



Department for
Business, Energy
& Industrial Strategy

COMPETITION APPEAL TRIBUNAL / COMPETITION SERVICE

Framework document

December 2018



OGL

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This framework document has been drawn up by the Department for Business, Energy & Industrial Strategy (BEIS) in collaboration with the Competition Appeal Tribunal (CAT) and the Competition Service (CS). This document sets out the broad framework within which the CAT and CS will operate but does not convey any legal powers or responsibilities. It is signed and dated by BEIS and the CAT/CS. Copies of this document will be made available to members of the public on the CAT/CS website.

1 Purpose, powers and functions of the CAT and the CS

- 1.1 The CAT is a specialist independent judicial body which was created by Section 12 of the Enterprise Act 2002. Further details are provided in Schedule 2 to the Enterprise Act 2002. Its statutory functions are 1) to hear appeals and decide cases involving competition or regulatory issues in respect of decisions made by the Competition and Markets Authority (CMA), the sector regulators and the Secretary of State for BEIS, and 2) to hear private claims for damages concerning infringements of UK and EU competition law.
- 1.2 The CS is a non-departmental public body which was established under section 13 of the Enterprise Act 2002 as a financial intermediary and administrative support body for the CAT. Further details are provided in Schedule 3 to the Enterprise Act 2002. The CS receives grant-in-aid funding from BEIS which is used to provide the administrative staff, finance and accommodation required by the CAT to carry out its statutory functions. Throughout this document references to "the CS", "the Board" and/or "the CS Board" should be construed as references to "the Service" as described in paragraph 1 of Part 1 of Schedule 3 to the Enterprise Act 2002.

Governance and accountability

2 Principal statutory functions of the CAT and CS

2.1 The statutory functions of the CAT include the following:

- to hear appeals on decisions taken under the Competition Act 1998 and Articles 101 and 102 of the Treaty on the Functioning of the European Union (TFEU) by the CMA and by designated sector regulators with concurrent powers;
- to hear claims for damages and other monetary claims (including collective claims), applications for injunctions and applications for the approval of collective settlements under the Competition Act 1998;
- to review decisions made by the Secretary of State and the CMA in respect of merger and market references or possible references under the Enterprise Act 2002; and
- to hear appeals against certain decisions made by OFCOM and/or the Secretary of State under the Communications Act 2003.

2.2 The CAT has further powers to hear appeals under other legislative provisions, details of which can be found in the introduction to the CAT's Annual Report and Accounts.

2.3 The statutory function of the CS is to fund and provide support services to the CAT. This includes the provision of staff, accommodation and equipment required by the CAT to carry out its statutory functions.

3 Ministerial responsibility

3.1 The Secretary of State will account for the CAT's and the CS's business in Parliament.

3.2 It is the Secretary of State's duty to appoint the Registrar of the CAT, CAT ordinary members and CS appointed members.

4 Contact and engagement

4.1 BEIS is the responsible department for the CAT/CS.

4.2 BEIS and the CAT/CS will have an open and honest, trust-based partnership supported by the principles set out in the [Partnerships between Departments and ALBs: Code of Good Practice](#). As such, both parties will ensure that they clearly understand each other's strategic aims and objectives. Both partners will also commit to keeping each other informed of any significant issues and concerns.

4.3 Within BEIS, the CAT/CS sponsorship team and relevant policy teams within the Market Frameworks Group will maintain a close working relationship with their counterparts in the CAT/CS on all issues.

The sponsorship function will be based on a transparent, fair, rational and well-understood model of working in partnership, tailored towards the complexities of the organisation. It will ensure that there are effective and efficient departmental processes and systems to support governance activities. This includes a BEIS-wide policy to establish four levels of sponsorship within the department. The deputy director in the Consumer and Competition Policy (CCP) directorate within Market Frameworks in BEIS is the policy sponsor and the main point of contact for the CAT/CS within the department. This deputy director and his/her team will undertake the day-to-day relationship management and will be responsible for overall coordination between these levels of sponsorship. The sponsor team is the main source of advice to the responsible Minister on the discharge of his or her responsibilities in respect of the CAT/CS. It also supports BEIS's Principal Accounting Officer (PAO) on his or her responsibilities toward the CAT and the CS.

There are three other sponsor roles within the department:

- a) a ministerial champion - providing ministerial oversight and support for key priorities. This will be the minister responsible for this policy area;
- b) a policy champion - accountable for the overall relationship (identified as the Director General for BEIS Market Frameworks); and
- c) a corporate governance sponsor - working with policy sponsors on governance-related issues

4.4 In addition to routine and policy lead contact between BEIS and the CAT/CS, meetings will take place between:

- the Secretary of State and the President, Registrar and Chair of the CS annually; the responsible Director General and the President, Registrar and Chair of the CS annually;
- the Director for Consumer and Competition Policy and the CAT/CS at mid and end of year review; and
- BEIS Sponsors and CS officials bi-monthly.

4.5 Any disputes between BEIS and the CAT/CS, will be resolved by BEIS Partnerships team.

5 BEIS Accounting Officer's specific accountabilities and responsibilities as Principal Accounting Officer (PAO)

- 5.1 The PAO of BEIS has designated the Registrar of the CAT as the Accounting Officer for both the CS and the CAT. (The respective responsibilities of the PAO and Accounting Officers for NDPBs and other arm's length bodies (ALB) are set out in Chapter 3 of [Managing Public Money](#), which is sent separately to the NDPB Accounting Officers on appointment.)
- 5.2 BEIS's PAO is accountable to Parliament for the issue of any grant-in-aid to the CS. The PAO is also responsible for advising the responsible minister on:
- any appropriate framework of objectives and targets (if appropriate) for the CS in the light of the CS's statutory functions as set out in section 13(2) of the Enterprise Act 2002 and taking due account of the CAT's independence as a judicial body;
 - an appropriate budget for the CS to support the CAT in the light of BEIS's overall public expenditure priorities; and
 - how well the CS is achieving its strategic objectives and whether it is delivering value for money.
- 5.3 BEIS's PAO is also responsible for ensuring arrangements are in place in order to:
- guarantee the independence of the CAT;
 - monitor the CS's activities on a continuous basis;
 - address any significant problems in the CS (should they arise), making such interventions as are judged necessary taking due account of the judicial nature of the CAT's functions;
 - periodically carry out an assessment of the risks to the objectives and activities of both BEIS and the CS;
 - inform the CS of relevant Government policy in an effective and timely manner taking due account of the CS's limited resources to deal with any matters that may concern it in relation to that policy;
 - bring any concerns (should they arise) about the activities of the CS to the full CS Board and as appropriate to BEIS Board requiring explanations and assurances that appropriate action has been taken;
 - promote the ministerial appointments of the CAT ordinary members and CS appointed members within timescales that meet the CAT and CS's statutory requirements;
 - ensure that the CS has the resources necessary to meet its obligations under this framework agreement; and
 - ensure that the CS and CAT have the resources necessary to carry out their statutory functions fully and effectively.

6 Responsibilities of the Registrar as Accounting Officer

General

- 6.1 The Registrar, as Accounting Officer, is personally responsible for: safeguarding the public funds for which he or she has charge; ensuring regularity, feasibility, propriety and value for money in the handling of those public funds; and administering the day-to-day operations and management of the CAT and the CS. In addition, he or she should ensure that the CS as a whole is run on the basis of the standards, in terms of governance, decision-making and financial management that are set out in Box 3.1 of [Managing Public Money](#).

Responsibilities for accounting to Parliament

- 6.2 Responsibilities for accounting to Parliament include:
- ensuring the accounts are properly prepared and presented in accordance with any directions issued by the Secretary of State;
 - signing the accounts and ensuring that proper records relating to the accounts are kept;
 - preparing and signing a Governance Statement covering corporate governance, risk management and oversight of any local responsibilities for inclusion in the annual report and accounts;
 - ensuring that effective procedures for handling complaints about the CAT or CS are established and made widely known within the CS;
 - acting in accordance with the terms of this document and other instructions and/or guidance issued from time to time by BEIS, the Treasury and the Cabinet Office; and
 - giving evidence, normally with the PAO of BEIS, when summoned before the PAC on the CS's stewardship of public funds.

Responsibilities to BEIS

- 6.3 Particular responsibilities to BEIS include:
- establishing, in consultation with BEIS, the CS's annual business plan in the light of the CS's statutory functions;
 - informing BEIS on how resources are being used to meet the CS's and CAT's statutory functions; and
 - ensuring that timely forecasts and monitoring information on finance are provided to BEIS; that BEIS is notified promptly if over or under spends are likely and that corrective action is taken; and that any significant problems, whether financial or otherwise and whether detected by internal audit or by other means, are notified to BEIS in a timely fashion.

Responsibilities to the CS Board

6.4 Responsibilities to the Board include:

- advising the Board on the discharge of the CS's responsibilities as set out in this document, in the founding legislation and in any other relevant public administration or financial management instructions and guidance that may be issued from time to time;
- advising the Board on the CS's performance compared with its aims and objectives;
- 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; and
- taking action as set out in paragraphs 3.8.5 of [Managing Public Money](#), if the Board, or its Chair, is contemplating a course of action involving a transaction which the Registrar considers would be unethical or infringe the requirements of propriety or regularity or would not represent prudent, economical, efficient or effective administration.

7 The CS Board

7.1 The CS Board should ensure that effective arrangements are in place to provide assurance on governance, risk management, financial management and internal control. The Board must set up an Audit and Risk Assurance Committee chaired by an independent non-executive member to provide independent advice. The Board is expected to assure itself of the effectiveness of the risk management, financial management and internal control systems.

7.2 The Board is responsible for:

- establishing and taking forward the statutory responsibilities and strategic objectives of the CS to support the CAT;
- ensuring that the responsible Minister is kept informed of any changes which are likely to affect the ability of the CS to achieve its aims and objectives, and determining the steps needed to deal with such changes;
- ensuring that any statutory or administrative requirements for the use of public funds are complied with; that the Board operates within the limits of its statutory authority and any delegated authority agreed with BEIS, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Board takes into account guidance issued by BEIS;
- ensuring that the Board receives and reviews regular financial information concerning the management of the CS; is informed in a timely manner about any concerns about the activities of the CS; and provides positive assurance to BEIS that appropriate action has been taken on such concerns; and

- demonstrating high standards of corporate governance at all times, including by using the independent audit and risk committee to help the Board to address key financial and other risks.

The Chair's personal responsibilities

7.3 The Chair of the CS (who is nominated by other members) is responsible for providing oversight and ensuring that the organisation is operating with probity and in the public interest, and that the policies and actions of the CS support its statutory functions and those of the CAT. Where appropriate, these policies and actions should be clearly communicated throughout the CS.

7.4 In addition, the Chair has the following responsibilities:

- holding the executive management team to account, supporting and constructively challenging them as a critical friend;
- formulating the Board's strategy;
- ensuring that the Board, in reaching decisions, takes proper account of public administration and financial management guidance provided by the Secretary of State or BEIS; and
- promoting the efficient and effective use of staff and other resources.

7.5 The Chair also has an obligation to ensure that:

- the work of the Board and its members is reviewed and that they are working effectively;
- the Board, as described in paragraph 1 (1) of Schedule 3 to the Enterprise Act 2002, has a balance of skills and judicious oversight appropriate to directing CS business, as set out in the Government Code of Good Practice on Corporate Governance;
- Board members are fully briefed on terms of appointment, duties, rights and responsibilities;
- he or she, together with the other Board members, receives appropriate training on governance, financial management and reporting requirements and on any relevant differences that may exist between private and public sector practice; and
- the responsible BEIS Minister is advised of CS needs when Board vacancies arise.

Individual Board members' responsibilities

7.6 Individual Board members should:

- play a full and active role in carrying out the work of the CS and act in good faith and in the best interests of the CS;
- comply at all times with the [Code of Conduct for Board Members of Public Bodies](#) and with the rules relating to the use of public funds and to conflicts of interest;

- not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations; and
- comply with the Board's rules on the acceptance of gifts, hospitality, conflicts of interest and business appointments.

8 Annual performance appraisal process

- 8.1 As part of the annual process of performance review of CS staff, the performance of the Accounting Officer of the CS (the Registrar of the CAT) shall be undertaken by the President of the CAT. The President shall share his or her assessment of the Accounting Officer with the Director General of Market Frameworks within BEIS.
- 8.2 The performance of the Non-Executive Member(s) of the CS Board shall be reviewed annually by a member of the CS Audit and Risk Assurance Committee or the President.

9 Annual report and accounts

- 9.1 Schedule 3 to the Enterprise Act 2002 defines the scope of the CAT/CS's annual report and accounts. In particular, the CS shall prepare a statement of accounts for the CAT and the CS for each financial year in the form and on the basis determined by the Secretary of State, with the consent of HM Treasury. The CS shall provide BEIS and the Comptroller and Auditor General with a copy of its audited accounts by 31 August each year. The Comptroller and Auditor General will lay copies of each statement of accounts before Parliament.
- 9.2 The annual report shall comply with the Treasury's [Financial Reporting Manual \(FReM\)](#) and outline the main activities and performance during the previous financial year and set out in summary form any forward plans.

10 Internal audit

- 10.1 The CS shall:
- establish and maintain arrangements for internal audit in accordance with the Treasury's [Public Sector Internal Audit Standards](#);
 - ensure that the Audit and Risk Assurance Committee of its Board is in accordance with the [Code of Good Practice for Corporate Governance](#) and the [Audit and Risk Assurance Committee Handbook](#), whose meetings may be attended by a BEIS representative as an observer; and
 - keep records of fraud and theft suffered by the CS and notify BEIS of any unusual or major incidents as soon as possible.
- 10.2 BEIS's internal audit service has a right of access to all documents prepared by the CS internal auditor.

11 External audit

- 11.1 The Comptroller and Auditor General audits the CS and CAT annual accounts and lays them before Parliament, together with his/her report.
- 11.2 The Comptroller and Auditor General:
- will consult BEIS and the CAT/CS on who - the NAO or a commercial auditor - shall undertake the audit(s) on his behalf, although the final decision rests with the Comptroller and Auditor General; and
 - will share with BEIS information identified during the audit process and the audit report (together with any other outputs) at the end of the audit, in particular on issues affecting BEIS's responsibilities in relation to financial systems within the CAT/CS.
- 11.3 The Comptroller and Auditor General may, at his own expense, carry out examinations into the economy, efficiency and effectiveness with which the CAT/CS have used their resources in discharging their functions. For the purpose of these examinations the Comptroller and Auditor General has statutory access to documents as provided for under section 8 of the National Audit Act 1983. In addition, the CS shall provide, in conditions to contracts, for the Comptroller and Auditor General to exercise such access to documents held by contractors and sub-contractors as may be required for these examinations; and shall use its best endeavours to secure access for the Comptroller and Auditor General to any other documents required by the Comptroller and Auditor General which are held by other bodies.
- 11.4 BEIS has a right of access to all CS records (save in respect of personal data) and personnel for any reasonable purpose including, for example, sponsorship audits and operational investigations.
- 11.5 BEIS does not, however, have similar access to any CAT documents concerning cases before the CAT.

Management and financial responsibilities

12 Managing Public Money and other government-wide corporate guidance and instructions

- 12.1 Unless agreed by BEIS and, as necessary, HM Treasury, the CS shall follow the principles, rules, guidance and advice in [Managing Public Money](#) referring any difficulties or potential bids for exceptions to the sponsor team in BEIS in the first instance. A list of guidance and instructions with which the CS should comply is in [Appendix 1](#).
- 12.2 Once the budget has been approved by BEIS, and subject to any restrictions imposed by statute or the responsible Minister's instructions, the CS shall have authority to incur expenditure approved in the budget without further reference to BEIS, on the following conditions:
- it shall comply with the delegations set out in the grant-in-aid letter issued on an annual basis. These delegations shall not be altered without the prior agreement of BEIS;
 - it shall comply with [Managing Public Money](#) regarding novel, contentious or repercussive proposals;
 - inclusion of any planned and approved expenditure in the budget shall not remove the need to seek formal approval from BEIS where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed; and
 - it shall provide BEIS with such information about its operations, performance of individual projects or other expenditure as BEIS may reasonably require.

13 Corporate governance

Membership of the CS

- 13.1 In accordance with paragraph 1 of Schedule 3 to the Enterprise Act 2002, the membership of the CS will consist of the CAT President, Registrar and one or more appointed member(s). The membership shall provide a balance of skills and experience appropriate to directing the CS's business and to ensure that the Registrar and his executive team are supported and constructively challenged in their role.
- 13.2 The President and Registrar of the CAT are members of the Board by virtue of Paragraph 1 of Schedule 3 to the Enterprise Act 2002.
- 13.3 In accordance with paragraphs 1 and 3 of Schedule 3 to the Enterprise Act 2002, one or more non-executive Board member(s) will be appointed by the Secretary of State after consulting the President. The appointment of the non-executive Board member(s) will comply with the-Code of Practice of the Office of the Commissioner on Public Appointments.

- 13.4 In accordance with paragraph 2 of Schedule 3 to the Enterprise Act 2002, the members of the CS Board shall choose one of their members to be Chair of the CS.

Membership of the CAT

- 13.5 In accordance with section 12 of part 2 of the Enterprise Act 2002, the membership of the CAT shall consist of the President, the panel of Chairmen, the panel of ordinary members and the Registrar.
- 13.6 In accordance with section 12 of part 2 of the Enterprise Act 2002, the Lord Chancellor appoints the President of the CAT and the members of the panel of Chairmen, upon the recommendation of the Judicial Appointments Commission.
- 13.7 In accordance with section 12 of part 2 of the Enterprise Act 2002, the Secretary of State appoints the Registrar and the members of the panel of ordinary members.

14 Risk management

- 14.1 The CS shall ensure that the risks that it faces are dealt with in an appropriate and proportionate manner, in accordance with relevant aspects of best practice in corporate governance, and shall develop a risk management strategy, in accordance with the Treasury guidance [Management of Risk: Principles and Concepts](#). It should adopt and implement policies and practices to safeguard itself against fraud and theft, in line with the [Treasury's guidance on tackling fraud](#). It should also take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter into a contract.

15 Business plans

- 15.1 The CS shall submit annually to BEIS a draft of its business plan for the current financial year. The plan shall reflect the CS's statutory functions, public administration and financial management priorities (including decisions taken on policy and resources in the light of wider public expenditure decisions).
- 15.2 The annual business plan shall take account of the approved funding provision where this applies and shall include management information for the forthcoming year so that resources allocated to achieve specific objectives can readily be identified by BEIS. The plan shall be published by the CS on its website and separately made available to its members of staff.
- 15.3 On request, the CS shall submit to BEIS a draft business plan covering three years ahead. The CS shall inform BEIS of the issues to be addressed in the plan and the timetable for its preparation. The plan shall reflect the CS's statutory functions and, within those functions, any priorities set from time to time by the responsible Minister (including decisions taken on policy and resources in the light of wider public expenditure decisions).

16 Budgeting procedures

- 16.1 Each year, BEIS will send the CS:
- a formal statement of the annual budgetary provision allocated by BEIS in the light of competing priorities across the department and of any forecast income approved by them; and
 - a statement of any planned change in policies affecting the CS.
- 16.2 BEIS will also keep the CS informed of any changes to the delegation of authority letter.
- 16.3 The CS will provide any forecast receipts and will include a budget of estimated payments and receipts together with a profile of expected expenditure and of draw-down of any departmental funding and/or other income over the year.

17 Grant-in-aid and any ring-fenced (non-cash) grants

- 17.1 Any grant-in-aid provided by BEIS for the year in question will be voted in BEIS's Supply Estimate and be subject to Parliamentary control.
- 17.2 The grant-in-aid will normally be paid in quarterly instalments on the basis of written applications showing evidence of need. The CS will comply with the general principle that there is no payment in advance of need. Cash balances accumulated during the course of the year from grant-in-aid or other Exchequer funds shall be kept to a minimum level consistent with the efficient operation of the CS and must not be in excess of 10% of the total annual cash forecast when it receives each quarterly instalment. Any funds exceeding that amount held by the CS as a working balance at the end of any quarter within the financial year will be taken into account in determining the amount of grant-in-aid to be paid in the following quarter.
- 17.3 Grant-in-aid not drawn down by the end of the financial year shall lapse. However, where draw-down of grant-in-aid is delayed to avoid excess cash balances at year-end, BEIS will make available in the next financial year – subject to approval by Parliament of the relevant estimates provision - any such grant-in-aid which is required to meet any liabilities at year end, such as creditors.
- 17.4 In the event that BEIS makes a separate grant to the CS for specific (ringfenced) purposes, it will issue the grant as and when the CS needs it on the basis of a written request. The CS will, in due course, provide evidence that the grant was used for the purposes authorised by BEIS.

18 Reporting performance to BEIS

- 18.1 The CS shall operate management, information and accounting systems that enable it to review in a timely and effective manner its financial and nonfinancial progress against its budget and annual business plan. The CAT/CS and BEIS will hold formal review meetings at mid and end year, as set out in paragraph 4.4.

Providing monitoring information to BEIS

- 18.2 The CS shall provide BEIS with information that will enable it to satisfactorily to monitor:
- the CS's cash management;
 - its draw-down of grant-in-aid; and
 - forecast outturn by resource headings

CS/BEIS working level liaison arrangements

- 18.3 Officials of CCP sponsor team in BEIS will liaise regularly with the CS to discuss CAT/CS workload, expenditure and budgetary allocation. This includes monitoring CS expenditure against DEL (Departmental Expenditure Limit) and AME (Annually Managed Expenditure) allocations. The CCP sponsor team will also take the opportunity to explain wider policy and public administration developments that might affect the CAT/CS.

19 Delegated authorities

- 19.1 The CS's delegated authorities are set out in [Appendix 2](#). The CS shall obtain BEIS's prior written approval before:
- entering into any undertaking to incur any expenditure that falls outside the delegations or which is not provided for in the CS's annual budget as approved by BEIS;
 - incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications;
 - making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by BEIS;
 - making any change of policy or practice which has wider financial implications that might prove repercussive or which might significantly affect the future level of resources required; or
 - carrying out policies that go against the principles, rules, guidance and advice in [Managing Public Money](#).

20 CS staff

Broad responsibilities for CS staff

- 20.1 Subject to the provisions of paragraph 6 of Schedule 3 to the Enterprise Act 2002, within the arrangements approved by the Secretary of State and any relevant Cabinet Office guidelines, the CS will have responsibility for the recruitment, retention and motivation of its staff. The broad responsibilities of the CS toward its staff include ensuring that:
- the rules for recruitment and management of staff create an inclusive culture in which diversity is fully valued; appointment and advancement is based on merit; there is no discrimination on grounds of gender, marital status, sexual orientation, race, colour, ethnic or national origin, religion or belief, disability, community background or age;
 - the level and structure of its staffing, including grading and staff numbers, are appropriate to its functions (and the performance of the CAT's functions) and the requirements of economy, efficiency and effectiveness;
 - the performance of its staff at all levels is satisfactorily appraised and the CS performance management systems are reviewed from time to time;
 - its staff are encouraged to acquire the appropriate professional, development and other expertise necessary to achieve CS and CAT objectives;
 - proper consultation with staff takes place on key issues affecting them;
 - adequate grievance and disciplinary procedures are in place;
 - whistle-blowing procedures consistent with the Public Interest Disclosure Act 1998 are in place; and
 - a code of conduct for staff is in place based on the Cabinet Office's [Model Code for Staff of Executive Non-departmental Public Bodies](#).

Staff costs

- 20.2 Subject to its delegated authorities, the CS shall ensure that the creation of any additional posts does not incur forward commitments that will exceed its ability to pay for them.

Pay and conditions of service

- 20.3 The CS members of staff are subject to levels of remuneration and terms and conditions of service (including pensions) within the general pay structure approved by BEIS and the Treasury. The CS' has no delegated power to amend these terms and conditions without prior Ministerial approval.
- 20.4 If civil service terms and conditions of service apply to these rates of pay and non-pay allowances paid to staff and to any other party entitled to payment in respect of travel expenses or allowances, payment shall be made in accordance with the [Civil Service Management Code](#) except where prior approval has been given by BEIS to vary such rates.

- 20.5 Staff terms and conditions should be set out in an Employee Handbook.
- 20.6 The CS shall operate a performance-related pay scheme that shall form part of the general pay structure approved by BEIS and the Treasury.
- 20.7 The travel expenses of the Board and CAT members shall be tied to the rates allowed to senior staff of the CS in line with BEIS rates. Reasonable actual costs shall be reimbursed.

Pensions, redundancy and compensation

- 20.8 CS staff shall normally be eligible for a pension provided by the [Civil Servants and Others Pension Scheme or alpha](#) (formerly PCSPS). Staff may opt out of the occupational pension scheme provided by the CS; in this instance, employers' contribution to any personal pension arrangement, including stakeholder pension, shall normally be limited to the national insurance rebate level.
- 20.9 Any proposal by the CS to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of BEIS. Proposals on severance must comply with the rules in chapter 4 of [Managing Public Money](#).

21 Review of CAT and CS status

- 21.1 The CAT and CS shall be reviewed every 3 years. The date of the next review is scheduled in Q3 of 2019-20.

22 Arrangements in the event that the CAT or CS is wound up

- 22.1 If the CS is to be wound up, BEIS shall put in place arrangements to ensure the orderly winding up of the CAT or CS. In particular, it should ensure that the assets and liabilities of the CAT or CS are passed to any successor organisation and accounted for properly. (In the event that there is no successor organisation, the assets and liabilities should revert to BEIS). To this end, BEIS shall:
- ensure that procedures are in place in the CAT and/or CS to gain independent assurance on key transactions, financial commitments, cash flows and other information needed to handle the wind-up effectively and to maintain the momentum of work inherited by any residuary body;
 - specify the basis for the valuation and accounting treatment of the CAT's or CS's assets and liabilities;
 - ensure that arrangements are in place to prepare closing accounts and pass to the Comptroller and Auditor General for external audit, and that funds are in place to pay for such audits. It shall be for the Comptroller and Auditor General to lay the final accounts in Parliament, together with his report on the accounts; and

- arrange for the most appropriate person to sign the closing accounts. In the event that another NDPB takes on the role, responsibilities, assets and liabilities, the succeeding NDPB AO should sign the closing accounts. In the event that BEIS inherits the role, responsibilities, assets and liabilities, BEIS's AO should sign.

22.2 The CAT or CS shall provide BEIS with full details of all agreements where the CAT or CS or its successors have a right to share in the financial gains of developers. It should also share with BEIS details of any other forms of clawback due to the CAT or the CS.


List of appendices to the specimen document

[Appendix 1 - List of government-wide corporate guidance instructions](#)

[Appendix 2 - CS's delegated authorities](#)

Signed.....


Date.....
27/11/18
(Jae Samant on behalf of the BEIS)

Signed.....


Date.....
18/12/18
(Charles Dhanowa on behalf of the CAT/CS)

Appendix 1

Compliance with government-wide corporate guidance and instructions

The CAT/CS shall comply with the following general legislation, guidance documents and instructions:

Corporate governance

- this framework document;
- Corporate governance code for central government departments (relevant to arm's length bodies),
www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017;
- Guidance that supports the corporate governance code,
www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017;
- Code of conduct for board members of public bodies,
www.gov.uk/government/publications/board-members-of-public-bodies-code-of-conduct;

Financial management and reporting

- *Managing Public Money* (MPM),
www.gov.uk/government/publications/managing-public-money;
- 'Fees and charges guide, Chapter 6 of *Managing Public Money*,
www.gov.uk/government/publications/managing-public-money;
- 'Departmental banking: a manual for government departments', annex 5.6 of *Managing Public Money*,
www.gov.uk/government/publications/managing-public-money;
- *Government Financial Reporting Manual (FReM)* – updated annually,
www.gov.uk/government/publications/government-financial-reporting-manual-2018-to-2019;
- Relevant Dear Accounting Officer (DAO) letters,
www.gov.uk/government/collections/dao-letters;
- Production of Accounting Officer System Statements (AOSS),
www.gov.uk/government/publications/accounting-officer-system-statements;
- Other relevant guidance and instructions issued by the Treasury in respect of Whole of Government Accounts,
www.gov.uk/government/collections/whole-of-government-accounts;

Management of risk

- *Management of Risk: Principles and Concepts*,
www.gov.uk/government/publications/management-of-risk-in-government-framework;
www.gov.uk/government/publications/orange-book;
- HM Treasury and NAO guidance on tackling fraud,
www.nao.org.uk/wp-content/uploads/2013/02/Tackling_External_Fraud.pdf;
- Public Sector Internal Audit Standards,
www.gov.uk/government/publications/public-sector-internal-audit-standards;
- Appropriate adaptations of the *Audit Committee Handbook*,
www.gov.uk/government/publications/audit-committee-handbook;
- HM Treasury approval processes for Major Projects above delegated limits,
www.gov.uk/government/publications/treasury-approvals-process-for-programmes-and-projects;

Public appointments

- Guidance from the Commissioner for Public Appointments,
<https://publicappointmentscommissioner.independent.gov.uk/>;
- *Governance Code on Public Appointments*,
www.gov.uk/government/publications/governance-code-for-public-appointments;
- *Procurement Policy Note 08/15 – Tax Arrangements of Public Appointees*,
www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees;

Staff and remuneration

- HM Treasury guidance on senior pay and reward,
www.gov.uk/government/publications/senior-civil-service-pay-and-reward;
- Civil Service pay guidance (updated annually),
www.gov.uk/government/publications/civil-service-pay-guidance-2017-to-2018/civil-service-pay-guidance-2017-to-2018;
- Public sector pay and terms,
www.gov.uk/government/publications/public-sector-pay-and-terms-guidance-note;
- Whistleblowing guidance and code of practice,
www.gov.uk/government/publications/whistleblowing-guidance-and-code-of-practice-for-employers;
- The Equalities Act 2010,
www.gov.uk/guidance/equality-act-2010-guidance;
- Modern Slavery Act 2015,
www.legislation.gov.uk/ukpga/2015/30/contents/enacted
- Other generally relevant employment law

General

- Freedom of Information Act guidance and instructions, www.legislation.gov.uk/ukpga/2000/36/contents, <https://ico.org.uk/for-organisations/guide-to-freedom-of-information/>;
- The Parliamentary and Health Service Ombudsman's Principles of Good Administration, www.ombudsman.org.uk/about-us/our-principles
- Other relevant instructions and guidance issued by the central departments (Cabinet Office and HM Treasury);
- Specific instructions and guidance issued to Partner Organisations by BEIS;
- Recommendations made by the Public Accounts Committee, or by other Parliamentary authority, that have been accepted by the government and relevant to UKRI

The CAT/CS shall also be mindful of the following wider public policy priorities relevant to public bodies in the BEIS Group:

- Code of practice for partnerships between departments and arms' length bodies with ALBs, www.gov.uk/government/publications/partnerships-with-arms-length-bodies-code-of-good-practice;
- Guidance from the Public Bodies team in Cabinet Office, www.gov.uk/government/publications/public-bodies-information-and-guidance;
- The Civil Service diversity and inclusion strategy, www.gov.uk/government/publications/a-brilliant-civil-service-becoming-the-uks-most-inclusive-employer;
- Guidance produced by the Infrastructure and Projects Authority (IPA) on management of major projects, www.gov.uk/government/organisations/infrastructure-and-projects-authority
- The government response to the Taylor review on modern working practices (published by BEIS), www.gov.uk/government/publications/government-response-to-the-taylor-review-of-modern-working-practices;
- The government fraud, error, debt and grant efficiency function, www.gov.uk/government/organisations/government-digital-service;
- The government cyber-security strategy and cyber security guidance, www.gov.uk/government/collections/cyber-security-guidance-for-business;
- The Government Digital Service, www.gov.uk/government/organisations/government-digital-service

Appendix 2

CS's delegated authority

The delegations included here have been agreed between BEIS and the CS as set out in the evergreen letter from Jae Samant, BEIS Director General – Market Frameworks, dated 22 June 2018 to Charles Dhanowa, Registrar, Competition Appeal Tribunal, about Delegation of Financial Authority and signed by both parties. Please refer to the above-mentioned letter for full details of delegated financial authorities.

Table 1: Delegated Financial Authority

£'s	Capital	Programme and R&D capital spend	Admin	Stock Write-offs & impairments	Losses & Write-offs: 3rd party solvent	Losses & Write-offs: 3rd party insolvent
Amount	£0.2m	£0.5m	£0.5m	£1k	£1k	£1k

£'s	Claims waived or abandoned	Extra Contractual payments	Ex-gratia payments for financial loss	Ex-gratia payments (no financial loss)	Special severance payments	Guarantees, Indemnities & Loans	Gifts (only for Perm Sec and CFO)
Amount	-	-	-	-	-	-	-

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