



Governance Framework

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The Office for Environmental Protection (OEP) is a new public body. We protect and improve the environment by holding government and other public authorities to account.

We were legally created in November 2021, under the Environment Act 2021. Our substantive functions in England commenced on 24 January 2022. Those for Northern Ireland commenced on 28 February 2022.

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Governance Framework

Introduction

1. The Office for Environmental Protection is established as a non-departmental public body under the Environment Act 2021.
2. The Act provides that the OEP is to consist of its Chair and other Members who collectively form its Board. This Governance Framework sets out how the Board will govern its business in line with the provisions of the Act.
3. In this Governance Framework, references to:
 - a. “The OEP” means the Office for Environmental Protection.
 - b. “The Act” means the Environment Act 2021.
 - c. “The Board” means the board of the OEP provided for in the Act.
 - d. “The Chair” means the Chair of the Office for Environmental Protection.
 - e. “The Chief Executive” means the Chief Executive of the OEP.
 - f. “DAERA” means the Department of Agriculture, Environment and Rural Affairs in Northern Ireland.
 - g. “Defra” means the Department for Environment, Food and Rural Affairs in the United Kingdom.
 - h. “Executive Director” means one of the Chief Regulatory Officer, Chief Insights Officer, Chief of Staff or General Counsel of the OEP.
 - i. “Member” means:
 - i. any non-executive Board member of the OEP appointed by the Northern Ireland department (a “Northern Ireland Member”)
 - ii. any non-executive Board member of the OEP appointed by the Secretary of State
 - iii. any executive Board member of the OEP appointed by the OEP.
 - j. “Secretary of State” means the Secretary of State for the Department for Environment, Food and Rural Affairs in the United Kingdom.

Corporate Governance

4. The Board as a whole has a responsibility to ensure that the OEP complies with its responsibilities under the Act, all relevant legislation and regulatory requirements and government accounting rules in relation to its use of public funds.
5. The Board is entrusted with public funds and therefore has a duty to observe the highest standards of corporate governance such as set out in the [Corporate Governance in Central Government Departments Code of Good Practice](#). This includes ensuring and demonstrating integrity, impartiality and objectivity in the transaction of its business and, wherever possible, following a policy of openness and transparency in the dissemination of its decisions.

6. The Board will work within the delegated framework and the [Rules of Procedure at Annex A](#). It is the responsibility of the Chair to ensure that these procedural rules are adhered to.

Membership of the Board

7. The arrangements for membership of the Board are set out in the Act. The Board will consist of:
 - a. the Chair
 - b. a Northern Ireland Member
 - c. at least two, but not more than five, other non-executive Members
 - d. the Chief Executive
 - e. at least one, but not more than three, other executive Members
8. The Chair and non-executive Members will hold and vacate office in accordance with the terms of their appointment. Membership will cease upon becoming an employee of the OEP, or an employee in the civil service of the state.
9. The Chair and ordinary Members may resign from office at any time by giving written notice to the Secretary of State or DAERA (in the case of a Northern Ireland Member).
10. The Secretary of State may remove the Chair or an ordinary Member other than a Northern Ireland Member from office on either of the following grounds:
 - a. failure to discharge the Member's functions without reasonable excuse.
 - b. inability or unfitness to carry out the Member's functions.
11. DAERA may remove the Northern Ireland Member from office on the same grounds, after consulting with the Secretary of State.

Role of the Board

12. The role of the Board is to run the OEP and deliver its objectives in accordance with the Act, and other statutory and regulatory and common law duties.
13. The Board is specifically responsible for:
 - a. establishing and taking forward the strategic aims and objectives of the OEP within the resources framework determined by the Secretary of State and DAERA.
 - b. ensuring the OEP acts objectively and impartially as it carries out its functions.
 - c. challenging any activity from Defra, DAERA or any other UK or Northern Ireland government departments which compromises its ability to act independently.
 - d. providing effective leadership of the OEP within a framework of prudent and effective controls that enables risk to be assessed and managed.
 - e. making decisions reserved to it in the Act and the OEP's delegation policy, and such other decisions referred to it by the Chief Executive, Chair or Board committee.

- f. reviewing management performance and ensuring that it receives and reviews regular financial and management information.
- g. ensuring that it is kept informed of any changes which are likely to impact on the strategic direction of the OEP or on the attainability of its objectives, and determining the steps needed to deal with such changes
- h. ensuring that any statutory or administrative requirements for the use of public funds are complied with, that it operates within the limits of any delegated authority agreed with Defra and DAERA, and in accordance with any other conditions relating to the use of public funds.
- i. ensuring that, in preparing its enforcement policy and exercising its enforcement functions, it has regard to any guidance issued by the Secretary of State or DAERA under section 25 of the Act.
- j. ensuring that, in reaching decisions, it takes into account its strategy, its corporate and business plans, and any contribution it has agreed to make towards Defra's or DAERA's policy objectives.
- k. demonstrating high standards of corporate governance at all times.
- l. setting performance objectives and remuneration terms for the Chief Executive that give due weight to the proper management and use and utilisation of public resources.
- m. putting in place mechanisms for independent appraisal and annual evaluation of the performance of the Chair by the non-executive Members, taking into account the views of relevant stakeholders and making that evaluation available to the Defra and DAERA.
- n. ensuring that effective arrangements are in place to provide assurance on risk management, governance and internal control including escalation of any relevant and appropriate significant concerns to the Defra and DAERA audit and risk assurance committees.

Collective Responsibility of the Board

- 14. The Board will act on a collective basis, operate on the principles of collective responsibility, and at all times treat one another and all others with respect
- 15. Members will be provided with the information necessary to ensure vigorous debate and effective decision making. Members may request any additional information they deem necessary to ensure that the decision-making process is sufficiently well informed and robust.
- 16. Members should speak with one voice in public on OEP matters. Members should not make press statements in respect of the OEP's affairs without the permission of the Chair (or in the absence of the Chair, the Chief Executive). Briefing and assistance for Members making public statements will be provided. Nominated Members (other than those who disagreed with a decision) may be asked to present and articulate specific decisions of the Board to an appropriate audience.
- 17. Decisions of the Board will normally be reached by consensus and only in exceptional circumstances should a formal vote be necessary. All decisions of the

Board will be recorded. Minority views will not normally be made public although, if a vote is necessary, the outcome of that vote will be recorded in the Board minutes, as set out in the Rules of Procedure at Annex A.

18. If a Member resigns as a result of a disagreement with a decision, they may state the basis for the disagreement but may not publicly disclose the views of other Members.

The Chair

19. The Chair is responsible for leading the Board in the delivery of its responsibilities with a particular responsibility for:
 - a. ensuring affairs are conducted with probity, high standards of regularity and propriety and with effective governance.
 - b. ensuring that the Board reaches effective decisions objectively and impartially.
 - c. challenging any activity from Defra, DAERA or other UK or Northern Ireland departments they consider compromises its ability to act independently.
 - d. ensuring that the Board takes proper account of any statutory or administrative requirements for the use of public funds, the limits of its statutory and delegated authority and any other relevant conditions relating to the use of public funds.
 - e. leading the Board in developing a strategy for discharging its statutory duties.
 - f. ensuring that in preparing its enforcement policy and exercising its enforcement functions, the Board has regard to any guidance issued by the Secretary of State under section 25 of the Act.
 - g. leading the Board in its relationship with the executive, and in particular the Chief Executive.
 - h. promoting the efficient and effective use of staff and other resources.
 - i. being an effective representative of the OEP and its Board both internally and externally.
 - j. acting as the normal point of contact between the OEP, ministers and Parliament.
20. The Chair will ensure that:
 - a. the work of the Board is reviewed and the Board is working effectively.
 - b. the performance of Members is reviewed annually and when being considered for re-appointment.
 - c. the view of relevant stakeholders including employees, Defra and DAERA are sought and considered in conducting these assessments.
 - d. the Board has a balance of skills appropriate to directing the OEP's business.
 - e. the Secretary of State or DAERA is advised of the OEP's needs when Board vacancies arise.

- f. Members continually update their skills, knowledge and familiarity with the OEP including in relation to financial management and reporting, risk management and the requirements of Board membership.
 - g. Members are aware of their terms of appointment, duties, rights and responsibilities.
 - h. this Governance Framework is in place and consistent with the [Corporate Governance in Central Government Departments Code of Good Practice](#).
 - i. there is a code of practice for board Members in place, consistent with the [Code of Conduct for Board Members of Public Bodies](#).
21. The Chair and the Chief Executive will meet and consult regularly as their effective working relationship is of key importance to the well-being of the organisation and to the efficient progress of business. It is through this relationship that the balance will be maintained between the need for the Chief Executive to exercise their responsibility and the need to ensure the Chair is aware of, and supportive of, the line taken on significant or potentially contentious issues.

Members

22. Members should comply at all times with the [Code of Conduct for Members of the Board at Annex B](#).
23. There is an expectation that Members will serve on Committees at the invitation of the Chair.
24. Effective corporate governance requires that Members abide by certain principles when making their own contributions to Board business, including:
- a. demonstrating adherence to the [Principles of Governance for all Public Body Non-Executive Directors](#).
 - b. working co-operatively with fellow Members and act in good faith in the OEP's best interests.
 - c. reaching a view on issues objectively and impartially and not based on predetermined or partisan views.
 - d. supporting corporate decisions whatever their personal view on the matter under discussion.
 - e. respecting any decision of the Board that an item of business should remain confidential.
 - f. declaring any potential conflict of interest arising from discussions of business or from other aspects of membership.
25. All Members will contribute to the effectiveness with which the Board carries out its business by:
- a. playing a full and active role in Board meetings.
 - b. regular attendance at formal and informal meetings of the Board.
 - c. being adequately prepared for meetings.
 - d. respecting the Chair's authority in respect of the management of meetings.

- e. ensuring they are familiar with the expectations of their role as a Member, including information that may be issued from time to time by the Cabinet Office, HM Treasury or government.

The Chief Executive's Role as Accounting Officer

26. The Chief Executive is the accounting officer of the OEP. Although the accounting officer is a member of the Board, they are personally responsible for safeguarding the public funds for which they have charge; for ensuring propriety, regulatory, value for money and feasibility in the handling of those public funds; and for the day-to-day operations and management of the OEP.
27. The Chief Executive is responsible for:
 - a. ensuring that resources are managed and used in line with Parliament's expectations and with the accounting officer standards set out in [Managing Public Money](#) and other applicable financial management guidance, in each case as it applies to arm's-length bodies.
 - b. ensuring that they have appropriate mechanisms for monitoring, governance and external reporting of compliance with their responsibilities as accounting officer.
 - c. ensuring that financial considerations are taken fully into account by the Board at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed.
 - d. giving evidence before relevant committees of Parliament and the Northern Ireland Assembly on the OEP's stewardship of public funds.
28. The Chief Executive will follow the advice and direction of the Board except in very exceptional circumstances.
29. Where the Board or the Chair is contemplating a course of action involving a transaction that the Chief Executive considers would infringe the requirements of propriety or regularity, does not represent prudent or economical administration, efficiency or effectiveness, is of questionable feasibility, or is unethical, the Chief Executive in their role as accounting officer should make their reservations clear to the Board, preferably in writing, and seek to ensure that the Board has a full opportunity to discuss the rationale for those reservations.
30. If the decision is put to a vote by the Board, the Chief Executive must vote against; it is not sufficient to abstain.
31. If the Board is still minded to proceed, the accounting officer should ask the Defra Principal Accounting Officer ("PAO") to intervene to seek to resolve the difference of view, where that is compatible with the PAO's duty to have regard to the need to protect the OEP's independence.
32. If the Board remains minded to proceed, the accounting officer should
 - a. seek a written direction from the Board to carry out the proposal.
 - b. implement without delay.
 - c. notify the PAO and ask the PAO to notify HM Treasury.

- d. ask the PAO to copy the relevant papers to the Comptroller and Auditor General (“C&AG”) and the Treasury Office of Accounts. The C&AG will normally draw the matter to the attention of the Public Accounts Committee of the House of Commons.
- e. arrange for the existence of the direction to be published, no later than in the next annual report and accounts, unless, for sound public interest or commercial reasons, the Chief Executive and PAO agree that the matter should be kept confidential and where that is compatible with the PAO’s duty to have regard to the need to protect the OEP’s independence.

Role of the General Counsel

33. The General Counsel is the OEP’s senior legal adviser and gives legal advice to the Board and Committees.
34. The General Counsel is entitled to direct access to the Board and Committees and may at his or her discretion give legal advice during or outside meetings.

Role of the Head of Finance and Corporate Services

35. The Head of Finance and Corporate Services is the senior officer of the OEP responsible for finance. They give advice to the Board and Committees on finance and related matters.
36. The Head of Finance and Corporate Services is entitled to direct access to the Board and Committees and may at their discretion give relevant advice during or outside meetings.

Role of the Head of Business Strategy and Planning

37. The Head of Business Strategy and Planning is the senior officer of the OEP responsible for governance. They may offer advice during a meeting when questions of procedure are under discussion and will intervene where they judge that the Board may be at risk of breaching its own procedures for the conduct of business.
38. The Chair, Members and members of any Committee will have access to the Head of Business Strategy and Planning for advice and assistance.

Role of the Data Protection Officer

39. The OEP will appoint a member of staff to the role of Data Protection Officer. The Data Protection Officer will receive all agendas and papers submitted to the Board, and has a right of attendance at the Board at any time to monitor, inform and advise on compliance with data protection obligations.

Business and Governance Officer

40. The Business and Governance Officer will act as secretariat to the Board to:
 - a. ensure the smooth running of the activities of the Board and its Committees
 - b. facilitate good information flows between the Board and members of staff
 - c. ensure records of the decisions of the Board and its Committees are retained
 - d. facilitate the [Rules of Procedure at Annex A](#)
41. The Business and Governance Officer will maintain a Register of Interests and a Register of Gifts and Hospitality for Members. The Registers, extracts of which will be published on the OEP website, list declarations by Members of:
 - a. financial interests
 - b. personal interests
 - c. gifts and/or hospitality offered by or received from outside bodies and arising from the Member's position on the Board.

Committees

42. The Board may establish Committees permanently or on a time-limited basis, for example to undertake a specific review. Only the Board may wind up a Committee it has established.
43. The Board has established a permanent Audit and Risk Assurance Committee, under the [Terms of Reference at Annex C](#).
44. Membership of Committees must include at least one Member or an employee of the OEP. The membership of a Committee of the Board may include persons who are not Members or employees of the OEP.
45. A member of a Committee who is neither a Member nor an employee of the OEP will not be entitled to vote in any meeting of that Committee.
46. Appointments to Committees will not normally be for a period longer than three years or, in the case of Members, and if earlier, until the Member's appointment expires. Appointments are renewable where appropriate.
47. The Board may make arrangements for the payment of such remuneration and allowances as it thinks fit to any person who is a member of a Committee but is not a Member or an employee of the OEP.
48. Terms of reference for and membership of Committees will be decided in accordance with the OEP delegation policy.
49. If the Chair is not a member of a Committee, they have the right of attendance at any meeting of that Committee in an observatory capacity. The Chair will not be entitled to vote on any matter before that Committee unless they are a member.
50. Sufficient time will be provided at Board meetings for any Committee established to report on the nature and content of its discussions, recommendations, and any actions to be taken. This will ordinarily be through its minutes.
51. Where there is disagreement between any Committee and the Board, the Committee Chair and the Chair will together consider how such disagreement can be resolved and the appropriate time to be afforded to seek agreement. Where the

disagreement cannot be resolved, and after consultation with the Chair, the Committee Chair may report the issue to Defra or DAERA, to the PAO or Secretary of State. The disagreement or concern will be noted within the OEP's annual report.

52. Chairs of Committees may meet as a group to discuss matters of mutual interest. If such a meeting is required a request should be made to Business and Governance Officer who will arrange. The Chair will be invited to any such meeting.
53. The Board must at least once in any five-year period review its Committee structure and the scope of each Committee's activities.

Joint Committees

54. The Board and any other person may establish a committee jointly; any such committee will be known as a Joint Committee.
55. Any Joint Committee established will follow the provisions for Committees in this Governance Framework unless the Board agrees otherwise.

Delegations

56. The Board may delegate any of its functions to the extent, and on the terms, that the Board determines in accordance with the OEP's delegation policy, other than a reserved function set out at Annex A, Part 1 to the OEP's delegation policy.

Reviewing the Board's performance

57. The Board will review its own performance and that of its Committees regularly. A summary of the findings will be included in the Annual Report and Accounts.
58. The Chair will review the performance of all Members regularly.
59. The Chair's performance will be reviewed regularly.

Review of the Governance Framework

60. This Governance Framework will be reviewed as and when required by the Board, but at least once every twelve months.

Annexes

[Annex A: Rules of Procedure for Meetings of the Board](#)

[Annex B: Code of Conduct for the Board](#)

[Annex C: Terms of Reference for the Audit and Risk Committee](#)

Annex A – Rules of Procedure

Introduction

1. These Rules of Procedure for the Board reflect the provisions of the Act.
2. Where they can be appropriately applied, these Rules of Procedure apply to all meetings of the Board and Committees.
3. These Rules of Procedure will not apply where the specific rules of procedure for the Committee already make provision for the activity to be undertaken or procedure to be followed at meetings of that Committee.

Frequency of meetings

4. The Board will meet at regular intervals planned well in advance, and at least four times in any full financial year. The period between any two consecutive meetings of the Board will be no greater than three months. These will be the ordinary meetings of the Board.
5. An extraordinary meeting of the Board may be called by the Chair or the Chief Executive where in their opinion an urgent matter has arisen. The Chair will also call an extraordinary meeting following receipt of a written request from at least two Members setting out the reason why a special meeting is required.

Place of business

6. Meetings may be held in person or by video or telephone conference. Meetings will normally alternate between meetings in person and by video conference. Meetings in person will normally be held in or around Worcester or Belfast.
7. Meetings by video or telephone conference will be conducted through a video or telephone conferencing medium that allows all persons participating in the meeting to do so effectively.
8. Meetings will normally be held such that all Members either participate in person or by video or telephone conference. Members who are unable to attend a meeting in person will be able to attend by video or telephone conference.

Notice of meetings

9. The Business and Governance Officer will propose for the Board's approval a schedule of meetings of the Board and any Committees for each new financial year before the end of the prior year.
10. Board meetings will be called well in advance and, in any event, with a minimum of five clear working days' notice. In the case of urgent business to be considered in an extraordinary meeting, Board meetings may exceptionally be called with fewer than five clear working days' notice.

11. Notice of the time and place of a meeting of the Board will be given to Members in writing by email to the e-mail address the Member has notified for this purpose. Failure to receive notice of a Board meeting will not invalidate that meeting or any business transacted at it.

Business, agendas and papers

12. The Chair is responsible for drawing up the agenda of meetings in consultation with the Board and the Chief Executive.
13. The Business and Governance Officer will maintain a forward plan of business of the Board. This will be regularly reviewed by the Chair and Chief Executive and made available to the Board. Where there is in any doubt as to whether a matter should be referred to the Board, this will be determined by the Chair.
14. The agenda and papers for Board meetings will normally be circulated at least five clear working days in advance of the meeting, and by email to the email account provided by the OEP to each Member, or by such other secure means as the OEP specifies.
15. The papers for each meeting will comprise:
 - a. an agenda which will indicate the matters to be discussed at the meeting.
 - b. in the case of an ordinary meeting of the Board, a copy of the draft minutes of the meetings held since the last ordinary meeting of the Board.
 - c. such other supporting documents and information relevant to the matters to be discussed as the Chief Executive may think appropriate, in consultation with the Chair.
16. Non-receipt of papers by individual Members does not invalidate a Board meeting or any business transacted at that meeting.
17. Where a meeting of the Board is called at short notice, papers will be circulated at the earliest practical opportunity. With the permission of the Chair, papers may exceptionally be tabled at a Board meeting or circulated after the agenda.
18. No business other than that specified in the notice of the meeting will be transacted at the meeting unless the business is of an urgent nature and the Members present decide that the business will be transacted.

Other attendees at meetings

19. Executive Directors will normally attend meetings of the Board to support its consideration of business.
20. The General Counsel, Head of Finance and Corporate Services and Head of Business Strategy and Planning will attend meetings of the Board to provide legal, financial and governance advice respectively to the Board. The General Counsel, Head of Finance and Corporate Services and Head of Business Strategy and Planning may at their discretion give relevant advice during any meeting.

21. The Data Protection Officer will have the right to attend any meeting of the Board, and may at their discretion give relevant advice during the meeting on compliance with data protection obligations.
22. Other members of staff may be requested to attend meetings of the Board to support the consideration of specific items of business. Such attendees will be agreed by the Chair.
23. The Chair may invite other individuals to attend meetings for a specific item or meeting.
24. Other than an Executive Director who has also been appointed a Member, any individual attending a meeting in any one of these capacities will not be entitled to vote and may be asked to withdraw from the meeting at any point.

Quorum

25. A meeting of the Board will be quorate if:
 - a. three Members are present, and
 - b. a majority of the Members present are non-executive Members. The Chair is a non-executive Member of the Board.
26. Members attending by video or telephone conference will be deemed to be present.
27. The names of all Members present will be recorded in the minutes.
28. If a Member cannot participate in a discussion or decision on any matter because of a conflict of interest, their attendance will not count in the calculation of quoracy for that item.
29. If a Member cannot participate effectively in a discussion or decision because of a failure of a video or telephone conferencing medium, they should make every effort to notify the Chair and the Business and Governance Officer. The Chair will decide whether to:
 - a. adjourn the meeting to re-establish effective participation, and for how long, or
 - b. mark the Member as not present.
30. If a quorum is not available for the discussion of any matter, that matter may not be subject to a decision. This will be recorded in the minutes.
31. Written comments on agenda items submitted by a Member who is absent may be circulated to those Members that are present or read out at an appropriate point in the meeting at the discretion of the Chair. This provision does not apply to Members who are not permitted to participate following the declaration of a conflict of interest.
32. If a meeting becomes inquorate during a meeting any decisions made will be ratified at the next quorate meeting of the Board, or under the Deferral of decision or Electronic Business provisions of these Rules of Procedure if the Members present so determine.

Chair

33. If present, the Chair will preside over meetings.

34. In the absence of the Chair, whether this be temporarily on the grounds of a declared conflict of interest or otherwise, the Members present will appoint a non-executive Member present to chair the meeting or item of business.
35. It is the responsibility of the Chair or Member presiding at the meeting to:
 - a. ensure that the Board reaches effective decisions objectively and impartially, taking proper account of any relevant information or evidence.
 - b. ensure that adequate views are sought in order to make informed decisions.
 - c. determine all matters of order, competency and relevancy.
 - d. determine whether a vote is required and how it is carried out in accordance with the Voting provisions of these Rules of Procedure.
 - e. maintain order in the meeting.
 - f. adjourn the meeting, if necessary, for whatever period they believe is appropriate.

Conflict of interest

36. All Board Members must comply with the procedure for conflicts of interest set out at [Annex B – Code of Conduct for Members](#) of the Board of the Governance Framework.

Order of business

37. The normal order of business in a meeting will be:
 - a. where the Chair is not present to select a Member to chair the meeting.
 - b. to receive any apologies for absence.
 - c. to consider any declarations of interest.
 - d. to receive, modify (if necessary) and approve as a true and accurate record the minutes of the previous meeting.
 - e. to deal with any matters arising from the minutes of the previous meetings.
 - f. to receive a report on any urgent or deferred decisions taken between meetings, and note any decisions taken by electronic business.
 - g. to consider such business as is set out on the agenda for the meeting.
 - h. to receive reports and recommendations from any Committee of the Board (unless this is specifically relevant to an item of business on the agenda, where it will be considered alongside such business).
 - i. to consider if the open papers may be published.
 - j. to consider, at the discretion of the Chair, any items of other business.
 - k. to note any matters presented to the Board for information only.
38. The order of business may be varied at the Chair's discretion.

Voting

39. Any decision made satisfying the requirements of these Rules of Procedure will be deemed to be a decision made by the Board.

40. Decisions of the Board will normally be made by consensus rather than by formal vote. Failing consensus, decisions will be made by a vote when:
 - a. the Chair (or the Member acting in that capacity) feels that there is a body of opinion amongst Members at the meeting that disagrees with a proposal or has expressed reservations about it and no clear consensus has emerged, or
 - b. a Member who is present requests that a vote be taken, and this is supported by at least one other Member, or
 - c. the Chair feels that a vote is appropriate.
41. If a vote is taken, the number voting for, against and any abstentions amongst the Members present will be recorded in the minutes. A Member absent at the time of the vote may not vote by proxy. A record of the individual votes of Members will not be recorded in the minutes unless the Chair agrees otherwise.
42. The Chair will cast their vote at the same time as the Board. Voting will normally take place by a show of hands or such other means of assent or dissent as the Chair deems appropriate.
43. The decision will be carried by a simple majority of those Members present. In the event of an equality of votes, the Chair will have a second and casting vote. The Chair's ruling as to the outcome of such a vote will be final.

Deferral of decision

44. Any Member may propose to defer a decision on an agenda item in order that the Board be provided with additional information to support the taking of that decision, or for any other reason.
45. If this is agreed, the decision to defer the decision, together with the reason for doing so, will be recorded in the minutes of the meeting together with a proposed timescale for returning the matter to the Board for consideration.
46. A deferred decision may be taken through electronic business where this is agreed in the meeting and will be taken in accordance with the Electronic Business provisions of these rules of procedure.
47. All deferred decisions taken between meetings will be reported on and reflected in the minutes of the meeting subsequent to the decision being taken.

Electronic Business

48. For a decision to be made by electronic business:
 - a. the procedure for taking decisions by electronic business must be followed, and
 - b. a response must be received from at least three Members, and
 - c. a majority of responses received must be from non-executive Members, and
 - d. a majority of responses received must be in favour of the recommendation.
49. The procedure for taking decisions by electronic business is:

- a. papers will be produced clearly setting out the recommendations to the Board, options considered together with any supporting analysis necessary.
- b. the Chair will agree a timeline for a decision to be taken. This will include sufficient time for the Board to read the papers, seek clarification on the issues raised and to confirm their decision.
- c. the Business and Governance Officer will circulate the papers to the Board electronically, to the email address provided by the OEP for this purpose and setting out the timeline decided.
- d. questions or points of clarification should be directed to the Business and Governance Officer who will arrange for a response to be drafted and circulated to all members in line with the agreed timeline.
- e. Members should confirm their decision by the deadline indicated in the timeline.
- f. once this deadline has passed the decision will be confirmed to the Board.

Governance and records

50. Any point of order alleging a breach of these Rules of Procedure will be heard immediately. The Chair's ruling (or that of the Member acting in that capacity) on the point of order will be final.
51. The Head of Business Strategy and Planning, or a nominated alternative officer, will be present at each meeting of the Board and any meetings of any Committee to advise on these Rules of Procedure.
52. The Business and Governance Officer, or a nominated alternative officer, will attend each meeting of the Board and any meetings of any Committee to record any decisions made. If no officer is present and nominated to record any decisions made, no decision will be deemed to have been taken.
53. The Business and Governance Officer, or the nominated alternative officer, will be responsible for ensuring that the minutes of the meeting, including a record of any resolution passed, are retained. The Chair or Member acting in this capacity will be asked to agree the minutes before they are presented for approval at the next meeting of the Board or Committee.
54. Once approved by the Board the minutes will be published on the OEP website, subject to the redaction of any material it is inappropriate to disclose. At the end of each meeting the Board will be asked to confirm that any open papers of the meeting may be published on the OEP website alongside the relevant minutes.

Annex B – Code of Conduct for Members of the Board

Introduction

1. This document sets out a code of practice for Members. Members must observe the code of practice whenever they conduct business of the Board or act as a representative of it.
2. This document supplements the [Code of Conduct for Members of Public Bodies](#) published by the Cabinet Office with which Members must also be familiar.

Public service values

3. The Board will in its activities and actions at all times:
 - a. observe the highest standards of propriety through impartiality, integrity and objectivity in relation to the stewardship of public funds and the strategic leadership of the OEP.
 - b. maximise value for money by ensuring that the OEP's functions are delivered in the most economical, efficient and effective way, within available resources and with independent validation of performance where appropriate.
 - c. be accountable to Parliament and the Northern Ireland Assembly for the activities of the OEP, its stewardship of public funds and the extent to which key performance targets and objectives have been met.
 - d. carry out its functions transparently and following good practice.
4. The Board endorses and abides by the principles of public life as set out by the Committee on Standards in Public Life (the Nolan Committee) and reproduced at [Appendix 1 to this Code of Conduct](#).

Relationship with government

5. Communications between the Board and ministers and Parliament will normally be through the Chair and, as appropriate, the Chief Executive except where the Board has agreed that a Member should act on its behalf, or in the specific circumstances provided for the Chair of any Committee in the Governance Framework.
6. Individual Members have the right of access to Ministers on any matter which they believe raises important issues relating to their duties as a Member of the Board. In such cases the agreement of the rest of the Board should normally be sought.
7. The main point of contact between the OEP and Defra, DAERA and any other government department on day-to-day matters will normally be the Chief Executive or other member of staff authorised to act on behalf of the OEP.

Accountability to Parliament and the Northern Ireland Assembly

8. The OEP is responsible for providing Parliament and the Northern Ireland Assembly with such information as may be requested concerning its policy, decisions and actions. The Chair and Chief Executive will aim to respond positively to any request to appear before an elected body.

Responsibilities of Members

9. Members should be aware of their wider responsibilities, including as set out in the Governance Framework. These include the duty to comply at all times with this Code of Conduct (and any agreed modification to it) and with rules relating to the use of public funds; and to act in good faith and in the best interests of the organisation and its stakeholders.

Confidentiality and Information Security

10. Members should not, in any circumstances, use information gained in the course of their public service for personal gain, political profit or to promote their private interests or those of connected persons or organisations.
11. Members, except where expressly agreed or provided for, should not disclose to outside parties any information or papers of the OEP or its meetings. Members should make every effort to prevent the unauthorised publication or disclosure of such information by another person. Any unauthorised disclosure of information, or concern that such a disclosure has taken place, should be referred to the Chair, or the Chief Executive.
12. Members must comply with public sector guidance around the classification and handling of information.
13. The majority of information is classified as 'Official' which means it should be handled with routine security.
14. Some information is particularly sensitive. This means that loss or insecure handling could lead to damaging consequences for the organisation or for individuals, or might lead to action by third parties if release of this information has impacts on them. This is classified as 'Official Sensitive' which means that the information should be handled with particular care, such as not forwarding an email inappropriately or reading a document where it can easily be seen by others.
15. Email accounts and devices provided by the OEP should be used for all but routine administrative correspondence to help to ensure that information is protected from loss or unplanned disclosure through cyber crime.

Propriety

16. Members must at all times behave with the utmost integrity avoiding actual impropriety and any perception of impropriety. They must do so in the spirit, as well as in the letter, of this Code of Conduct.
17. Members must ensure that they comply with the procedures for the acceptance of gifts and hospitality set out at Appendix 2.
18. Members must ensure they comply with the procedures for dealing with conflicts of interest set out at Appendix 3.

Attendance at conferences and stakeholder events

19. Members should speak with one voice in public on OEP matters. Members should not make press statements in respect of the OEP's affairs without the permission of the Chair (or in the absence of the Chair, the Chief Executive).
20. All invitations to Board members to attend or speak at sector or stakeholder events should be referred to the Chief Executive or in his or her absence the Head of Communications and Strategic Relations for advice. Care will be taken to ensure that there is appropriate Board representation at events and that Board Members are properly briefed in advance of attendance.

Exit restrictions

21. On termination of office Members will return all property, including all information, belonging to the OEP. The duty of confidentiality owed by Members continues to apply after they have left office.

Application of Code to Committees and Joint Committees

22. The rules set out in this Code and its appendices, where they can be appropriately applied, apply to all members of Committees or Joint Committees who are not Members.

Appendix 1 The seven principles of public life

1. The principles of public life apply to anyone who works as a public office holder. This includes all those who are elected or appointed to public office, nationally and locally, and all people appointed to work in the civil service, local government, the police, courts and probation services, arm's-length bodies, and in the health, education, social and care services.
2. All public office holders are both servants of the public and stewards of public resources. The principles also have application to all those in other sectors delivering public services.

Selflessness

3. Holders of public office should act solely in terms of the public interest.

Integrity

4. Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends.

Objectivity

5. Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability

6. Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Openness

7. Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Honesty

8. Holders of public office should be truthful.

Leadership

9. Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Appendix 2 Procedure for the acceptance of gifts and hospitality

1. Members are expected to observe a high standard of personal integrity.
2. In all cases where a gift, reward or item of hospitality is offered, accepted or declined, Members must advise the Business and Governance Officer in order that the matter may be included in the Register of Gifts and Hospitality. Hospitality accepted should be in the interests of the OEP and help further its objectives.
3. The guiding principles governing the acceptance of gifts and hospitality are that the conduct of Members should not foster suspicion of any conflict between their official duties and personal interests or advantage.
4. Members should not accept a gift, reward or hospitality which would or might:
 - a. appear to place them under any obligation to the giver.
 - b. compromise their impartiality.
 - c. be improper.
 - d. be more frequent or regular than would be regarded as normal or reasonable, taking into account the nature and value of the item.
5. Any hospitality accepted should not be over-frequent or over-generous. Accepting hospitality frequently from the same organisation could lead to a perception that the OEP is being influenced by the objectives of that organisation.
6. Any hospitality accepted should not appear lavish or disproportionate to the nature of the relationship the OEP has with the provider. If the Member is in any doubt about the propriety of accepting a gift, reward or hospitality then it should be refused.
7. The principles set out above are not intended to stop Members from accepting for example:
 - a. an isolated gift of a trivial nature such as a diary or calendar
 - b. an occasional meal during an official visit
 - c. stationery associated with conference attendance
8. A distinction should be made between items offered as hospitality and those offered in substitution of fees for speeches or lectures, or other work carried out in an official capacity. Offers of this kind may be accepted where reasonable and proportionate.
9. If a Member is in any doubt if such hospitality is reasonable and proportionate, they should seek the guidance of the Chair or the Head of Business Strategy and Planning.
10. The Register of Gifts and Hospitality will be made available on request.

Appendix 3 Rules for dealing with conflicts of interest

1. All Members must declare any personal or business interests which may conflict with their responsibilities as Members of the Board.
2. This procedure must be interpreted in its spirit and Members must comply in spirit as well as in letter.

Register of interests

3. The Business and Governance Officer will maintain a Register of Members' disclosable interests which will be a public document and will be reviewed from time to time to ensure that it remains accurate and up to date. Extracts from the Register will be published on the OEP's website.
4. The purpose of the Register is to ensure transparency in relation to any interests of Members, or of their spouses, partners and dependent children, that have the potential, or might be perceived as having the potential, to give rise to a conflict of interest.
5. For each Member the Register must contain details of any of the following held or carried presently, or in the preceding three years by that Member, their partner and/or immediate family that have the potential, or might be perceived as having the potential, to give rise to a conflict of interest:
 - a. employment details for the Member.
 - b. details of any directorships or membership of governing or directing bodies which are comparable to a directorship.
 - c. details of any contracts to which the Member is party, and which will result in remuneration or receipt of grant.
 - d. names of any organisations in which the Member has a significant shareholding or other financial interest.
 - e. details of any appointments to charitable organisations including trusteeships and positions with NGOs or pressure groups.
 - f. details of any membership by the Member of a professional body, association or trade union.
 - g. details of any political activity of the Member.
 - h. any other interests that have the potential, or might be perceived as having the potential, to influence the judgment of the Member in relation to their participation in the normal activities or decision-making of the Board.
 - i. details of any financial transactions with the OEP directly, or through related party in which the Member is a director, trustee or majority shareholder.
 - j. any other interests the Member believes should be brought to the attention of the OEP.
6. It is the duty of each Member to declare to the Business and Governance Officer any matter that is required to be included on the Register. If a Member is in doubt as to whether a particular matter should be declared, they should declare it and the Business and Governance Officer (in consultation with the Head of Business

Strategy and Planning and the Chair if appropriate) will decide whether it should be included on the Register.

7. A Member will make a declaration of interests for the purposes of the Register immediately on taking up appointment as a Member, and will subsequently declare any new matter that is required to be included on the Register as soon as possible after it arises.
8. Members must ensure their entries on the Register are up to date and may be required at any time to confirm the same to the Business and Governance Officer. The Business and Governance Officer will ask them to do so at least once in every year.

Declaration of conflicts of interest at meetings of the Board

9. Before any item is discussed at a Board Meeting each Member must disclose any conflict of interest that they believe may arise in relation to that item.
10. If a Member becomes aware that there may be a conflict of interest in relation to any matter during a Board meeting, they must disclose the relevant interest immediately.
11. If a Member is in any doubt as to whether a particular matter constitutes a conflict of interest that should be disclosed, they should disclose it.
12. The Chair (or in the absence of the Chair the Member acting in that capacity) will decide if a matter disclosed by a Member amounts to a significant conflict of interest that would prevent that Member from participating in the discussion of the item and any decisions. They may take advice from the Head of Business Strategy and Planning and/or the General Counsel.
13. Where the Chair (or in the absence of the Chair the Member acting in that capacity) decides that any Member does have a conflict of interest and that interest is of such significance that the Member should not participate in the item under discussion, that Member should withdraw from the meeting. This will be recorded in the minutes together with any additional information that the Chair considers appropriate (including for example, the extent to which the relevant Member participated in a discussion or had access to papers).
14. In no case may a Member whom the Chair has determined to have a significant conflict of interest in relation to a matter either vote on a decision concerning that matter or contribute to any discussion of that matter.

Declarations of conflicts of interest on receipt of written information

15. If a Member receives written information, including a Board paper, in relation to any matter about which they believe that a conflict of interest may arise, they must disclose their interest in the matter to the Business and Governance Officer at the earliest opportunity and return the information with an indication of the extent to which it has been read.

Annex C – Terms of reference for the Audit and Risk Assurance Committee

1. The Board has established an Audit and Risk Assurance Committee as a permanent Committee of the Board to support them in their responsibilities for issues of risk, control and governance by reviewing the comprehensiveness of assurances in meeting the Board and accounting officer's assurance needs and reviewing the reliability and integrity of these assurances.

Membership

2. The Audit and Risk Assurance Committee will consist of:
 - a. At least two non-executive Members
 - b. An independent member
3. The independent member is appointed to bring expertise relevant to the role of the Audit and Risk Assurance Committee. The independent member will not be a Member or employee of the OEP. The independent member will be agreed by the Chair and the Audit and Risk Assurance Committee Chair.
4. Executive Members may routinely attend meetings of the Audit and Risk Assurance Committee to provide information or assurance to the committee on matters falling within their executive responsibilities and will do so at the request of the Committee. An executive Member attending the Audit and Risk Assurance Committee in this capacity will not be a member of the committee and will not be entitled to participate in any decision of the committee.

Chair

5. The Chair of the Audit and Risk Assurance Committee will be a non-executive Member other than the OEP Chair.

Role

6. The Audit and Risk Assurance Committee will advise the Board and accounting officer on:
 - a. the strategic processes for risk, control and governance
 - b. the governance statement
 - c. the accounting policies of the OEP
 - d. the accounts, and the annual report of the OEP including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors
 - e. the planned activity and results of both internal and external audit
 - f. adequacy of management response to issues identified by audit activity, including external audit's management letter

- g. assurances relating to the management of risk and corporate governance requirements for the organisation
 - h. (where appropriate) proposals for tendering for either internal or external audit services or for purchase of non-audit services from contractors who provide audit services
 - i. anti-fraud policies, whistle-blowing processes, and arrangements for special investigations
7. The Audit and Risk Assurance Committee will periodically review its own effectiveness and report the results of that review to the Board.

Rights

8. The Audit and Risk Assurance Committee may procure specialist advice at the expense of the organisation, subject to budgets agreed by the Board.
9. The representatives of providers of internal and external audit services will have free and confidential access to the Audit and Risk Assurance Committee Chair inside or outside of meetings of the Audit and Risk Assurance Committee.

Business

10. The business of the Audit and Risk Assurance Committee will be determined in accordance with the Rules of Procedure.
11. The business of each meeting of the Audit and Risk Committee will include:
- a. a report summarising any significant changes to the organisation's strategic risks and a copy of the strategic risk register
 - b. a progress report from the provider of internal audit services summarising:
 - c. work performed (and a comparison to work planned).
 - d. key issues emerging from the work of internal audit.
 - e. management's response to the audit recommendations.
 - f. changes to the agreed internal audit plan.
 - g. any resourcing issues affecting the delivery of the objectives of internal audit.
 - h. a report from the provider of external audit services summarising work done and emerging findings, and relevant aspects of the work carried out by the National Audit Office.
 - i. a report summarising compliance with mandatory practices, including health and safety, and essential training and awareness.
 - j. a report on fraud, security and whistleblowing incidents.
12. Within each business year, the business of the Audit and Risk Assurance Committee will include:
- a. management assurance reports.
 - b. the internal audit strategy.
 - c. the annual opinion and report of the provider of internal audit services.
 - d. quality assurance reports on the internal audit function.
 - e. the draft accounts of the organisation.

- f. the draft governance statement.
 - g. the management letter of the provider of external audit services.
 - h. a report on co-operation between internal and external audit.
13. The business of the Audit and Risk Assurance Committee will periodically include:
- a. reports on the management of major incidents, near misses and lessons learned.
 - b. proposals for the terms of reference of internal audit.
 - c. a report on any changes to accounting policies.
 - d. a report on any proposals to tender for audit functions.
 - e. the organisation's risk management strategy.
 - f. any other business on which the Audit and Risk Assurance Committee's advice has been sought by the Board or accounting officer.
 - g. any other business necessary for the discharge of the Audit and Risk Assurance Committee's role in accordance with these Terms of Reference.

Procedure

14. The Audit and Risk Assurance Committee will adhere to the Rules of Procedure, save that:
- a. where relevant to the business of the Audit and Risk Assurance Committee, the meaning of Chair in the Rules of Procedure will be interpreted to mean the Audit and Risk Assurance Committee Chair.
 - b. the Audit and Risk Assurance Committee will meet at regular intervals, planned well in advance, and at least four times a year. The period between any two consecutive meetings of the Audit and Risk Assurance Committee will be no greater than six months (in substitution for paragraph 4 of the Rules of Procedure).
 - c. the Board or the accounting officer may ask the Audit and Risk Assurance Committee Chair to convene further meetings to discuss particular issues on which they want the committee's advice, as provided for at paragraph 5 of the Rules of Procedure.
 - d. meetings will normally be attended by the accounting officer, the Chief of Staff, the Head of Finance and Corporate Services and the Head of Business Strategy and Planning (in substitution of the provisions of paragraph 18 of the Rules of Procedure).
 - e. a representative of providers of internal and external audit services will normally attend meetings of the Audit and Risk Assurance Committee, as provided for in paragraph 21 of the Rules of Procedure.
 - f. a meeting of the Audit and Risk Assurance Committee will be quorate if at least:
 - g. two members are present,
 - h. at least one of these is a non-executive Member
 - i. (in substitution of the provisions of paragraph 23 of the Rules of Procedure).

Reporting

15. The Audit and Risk Assurance Committee will formally report in writing to the Board and accounting officer after each meeting, usually through its minutes.
16. The Audit and Risk Assurance Committee will provide the Board and accounting officer with an annual report, timed to support finalisation of the annual report and accounts and the governance statement. The report will summarise its conclusions from the work it has done during the year.
17. The Chair of Audit and Risk Assurance Committee will meet regularly with the accounting officer, including after each meeting of the Committee.

Review

18. These terms of reference form part of the Governance Framework and will be reviewed whenever that framework is reviewed.