 2008. Formal advice to competent authorities fell behind schedule due to priority work on Marine Conservation Zones and forthcoming Natura sites.</p> <p>Development of advice on management of offshore Natura sites was initiated with national and international stakeholders.</p>
20	<p>Make substantial progress in contributing to the Government influencing strategy for the 2012 review of the Common Fisheries Policy</p>	▼	<p>Some elements of the influencing strategy have been achieved, including provision of advice on integration of European directives with the Common Fisheries Policy, a response to a Scottish Government inquiry, and work within the International Council for the Exploration of the Sea. However, overall progress has been limited because resources were redirected to support work on Marine Conservation Zones.</p>
21	<p>Produce customised guidance for specific user groups on legislative requirements concerning disturbance of marine European protected species in offshore areas.</p>	▶	<p>Draft guidance was produced and is in wide use. However, the guidance continues to be redrafted as Government seeks consistency in legal definitions between terrestrial and marine disturbance.</p>
	<p><b>Marine Mapping and Ecosystem Assessment</b></p>		
22	<p>Contribute to implementation of the EU Marine Strategy Framework Directive (MSFD) and the OSPAR Convention, particularly through the development of regional guidance on the determination of Good Environmental Status (GES) for biodiversity matters including:</p> <ul style="list-style-type: none"> <li>- applying EU guidance on GES criteria in a regional context;</li> <li>- contributing to requirements for the MSFD Initial Assessment of</li> </ul>	▶	<p>Substantial progress was made during the year in developing UK targets and indicators. A first draft was produced through a workshop organised by JNCC and the Healthy and Biologically Diverse Seas Expert Group. A draft OSPAR advice document on determining Good Environmental Status was submitted to the Biodiversity Committee.</p> <p>Because of staff shortages limited</p>



	<p>environmental status (due in 2012);</p> <ul style="list-style-type: none"> <li>- developing environmental targets and indicators (due 2012);</li> <li>- scoping and initiating development of biodiversity assessment methods and tools to meet MSFD requirements that are compatible with, wherever possible, other UK reporting needs.</li> </ul>		<p>progress was made in developing biodiversity assessment methods and tools, and only minimal involvement in the OSPAR work programme and other relevant European working groups was possible.</p>
23	<p>By December 2010, produce broad-scale habitat maps for the Baltic Sea, North Sea, Celtic Seas and Western Mediterranean Sea, as required by the EUSeaMap project.</p>	▲	<p>Draft habitat maps have been completed for all basins. A final EUSeaMap report was delivered to the European Commission in December 2010.</p>
	<b>Marine Protected Areas</b>		
24	<p>Progress work to recommend to the UK and Scottish Governments a series of offshore Special Areas of Conservation (SACs), in parallel with work by the country conservation bodies in inshore waters, to fulfil Habitats Directive obligations:</p> <ul style="list-style-type: none"> <li>- recommend two additional offshore SACs;</li> <li>- complete analysis to enable the identification of potential new offshore SACs (Submarine structures in the mid-Irish Sea and Solan Bank).</li> </ul>	▲	<p>Three additional offshore SACs (Wight-Barfleur Reef, Pisces Reef Complex and Croker Carbonate Slabs) were formally advised to Defra. Joint inshore/offshore site proposals for Pobie Bank Reef and Solan Bank Reef have progressed on schedule.</p>
25	<p>In contribution to special measures required under the Birds Directive, complete consideration of possible Special Protection Areas (SPAs) in offshore waters and provide advice to Government, and support country conservation bodies through survey and analyses in parallel work in inshore waters:</p> <ul style="list-style-type: none"> <li>- complete spatial analysis and assessment of possible site boundaries to support the identification of potential SPAs for divers and sea ducks;</li> </ul>	▶	<p>Analyses and reports on 18 possible inshore SPAs (15 in Scotland, one each in Wales, Northern Ireland and England) were delivered to the country conservation bodies.</p> <p>Two progress reports on tern fieldwork and habitat modelling were delivered to the country conservation bodies.</p> <p>Options for re-analyses of the European Seabirds at Sea database</p>

	<p>- continue area/colony-specific research and survey aimed at identifying marine SPAs for breeding terns (to be completed in 2012).</p>		<p>were trialled and reported to stakeholders with unanimous endorsement to progress further.</p> <p>Progress in other areas of marine SPA work was hindered by lack of resources.</p>
26	<p>Deliver the milestones relevant to JNCC in the identification of new MPAs as agreed by the UK Government and devolved administrations:</p> <ul style="list-style-type: none"> <li>- work in partnership with Natural England to progress four regional Marine Conservation Zone projects to engage regional, national and international stakeholders to propose Marine Conservation Zones (MCZs) in English territorial and UK offshore waters adjacent to England, Wales and Northern Ireland by June 2011;</li> <li>- work as a member of the Wales MCZ Project Technical Group to develop and use ecological guidance to identify possible MCZ options in Welsh territorial waters;</li> <li>- work in partnership with Scottish Government and Scottish Natural Heritage to deliver the offshore component of a project to identify possible Marine Protected Areas in Scottish waters;</li> <li>- advise the Northern Ireland Environment Agency on technical issues relating to MPAs, in preparation for a future Marine Bill in Northern Ireland</li> <li>- develop and implement an MPA Communication Strategy to deliver JNCC's responsibilities to support UK Government in achieving its aims to have a "...well understood and supported..." UK MPA network;</li> <li>- implement the UK MPA Stakeholder Engagement Strategy to engage and support national and international stakeholders to participate in the development of new MPAs in UK offshore waters.</li> </ul>		<p>MCZ Regional Projects delivered the third iteration of possible MCZs in February 2011, which shows very significant progress towards meeting the targets for MCZ identification. JNCC contributed by participating in the Regional Stakeholder Groups, providing specialist ecological advice, and ensuring appropriate consideration of offshore waters. JNCC also led engagement with international stakeholders and delivered advice on Conservation Objectives and management advice for fisheries activities.</p> <p>JNCC made a significant input to the Scottish MPA Project during 2010/11. Data gathering and survey work was successful, and good progress was made through the first stages of site selection guideline application. Two of the three joint research projects that will underpin the MPA work have been completed with good results. A successful stakeholder engagement workshop was held.</p> <p>JNCC contributed to meetings of the Wales MCZ Project Technical Group to identify possible site options in Welsh territorial waters. A draft set of Highly Protected MCZs has been prepared for submission to the Welsh Government.</p> <p>In Northern Ireland, JNCC provided advice on MPAs to CNCC to support their consultation response to the proposed Northern Ireland Marine Bill.</p>

	<b>Marine Surveillance and Monitoring</b>		
27	<p>Develop, in a joint programme with the country conservation bodies, options for an operational surveillance and monitoring programme for marine habitats, seabirds, cetaceans and other biodiversity that will meet UK statutory and policy requirements in an integrated manner.</p> <ul style="list-style-type: none"> <li>- for all ecosystem components in UK waters, undertake a process to identify and prioritise data gaps on human activities and their pressures, and acquire, develop or obtain access to at least 75% of the priority datasets identified by this process;</li> <li>- produce maps of habitats in UK waters using existing data and modelling, as a basis for habitat monitoring sample design;</li> <li>- plan and commence seabird and cetacean pilot surveys in order to test sampling protocols and techniques and assess analytical power;</li> <li>- complete an assessment of existing surveillance and monitoring schemes and an analysis of indicators and gaps, develop a conceptual sampling model, and agree with partners a common vision and objectives for biodiversity monitoring.</li> </ul>	▼	<p>Progress on this KPI was severely affected by staff shortages and diversion of resources to other high priority marine work. Consequently, the programme has been re-planned over a longer period of time with the agreement of UK and devolved governments. During 2010/11, maps of habitats in UK waters were completed, and seabird and cetacean pilot surveys were concluded.</p>
28	<p>Develop options for the operational monitoring of all marine protected sites. In 2010/11, the key products will be an audit of existing site monitoring, and developing a site-level monitoring method for assessing progress towards meeting conservation objectives</p>	▼	<p>Staff shortages and inadequate responses to tender invitations caused severe delays to this work. It has now been re-planned together with the rest of the marine surveillance and monitoring programme.</p>
	<b>Surveillance and Monitoring</b>		
29	<p>By May 2010, update the long-, medium- and short-term trends for</p>		<p>During the year, trends for terrestrial breeding birds, wetland birds, seabirds</p>

	selected bird, butterfly and mammal species, and by January 2011 publish improved interpretation of the trends in birds and mammals.		(UK and regional trends for first time), bats and butterflies were published to the standards required for Official Statistics. Improved interpretation of trends for seabirds was delivered in September, and significant progress was made in improving interpretation of data on terrestrial breeding birds and mammals.
30	By June 2010, working with the country conservation bodies, identify the country specific and shared solutions to meeting gaps in surveillance which must be addressed in order to meet Habitats Directive obligations (as well as other policy objectives), and by September 2010 plan implementation of the necessary surveillance programmes.		Surveillance plans for the four countries were reviewed by JNCC and an assessment was made of the extent to which they will meet Habitats Directive obligations. A review of shared solutions to meeting gaps in surveillance was completed in April 2011.
31	By August 2010, determine the requirements for information about the status and trends of lesser known species (e.g. invertebrates, mosses and liverworts, lichens and fungi), and by January 2011 adjust JNCC's investment in the surveillance mechanisms that can help deliver these needs.		Requirements for species information were reviewed with the country conservation bodies, and JNCC's wider role in maintaining a strategic overview of UK biodiversity surveillance was endorsed by the Joint Committee in December 2010. The agreed requirements will be met through changes to contractual arrangements with partner organisations.
32	By February 2011, publish the results of an analysis of surveillance data sets and research findings to quantify the impact of air pollution on nature conservation objectives.		The research and analysis was completed, and provides new evidence of a link between air pollution and nature conservation objectives. The results are already being applied by stakeholders, for example in the reporting of critical load exceedance. The final reports will be published by May 2011.
33	By March 2011, working with partners, complete research into the remote sensing and vegetation sampling methods most likely to improve efficiency and effectiveness in national surveillance schemes and identify priority actions, including further research needed to translate the innovations into operational practice.		A research report containing options for improving vegetation sampling was published during the year, and the implications for improving the effectiveness of existing surveillance schemes were assessed. A review was completed of how remote sensing can help deliver habitat surveillance and the priorities for translating this into operational practice.

	<b>Access to Information</b>		
34	Continue to develop and roll out tools developed under the National Biodiversity Network (NBN) to establish efficient and timely flows of quality-assured species data and facilitate their integration into a range of uses across the network.	▲	Outputs during 2010/11 included a tool to improve the quality of records (Record Cleaner), a set of rules to verify data for plants, birds, Lepidoptera and some marine species, and a revised interactive map interface on the NBN Gateway.
35	Consider the emerging requirements for measurement, assessment and reporting on different properties of biodiversity as part of an ecosystem approach, including: - reviewing the information needs required to support them; - developing and testing new analytical procedures for existing biological records and surveillance data; - making recommendations on improving access to and use of the current information base for these applications.	▼	Little progress was made in achieving this KPI because of other competing priorities.
36	Provide a technical support service for the Biodiversity Action Reporting System (BARS), enabling the system to be developed to meet user requirements, including improved functions for geographical aggregation and disaggregation, and maximising the use of the data available through the NBN.	▲	JNCC continued to provide technical support for BARS throughout the year. A revised geographic interface for presenting information on activities was released at the start of April 2011 and initial feedback has been positive.
	<b>Policy-relevant Information and Reporting</b>		
37	By June 2011, achieve further harmonisation and rationalisation of reporting and monitoring work to meet UK, European and other international requirements by influencing relevant negotiations, promoting an outcome-oriented and indicator-based approach, and agreeing common and flexible approaches with the country conservation bodies and the UK Biodiversity Action Plan partnership.	▲	During 2010/11, JNCC contributed expert advice to processes to review UK biodiversity indicators so that they meet the requirements of the Convention on Biological Diversity (CBD). This included participation in the national indicator review project run by Defra as input to the CBD's Ad Hoc Technical Expert Group.  At an European scale, JNCC responded to consultations on

			reporting formats for the Birds and Habitats Directives, and contributed to meetings of technical groups, including the Streamlining European Biological Indicators (SEBI) initiative.
38	Contribute to the development of an efficient and effective international science-policy interface at European and global levels, building on the many existing components, through: <ul style="list-style-type: none"> <li>- by December 2010, providing input to negotiations on the possible establishment of an IPBES and a European network of knowledge;</li> <li>- ongoing representation of national user needs other relevant international science initiatives.</li> </ul>	▲	JNCC staff supported Defra in negotiations on the establishment of IPBES, and began to consider how existing UK science-policy activities could contribute to IPBES. JNCC also inputted to discussions on the development of EU-scale science-policy interfaces.
39	Support joint activities with research users, research funders and researchers, including the Global Biodiversity Sub-Committee (GBSC) and a workshop with the British Ecological Society, to identify emerging issues and prioritise research needs, and to promote a shared research agenda with the scientific community and UK and European research funders.	▲	A review was undertaken of the challenges facing UK biodiversity over the next 10 years and the evidence needs to support policy development. JNCC also supported development of a Defra research call on Overseas Territories biodiversity and was a member of the review panel selecting projects for funding. Work was initiated on the ERA-Net BiodivERsA 2, and JNCC participated in the first General Assembly.
	<b>Governance and Corporate Services</b>		
40	Implement priorities arising from the review of the programme (completed in 2009/10) to maximise the efficiency and effectiveness of corporate services in supporting delivery and in meeting external requirements, including: <ul style="list-style-type: none"> <li>- prepare plans for Peterborough office accommodation beyond 2011 and progress them to completion by March 2011;</li> <li>- streamline specified administrative and financial processes, using collaborative opportunities where appropriate;</li> <li>- refocus communications activities and products, and along with other</li> </ul>	▶	Plans were put in place to secure Peterborough office accommodation beyond 2011, in line with the Coalition Government's policy on the public estate. Risk management, staff resource planning and Committee/ Board processes were streamlined and substantial changes were made to JNCC's communications activities, including electronic distribution of <i>Nature News</i> .

	International Year of Biodiversity partners disseminate advice and information to promote understanding of biodiversity.		
41	Strengthen HR and financial planning systems and change management capabilities to support JNCC in efficiently and effectively refocussing its resources on changing priorities.	▼	Change management capabilities within JNCC were developed through a senior management training programme. Because of other priorities, little progress was made in strengthening HR and financial planning systems.
42	Contribute effectively to the Spending Review, providing advice to Westminster and devolved governments on where cuts would impact least on stakeholder requirements and nature conservation outcomes. Plan for early implementation whilst minimising, as far as possible, costs and negative impacts on external stakeholders and staff.	▲	As a contribution to the Spending Review, JNCC provided summary plans to UK Government and devolved administrations based on various financial scenarios. Following conclusion of the Spending Review, a business plan for 2011/12 and associated operational plans were produced. Modest early implementation substantially reduced the potentially high costs of change associated with redundancy.



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