

Annual Governance Statement

Year End 2023/24

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Section 1

Introduction

Scope and Purpose of the AGS



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An introduction from Tricia Williams

Good governance is central to how we do things at Northern. Although it is not a mandatory requirement for Northern, in the spirit of transparency, the AGS has been prepared to provide assurance to our stakeholders that we are achieving good governance.

Effectively, the AGS shows that we are doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner.

Good governance supports our vision to **Make a positive impact for the North, in all we do and for all we serve**. We put our **Customers at the Heart** of everything we do, aim for **Sustainable Growth**, develop **Valued People** and strive for **Operational Excellence**.



Tricia Williams
Managing Director



Scope and Purpose of the AGS

An Annual Governance Statement (AGS) is a way of reporting on the arrangements in place for ensuring that business is conducted in accordance with the law, regulations and proper practices and that money is safely and properly accounted for. In essence, it is an accountability statement which sets out how well the organisation has delivered good governance over the course of the previous year and details current practices and areas for development.

The AGS is underpinned by a Governance Framework which sets out seven principles of good governance, set out in Section Four, and how these are applied within Northern.

Senior Management and Board Members use different sources of information to validate and challenge the effectiveness of Northern's corporate governance. This information is used to identify any potential gaps in assurance and determine the level of reliance that can be placed on it. Section Seven sets out the three lines of defence model in effective risk management and control and how this is used by Northern to capture the different sources of information relied upon by Senior Management and the Board.

The AGS process takes information from across the three lines to assess the governance arrangements in place. How we have prepared the AGS is set out in Section Three.

Section 2

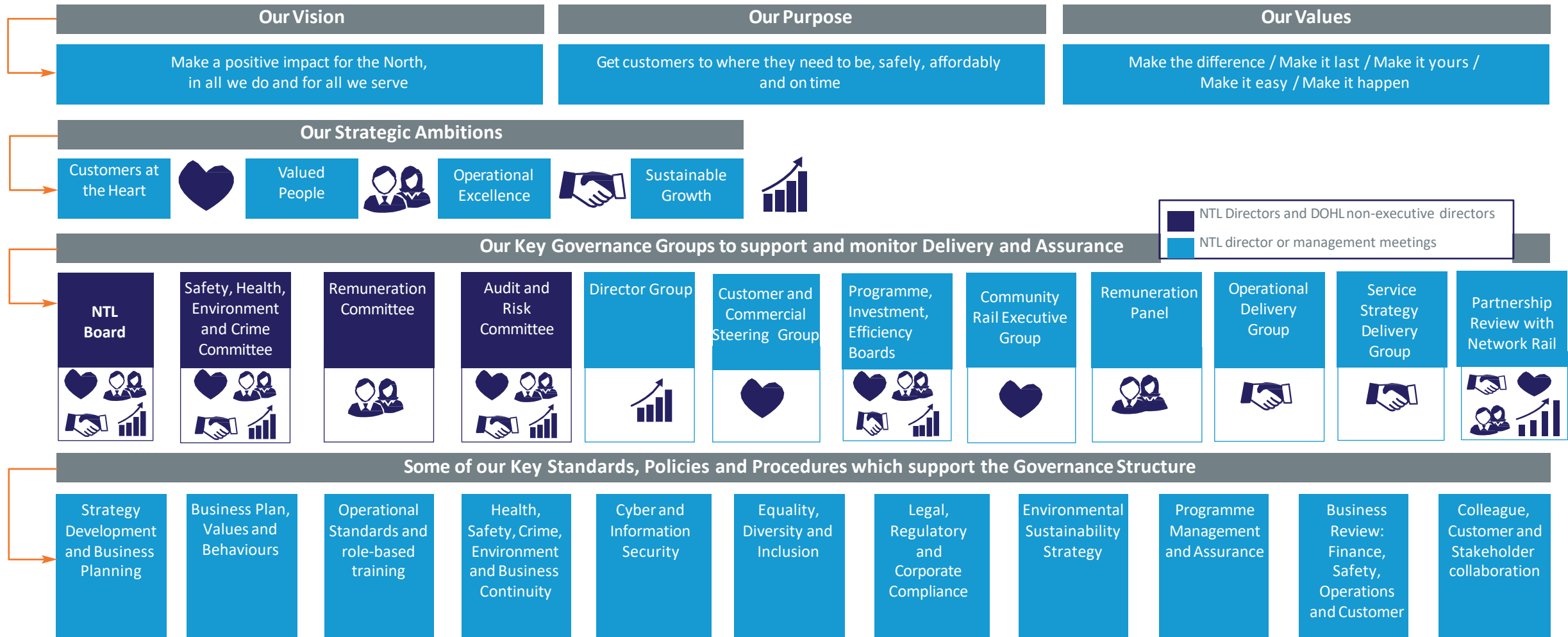
Vision, Purpose, Values and Business Priorities



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Section 2 - Vision, Purpose, Values and Business Priorities



NTL Directors and DOHL non-executive directors
 NTL director or management meetings

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Section 3

Creating a Transparent AGS



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Section 3 - How has the AGS been prepared?

In preparing the AGS, some of the key steps that the Internal Audit Team have undertaken are:

Reviewed the policies and procedures in place across Northern.

Assessed the Governance structures in place in relation to Governance Boards and Committees.

Taken the knowledge and understanding gained from carrying out recent Internal audit and assurance reviews, as well as those undertaken by other assurance teams across the business, to identify governance related measures in place.

Collaborated with appropriate colleagues and Subject Matter Experts across the business to understand the current processes as well as any areas for improvement.



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Section 4

Seven Core Principles of the AGS



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Section 4 - Seven Core Principles of the AGS



Our SEVEN strategic principles of governance

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Section 5

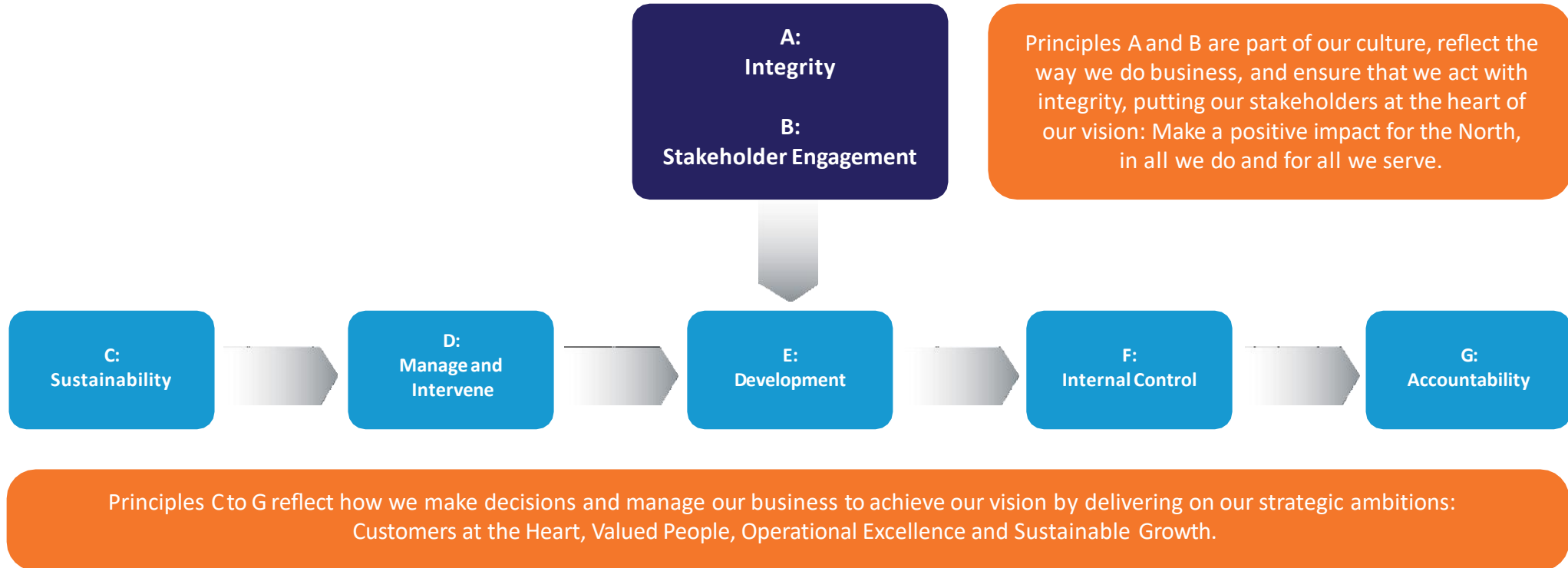
How the Core Principles Apply to Northern



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Section 5 - Application of the Core Principles



The following seven slides set out how we demonstrate these seven principles across our business.



What do we have in place already and where are we improving?



Principle A: Integrity

Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

What we do

What we are enhancing

Our **Vision, values and business plan** have been shared with all colleagues, to communicate what we want to achieve and how we want to achieve it together:
 “**Make a positive impact for the North**, in all we do and for all we serve.”

Our values were developed by the **Northern Crowd**, a representative group of employees from different roles to show how we want to encourage everyone to **Go Do Your Thing** by:

- **Make it easy**
- **Make it happen**
- **Make it yours**
- **Make it last**
- **Make the difference**

Our Business Plan sets out how we put our **Customers at the Heart** of everything we do, aim for **Sustainable Growth**, develop **Valued People** and strive for **Operational Excellence**.

We embed our vision, values and objectives through **performance management** processes and team communications.

We have an internal **Legal Counsel**, who is also **Company Secretary**, and use **external legal expertise** to support us in delivering our legal obligations.
 Our experienced **Employee Relations** team ensure that we comply with employment law, union agreements and terms and conditions.
 We have **Compliance Subject Matter Experts** across the business who ensure that we meet our contractual and regulatory obligations.

We maintain a comprehensive suite of policies and procedures to ensure a safe, ethical, and inclusive workplace, including:

- Corporate compliance including Declaration of Interests, Speak Up, Anti-Fraud, Gifts and Hospitality, Freedom of Information and our Modern Slavery Statement.
- Data and Technology policies, such as Data Protection, Cyber and Information Security and Acceptable Use.
- Safety, Health, Environment and Operational Standards policies.
- Accessibility awareness training and policies covering disabilities both visible and hidden, such as dementia and autism.

We remain committed to supporting under-represented groups through our established policies, including: an Equity, Diversity and Inclusion (EDI) Policy, Menopause Policy, Gender Transition Policy, Domestic Abuse Support Policy and Sexual Harassment in the Workplace Policy.

Our comprehensive **training and communications** plan ensures ongoing awareness of core policies and procedures. We have successfully launched a mandatory training program for managers, executives, and directors, while also recommending it for all other grades. Engaging animated training briefs have been integrated into our core training curriculum for all employees.

We have developed a single “**How We Do Things**” document which brings together existing policies and processes to make it easier for our people to find what they need. All our policies are now accessible on a SharePoint site with regular updates and advanced policy governance in place.

In 2023 we launched a new **Equality, Diversity and Inclusion** strategy, endorsed by our Managing Director and Executive Team, based on our new vision; to trailblaze in developing an inclusive business where colleagues perform at their best and are THE best.

Role based training is delivered through face-to-face classroom learning, virtual sessions, online e-learning and practical on the job coaching to ensure everyone understands the standards and rules which apply to them.

We are improving the employee experience for colleagues from underrepresented groups with the establishment of our colleague networks, including **Northern Women**, **Neurodiversity at Northern** and our **ex-Forces groups**. Feedback has been taken from these groups together with data from our annual colleague survey to understand the issues colleagues face and improve their working lives at Northern.

In addition to delivering our rolling 12-month EDI calendar of events including celebration of Pride season and our annual ‘Go Do Her Thing’ and ‘Go Do His Thing’ months, we have also achieved Investors in Diversity reaccreditation and are measuring the impact of our strategy through a DOHL-led **EDI Maturity Index audit**.

We will also ensure continuous improvement in the area of inclusion based on the outcome of the Maturity Index audit and recommendations from the National Centre for Diversity, following our **Investors in Diversity reaccreditation**.



What do we have in place already and where are we improving?

What we do

What we are enhancing



Principle B: Stakeholder Engagement

Ensuring openness and comprehensive stakeholder engagement

<p>We share information about what's going on at Northern with all our colleagues so that everyone can see how their role contributes to Northern's vision - from how we're doing with our Business Plan and performance, to regular updates on initiatives from across the business. We use a variety of digital and traditional Internal Communications channels to keep our remote workforce informed and connected to the business and each other. Through Special Briefs we share important information that everyone needs to be aware of. A monthly companywide video broadcast and weekly written message from our Managing Director sets out what's been going on and our areas of focus.</p>	<p>We engage with our leaders on our business plan and key priorities through monthly virtual Live Business Updates and Inside Track, a weekly email summary of what leaders need to know and do. At our biannual in-person leadership conferences, held in the autumn and spring, we share the Northern business plan and key priorities with all our leaders. This enables them to set their personal objectives and cascade these priorities to their teams.</p>	<p>Through our three-year corporate internal communications survey, we aim to build trust with our colleagues through simplifying what they receive, authenticity in the content and focusing on what is relevant, particularly with our customer-facing colleagues. We will measure whether this is being achieved through the annual colleague survey.</p>
<p>We are held to account by Rail North Partnership on behalf of Transport for the North and the Department for Transport against delivery of our Services Agreement, including our Annual Business Plan Commitments.</p>	<p>We work in partnership with Network Rail to deliver a safe, high performing, efficient and sustainable railway that meets our customers' needs and contributes to economic growth value in the North of England.</p> <p>We work closely with our recognised Trade Unions to discuss our ambitions, business plan and any areas of concern.</p>	<p>Our vision is to provide safe and accessible rail services and stations that are designed and delivered around the needs of all our customers as part of our journey to 'Northern for Everyone'. A focused approach on ensuring that all NTL colleagues have the right accessibility mindset which ensures our people put accessibility at the heart of design and processes.</p> <p>Accessibility for All is a key part of Northern's big six transformational programmes. This pillar of its plans covers a range of initiatives that all align with three key principles of improvement:</p> <ol style="list-style-type: none"> 1. Continue to involve people with disabilities in the design of services and processes. 2. Deliver train and station interventions to improve accessibility and inclusion for all customers. 3. Deliver improvements to the way NTL deliver Passenger Assist.
<p>Our customer experience strategy is to embed customers at the heart, and NTL's stations at the heart of our customers communities, this will be achieved through:</p> <ul style="list-style-type: none"> • Listening and designing the optimal experience across the end-to-end journey. An insight led approach to informing and validating our customer strategies and ensuring consistent standards on our trains and across our stations. • Leveraging the right technology that allows individual customer's needs to be understood and predicted, offering a frictionless service, that is personalised, tailored and seamless. • Delivering great customer service every time providing colleagues and customers with the training, tools and technology to empower them. 	<p>Our Customer Experience Centre provides customer service and responds to complaints.</p> <p>Our Customer Experience Centre vision is to transform to a Shared Service Centre enabling Northern to provide a customer contact hub that supports customer service and delivers reassurance to all of our customers when needed on our trains and at stations.</p> <p>We have a social media team to connect with and provide real time responses to customer queries and feedback</p>	<p>We continue to deliver disability awareness training to bring the needs of all our customers to life for all our colleagues.</p> <p>We will continue to deliver customer service training to ensure are colleagues have the tools to meet our customers' needs.</p>
<p>Over 300 of our stations are supported by local station adoption groups and we engage with over 20 Community Rail Partnerships helping to further our links with local communities.</p> <p>This activity is governed by our Community Rail Executive Group which includes external representatives.</p>	<p>We work closely with stakeholders through regular engagement sessions offering an opportunity to see our plans and priorities, and for us to understand more about their priorities and how these align with our own.</p> <p>We also use surveys to understand stakeholder sentiment and gather views on how we can improve on our plans for the future.</p>	<p>We provide stakeholders with a single point of contact and use stakeholder information in our business decision making.</p> <p>We continually look to use technology to provide our stakeholders with more transparency.</p>

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What do we have in place already and where are we improving?

What we do

What we are enhancing



Principle C: Sustainability

Defining outcomes in terms of sustainable economic, social and environmental Benefit

Sustainable growth is a key strategic ambition developed through our strategy and business planning cycle.

We have introduced a **Responsible Business Steering Group** to manage our sustainability and social value initiatives.

We are part of the Future Timetables Services Group aiming to develop long term **sustainable passenger rail services**.

We use data insights to understand and drive growth in **customer demand** and **route profitability**. We are focused on becoming more **cost efficient**, **investing to drive growth**, and reducing our **taxpayer subsidy**.

We work with local and national partners and stakeholders to promote "**Think UK Rail, Act Northern, Deliver Local**" to stimulate demand.

We aim to support the Government's commitment to **Levelling up**.

We want to **generate value** that supports the long-term sustainability of the Northern business and makes a positive impact for the North.

Northern's vision is "**to make a positive impact for the North, in all we do and for all we serve**". As a result, the total economic value - including social and environmental value - that we bring to the north and wider UK has been designated as our "north star" and principal KPI. In addition, we also utilise the RSSB's **Social Value** tool and reporting framework.

The latest data shows that we generated over £3bn in value during the last year through the benefits derived from our passengers, our employment footprint and carbon reduction, as well as wider social value activities. This is over 4 times the level of subsidy we received.

We are continuing to seek to drive both our total value and ratio to subsidy through optimising and enhancing our operations, as well as wider social value activity. To grow our social value and the resulting impact, we have begun to drive commitments and delivery through our supply chain, create a bespoke educational outreach programme, targeting schools in areas with high levels of deprivation and focus on supporting social mobility in the through access to careers, colleague training, inclusive recruitment and a number of community outreach programmes. At the heart of our future strategy is the intention to continue making the most meaningful, sustainable impact for the North and wider society.

This year we will embark on a partnership with the Purpose Coalition to aid a more targeted approach and build on the long-term impact we can have for the communities on our Network.

We use Energy and Environment and Sustainable Development strategies to outline our sustainable intent. These strategies are supported by Business Plan initiatives which aim to deliver improvements in sustainability.

Our operational excellence, engineering depots and future fleet plans include quality, efficiency, sustainability and value as core themes.

Our **Stations as a Place** initiative aims to use station buildings as a sustainable community hub, creating living stations that in turn encourage integrated public transport usage.

Our **fuel efficiency initiative** aims to track fuel use across our diesel fleet to identify effective fuel saving strategies..

Our **Decarbonisation Strategy** outlines our Pathway to Net Zero and how we support the UK Government in achieving its climate goals. This strategy is supported by business-wide plans including working with our key suppliers to address shared carbon emissions.

We look for opportunities to use innovation in technologies to reduce our carbon emissions. Our **Noise Strategy** and accompanying policy has been developed which seeks to minimise the effect of noise from our operations on our communities. We are currently working through the first phase of the strategy which includes analysing noise complaints and how they are managed, and gaining insight into trends so that appropriate action can be taken.

We are assessing air quality at our key locations. In developing our **Air Quality Strategy**, we have set out how we aim to improve the quality of air in line with industry targets and best practice. Air Quality Improvement Plans have been developed for a number of our station locations and we're currently working with other parties with an aim to further improve air quality at those locations.

Our operational excellence, engineering depots and future fleet plans include **quality, efficiency, sustainability and value as core themes**.

We validate our plans and processes against external expertise and standards, including **ISO accreditations** in energy and environment management.

We aim to continue to develop our **Environmental, Social and Corporate Governance reporting**.

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What do we have in place already and where are we improving?

What we do

What we are enhancing



Principle D: Manage and Intervene

Determining the interventions necessary to optimise the achievement of the intended outcomes

Our **Business Planning Steering Group** provides thought leadership, review and coordination of business planning and long-term strategy development.

This is articulated in our annual **Business Plan** which is delivered through a range of initiatives and our business performance is monitored through a balanced scorecard of success measures

Objective challenge to our strategic goals and annual business plan is provided by the NTL Board which includes Non-Executive Directors from our parent company, DOHL.

We are expanding our Business Insights capability to continuously improve the quality of data and information used to make decisions, generate insight and to monitor and manage business performance more efficiently.

We have made good progress on implementing the opportunities identified in our first Northern Data Strategy, established in 2022. Which has further strengthened the quality and accessibility of our data, as well as support the most efficient use of data for analysis and insights.

In 2024 we will set a new Northern Data Strategy, defining further opportunities which build on the foundations since 2022. This will focus on growing capability across key areas of IT including data architecture and data governance.

Management and intervention is executed through a variety of internal challenge and review process, including:

- **Investment, Efficiency and Programme Boards**
- **Safety, Health, Environment and Crime (SHEC)** reviews
- **Customer and Commercial** Steering Group
- **Remuneration** panel
- **Operational Delivery** and **Service Strategy** Review Groups
- Regular **performance reporting** and quarterly **financial budget reviews**
- **Benchmarking** against best practice
- **Risk management** cycles
- **Strategic reflection** and alignment with performance of the business plan.
- **Timetable readiness** processes
- **Performance Review Groups**
- **Partnership Review** meetings with Network Rail that include risk reviews

We use a **Programme Management** structure which supports and assures over the delivery of our critical business projects.

We use a variety of measures to monitor our **safety performance** including close call reporting, Leadership Safety Tours, Planned General Inspections, Internal and External Audit, accident and incident reporting and investigations.

Our quarterly **financial budget reviews** and departmental challenge and review processes are designed to ensure that we have responsible and robust financial management.

We are actively planning and managing the implementation of enhanced contract and supplier management processes, including the design and production of detailed procedures, supporting tools, and guidance. A phased rollout across the business is scheduled for the remainder of FY24 and FY25.

We are preparing for the upcoming changes in procurement legislation under the Procurement Act, effective October 2024.

We are undergoing assessment against the ISO 20400 standard for sustainable procurement in July 2024.

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What do we have in place already and where are we improving?

What we do

What we are enhancing



Principle E: Development

Developing the entity's capacity, including the capability of its leadership and the individuals within it

Our **strategy development process** considers the capability and capacity of the business to deliver on our intent and brings in new experience and expertise when we need it.

We are committed to finalising our Cyber Security Roadmap to grow our maturity in this area. We remain in close contact with the National Cyber Security Centre (NCSC) and British Transport Police (BTP) for awareness and updates as well as working collaboratively with other TOCs to ensure we get the best value from systems and share information.

We have strengthened our password complexities and control checks in this area. We maintain a cyber awareness plan throughout the year, incorporating computer-based training, video briefs, in-person drop-in sessions and Phishing Simulation exercises.

We transitioned our Asset Management System from MyMCS to Tririga in November 2022 and completed the estate-wide asset verification exercise in January 2024. The next steps are to finalise and sign off on the final data set by December 2024 and focus on continuous improvement and strategic asset management.

Our ISO55001 accreditation audit in September 2023 received positive feedback, indicating promising maintenance improvements and a better understanding of our estate.

Currently, Northern is collaborating with GBRTT and Network Rail to enhance asset lifecycle management and critical overviews of our assets across the network, as part of broader government initiatives.

Our DOHL Board includes **Non-Executive Directors** who provide independent challenge, expertise and insight over business development.

We use our **Remuneration Committee** to assess leadership capability and reward.

We **independently assess** all our senior leadership positions for fit with their role and alignment with our values.

We use a **performance and development review** process for our managers, which links their annual objectives to our strategic ambitions and our core values.

We review the effectiveness of our training, performance and development processes for non-manager roles to ensure we best meet the needs of our people and our customers.

We publish our **gender and ethnicity pay gap** reporting and are using our **Equality, Diversity and Inclusion Strategy** to close our gender and ethnicity pay gap and improve the diversity of our people.

As part of our **Equality, Diversity and Inclusion Strategy**, we have changed our **attraction and recruitment** processes. This is helping us to bring more diverse people into our business, with a greater diversity of experiences and skills. We have launched a recruitment campaign, 'Be Northern, Be You' to attract talent from diverse groups.

We use **succession and talent planning** to identify critical roles within our business, put plans in place to support succession and continuity and retain our top talent.

We invest in developing our people to build the skills and qualifications they need to perform their roles, and our **apprenticeship programmes** enable people from any background to become successful employees in the rail industry.

We use **employee engagement, listening post and pulse surveys** to gather feedback from our people, which includes the support we provide for personal development and training.



What do we have in place already and where are we improving?

What we do

What we are enhancing



Principle F: Internal Control

Managing risks and performance through robust internal control and strong public financial management

We have an established **risk management** cycle where we review our business risks and mitigating controls every period and challenge ourselves every quarter. We utilise a risk reporting tool which provides agile insight and facilitates cross functional review of threats and opportunities.

We have **Business Continuity Plans** in place which are designed to provide service, resilience and continuity of control in periods of disruption, and these have been updated as per annual committed obligation.

We are continuously improving our risk management e-learning for all management colleagues and delivering training to front line colleagues to raise awareness and further embed risk management processes.

We use functional and business wide **performance management** reporting and review to challenge the effectiveness of internal control.

We use **internal assurance** and control checks to validate the effectiveness of the internal control environment.

We use **Control Self Assessments** across our key finance processes to monitor the effectiveness of internal controls.

We regularly review our cyber security threats and risks to ensure we have appropriate and effective controls in place.

We have a robust **financial management** process where we challenge and review our budgets every period and perform an in-depth review and reforecast every quarter.

Through enhanced functionality of our P2P system, COUPA, we are looking at how the system now allows us to move further to develop greater efficiencies in workflow management practices and what this allows us to consider in relation to with governance changes to create greater agility.

We use defined **Delegated Authorities** to set out limits to role-based authorities.

We have a well-established **operational and safety management** culture which uses training, monitoring and sharing to manage and maintain a safe rail network for all, supported by our SHEC Management System, safety **certificate and operator license**.

We operate within an **open, industry-wide safety and reporting culture**, sharing experiences and data to ensure the integrity and safety of the network.
All colleagues can raise safety concerns through the industry safety line, **CIRAS**. This is supplemented by our **Speak Up line** where colleagues can raise any other legal or ethical concerns and is provided by an independent third party.

We will continue to work with industry colleagues such as Network Rail to ensure that our people and infrastructure remain safe.

Governance is provided by SHEC, Executive Group (SEG) and DOHL SHEC Committee. An annual SHEC Audit Plan and planned local inspections provide a structured approach to monitoring and assurance.



What do we have in place already and where are we improving?



Principle G: Accountability

Implementing good practices in transparency reporting and audit to deliver effective accountability

What we do		What we are enhancing
<p>We have an Internal Audit team who provide independent and objective assurance over key business risks or processes. This team report into our Audit and Risk Committee with independent oversight by our parent, DOHL.</p> <p>DOHL and our Non-Executive Directors also provide independent challenge and review through our Safety, Health, Environment and Crime (SHEC) Committee, and Remuneration Committee.</p>	<p>Internal assurance is provided by:</p> <ul style="list-style-type: none"> • Safety, Health and Environment teams • Operational Safety teams • Engineering quality and supplier audit teams • Service Quality audits • Performance management assurance • HR assurance • Quarterly financial budget and forecast reviews • Retail Compliance audits 	<p>We are working closely across assurance teams within Northern, with our sister companies LNER, TPT and SET and as an industry to share insights and best practice.</p>
<p>We are subject to the Companies Act 2006, apply UK Accounting Standards and have independently audited financial accounts.</p>	<p>We use external audit including:</p> <ul style="list-style-type: none"> • Statutory accounts audit • Regulatory audits by the Office and Rail and Road and Rail Safety and Standards Board • ISO accreditations in Health and Safety, Energy and Waste Management, Quality and Asset Management 	<p>We continue to enhance our Task Force on Climate – Related Financial Disclosures (TCFD) reporting by refining our data collection and analysis processes, ensuring our disclosures align with evolving best practices and regulation expectations.</p>
<p>We have regular, transparent reporting to our stakeholders; the Department for Transport and Rail North Partnership.</p>	<p>We have processes in place to ensure that we comply with reporting requirements, including:</p> <ul style="list-style-type: none"> • Freedom of Information requests • Modern Slavery Statement • Gender Pay Gap reporting 	<p>We are committed to continually enhancing our Environmental, Social and Corporate Governance reporting to provide a holistic and transparent view of our commitments and performance.</p>
<p>We adhere to the requirements of the Economic Crime and Corporate Transparency Act 2023, including its provisions on preventing fraud and improving corporate transparency.</p>	<p>We actively manage fraud risk through the following measures:</p> <ul style="list-style-type: none"> • Conduct regular fraud risk assessments • Maintain a speak-up hotline • Implement fraud prevention controls • Maintain anti-fraud policies 	<p>We will continuously refine our fraud prevention measures and controls based on ongoing risk assessments and emerging threats.</p>



Section 6

Next Steps



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Section 6 - Next steps in governance



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Section 7

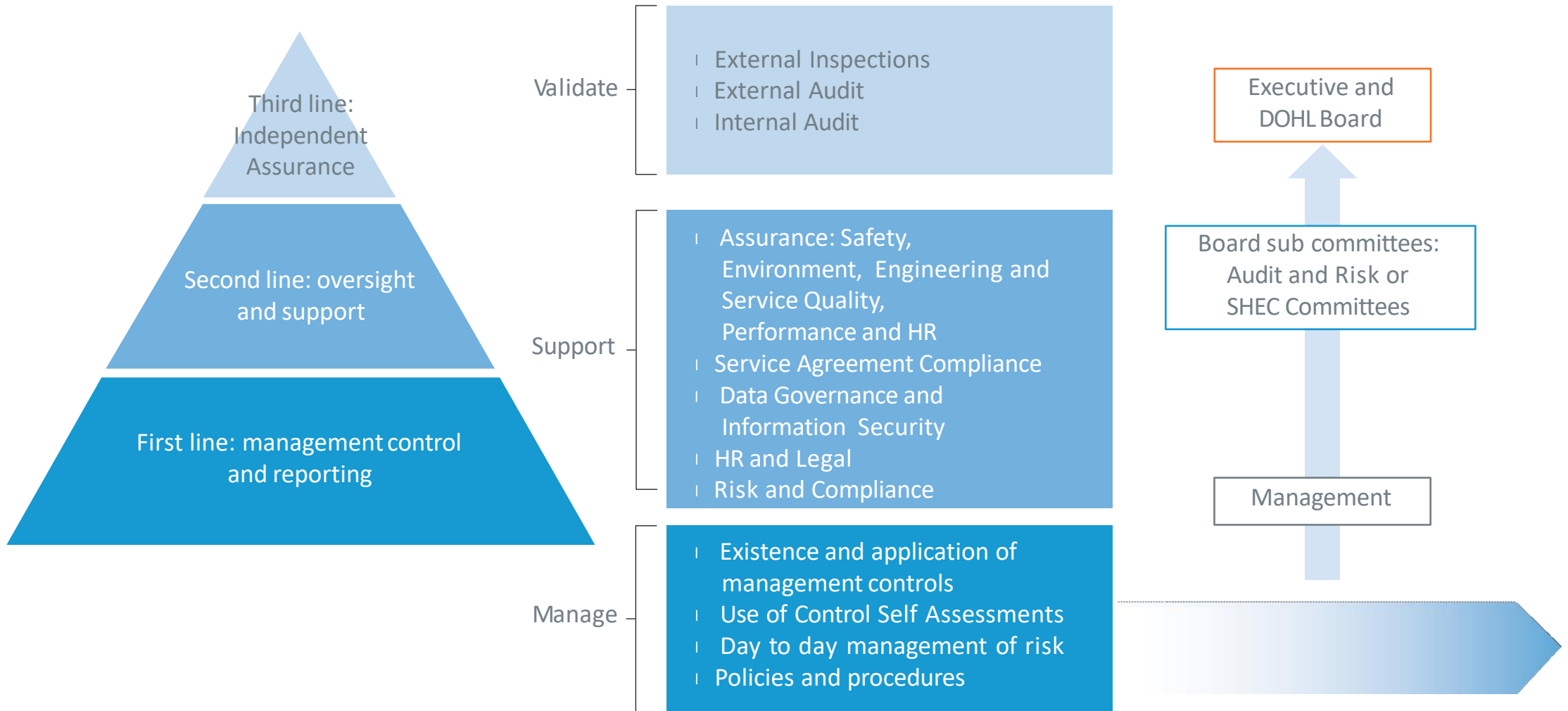
Three Lines of Defence



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Section 7 - Three Lines of Defence



Section 8

Collaborative Assurance within Northern



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Section 8 - Collaborative Assurance within Northern

The Internal Audit team are just a single part of a wider network of audit, risk and assurance specialists within Northern. The activities of each of these teams form a fundamental part of the governance arrangements within the organisation and play a major role in the items listed in the AGS.

Although not exhaustive, this includes our colleagues within the following teams:

- **Risk and Compliance Team**
- **Regulatory Compliance Team**
- **SHEC Management and Assurance Team**
- **Information Systems, Cyber Security & Data Governance Teams**
- **Engineering Assurance Team**
- **Human Resources Team**
- **Performance Assurance Team**
- **Programme Assurance Team**



Appendices

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Appendix A – Key Governance Roles and Responsibilities

DOHL Board	<ul style="list-style-type: none">Provides a support and stewardship role to Northern, promoting effective governance of its operations.Promotes best practice within the DOHL Group and wider rail industry.Ensures that Northern is operating in accordance with the Service Agreement, health and safety obligations and the terms of its licences.
Northern Board	<ul style="list-style-type: none">Main decision making body for Northern.Approves the organisational strategy, key policies and budgetary frameworks.
Audit and Risk Committee	<ul style="list-style-type: none">Provides independent assurance to the Board on the adequacy and effectiveness of the governance arrangements, risk management framework and internal control environment.Approves the Annual Statement of Accounts and Annual Internal Audit Plan.
Remuneration Committee	<ul style="list-style-type: none">Provides oversight over Equality, Diversity and Inclusion Strategies, approves our Equal Pay reporting and authorises key pay and benefit decisions for the business
SHEC Committee	<ul style="list-style-type: none">Provides oversight over our Safety, Health, Environment and Crime strategic delivery, compliance and performance.
Executive Team	<ul style="list-style-type: none">Implements the policy and budgetary framework set by the Northern BoardContributes towards the effective corporate management and governance of Northern
Management Team	<ul style="list-style-type: none">Responsible for developing, maintaining and implementing Northern's governance, risk and control framework.Contribute to the effective corporate management and governance of Northern.
Second Line Teams	<ul style="list-style-type: none">Provide internal guidance and assurance over legal, risk, compliance, quality, safety and supply chain risks, processes and controls.
Internal Audit	<ul style="list-style-type: none">Provides independent assurance on the adequacy and effectiveness of Northern's governance, risk management and control framework.Delivers an annual programme of risk based audit activity and makes recommendations for improvements to the control environment.



Appendix B – Risk Governance Structure



The risk management framework provides a structure to identify, assess and manage our risks and opportunities.

The layers of challenge and review include:

- Management risk owners to have responsibility for their risks
- Cross functional challenge to identify common or aggregate risks
- Risk and Compliance review to bring wider industry and outside industry challenge
- Director review to provide strategic challenge and peer review of risks and their mitigations
- Non-executive review by the Audit and Risk Committee

