



# Framework Document





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# 1. Introduction

- 1.1. This framework document (the “**Framework**”) has been agreed between the Department for Business, Energy and Industrial Strategy (“**BEIS**”) and HM Land Registry (“**HMLR**”) in accordance with Managing Public Money. It replaces the previous framework document of November 2012.
- 1.2. This Framework sets out the governance framework within which HMLR and BEIS operate. It does not convey any legal powers or responsibilities.
- 1.3. Copies of the document and any subsequent amendments will be placed in the libraries of both Houses of Parliament and made available to members of the public on HMLR’s GOV.UK website.

# 2. Purpose of HM Land Registry

- 2.1. HMLR is a Non-Ministerial Government Department (“**NMD**”) with its powers and duties set out in the:
  - a) Land Registration Act 2002;
  - b) Land Charges Act 1972;
  - c) Agricultural Credits Act 1928;
  - d) Commonhold and Leasehold Reform Act 2002;
  - e) Local Land Charges Act 1975; and
  - f) supporting rules and regulations in statutory instruments.
- 2.2. HMLR’s statutory duties are to:
  - a) keep and maintain a register of guaranteed title to freehold and leasehold land throughout England and Wales under the Land Registration Act 2002;
  - b) keep and maintain the Land Charges and Agricultural Credits registers, under the Land Charges Act 1972 and Agricultural Credits Act 1928 respectively; and
  - c) keep and maintain the developing central local land charges register under the Local Land Charges Act 1975.
- 2.3. The strategic aims of HMLR are set out in its published business strategy which may be updated from time to time. HMLR also supports the Geospatial Commission’s delivery of strategic oversight of the geospatial ecosystem in the UK in line with the Geospatial Commission’s framework document, which describes the commission’s operating principles and governance arrangements.

# 3. Governance and accountability

- 3.1. As an NMD, HMLR has full operational freedom to make case decisions independently in line with its statutory framework. HMLR is directly accountable to Parliament for the performance of its functions and duties.
- 3.2. BEIS is HMLR’s sponsor government department, supported by UK Government Investments (“**UKGI**”) who carry out aspects of the sponsor role as the agent of BEIS.
- 3.3. In consultation with other government departments with a policy interest in HMLR, BEIS sets the wider policy framework within which HMLR operates to deliver the government’s objectives.
- 3.4. HM Treasury (“**HMT**”) has principal oversight over HMLR’s finances and is responsible for advising on an appropriate budget for HMLR in the context of government’s overall public expenditure priorities.

## Overall aims

- 3.5. HMLR’s corporate governance and accountability arrangements should draw on best practice in the public sector so far as appropriate given its status as an independent NMD.
- 3.6. In particular (but without limitation), HMLR should seek to comply with:
  - a) the principles and provisions of the Financial Reporting Council’s UK Corporate Governance Code (the “**Code**”) (as amended and updated from time to time); and
  - b) the principles and provisions of the codes of good practice set out in Appendix A of this Framework, as they apply to arm’s-length bodies (“**ALBs**”).
- 3.7. HMLR shall provide an account of corporate governance in its annual governance statement including the HMLR Board’s assessment of its compliance with these codes with explanations of any departures.
- 3.8. To the extent that HMLR does not intend to observe the Code, UKGI, HMT and BEIS should be notified in advance.

## Ministerial responsibilities

- 3.9. The Secretary of State for BEIS (“Secretary of State”) keeps Parliament informed about HMLR’s performance in accordance with paragraph 7.9 of Managing Public Money and in discharging their obligations in terms of the Land Registration Act 2002.
- 3.10. The Secretary of State:
- a) appoints the Chief Land Registrar (who is also the Chief Executive of HMLR) on the advice of the Chair and a recruitment panel;
  - b) appoints the Chair and other independent non-executive members of the HMLR Board;
  - c) nominates a sponsor representative as a non-executive member of the HMLR Board;
  - d) appoints to the Land Registration Rule Committee a consumer affairs member and may appoint any other person whom they consider has qualifications and experience that would be of value to the Rule Committee; and
  - e) appoints an Independent Complaints Reviewer (“ICR”) to the office of the ICR which provides an independent complaints review service for HMLR customers.
- 3.11. The Secretary of State may delegate responsibility for HMLR to a Minister within BEIS with policy responsibility for this area.

## Departmental sponsorship of HMLR

- 3.12. In support of the Secretary of State, BEIS is the government policy sponsor of HMLR, with primary responsibility for all aspects of sponsorship of HMLR, including policy, corporate governance and monitoring delivery performance. This is overseen by a Director General of BEIS, appointed by the Permanent Secretary of BEIS, acting as “**Senior Sponsor**”.
- 3.13. The BEIS Policy Sponsor team coordinates BEIS policy activities that relate to HMLR, including advising HMLR on relevant government policy developments and responding to requests from HMLR or UKGI to provide a BEIS policy perspective on HMLR’s activities or plans.
- 3.14. UKGI, a company wholly owned by HMT, acting as the agent of BEIS, represents the government’s interest in the governance and performance of HMLR as an organisation, and a UKGI employee is the nominated non-executive representative of the Secretary of State on the HMLR Board. UKGI’s sponsorship role is set out in more detail in Appendix C to this Framework.
- 3.15. As part of the sponsorship role, UKGI is responsible for:
- a) leading on the creation and periodic review of an agreed framework document in collaboration with HMLR, updating it as needed to reflect current arrangements;
  - b) ensuring the Secretary of State receives advice on the strategic direction and operation of HMLR in the context of wider BEIS or cross-governmental policy objectives (as advised by BEIS policy);
  - c) advising on the appointment of the Chair, the non-executive members of the HMLR Board and the Chief Executive and Chief Land Registrar;
  - d) monitoring the performance of HMLR against agreed aims and objectives and advising the Secretary of State on progress; and
  - e) assisting the HMLR Chief Executive and Chief Land Registrar and the Chair in the handling of complex relationships across government, and in working through the implications of any recommendations emerging from formal reviews that cover or might affect HMLR.

## Partnership principles

- 3.16. BEIS, UKGI and HMLR agree to maintain an open, honest and trust-based partnership supported by the principles set out in relevant government guidance.

## Conflict of interest

- 3.17. BEIS and HMLR acknowledge and accept that HMLR, acting in accordance with its statutory objects, may potentially find itself in conflict with the department in certain circumstances.
- 3.18. In the event that a potential conflict of interest arises, the Senior Sponsor and the Chair will agree in writing a process for handling the matter to ensure the appropriate division of responsibilities and that any decision-making process is undertaken impartially and without impairment of the Chief Land Registrar’s roles powers and duties under the Acts and supporting rules and regulations in statutory instruments as set out at section 2.1 of this Framework. If appropriate, they will implement information barriers between HMLR and BEIS, which may also include information barriers within BEIS.

## Independent Complaints Reviewer

- 3.19. The office of the ICR provides a free and independent complaints review service for HMLR customers. It investigates complaints of maladministration and failure to meet HMLR's published service standards on quality, speed and performance but cannot consider disputes about official decisions made by HMLR or legal matters.
- 3.20. The ICR role holder is not a civil servant or an employee of HMLR and is engaged through a contract between BEIS and the ICR. The role holder acts independently of HMLR and is not part of the management structure of HMLR. However, the terms of the relationship are set out in a Service Level Agreement between HMLR and the ICR. HMLR provides resources.

## 4. Responsibilities of the HM Land Registry Chief Executive as the Accounting Officer

- 4.1. As an NMD, the Permanent Secretary of HMT appoints HMLR's Chief Executive and Chief Land Registrar as its Accounting Officer ("AO"). The responsibilities of accounting officers for ALBs are set out in Chapter 3 of Managing Public Money.

### Responsibilities for accounting to Parliament

- 4.2. The Chief Executive and Chief Land Registrar as AO is personally responsible for safeguarding the public funds for which they have charge; for ensuring propriety, regularity, value for money and feasibility in the handling of those public funds; and for the day-to-day operations and management of HMLR.
- 4.3. In addition, they shall ensure that HMLR 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, and which are also described in the AO's letter of appointment (which is issued by HMT Permanent Secretary when the Chief Executive and Chief Land Registrar takes up the post).
- 4.4. As AO, the accountabilities of the Chief Executive and Chief Land Registrar also include:
  - a) signing the accounts and ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with regulatory requirements and any directions issued by HMT;
  - b) 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;
  - c) ensuring that effective procedures for handling complaints about HMLR are established and made widely known within HMLR;
  - d) acting in accordance with the terms of this Framework, Managing Public Money and other instructions and guidance issued from time to time by BEIS, HMT and Cabinet Office; and
  - e) giving evidence when summoned before the Public Accounts Committee on HMLR's stewardship of public funds.

### Responsibilities to BEIS and HMT

- 4.5. The Chief Executive and Chief Land Registrar's responsibilities to BEIS and HMT include:
  - a) producing, in conjunction with the HMLR Board and in consultation with BEIS, HMLR's business strategy, three-year business plan and annual budget, including performance indicators;
  - b) ensuring that the business strategy, business plan and annual budgets reflect wider strategic aims and agreed priorities for government;
  - c) informing BEIS of progress in helping to achieve the government's policy objectives and in demonstrating how resources are being used to achieve those objectives;
  - d) providing BEIS with regular updates on HMLR's business strategy delivery, performance and outlook; and
  - e) ensuring that timely forecasts on finance are provided to HMT, that monitoring information on performance is provided to UKGI, and that any significant financial issues or risks detected by internal audit or by other means are notified to HMT and UKGI in a timely fashion.

### Responsibilities to the HM Land Registry Board

- 4.6. The Chief Executive and Chief Land Registrar is responsible for:
  - a) advising the HMLR Board on the discharge of HMLR's responsibilities as set out in this Framework, in legislation and in any other relevant instructions and guidance that may be issued from time to time;

- b) advising the HMLR Board on HMLR's performance against its aims and objectives; and
- c) ensuring that financial considerations are taken into account by the HMLR Board at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed.

### **Statutory responsibilities of the Chief Land Registrar**

- 4.7. The Chief Land Registrar will discharge all the statutory responsibilities of the Chief Land Registrar role under the Land Registration Act 2002, the Land Charges Act 1972, the Agricultural Credits Act 1928 and the Local Land Charges Act 1975. They have all the powers, responsibilities and duties conferred and imposed on the Registrar by those Acts and by the rules and other secondary legislation made under them. In carrying out these statutory functions the Chief Land Registrar is not subject to any ministerial control or direction.
- 4.8. The Chief Land Registrar may delegate their statutory and other functions to other members of staff of HMLR.

## **5. HM Land Registry Board's composition, appointments, role and responsibilities**

### **Composition**

- 5.1. The HMLR Board (the "**Board**") was established in April 2006 and is non-statutory. It is separately constituted from the Executive Board which is led by the Chief Executive.
- 5.2. In line with best practice, the Board will comprise a majority of non-executive board members, including a non-executive Chair and a representative of the sponsor department, that together have a balance of skills and experience appropriate to engaging with HMLR's business.
- 5.3. There will as a minimum be two sub-committees of the Board:
  - a) an Audit Committee; and
  - b) a Remuneration and Nominations Committee.
- 5.4. These sub-committees will be chaired by a non-executive member of the Board and will report back to the Board on a regular basis.
- 5.5. The sponsor representative shall sit on the Remuneration and Nominations Committee and the Audit Committee.
- 5.6. The Board and its sub-committees will have terms of reference, including details on their membership, consistent with this Framework and which will be published on HMLR's website.

### **Board appointments**

- 5.7. The Chair and other non-executive board members are appointed by the Secretary of State. Such appointments will comply with the principles of the Governance Code for Public Appointments.
- 5.8. UKGI will coordinate and lead the process for the recruitment and appointment of HMLR non-executive board members, on behalf of the Secretary of State, with the BEIS Public Appointments Team being involved and sighted.

### **Role and responsibilities of the Board**

- 5.9. The role of the Board is to support, constructively challenge and provide advice and guidance to the Chief Executive and Chief Land Registrar and their senior management team on performance, operation and development.
- 5.10. The Board is responsible for:
  - a) supporting senior management on setting the strategic vision of HMLR and ensuring all activities contribute towards it;
  - b) ensuring that the Chief Executive and Chief Land Registrar keeps the Secretary of State informed of any changes that are likely to impact on the strategic direction of HMLR or on the attainability of its targets and determining the steps needed to deal with such changes;
  - c) ensuring that any statutory or administrative requirements for the use of public funds are complied with; that HMLR operates within the limits of its authority and any delegated authority agreed with HMT, and in accordance with any other conditions relating to the use of public funds; and that guidance issued by HMT or BEIS is taken into account;
  - d) ensuring effective arrangements are in place to provide assurance on risk management, governance and internal control;



- e) promoting the efficient and effective use of staff and other resources by HMLR;
- f) supporting oversight of senior executive appointments and succession planning;
- g) conducting an internal appraisal of the Board's performance at least annually and an external appraisal at least every three years;
- h) reviewing management information and performance monitoring against plan; ensuring clear, consistent, comparable performance information is used to drive improvements;
- i) demonstrating high standards of corporate governance at all times, including by using the Audit Committee to help the Board address key financial and other risks; and
- j) ensuring as a key partner body, that HMLR seeks the Geospatial Commission's advice (as set out in the Geospatial Commission's own framework document<sup>1</sup>) on the development of the domestic geospatial elements of its strategic plan and/or business cases for investment in such geospatial strategies to ensure consistency with the government's geospatial policy.

### The Chair's personal responsibilities

- 5.11. The Chair is responsible to the Secretary of State. Communications between the Board and the Secretary of State or designated Minister should normally be through the Chair. They are responsible for ensuring that the affairs of HMLR are conducted with probity.
- 5.12. In addition, the Chair has the following responsibilities.
- a) Leadership of the Board's engagement in the formulation of HMLR's strategy.
  - b) Ensuring that the Board, in reaching decisions, takes proper account of guidance provided by the Secretary of State or government as set out in the annual Chair's letter.
  - c) Ensuring that the Board delivers high standards of propriety.
  - d) Representing the views of the Board externally, as appropriate.
  - e) Ensuring that the Board has a balance of appropriate skills, knowledge and experience to advise HMLR.
  - f) Ensuring that Board members have the support they need to carry out their role effectively.
  - g) Ensuring that the Board receives appropriate training on financial management and reporting requirements and on any differences that may exist between private and public sector practice where applicable.
  - h) Ensuring that the work of the Board and its members is reviewed regularly and that they are working effectively, and to conduct an assessment of the performance of individual Board members when being considered for re-appointment.

### Individual Board members' responsibilities

- 5.13. Individual Board members, including the Chair, should comply at all times with the Code of Conduct for Board Members of Public Bodies and other appropriate guidance, including with the rules relating to the use of public funds and to conflicts of interest.

## 6. Management and financial responsibilities

- 6.1. Unless agreed by HMT, HMLR shall follow the standards, rules, guidance and advice in Managing Public Money and the guidance and instructions referenced in Appendix A of this Framework, referring any difficulties or potential bids for exceptions to HMT for approval. HMT shall notify HMLR as soon as it becomes aware of any updated guidance or other requirements applicable to HMLR, including via updating the list of applicable guidance in Managing Public Money.
- 6.2. HMLR will agree its annual budget with HMT through the Spending Review process and other fiscal events. Once the budget has been approved by HMT and subsequently by Parliament and subject to any restrictions imposed by HMT instructions and this Framework, HMLR shall have authority to incur expenditure approved in the budget without further reference to HMT, on the following conditions.
- a) HMLR shall comply with the delegations set out in the annexed delegation letter (see Appendix B). The annexed letter may be updated by HMT from time to time. Any such updates shall supersede and replace the version currently attached to this Framework.
  - b) HMLR shall comply with Managing Public Money regarding novel, contentious or repercussive proposals.

<sup>1</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/734331/Geospatial\\_Commission\\_call\\_for\\_evidence\\_2018.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/734331/Geospatial_Commission_call_for_evidence_2018.pdf)

- c) HMLR shall seek HMT approval for any proposed expenditure which is outside the delegated limits or is for new schemes not previously agreed.
  - d) HMLR shall provide HMT with such information about its operations, performance of individual projects or other expenditure as HMT may reasonably require.
- 6.3. HMLR is subject to the Cabinet Office and HMT spending controls, subject to any flexibility that is negotiated for HMLR. These controls apply separately to any other requirement for consent or approval or delegated authority (whether financial, procurement or other) under this Framework. For any matters requiring approval outside of the delegation, HMLR will seek agreement from HMT and Cabinet Office as required.
- 6.4. HMLR will produce and adhere to its own procurement policies. These shall be in compliance with applicable procurement law and will take account of any policies or guidance issued by Cabinet Office.

## 7. Annual report and accounts

- 7.1. HMLR is required by section 101 of the Land Registration Act 2002 to make an annual report on the business of HMLR to the Secretary of State.
- 7.2. HMLR must publish its annual report of its activities together with its audited accounts after the end of each financial year, in accordance with the Government and Resources Accounts Act 2000 (GRAA) section 5 and any Accounts Direction issued by HMT and such relevant guidance as HMT and Cabinet Office may issue.
- 7.3. The annual report must be laid before Parliament by the Secretary of State in accordance with section 101 of the Land Registration Act 2002.
- 7.4. The annual report shall:
- a) comply with the HMT's Financial Reporting Manual (FrM);
  - b) outline the main activities and performance during the previous financial year and set out forward plans in summary form;
  - c) cover any corporate, subsidiary or joint venture under its control; and
  - d) be published on the GOV.UK website after being laid before Parliament.

## 8. Internal audit

- 8.1. HMLR shall:
- a) establish and maintain arrangements for internal audit in accordance with HMT's Public Sector Internal Audit Standards;
  - b) ensure the Audit Committee operates in accordance with the Code of Good Practice for Corporate Governance and the Audit and Risk Assurance Committee Handbook, published by HMT; and
  - c) ensure that an internal audit plan is prepared (including by, if applicable, external contracted auditors) and approved by the Audit Committee and that an end of year report is presented annually to that committee on how progress has been made against the approved internal audit plan.
- 8.2. The internal audit service has a right of access to all documents, including where the service is contracted out.

## 9. External audit

- 9.1. The Comptroller and Auditor General ("**C&AG**") is the external auditor. HMLR passes the audited accounts to the Secretary of State who will lay the accounts together with the C&AG's report before Parliament.
- 9.2. The C&AG:
- a) has a statutory right of access to relevant documents, including by virtue of section 25(8) of the GRAA, held by another party in receipt of payments or grants from HMLR;
  - b) 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 which relate to issues impacting on BEIS' responsibilities; and
  - c) will, where asked, provide BEIS and HMLR with reports which they may request at the commencement of the audit and which are compatible with the independent auditor's role.
- 9.3. The C&AG may carry out examinations into the economy, efficiency and effectiveness with which HMLR has used its resources in discharging its functions. For the purpose of these examinations the C&AG has



statutory access to documents as provided for under section 8 of the National Audit Act 1983. In addition, HMLR shall provide, in relation to contracts, for the C&AG 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 C&AG to any other documents required by the C&AG that are held by other bodies.

## 10. Risk management

- 10.1. HMLR shall ensure that the risks it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance. HMLR shall have a risk management strategy that accords with HMT guidance (the Orange Book) on Management of Risk: Principles and Concepts. It should adopt and implement policies and practices to safeguard itself against fraud and theft, in line with HMT 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 or to give grant or grant-in-aid.

## 11. Strategy and business plans

- 11.1. HMLR shall prepare a business strategy that should reflect the Board's aims, government's objectives for HMLR and any changes in the operating environment. The business strategy shall be agreed with the Secretary of State.
- 11.2. HMLR shall prepare annually a three-year rolling business plan setting out how it will deliver the aims set out in the business strategy and wider, related, Her Majesty's Government ("HMG") priorities. HMLR shall consult with BEIS, HMT and other interested government departments in preparing its plan, and the business plan shall be agreed with the Secretary of State.
- 11.3. Based on the business plan, amplified as necessary, each year HMLR shall prepare an annual budget. The annual budget shall include a forward work programme for the year immediately ahead, with key targets and milestones. The budget will be submitted to HMT for approval.
- 11.4. Subject to any commercial considerations, a digest of the business plan and annual budget (including key performance indicators) should be published by HMLR on its website and separately be made available to staff.
- 11.5. HMLR shall seek the advice of the Geospatial Commission on any geospatial elements of its Public Task, strategic plan, annual business plans or business cases for investment (if outside the plan) and the Geospatial Commission shall make HMLR aware of any comments they have in line with the Geospatial Commission's own framework document.
- 11.6. Where HMLR proceeds contrary to any comments from the Geospatial Commission, the Chair shall ensure that the reasons are set out in writing to the BEIS Senior Sponsor and the Geospatial Commission's Accounting Officer.

## 12. Reporting performance

### Providing performance information to BEIS and UKGI

- 12.1. HMLR shall operate management, information and accounting systems that enable it to review in a timely and effective manner its financial and non-financial performance against the budgets and targets set out in the business strategy and business plans and provide BEIS, and its agent UKGI, with information in a timely manner, including through the Secretary of State's nominated representative attending the Board and its sub-committees.
- 12.2. The Chair and Chief Executive and Chief Land Registrar shall meet the Secretary of State or designated Minister at least annually and provide other significant updates via letter or submission. Furthermore, the Chief Executive and Chief Land Registrar shall also meet with the Senior Sponsor at least annually.

### Providing financial performance information to HMT

- 12.3. HMLR will provide HMT (copying UKGI) the reports and the information necessary for HMT to effectively monitor financial performance and delivery, including key risks. The format for supplying information will be agreed between HMT and HMLR.
- 12.4. As a minimum, HMLR shall provide HMT with information monthly that will enable HMT to monitor:
  - a) HMLR's cash management;
  - b) its draw-down of grant-in-aid;

- c) forecast outturn by resource headings; and
- d) other data required for the Online System for Central Accounting and Reporting.

### **Working level liaison arrangements**

- 12.5. HMLR shall put in place regular liaison arrangements with BEIS, UKGI and HMT as appropriate to maintain general awareness of progress and policy matters and to resolve issues as necessary, at the working level.
- 12.6. Any issues or disputes that cannot be resolved at working level will be escalated as appropriate through the BEIS sponsorship and HMLR management structures, including the option for the Minister to write to the HMLR Chair.
- 12.7. Regular meetings between UKGI and HMLR senior representatives (including the Chair, Chief Executive and Chief Land Registrar, and Chief Finance Officer) will be held on a quarterly basis to discuss governance, financial performance and other relevant matters (Quarterly Sponsorship Meetings).
- 12.8. Unless otherwise mutually agreed, the Geospatial Commission will meet with HMLR's Chief Executive Officer and Chief Land Registrar and the Chair at least twice a year to discuss:
  - a) performance compared with the UK geospatial data elements of their Public Task, strategic plan and annual business plan, and any other significant UK geospatial data activities including projects, products, services, fee setting (for access to geospatial data) and legislation;
  - b) aspects of the Geospatial Commission's strategy relevant to HMLR including geospatial data standards setting, licensing, opening data sets and funding for initiatives; and
  - c) the Geospatial Commission's role in promoting HMLR activities and plans as part of the Geospatial Commission's own strategy.

### **Reporting on legal risk and litigation**

- 12.9. Notwithstanding the provisions of any protocol agreed under the terms of clause 12.10 below, HMLR shall provide a quarterly update to UKGI on the existence of any active litigation and any threatened or reasonably anticipated litigation that is outside of the ordinary course of business for HMLR or has the potential for repercussions for government generally. This can be done via the Audit Committee. The parties acknowledge the importance of ensuring that legal risks are communicated appropriately to its sponsors in a timely manner.
- 12.10. When UKGI or BEIS reasonably requests it, in respect of each substantial piece of litigation involving HMLR, the parties will agree a litigation protocol which will include specific provisions to ensure appropriate and timely reporting on the status of the litigation and the protection of legally privileged information transmitted to UKGI to facilitate this. Until such time as a protocol is agreed, the parties will ensure that:
  - a) material developments in the litigation are communicated to UKGI in an appropriate and timely manner;
  - b) legally privileged documents and information are clearly marked as such;
  - c) individual employees handling the legally privileged documents are familiar with principles to which they must adhere to protect that legal privilege; and
  - d) circulation of privileged information within HMG occurs only as necessary.

## **13. Staff**

### **Broad responsibilities for staff**

- 13.1. Under the Land Registration Act, the Chief Executive and Chief Land Registrar may appoint such staff as they think fit. This is subject to Cabinet Office and HMT controls on senior civil servants, including salary limits.
- 13.2. HMLR will have responsibility for the recruitment, retention and motivation of its staff. The broad responsibilities toward its staff are to ensure that:
  - a) 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, disability, community background or age;
  - b) the level and structure of its staffing, including grading and staff numbers, are appropriate to its functions and the requirements of economy, efficiency and effectiveness;
  - c) the performance of its staff at all levels is satisfactorily appraised and HMLR performance measurement systems are reviewed from time to time;



- d) its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the HMLR's objectives;
- e) proper consultation with staff takes place on key issues affecting them;
- f) adequate grievance and disciplinary procedures are in place; and
- g) whistleblowing procedures consistent with the Public Interest Disclosure Act are in place.

## Staff costs

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

## Pay and conditions of service

- 13.4. HMLR's staff are civil servants and subject to levels of remuneration and terms and conditions of service (including pensions) within the general pay structure set out in the Civil Service Management Code. The code outlines where it is the department's responsibility to set terms and conditions. HMLR has no delegated power to amend the terms and conditions set out in the code. HMLR will follow Civil Service pay remit guidance as may be updated from time to time.

## Pensions, redundancy and compensation

- 13.5. HMLR staff shall normally be eligible for a pension provided by the Principal Civil Service Pension Scheme. Staff may opt out of the occupational pension scheme provided by HMLR, but the employer's contribution to any personal pension arrangement, including stakeholder pension, shall normally be limited to the national insurance rebate level.
- 13.6. Proposals on severance must comply with the rules in chapter 4 of Managing Public Money and any relevant legislation coming into force.

## 14. Review

- 14.1. This Framework will be reviewed at least every three years, and government policy towards ALB periodic reviews will be followed to ensure that it remains fit for purpose, well governed and properly accountable for what it does.
- 14.2. Any revision to the Framework shall be agreed by UKGI, BEIS, HMT and HMLR.

## 15. Signatures

Signed on behalf of the Department for Business, Energy and Industrial Strategy and HM Land Registry.

Signed

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Date 4 November 2020

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**Director General – Industrial Strategy,  
Science and Innovation**

On behalf of the Department for Business,  
Energy and Industrial Strategy

Signed

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Date 6 November 2020

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**Chief Executive and Chief Land Registrar**

On behalf of HM Land Registry







## List of appendices

**Appendix A** – Compliance with government-wide corporate guidance and instructions

**Appendix B** – Delegated authorities

**Appendix C** – UKGI's sponsorship role – core activities

## Appendix A – Compliance with government-wide corporate guidance and instructions

HMLR 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), <https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017>
- Guidance that supports the Corporate governance code, [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/609668/PU2076\\_corporate\\_governance\\_guidance.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/609668/PU2076_corporate_governance_guidance.pdf)
- Code of Conduct for Board Members of Public Bodies, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/809093/Code-of-Conduct-for-Board-Members-of-Public-Bodies-2019-WEB.PDF](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/809093/Code-of-Conduct-for-Board-Members-of-Public-Bodies-2019-WEB.PDF)

### Financial management and reporting

- Managing Public Money (MPM), <https://www.gov.uk/government/publications/managing-public-money>
- Government Financial Reporting Manual (FRM) – updated annually <https://www.gov.uk/government/publications/government-financial-reporting-manual-2019-20>
- Relevant Dear Accounting Officer (DAO) letters, <https://www.gov.uk/government/collections/dao-letters>
- Production of accounting officer system statements (AOSS), <https://www.gov.uk/government/publications/accounting-officer-system-statements>
- Other relevant guidance and instructions issued by HMT in respect of Whole of Government Accounts, <https://www.gov.uk/government/collections/whole-of-government-accounts>

### Management of risk

- Management of risk: principles and concepts, <https://www.gov.uk/government/publications/management-of-risk-in-government-framework>  
<https://www.gov.uk/government/publications/orange-book>
- HMT and National Audit Office guidance on tackling fraud, [https://www.nao.org.uk/wp-content/uploads/2013/02/Tackling\\_External\\_Fraud.pdf](https://www.nao.org.uk/wp-content/uploads/2013/02/Tackling_External_Fraud.pdf)
- Public Sector Internal Audit Standards, <https://www.gov.uk/government/publications/public-sector-internal-audit-standards>
- Appropriate adaptations of the Audit committee handbook, <https://www.gov.uk/government/publications/audit-committee-handbook>
- HMT approvals process for major projects above delegated limits, <https://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, [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/578498/governance\\_code\\_on\\_public\\_appointments\\_16\\_12\\_2016.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/578498/governance_code_on_public_appointments_16_12_2016.pdf)
- Procurement Policy Note 08/15 – Tax Arrangements of Public Appointees, [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/418726/PPN\\_08-15\\_Tax\\_arrangements\\_for\\_public\\_appointees.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/418726/PPN_08-15_Tax_arrangements_for_public_appointees.pdf)

### Staff and remuneration

- HMT guidance on senior pay and reward, <https://www.gov.uk/government/publications/senior-civil-service-pay-and-reward>
- Civil Service pay remit guidance (updated annually),

- <https://www.gov.uk/government/publications/civil-service-pay-remit-guidance-202021>
- Public sector pay and terms,  
<https://www.gov.uk/government/publications/public-sector-pay-and-terms-guidance-note>
- Whistleblowing guidance and code of practice,  
<https://www.gov.uk/government/publications/whistleblowing-guidance-and-code-of-practice-for-employers>
- The Equality Act 2010,  
<https://www.gov.uk/guidance/equality-act-2010-guidance>
- Modern Slavery Act 2015,  
<http://www.legislation.gov.uk/ukpga/2015/30/contents/enacted>
- Other generally relevant employment law

## General

- Freedom of Information Act guidance and instructions,  
<http://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,  
<https://www.ombudsman.org.uk/about-us/our-principles>
- Other relevant instructions and guidance issued by the central departments (Cabinet Office and HMT)
- 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 HMLR

HMLR 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 arm's-length bodies,  
<https://www.gov.uk/government/publications/partnerships-with-arms-length-bodies-code-of-good-practice>
- Guidance from the public bodies team in Cabinet Office,  
<https://www.gov.uk/government/publications/public-bodies-information-and-guidance>
- Civil Service diversity and inclusion strategy,  
<https://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,  
<https://www.gov.uk/government/organisations/infrastructure-and-projects-authority>
- Government response to the Taylor review on modern working practices (published by BEIS),  
<https://www.gov.uk/government/publications/government-response-to-the-taylor-review-of-modern-working-practices>
- Government Fraud, Error, Debt and Grant Efficiency function,  
<https://www.gov.uk/government/organisations/government-digital-service>
- Government cyber security strategy and cyber security guidance,  
<https://www.gov.uk/government/collections/cyber-security-guidance-for-business>
- Government Digital Service,  
<https://www.gov.uk/government/organisations/government-digital-service>
- Geospatial Commission Charter and Framework, pp. 28-37,  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/734331/Geospatial\\_Commission\\_call\\_for\\_evidence\\_2018.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/734331/Geospatial_Commission_call_for_evidence_2018.pdf)  
<https://www.gov.uk/government/publications/geospatial-commission-charter>



# Appendix B – Delegated authorities



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1 April 2020

## Delegated Authority Letter – Her Majesty's Land Registry

Dear Simon,

I am writing to set out the Her Majesty's Land Registry's (HMLR) delegated spending authority. This letter supersedes all previous communication on delegated authorities and covers the arrangements for approving new policy proposals, administrative expenditure incurred by HMLR and the treatment of cash balances.

The delegated authorities set out in this letter give HMLR standing authorisation to commit resources or incur expenditure from money voted by Parliament without specific prior approval from the Treasury. Details of these authorities are set out in Annex A and includes a list of the categories of spending which override any delegated authority and always require Treasury approval e.g. proposals which are novel and contentious, could cause significant repercussions or set a potentially expensive precedent.

HMLR is also required to adhere to all Cabinet Office efficiency and spend control actions and processes that are in place, including those which have separate delegated limits. Applications for approval in areas where these actions and processes introduce specific delegated limits should be copied to your spending team at the same time that they are submitted to Cabinet Office.

### New policy proposals and announcements

New policy proposals and announcements with financial implications must be cleared with the Treasury when:

- They are outside the HMLRs delegated authorities and/or
- They are to be submitted to the Cabinet or a Ministerial committee for collective approval.

Cost estimates must be provided to the Treasury with an identification of how the costs will be met, including costs on other departments. HMLR will be expected to submit a business case using the

Green Book technique, including cost-benefit analysis to appraise and evaluate policy announcements and proposals.

Additionally:

- The Treasury will normally agree with HMLR a set of milestones in addition to these key stages where approval must be sought for each project or programme. The Treasury reserves the right to add further approval milestones where necessary;
- HMLR must continue to provide the Treasury and the Infrastructure and Projects Authority (IPA) (if appropriate) with details of projects and programmes after FBC approval until the project or programme is operational, including on project performance, cost and time envelope, on a quarterly basis. This information will be collected via the IPA's Government Major Project Portfolio;
- HMLR are required to share its post-implementation review for each project with the Treasury.

Before Treasury approval can be given, the Treasury will normally expect the expenditure to have undergone the appropriate IPA assurance process. Core guidance on major projects approvals and assurance is available at <https://www.gov.uk/government/collections/infrastructure-and-projects-authority-assurance-review-toolkit>.

## Project reporting

In addition to setting delegated limits, we are also maintaining lower disclosure thresholds for projects and programmes as set out in Annex A. To facilitate effective Treasury oversight and knowledge of departmental spending, HMLR's Financial Control division is required, on a quarterly basis, to provide the Treasury spending team with information on projects whose whole life costs fall outside, or are likely to fall outside, delegated authorities or exceed disclosure thresholds. This information is to include:

- Project summary
- The lifecycle stage, the next significant milestone and when that is likely to take place;
- Annual project costs and whole life costs, in government budgeting terms;
- Where appropriate, the NPV of the project or programme;
- Delivery confidence;
- The relative priority of the project in HMLR's project portfolio

## Policy proposals and projects

Applications for approval should be submitted to the spending team, who will then advise you in writing as to whether approval has been granted.

Projects outside delegated authority will be scrutinised through the Treasury Approval Point process or the Major Projects Review Group. You will normally receive a response within 28 days of the business case formally being received.

## **Review of delegated authorities**

We may decide to review HMLR's delegated authorities next year or when requested by HMLR. Notwithstanding these regular reviews, the Treasury reserves the right to withdraw, reduce or amend these delegated authorities. Before doing this, the Treasury will set out its reasons for making the changes and give HMLR the opportunity to comment.

Yours Sincerely,

**Joshua Fleming**

Deputy Director

Corporate Finance, Business, Energy & Industrial Strategy



## DETAIL OF THE HER MAJESTY'S LAND REGISTRY'S DELEGATED AUTHORITIES

HMLR's delegated authorities are set out below. However, certain categories of spending proposal override any delegated authority and must be submitted to the Treasury. These are proposals which:

- Could create pressures leading to a breach in Departmental Expenditure Limits, administration costs limits, or Estimates provision;
- Would entail contractual commitments to significant levels of spending in future years for which plans have not been set;
- Could set a potentially expensive precedent;
- Could cause significant repercussions for others;
- Require primary legislation;
- Are novel and contentious; or
- Where Treasury consent is a statutory requirement.

In addition:

- HMLR will act at all times within the rules of Managing Public Money.
- HMLR will abide by any specific agreements reached with Treasury Ministers or officials during Spending Review discussions or otherwise.
- If spending falls under more than one category of delegation, the lower delegated limit applies.

The delegated authorities for HM Land Registry are set out in the following table:

Nature of Delegation		Delegated limit	Disclosure threshold
All projects and programmes; and announcements and policy proposals with a defined lifetime	Resource and capital	£10m whole life cost in today's prices	£1m whole life cost in today's prices for projects and programmes
Announcements and policy proposals creating on-going expenditure	Resource and capital	£2m per year	N/A

## Appendix C – UKGI’s sponsorship role for HMLR acting as the agent of BEIS – core activities

UKGI’s sponsorship role consists of the activities set out below. In relation to these activities, UKGI will provide advice to the relevant ministers and Permanent Secretary in consultation with BEIS officials.

### **Establish and maintain appropriate and effective corporate governance foundations which govern the department-asset relationship**

1. Work with BEIS and HMLR to establish and maintain appropriate corporate governance documents and systems, through up-to-date and fit-for-purpose governance documents, including framework document, articles of association where relevant, Board terms of reference, Chair letter.

### **Promote effective objectives, business planning and performance against business plan**

2. Assess and challenge from a stakeholder’s perspective HMLR’s business plan, the clarity of the objectives, the quality of the business plan and the financial, and where relevant commercial, strength underpinning it, and its effectiveness as a tool for HMLR.
3. Monitor and challenge HMLR and its Board as to the performance against its business plan or equivalent document, in terms of how HMLR is performing as an organisation (as opposed to monitoring the success of the policy delivery itself).
4. If there is a UKGI sponsor representative on the Board, challenge HMLR’s business cases, and other HMG approvals outside HMLR’s executive delegations, through that non-executive position on the Board only (this will be limited to the degree of challenge that any non-executive board member can provide; UKGI is not responsible for formally reviewing such business cases, providing advice to the department and ministers, or obtaining HMG approval for business cases, unless explicitly agreed otherwise).

### **Promote strong corporate capability**

5. Through the UKGI sponsor team, as well as the UKGI representative on HMLR’s Board, promote the strength of HMLR’s governance systems which support organisational performance by providing high-level challenge to HMLR (and its Board) on:
  - a. governance framework compliance – defined as HMLR’s view on its compliance with its governance framework (as set out in its Framework Document, delegated authorities and any other specified governance documents); and
  - b. the adequacy and strength of HMLR’s reporting to the department on these issues.

### **Promote effective leadership (high quality boards and senior management)**

6. Promote the effectiveness of HMLR’s leadership, specifically through:
  - a. promoting high quality and diverse boards, challenging the Board’s capability and effectiveness, and monitoring HMLR’s succession planning;
  - b. promoting the implementation of effective board composition, recruitment, remuneration and appointment processes;
  - c. acting as the sponsor department’s non-executive director on HMLR’s Board; and
  - d. giving a view on HMLR’s board-level executive capability in relation to its responsibilities, and remuneration.

### **Promote effective relationships between BEIS and HMLR**

7. Support effective relationships between BEIS and HMLR, including through:
  - a. (UKGI) building effective relationships with HMLR’s Board and senior management;
  - b. promoting effective interfaces and communications between the department and HMLR, including through regular stakeholder sponsor meetings; and
  - c. maintaining an effective regular meeting “rhythm” with HMLR Chair, Board and executive to ensure appropriate flow of information (management information) between HMLR, UKGI and BEIS, including effective reporting to BEIS.

### **Supporting and supplementing the activities above by providing a non-executive board member on HM Land Registry’s Board**

8. Act as government sponsor department’s stakeholder representative on HMLR’s Board, through:
  - a. providing an appropriate Board member to carry out the non-executive director role effectively, drawing on the support and analysis from the UKGI “shareholder” team; and
  - b. acting as an interlocutor between the department and HMLR’s Board providing a view to the department on the strength of HMLR’s Board.

