



Ministry
of Defence

DEFENCE ELECTRONICS AND COMPONENTS AGENCY

Framework Document

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| | |
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| CONTENTS | |
| 1. | INTRODUCTION4 |
| 2. | PURPOSE AND STRATEGIC OBJECTIVES.....4 |
| | Purpose4 |
| | Strategic Objectives4 |
| 3. | GOVERNANCE AND ACCOUNTABILITY5 |
| | Ministerial Responsibility5 |
| | MOD Sponsor6 |
| | DECA Chief Executive Responsibilities6 |
| | Responsibilities of the DECA Chair8 |
| | Non-Executive Director (NED) Responsibilities10 |
| | DECA Board10 |
| | Board Committees12 |
| | Audit and Risk Assurance Committee (ARAC).....12 |
| | Remuneration and Nomination Committee (RENCO)13 |
| | Annual Report and Accounts (AR&A)14 |
| | DECA Executive Management Board14 |
| | MOD DECA Performance and Risk Review14 |
| | DECA Management Office (DECAMO)15 |
| | Risk Management15 |
| 4 | POLICY FRAMEWORK.....15 |
| | Parliamentary Accountability15 |
| | Parliamentary Commissioner for Administration16 |
| | Information Rights and Management16 |
| | Health and Safety, Environmental Protection (HS&EP) and Sustainability16 |
| | Organisational Certification17 |
| | Commercial17 |
| | Intellectual Property Rights (excluding Crown Copyright)18 |
| | Complaints from members of the Public18 |
| | Role of Defence Authorities18 |
| 5 | HUMAN RESOURCES19 |
| | Status of Staff and Conditions of Service19 |
| | Staff Recruitment and Retention19 |
| | Vetting20 |
| | Staff Conduct and Discipline20 |
| | Employee Relations and Trades Unions20 |
| | Whistleblowing20 |
| | Diversity and Inclusion20 |
| | Welfare20 |
| | Pensions, Redundancy and Compensation21 |

| | | |
|---|---|----|
| 6 | FINANCIAL CONTROL FRAMEWORK | 21 |
| | Management and Financial Responsibilities | 21 |
| | Business model | 21 |
| | Charging | 22 |
| | Provision of financial information to MOD | 22 |
| | Assets | 22 |
| | Liabilities | 23 |
| | Internal Audit | 23 |
| | Internal Control | 23 |
| | External audit | 24 |
| | Right of access | 24 |
| | Responsibilities under Competition Law | 24 |
| 7 | REVIEW OF DECA | 24 |
| | Review of DECA's status | 24 |
| | Arrangements in the event of DECA's termination | 24 |
| | Duration of the Framework Document | 25 |
| | ANNEX A: Framework for Specific Major Business Proposals and Government efficiency constraints | 26 |
| | ANNEX B: Compliance with government-wide corporate guidance and instructions | 27 |
| | ANNEX C: Glossary | 29 |

1. INTRODUCTION

- 1.1. This Framework Document has been drawn up by the Ministry of Defence (MOD) in consultation with the Defence Electronics and Components Agency (DECA).
- 1.2. This document sets out the framework within which DECA will operate. It also sets out the agreed terms of the relationship between MOD and DECA, and how such a relationship will be conducted in accordance with the principles set out in the Cabinet Office Code on the Partnerships between departments and Arm's Length Bodies (ALBs).¹ As such, both parties will ensure that they clearly understand the strategic aims and objectives of each other. Both partners will also commit to keeping each other informed of any significant issues and concerns.
- 1.3. This document does not convey any legal powers or responsibilities. Copies of the document and any subsequent amendments have been placed in the Libraries of both Houses of Parliament and made available to members of the public on the DECA page of GOV.UK.

2. PURPOSE AND STRATEGIC OBJECTIVES

Purpose

- 2.1. DECA was established on 1 April 2015 as an Executive Agency of the MOD with the remit to provide through-life deployable maintenance, repair, overhaul and upgrade (MRO&U) as well as procurement and managed services provision across Defence electronics, components and general equipment support. DECA offers efficient delivery of MRO&U services that provide better value for money to Defence than industry, and in doing so it keeps industry prices competitive. DECA operates on commercial principles and generates revenue and return of an annual dividend to MOD Head Office. DECA's activities are funded entirely by payment for the delivery of services provided to its MOD and industry customers.
- 2.2. DECA is recognised as an 'on vote agency' within the MOD Annual Report & Accounts².

Strategic Objectives

- 2.3. DECA's strategic objectives and priorities are aligned with MOD's. These can be found in DECA's Corporate Plan³. Performance against these objectives are reviewed at Performance and Risk Reviews, held quarterly. Further details are in chapter 3.

¹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/594345/Partnerships_between_departments_and_arm_s_length_bodies-code_of_good_practice.pdf

² <https://www.gov.uk/government/publications/ministry-of-defence-annual-report-and-accounts-2019-to-2020> (see page 210-222 of MOD Annual Report & Accounts).

³https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/945980/Corporate_Plan_2020-2025_of_the_Defence_Electronics_and_Components_Agency.pdf

Status of DECA in Defence

- 2.4. The Defence Operating Model (DOM)⁴ defines DECA as an Enabling Organisation of the MOD. It is legally part of the MOD and its civilian staff are MOD civil servants. The DOM also defines a series of sub-operating models that provide a greater level of detail on specific aspects of Defence delivery. DECA operates in accordance and alignment with these sub-operating models.

3. GOVERNANCE AND ACCOUNTABILITY

Ministerial Responsibility

- 3.1. The Secretary of State for Defence is accountable to Parliament for all aspects of DECA's performance, including its strategy, operation, performance and the effectiveness of its governance arrangements. The Secretary of State (SofS) delegates the responsibilities for ownership of DECA to the Minister for Defence Procurement (Min(DP)), namely:
- Approving DECA's policy and financial framework;
 - approving its strategy and financial objectives within the Corporate Plan;
 - approving the appointments of the DECA Chair and independent Non-Executive Directors (NEDs) and agreeing their remuneration;
 - agreeing the appointment of the DECA Chief Executive;
 - being satisfied that the DECA Board is working effectively;⁵ and
 - endorsing and approving the DECA Annual Report and Accounts (AR&A) and its laying date in Parliament.

MOD's Permanent Secretary and Principal Accounting Officer (PAO)

- 3.2. The MOD's Permanent Secretary is the senior civilian advisor in Defence and the Department's Principal Accounting Officer (PAO).
- 3.3. The PAO is accountable for the MOD accounts and must satisfy themselves that DECA is operating in full compliance with the resources authorised by Parliament and that they are used for the purposes intended by Parliament. The PAO must be satisfied that DECA is operating in full compliance with the guidance in Managing Public Money.⁶ The PAO is accountable to parliament for issues concerning DECA and is responsible for advising Min(DP) on:
- an appropriate framework of objectives and targets for DECA, taking account of the Department's wider strategic aims and priorities.
 - an appropriate operating cost budget for DECA in light of the Department's overall expenditure priorities; and
 - how well DECA is achieving its objectives and whether it is delivering value for money for the exchequer as a whole.

⁴ <https://www.gov.uk/government/publications/how-defence-works-the-defence-operating-model>

⁵ Chair will report annually to the Minister on the effectiveness of the Board.

⁶

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/994901/MPM_Spring_21_without_annexes_180621.pdf

- 3.4. The day-to-day running of DECA is the responsibility of the Chief Executive. However, the PAO is responsible for ensuring that arrangements are in place to monitor the organisation's activities; periodically carrying out assessments of the risks both to MOD and DECA objectives and activities; informing DECA of relevant government policy in a timely manner and bringing concerns about DECA to the Defence Board.

MOD Sponsor

- 3.5. The Chief Operating Officer (COO) is the MOD Sponsor for DECA. They carry out Corporate Sponsor responsibilities, with the aim of providing advice to Min(DP) and the Perm Sec/PAO on their responsibilities as corporate owner of the organisation (such as governance and financial aspects, including agreement and delivery of the Corporate and annual Plans).
- 3.6. Responsibility for the day-to-day sponsorship is delegated to the Directorate for Sponsorship and Organisational Policy (DSOP) who work closely with DECA and its Board to provide support and ensure that the Department's requirements are being met. A senior member of DSOP is also appointed as a Non-Executive Director (NED) on the DECA Board; they directly represent the sponsor. DSOP will take the lead on Ministerial and Parliamentary business where queries relate to DECA's status as an Executive Agency of MOD.
- 3.7. The Sponsor will, on behalf of MOD and ministers:
- advise Min(DP) on the strategic direction and performance of DECA in the wider departmental and cross-Governmental contexts, including negotiating the DECA Executive Management Board's recommended strategic objectives and Key Performance Indicators (KPIs), for inclusion in the Corporate Plan;
 - advise the Chief Executive on the implications of DECA's activities to ensure support to the delivery of MOD's objectives;
 - ensure the periodic review of DECA's business model (see [Business Model](#)) is undertaken;
 - establish and maintain high organisational performance;
 - undertake NED recruitment;
 - ensuring that governance mechanisms are working efficiently and effectively to hold DECA to account and
 - promote strong corporate capability and effective leadership.

DECA Chief Executive Responsibilities

- 3.8. The Chief Executive is the Accounting Officer for DECA, with responsibility for safeguarding the use of public funds by DECA and ensuring that the day to day operations and management of DECA are undertaken in accordance with the management standards set out in chapter 3 of *Managing Public Money*. This includes the agreement with the Chief Operating Officer (the Sponsor) of an annually updated Corporate Plan for DECA, reflecting the outcome of the Annual Budgeting Cycle (ABC) for the Defence Outputs to be delivered as specified in the Defence Plan.
- 3.9. The Chief Executive is also directly accountable to Parliament for the stewardship of DECA's resources (Section 7.1 of *Managing Public Money*). HM

Treasury also appoints the Chief Executive of each agency fund as its Accounting Officer.

- 3.10. To discharge these responsibilities, the Chief Executive has delegated authority from the PAO to lead and manage DECA resources including the extent of financial authority. The PAO Letter of Delegation requires the Chief Executive to ensure the effective, efficient and proper conduct of DECA's business in accordance with Ministerial direction. The Chief Executive will set demanding objectives aimed at improving performance to give full consideration to the potential parliamentary, political, policy, and presentational aspects of all proposals and to the interests of Defence, consulting as necessary with the appropriate policy staffs and Ministers.
- 3.11. The Chief Executive is authorised to commission contractual commitments. However, authority to place or amend contracts, or to deal with claims arising, may only be exercised by staff in receipt of a commercial letter of delegation, issued by MOD's Director Commercial to, and sub-delegated by, the DECA Commercial and Contracts Director. Financial and contracting authority will not be vested to the same individual.
- 3.12. The appointment of the Chief Executive is managed by MOD, with the endorsement of Min(DP), taking into account advice from the Chair of the Board.
- 3.13. Specific responsibilities of DECA's Chief Executive include:

As Accounting Officer (AO), the Chief Executive has responsibilities for accounting to Parliament including:

- preparing and signature of Annual Report and Accounts for endorsement by the Board before being laid before Parliament, in accordance with Government Financial Reporting Manual, Managing Public Money, and any Cabinet Office and HM Treasury instructions that may apply.

The Chief Executive has responsibilities to MOD, including:

- ensuring the smooth running of the organisation as a whole;
- establishing a Corporate Plan and objectives aimed at improving performance and which reflect the Department's wider strategic aims and agreed priorities;
- delivering Corporate Plan outputs as effectively, efficiently, sustainably, and economically as possible;
- supporting the delivery of Departmental policy objectives and making best use of resources to achieve those objectives;
- ensuring that timely forecasts and monitoring information on progress to deliver objectives, performance and finance are provided to the Department; that significant problems, financial or otherwise are notified to the Department in a timely fashion;
- ensuring that timely reports on business performance, risk and finance are provided to the PRR and Board with significant problems, financial or otherwise notified to the PRR and Board in a timely fashion;
- responsibility for effective management of financial, contractual, health and safety and environmental protection, pay and personnel aspects of DECA's operation;
- building a culture of openness and transparency between DECA, its customers and MOD;

- ensuring inclusivity, diversity and wellbeing are embedded in the organisation's ethos; and
- leading and motivating the DECA Executive team and workforce.

The Chief Executive has certain responsibilities to the Board including:

- reporting regularly to the DECA Board and where necessary seeking its endorsement/input;
- ensuring that timely reports on business performance and finance are provided to the Board and that significant problems, financial or otherwise are notified to the Board in a timely fashion;
- ensuring the provision of information to allow the Board to take account of financial considerations in reaching and providing its advice;
- advising the Board on DECA performance and delivery of Corporate Plan outputs;
- ensuring that financial considerations are taken fully into account by the Board, or Executive Management Board as appropriate, at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed; and
- advising the Board on the discharge of DECA's responsibilities set out in this document.

- 3.14. In the event that the Chief Executive believes that the position of the DECA Board is in conflict with their responsibilities as Accounting Officer, the Chief Executive will seek to remedy this in discussion first with the Chair of the DECA Board, the Sponsor and then Permanent Secretary.

Responsibilities of the DECA Chair

- 3.15. The independent Non-Executive Chair of the DECA Board is accountable to the MOD Sponsor on behalf of the Min(DP) for leading the DECA Board and ensuring its effectiveness in all aspects of its role.⁷ The Chair has a role in advising the Sponsor on high-level business issues affecting DECA, both directly and through the DECA Board, and reports to the Sponsor on the effectiveness of the Board at regular Performance and Review (P&RR) meetings.
- 3.16. The Chair has a standing right of access to Min(DP) and will maintain a regular dialogue through at least one face-to-face meeting each year.
- 3.17. Specific responsibilities of DECA's Chair include:

On Board effectiveness:

- providing robust and constructive challenge to the Board and encouraging all members to express their views frankly and challenge constructively in order to provide high levels of assurance to the department;
- ensuring that the roles and responsibilities of the Board are set out;
- conducting annual formal reviews of Board effectiveness;
- supporting and challenging formulating of DECA's strategy;

⁷ <https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017>

- ensuring that the Board, in giving endorsement and making recommendations, takes proper account of guidance provided by Min(DP) or the Department;
- managing the frequency, content and conduct of Board meetings, ensuring that systems are in place to provide members with accurate, timely and quality information to allow the Board to consider properly all matters before it;
- ensuring that the Board is supported by effective and properly constituted Audit and Risk Assurance and Remuneration and Nomination sub-committees; and
- ensuring that Board members are aware of and operate in accordance with the Cabinet Office Code of Conduct for Board Members of Public Bodies.⁸

On responsibility to the Min(DP):

- determining and agreeing the composition of the Board with Min(DP), taking into account its diversity and ensuring a balance of relevant expertise and experience;
- providing recommendations and advice to Min(DP) and Sponsor on DECA's strategic direction, objectives and risks, its business performance and its governance arrangements;

On supporting the Chief Executive:

- providing advice and counsel to the Chief Executive; and
- advising on the appointment of the Chief Executive, including sitting on the selection panel.

On recruiting and managing the NEDs:

- assessing the performance of individual non-Executive Directors annually and when being considered for re-appointment; and
- ensuring that Board members receive appropriate training on financial management and reporting requirements and on any differences that may exist between private and public-sector practice.⁹

Other responsibilities:

- promoting the efficient and effective use of staff and other resources;
- delivering high standards of regularity and propriety; and
- ensuring customer facing DECA Management Office meetings take place to facilitate the customer relationship between DECA and Defence Equipment and Support (DE&S).

3.18. In the event that the Chair, with the agreement of the Board, believes that the Chief Executive may not be delivering on their Accounting Officer responsibilities, the Chair will seek to remedy this in discussion first with the Chief Executive, then, if unresolved, through the MOD Departmental NED, the Sponsor and Min(DP).

3.19. The performance of the NEDs and sub-committee members will be assessed annually by the Chair. The Chair will agree with individual NEDs what wider

⁸ <https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies>

⁹ <https://www.civilservicecollege.org.uk/course/accountability-governance/accountability-and-governance-for-arms-length-bodies-3>

functions they will discharge and what activities they will undertake to extract maximum value from their experience, support DECA and ensure their familiarity with its operations and relationships. Any deficiencies in the Board's and sub-committees' performance or composition will be addressed by the Chair. At least every three years, the review will include input that is independent from that of DECA Board members.

Non-Executive Director (NED) Responsibilities

- 3.20. The role of DECA NEDs is to provide support and challenge and bring independent judgement on issues such as strategy, corporate planning and business performance and to uphold high standards of governance. NEDs will exercise this role through influence and advice, challenging and supporting the DECA Executive Management Board through the Chief Executive.
- 3.21. To ensure the right mix of skills and experience, independent NEDs with finance skills and commercial and business knowledge are required. NED key responsibilities will include the following:
- to provide an independent perspective on the strategic direction of DECA;
 - to encourage and support DECA's drive for improvement and transformation through objective, constructive challenge and scrutiny of executive management decisions, business risk management and performance;
 - to share knowledge and expertise with both the Board and individual Executive Directors as appropriate;
 - to build effective relationships with Board colleagues as well as internal and external stakeholders;
 - to contribute to DECA's sub-committees as appropriate and to be either the Chair of DECA's Audit and Risk Assurance Committee (ARAC) or Remuneration and Nomination Committee (RENCO).

DECA Board

- 3.22. The principal purpose of the DECA Board is to provide support and challenge to DECA in setting and delivering its strategic objectives, as well as providing assurance to the department on resource, strategic, financial and business decisions. To strike the right balance of skills, experience and objectivity, the Chair will agree the size and composition of the Board with the Chief Executive and Sponsor, considering guidance and best practice on Boards in the public and private sectors. Changes will be subject to approval from the Sponsor.
- 3.23. The quorum necessary for the transaction of business is two NEDs (including the Chair or a lead NED appointed in the absence of the Chair) and two Executive Directors. As a minimum, the DECA Board will comprise:
- an independent, non-executive Chair (NED);
 - independent non-executive director (NED) with a range of experience and expertise appropriate for the activities that DECA undertakes;
 - a MOD NED;
 - the DECA Chief Executive (as DECA Accounting Officer);
 - the DECA Finance Director;
 - the DECA Head of Strategy, Governance and Secretariat.

The scope of the Board's support and challenge will include:

- supporting the development of, and subsequently endorsing, the Corporate Plan.
- monitor DECA's performance and delivery against the Corporate Plan;
- ensuring that DECA's business strategy aligns with MOD's strategic direction and objectives for the Agency (and is affordable) before it goes to the COO for approval;
- endorsing business plans for spend over the Chief Executive delegation of £5M (£5M applies to 'Whole life costs' as defined within JSP 655);
- ensure that DECA's day-to-day operations continue to operate within the governance, policy and financial parameters set out in this document and meet relevant good practice across Government and the private sector;
- ensure that effective arrangements are in place to provide adequate assurance on safety, risk management, governance, internal control and audit;
- provide support, advice and constructive challenge on DECA AR&A;
- challenge instances where a decision is taken against the recommendation of the Board.

3.24. It is the responsibility of Min(DP) to approve the appointment of the DECA Chair and Non-Executive Board members. The appointments will follow a process of open and fair competition, managed by the DSOP Enabling Organisations Sponsorship Team, and in accordance with the principles of the Cabinet Office Code of Practice for Public Appointments. Appointments are normally for a fixed term of three to five years, which may be extended for a further term, up to a maximum of ten years. No individual should serve more than two terms or serve in any post for more than ten years. Extensions are subject to NEDs meeting the required performance standards.

3.25. Appointed Board members receive appropriate training on financial management and reporting requirements and on any differences that may exist between private and public-sector practice¹⁰. The Board members must comply with the Cabinet Office's Code of Conduct for Board Members of Public Bodies¹¹.

3.26. In discharging its role and responsibilities, the Board delegates some activities to sub-committees. The DECA Chair will ensure that the Board receives adequate and timely feedback on the work of these sub-committees so that it can consider their recommendations.

3.27. The performance of the independent Chair and NEDs will be assessed annually on whether each continues to demonstrate appropriate commitment to the role and effective Board contribution including measurement against:

- amount and level of strategic challenge provided;
- scrutiny of management decisions and ensuring controls in place;
- ensuring effective decisions are made based on sound management information and risk appetite;

¹⁰ <https://www.civilservicecollege.org.uk/course/accountability-governance/accountability-and-governance-for-arms-length-bodies-3>

¹¹ <https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017>

- ensuring appropriate challenge on the skills of the executive management team.
- 3.28. The performance of the Chair will be assessed by the MOD Sponsor or their delegate. The Chair will assess the performance of the Board's independent NEDs.
- 3.29. The frequency and timing of meetings will be decided by the Chair after consultation with Board members but will meet up to six times per year.

Board Committees

Audit and Risk Assurance Committee (ARAC)

- 3.30. Chaired by an independent NED on the Board, the DECA ARAC is a sub-committee that provides support to the DECA Board, and the DECA Chief Executive as Accounting Officer, in monitoring the organisation's corporate governance, financial and accounting policy as well as business risk and control systems.
- 3.31. Members are responsible for reviewing and assessing the adequacy, reliability and integrity of controls within all key agency risk management and internal control processes and promoting the highest standards of propriety and accountability in DECA's effective use of public funds.
- 3.32. The ARAC will advise the DECA Board and the Accounting Officer on¹²:
- the strategic processes for risk, control and governance, and the Governance Statement;
 - DECA's accounting policies, the accounts, the financial statements and the AR&A, including the process for review of the accounts prior to submission for audit, levels of error identified, and management letters of representation to the external auditors;
 - the planned activity and results of both internal and external audit;
 - adequacy of management response to issues identified by audit activity;
 - assurances relating to the corporate governance requirements for DECA;
 - proposals for tendering for external audit services or for purchase of non-audit services from contractors who provide audit services; and
 - anti-fraud policies, whistle-blowing processes, and arrangements for special investigations.
- 3.33. The quorum necessary for the ARAC membership is minimum of two NEDs. Membership of the ARAC includes:
- an independent NED who shall Chair the ARAC,
 - the MOD NED
 - DECA Finance Director
 - Head of Internal Audit
 - a representative from the National Audit Office
 - The DECA Chief Executive (by invitation)

¹² Audit and Risk Assurance Committee Handbook. HM Treasury. March 2016.

- 3.34. The ARAC may co-opt additional members for limited periods to provide additional specialist skills, knowledge or experience subject to budgets agreed by the DECA Board agreement. The Head of Internal Audit and the External Audit representative will have free and confidential access to the ARAC Chair.
- 3.35. The ARAC Chair will annually review its own effectiveness and report the results of that review to the DECA Board. The secretary will be appointed by the ARAC Chair and provided by DECA.
- 3.36. The ARAC Chair will formally report to the DECA Board and Accounting Officer after each meeting. The Chair shall also provide the Board and Accounting Officer with an annual report, timed to support the finalisation of the Governance statement, summarising its conclusions from the work it has done during the year.
- 3.37. The ARAC meets up to four times annually (and also exceptionally when requested by the DECA Chair and internal and external auditors).

Remuneration and Nomination Committee (RENCO)

- 3.38. DECA RENCO is a sub-committee that provides support to the DECA Board on matters relating to the proper application of DECA pay strategy for all DECA employees below the Senior Civil Service. Specific responsibilities for the RENCO include:
- review and endorse the DECA Executive Management Board's recommended Pay Strategy and Corporate Bonus Scheme to ensure that it is financially sustainable and appropriately incentivised, takes into consideration the longer-term spending position and ensures the organisation retains control of the pay bill;
 - with regard to remuneration matters, ensure DECA operates within the framework set by Government-wide and Departmental guidelines;
 - to be assured that a process for succession planning exists at a management level;
 - to provide guidance and advice on promoting the nomination of DECA employees for consideration in the Honours List and for other Civil Service awards such as campaign medals and long service awards, as appropriate;
 - any other remuneration and conditions of employment issues as directed by the DECA Board or Chief Executive;
 - have regard to the pay and employment conditions elsewhere in the Civil Service and the public sector pay policy;
 - updates from the RENCO Chair to the DECA Board on RENCO matters.
- 3.39. The quorum necessary for the RENCO membership is two NEDs. The membership of the RENCO includes:
- an independent NED who shall Chair the RENCO,
 - the MOD NED
 - DECA People and Transformation Director
 - the Chair of the Board (by invitation)

- 3.40. Only members of the Committee have the right to attend meetings of the RENCO. However, where it is considered necessary for the transaction of specific agenda items, the Chair of the RENCO may invite any or all of the following, as appropriate:
- the DECA Chief Executive,
 - the Chair of the Board
 - any other DECA Executive Director.
 - any other Subject Matter Expert (SME) from within DECA.

Annual Report and Accounts (AR&A)

- 3.41. The DECA Chief Executive is required to prepare an AR&A in accordance with legislation, directions and instructions issued by HM Treasury¹³. It provides details of DECA's business and financial performance over the previous financial year and includes a detailed financial statement which meets the accounting and disclosure requirements set by HM Treasury in the latest published Government Financial Reporting Manual. The financial statements are audited by the National Audit Office (NAO), and a certificate is included in the AR&A.

DECA Executive Management Board

- 3.42. The purpose of the DECA Executive Management Board is to provide effective leadership, direction and management of the Agency, and to support and advise the Chief Executive on the management of the DECA business. The Executive Management Board will ensure the day-to-day management of the Agency by:
- providing collective leadership for the organisation;
 - ensuring the business operates safely and securely, reviewing performance and managing risks;
 - managing business delivery and financial performance; and
 - taking action as necessary to ensure overall business performance is to the standards set by the Sponsor and within the remit prescribed in this document.
- 3.43. Where higher-level approval or endorsement is required, the Executive Management Board will make recommendations to the DECA Board. The membership of the Executive Management Board and the frequency of meetings is determined by the Chief Executive.

MOD DECA Performance and Risk Review

- 3.44. DECA reports, and is held to account, on its financial and non-financial performance, including achievement of objectives to the MOD on a regular basis through quarterly Performance and Risk Reviews (P&RR). The overarching purpose of these meetings is to provide support and challenge to DECA (Executive and Board) on key strategic issues. Meetings are chaired by DSOP on the Sponsor's behalf.

¹³ <https://www.gov.uk/government/collections/government-financial-reporting-manual-frem>

DECA Management Office (DECAMO)

- 3.45. DECA is supported in the development of its strategic priorities, future order book and delivery of agreed customer delivery targets by regular meetings of the DECAMO. Meetings are chaired by Director Combat Air as the principal MOD Customer on behalf of MOD.

DECA Corporate Plan

- 3.46. The DECA Corporate Plan sets out DECA's strategic direction and objectives for a rolling period of five years; these are aligned with MOD's strategic objectives. It is reviewed annually by the DECA Executive Management Board, endorsed by the DECA Board, approved by the Min(DP) via the Sponsor and encompasses:
- the strategy for delivering DECA's purpose and aim;
 - the main activities and investments that will deliver this strategy;
 - how success will be measured, including delivery against strategic objectives and key performance indicators as well as milestones and risks;
 - the wider strategic context and key underpinning assumptions and risks;
 - projection of the workload and revenues;
 - an overview of DECA's resources.

Risk Management

- 3.47. DECA operates risk management processes at all levels from corporate strategic risks through to functional directorate and project delivery risks in accordance with MOD policy and procedure. The DECA Audit and Risk Assurance Committee reviews the risk management strategy and in particular assesses the adequacy of the internal controls operating within all key processes in relation to risk identification, assessment, response and monitoring.
- 3.48. The ARAC operates as a sub-committee of the Board in accordance with Terms of Reference set by the Board. It is the responsibility of the ARAC to advise the Board of major and emerging risks and recommend measures to mitigate such risks.

4 POLICY FRAMEWORK

- 4.1. As part of MOD and the Government, DECA is bound by certain policies and standards, the main elements of which are set out in this section.

Parliamentary Accountability

- 4.2. Min(DP) remains accountable to Parliament on all matters concerning DECA and retains the right to intervene in the operations of DECA if public or Parliamentary concerns justify it.
- 4.3. The PAO is accountable in respect of the MOD accounts. As the Accounting Officer, the DECA Chief Executive is directly responsible to Parliament for the

stewardship of DECA's resources. Staff within DECA are subject to Cabinet Office's Guidance on Giving Evidence to Select Committees¹⁴.

- 4.4. Parliamentary Questions and other enquiries about DECA from Members of Parliament and Members of the Senedd Cymru, the Northern Ireland Assembly and the Scottish Parliament who specifically seek a Ministerial response are answered by Min(DP). Min(DP) may ask the Chief Executive to reply directly to correspondence and about issues delegated to them.

Parliamentary Commissioner for Administration

- 4.5. DECA is subject to the jurisdiction of the Parliamentary Commissioner for Administration. The Chief Executive is responsible for the preparation of replies on any matter concerning DECA.

Information Rights and Management

- 4.6. The Chief Executive is responsible to the SofS for complying with the requirements of the Freedom of Information Act (FOI), the Environmental Information Regulations, the Data Protection Act (DPA) and the General Data Protection Regulations (GDPR). The Chief Executive will ensure that adequate resources, appropriate structures, policies and processes are in place to enable MOD to meet its statutory information rights obligations in respect of information held by DECA or related to its activities.
- 4.7. DECA will follow information rights best practice standards identified by the MOD and as set out in Information Commissioner Guidance, and its performance will be included within the overall FOI performance reports provided by MOD to the Cabinet Office on a quarterly and annual basis. The MOD will provide policy, procedural, legal advice and support to DECA on information rights matters and an independent appeals process for the handling of complaints in accordance with the legislation and the related Statutory Codes of Practice.
- 4.8. DECA will follow MOD Information Policy to support compliance with legislation and preservation of an effective Departmental record of business. The information produced by DECA will be owned by MOD.

Health and Safety, Environmental Protection (HS&EP) and Sustainability

- 4.9. DECA will maintain and manage its responsibilities for health and safety at work and environmental protection in line with legislative, regulatory and policy requirements, including the SofS's Policy Statement. DECA is regulated by all appropriate external bodies including the Defence Safety Authority.
- 4.10. In accordance with SofS HS&EP Policy Statement, the Chief Executive's Letter of Delegation recognises the significant progress MOD has made in the governance and management of HS&EP in response to Peter Ryan's 2018 review of MOD Head Office governance of HS&EP. This places specific responsibilities and accountabilities on the Chief Executive for HS&EP in DECA

¹⁴https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/364600/Osmotherly_Rules_October_2014.pdf

and it is intentionally more expansive to establish a common platform from which DECA can contribute to the growth of the safety culture in Defence. In summary, the documents articulate a set of consistent principles to which the Chief Executive must ensure DECA adheres. These include; leadership and behaviour, a requirement to ensure that a Safety and Environment Management System (SEMS) is established and maintained and to ensure that managers with sub-delegated HS&EP authority are suitably qualified, competent and have adequate resources at their disposal.

- 4.11. The Defence Safety and Environmental Committee (DSEC), is the principal forum within Defence for the governance of HS&EP. The Chief Executive is to support the work of the DSEC and DECA nominates a representative to support the work of the HS&EP Functional Steering Group. The Chief Executive is to maintain a regular HS&EP governance meeting and a separate formal engagement meeting with local Trades Unions representatives where health and safety matters are discussed, in line with MOD's legal obligations as an employer.
- 4.12. DECA will incorporate sustainable development principles in all its strategies, policies, decision-making processes and associated programmes, projects and activities, as stipulated in the MOD's policy. Additionally, in relation to aspects of Health and Safety, Quality and Environmental Protection, DECA will maintain management systems that are independently certified to the relevant International Standards Organisation (ISO).

Organisational Certification

- 4.13. In order to meet best-practice standards as an employer and supplier, DECA will achieve and maintain accredited certification under ISO 9001 (Quality Management Standard) and ISO 14001 (Environmental Management System) and ISO 18001 (Occupational Health and Safety Management System) and ISO 27001 (Information Security Management Systems).

Commercial

- 4.14. Authority to award, sign or amend contracts or to deal with claims arising may only be exercised by Commercial staff with the appropriate delegation, or sub-delegation, issued to them by the MOD Chief Commercial Officer. The Chief Executive will work with the relevant Commercial and Finance teams to ensure financial approval, procurement activity and governance are secured for any third-party commitments arising within their budgetary control in a timely manner.
- 4.15. DECA's Commercial and Contracts Director has delegated authority from the MOD Chief Commercial Officer to enter into contractual commitments on behalf of the Secretary of State for Defence, and to sub-delegate this authority to licensed commercial officers in accordance with the Commercial Letter of Delegation issued to them. Annex A provides details of delegated limit from the MOD Chief Commercial Officer.

- 4.16. The MOD Chief Commercial Officer is responsible for commercial matters throughout the Department and must be consulted in case of doubt or dispute over important questions of principle.

Intellectual Property Rights (excluding Crown Copyright)

- 4.17. The MOD Head of Intellectual Property Rights (IPR) is responsible for authorising dealings with IPR under authority from the Office of Public Sector Information and the Secretary of State for Defence. This includes the exercising of statutory Crown privileges, assignments, authentication of the corporate seal and issuing power of attorney to agents for the Secretary of State, claims under and licensing of intellectual property and the payment of royalties and similar fees in respect of IPR.

Complaints from members of the Public

- 4.18. DECA should comply with MOD and Government guidance on dealing with complaints. Any external complaints or concerns can be raised by telephone, email or post via the contact details on the DECA page of GOV.UK.

Role of Defence Authorities

- 4.19. The MOD operates under a single, integrated framework of internal controls covering the entire Department. Defence Authorities, who are formally appointed by the Permanent Secretary, are a key aspect of this control function. These individuals are authorised to issue direction concerning specific areas of defence activity and are accountable for the associated internal controls. DECA will comply with Defence Authority directions unless specific exemption has been agreed.

MOD Functional Leadership

- 4.20. All MOD enabling organisations, including DECA, comply with strategies, policies, standards, and processes set by both Government and MOD Functional Owners, unless specific derogations have been agreed.
- 4.21. MOD Functions consult EOs, including DECA, on their strategies and any form of new policy, process or directive, prior to implementation.
- 4.22. If DECA judges that proposed changes would unduly hinder or obstruct the delivery of its delegated responsibilities (for example contradictions to its management freedoms), it can make a case for exemption to the relevant Functional Owner.
- 4.23. Resolution of disagreements between DECA and MOD Functions takes place at the lowest possible level. If a disagreement remains, the MOD Functional Leader and the relevant DECA Executive Director will jointly escalate in line with the process outlined in the relevant Functional Operating Model, with appropriate engagement with the MOD Functional Owner and DECA Chief Executive if this is necessary.
- 4.24. The final arbiter for disagreements is the Perm Sec, via the MOD COO. Any submissions must have been visible to all parties affected, and there must have

been the opportunity for both sides to respond and/or explain before a submission is formally made. Further information can be found in the Defence Operating Model¹⁵.

5 HUMAN RESOURCES

- 5.1. DECA operates a Human Resources (HR) framework in accordance with Civil Service principles and its delegated freedoms. The Chief Executive will maintain an HR management strategy that enables DECA to recruit, retain, develop and motivate customer-focussed staff from all parts of the community, and with the appropriate skills and expertise, to meet its aims and objectives while observing the principle of equitable treatment of all.

Status of Staff and Conditions of Service

- 5.2. Civil Service Terms and Conditions of Service apply to the rates of pay and allowances paid to the staff and to any other party entitled to payment. Payment shall be made in accordance with the Civil Service Management Code.
- 5.3. The Chief Executive has authority for setting the terms and conditions of service for all DECA staff below SCS level (in line with Civil Service Terms and Conditions of Service), including pay bargaining, under their Letter of Delegation.
- 5.4. The terms and conditions of SCS staff are determined by MOD in accordance with Government policies and constraints and postings will be managed in consultation with MOD's Director of HR. Remuneration for the SCS will be set by MOD Civilian HR.
- 5.5. The terms and conditions of the DECA Chair and independent NEDs on the DECA Board are determined by MOD and set out in their individual appointment letters. While their fees and expenses are paid by DECA, they are not civil servants or DECA employees.

Staff Recruitment and Retention

- 5.6. The Chief Executive has delegated authority to manage DECA's staff complement up to the level of the SCS and to recruit to fill vacant posts directly, determining their tenure and other conditions of appointment.
- 5.7. DECA will retain, and potentially be able to expand, its capacity to fulfil its core function.^{16, 17}
- 5.8. The Chief Executive will maintain the optimum balance of civilian employees and contract staff to ensure the most effective and efficient delivery of DECA business. The Chief Executive may sub-delegate this role to the People and Transformation Director.

¹⁵

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/920219/20200922-How_Defence_Works_V6.0_Sep_2020.pdf

¹⁶ This work may come from MOD or industry customers providing it is in support of Defence related activity and/or is of benefit to Defence.

¹⁷ This is subject to any controls applied by MOD Head Office.

- 5.9. DECA will maintain succession plans so that it can quickly replace departing key staff with suitably qualified and competent persons and minimise any adverse consequences to the organisation's performance. Such plans will respect the principle of fair and open competition for posts and appointments on merit.
- 5.10. DECA supports the MOD's achievement of Government targets for apprenticeships, as set out in the Enterprise Act and Apprenticeships, Skills, Children and Learning Act.

Vetting

- 5.11. DECA is a fee-paying customer of vetting services from the United Kingdom Security Vetting (UKSV) organisation.

Staff Conduct and Discipline

- 5.12. All DECA staff are expected to comply with the Civil Service Code and its standards of integrity, honesty, objectivity and impartiality and uphold the highest professional standards.
- 5.13. The Chief Executive will ensure that civilian disciplinary and poor performance cases are handled appropriately. They will have full powers, within their delegation, in matters relating to the conduct of all employees, which include dismissal, demotion, and loss of seniority, loss of pay, reprimands and postings.

Employee Relations and Trades Unions

- 5.14. The Chief Executive will ensure that staff are fully consulted about any proposed changes to terms and conditions of service. DECA follows the DECA Trades Unions Engagement Process and MOD Employee Relations Framework Agreement and will engage openly and constructively with recognised Trades Unions in discussing proposals for changes affecting DECA staff. Any decisions around recognition or derecognition of Trades Unions remain with the MOD Civilian Employee Relations Team.

Whistleblowing

- 5.15. Whistle-blowing procedures are consistent with the Public Interest Disclosure Act and the MOD whistleblowing policy.

Diversity and Inclusion

- 5.16. The Chief Executive will promote best practice for Diversity and Inclusion. As a minimum, they will ensure compliance with all applicable legislation and MOD's Equality and Diversity policy. They will endeavour to ensure that DECA staff are provided with a working environment free from discrimination and harassment.

Welfare

- 5.17. The Chief Executive will ensure the welfare of the DECA's staff and contractors and any visitors to the DECA's sites, ensuring compliance with all statutory requirements and MOD policy.

Pensions, Redundancy and Compensation

- 5.18. DECA's staff shall normally be eligible for a pension provided by Civil Service Pensions. Staff may opt out of the occupational pension scheme provided, but employers' contributions to any personal pension arrangement, including stakeholder pension, shall normally be limited to the National Insurance rebate level.
- 5.19. Any proposal by DECA to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires prior approval of the MOD. Proposals on severance must comply with the rules contained in *Managing Public Money*.

6 FINANCIAL CONTROL FRAMEWORK

Management and Financial Responsibilities

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

- 6.1. Unless agreed by the Department and, as necessary by HM Treasury, DECA shall follow the principles, rules, guidance and advice in *Managing Public Money*, referring any difficulties or potential bids for exceptions to MOD in the first instance.
- 6.2. Once the budget has been approved by the MOD (DG Finance) and subject to any restrictions imposed by statute, Min(DP)'s instructions through the Perm Sec and this document, DECA shall have authority to incur expenditure approved in the budget without further reference to the MOD, on the following conditions:
 - DECA shall comply with the delegated financial limits agreed with MOD (DG Finance) and set out in an annual delegation letter issued prior to the commencement of a new financial year. These delegations shall not be altered without the prior agreement of MOD (DG Finance).
 - DECA shall comply with *Managing Public Money* regarding novel, contentious or repercussive proposals and all such items will be referred to D Finance Strategy for agreement with Her Majesty's Treasury (HMT) as necessary;
 - inclusion of any planned and approved expenditure in the budget shall not remove the need to seek formal Departmental approval where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed;
 - DECA shall provide MOD with such information about its operations, performance individual projects or other expenditure as MOD may require.

Business model

- 6.3. DECA will comply with *Managing Public Money* and other government-wide corporate guidance and instructions. As part of the MOD it will comply with the standard financial policy processes and rules as set by the MOD DG Finance. At

all times it will act within its delegated limits both for its operating costs and the programme of work. The limits are set out in the Chief Executive's Letter of Authority (see Annex A for further details).

- 6.4. DECA will provide the financial information that is requested by MOD to allow MOD to manage its financial processes, taking into account the requirements and timescales associated with the annual planning and budgeting round and the publication of the MOD's AR&A. This will include the information required to support the production of MOD's AR&A particularly on inventory and assets.

Charging

- 6.5. In compliance with the guidance in *Managing Public Money* chapter 6 (and its annexes), DECA will charge internal MOD customers and external customers in line with the full cost of each service it provides. Any fees charged for services provided to external, private sector customers will be set at full cost in full compliance with the guidance in *Managing Public Money* chapter 6 (and its annexes) and, as part of that, in reliance on an appropriate power to charge.
- 6.6. Single Source Contract Regulations do not apply to DECA when charging for its services to MOD and industry as they contract on behalf of the Secretary of State for Defence.
- 6.7. The revenue DECA raises from charging will cover its operating costs and MOD will not provide a budget for DECA. DECA is responsible for all income and expenditure incurred by the Agency.

Provision of financial information to MOD

- 6.8. DECA will provide the financial information that is required to allow MOD to manage its financial processes, taking into account the requirements and timescales associated with In-Year Management (IYM) reporting, annual planning and budgeting round and the publication of the MOD's Annual Report and Accounts.

Assets

- 6.9. DECA retains, maintains and renews only the assets needed for its business and disposes of any surplus land, buildings, plant and equipment to achieve economy in its operations.
- 6.10. Any proposals to significantly alter the assets held by DECA will be considered during the corporate planning process for endorsement by the DECA Board and approval by Min(DP). Appraisals for all major investments are undertaken in accordance with HM Treasury guidance.
- 6.11. DECA will have the freedom and the delegation (up to the value of DECA's delegated threshold, notwithstanding additional considerations per the Letter of Delegation) to invest towards the maintenance and upgrade of the assets (contingent on the outcome of funding made available from the ABC process) and will determine the future utilisation of these assets to support its overall business strategy agreed with Min(DP).

- 6.12. The assets appointed to the Agency are listed in the MOD Single Balance Sheet Owners' (SBSO) accounts. DE&S are the SBSO for equipment assets and Defence Infrastructure Organisation (DIO) for Land and Buildings.
- 6.13. DIO and DE&S will inform DECA of any change to DECA's asset values, and these will be charged or credited to DECA's accounts.
- 6.14. DECA will adhere to DIO standards, rules and procedures. DIO are the default provider for DECA Estate and Facility Management Services unless there is a Value for Money case made to the Defence Authority to deviate.
- 6.15. In delivering the day-to-day running of its business, DECA utilises MOD's corporately-provided enabling services. Where DECA has existing contracts to provide services outside of MOD shared service arrangements (for instance, payroll), these can continue. When existing contracts are due to expire, DECA conducts an investment appraisal to consider whether extending pan-MOD or wider Government arrangements to DECA would offer better value for money for Defence, before establishing new contracts.
- 6.16. New contracts are placed through Crown Commercial Services, unless it is confirmed that it cannot meet the requirement.

Liabilities

- 6.17. MOD is responsible for all DECA liabilities, but DECA is trusted to manage them. MOD is also responsible for the settlement of third-party claims in respect of incidents that occurred prior to 1st April 2015.

Capital Investment

- 6.18. DECA's capital investment programme is set out in the Corporate Plan following consideration and endorsement by the DECA Board (see Annex A for delegation approval limits).

Internal Audit

- 6.19. The Chief Executive and the DECA Audit and Risk Assurance Committee shall establish and maintain arrangements for internal audit in accordance with the Public Sector Internal Audit Standards. Defence Internal Audit (DIA) provide internal audit services for DECA and also act as Head of Internal Audit for DECA.
- 6.20. DIA must have continuous unrestricted access to all records, personnel, property and operations of the MOD including its arms-length bodies, with strict responsibility for confidentiality and safekeeping, and compliance with all statutory instruments relating to the use, retention and disclosure of data. DIA may attend Audit and Risk Assurance Committee meetings as observers.

Internal Control

- 6.21. As Accounting Officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control in accordance with Government guidance. This review shall be informed by the work of the internal auditors and

by the senior managers within the organisation who have responsibility for the development and maintenance of the internal control framework. This is augmented with advice from external auditors.

- 6.22. The Chief Executive provides regular updates to the DECA Board and ARAC to address any weaknesses, lessons learned and to ensure continuous improvement.

External audit

- 6.23. The Comptroller & Auditor General (C&AG) audits DECA's annual accounts and the MOD Parliamentary Team then lays them before the House of Commons.

Right of access

- 6.24. The MOD has the right of access to all DECA records and personnel for any purpose including, for example, sponsorship audits and operational investigations.

Responsibilities under Competition Law

- 6.25. Whilst DECA will retain the ability to compete directly for MOD work that is offered through a competitive tendering process, MOD use of DECA is an in-house solution and therefore outside the scope of Defence and Security Public Contract Regulations (DSPCR) 2011 and Public Contract Regulations (PCR) 2015. Delivery teams should utilise DECA on a single source basis without the need for competition where value for money can be demonstrated.
- 6.26. In the provision of any services which compete with private sector suppliers of similar services, DECA will ensure that it is, and is seen to be, fully compliant with competition (anti-trust) legislation and that it operates in full compliance with the guidance in *Managing Public Money* including the guidance in chapter 6 on fees, charges and levies. As part of that, DECA will amongst other things ensure that the issue of misuse of dominant position in a market sector does not arise.

7 REVIEW OF DECA

Review of DECA's status

- 7.1. DECA will be reviewed in line with MOD and Cabinet Office requirements.

Arrangements in the event of DECA's termination

- 7.2. Should circumstances require the dissolution of DECA, MOD shall put in place arrangements to ensure the orderly wind-up of DECA. It should ensure that the assets and liabilities of DECA are passed to any successor organisation or the Department and accounted for properly. To this end:
- MOD should ensure procedures are in place for DECA 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;

- DECA should provide MOD with full details of all agreements where DECA or its successors have a right to share in the financial gains of developers as well as details of other forms of claw-back due to DECA;
- MOD should specify the basis for the valuation and accounting treatment of DECA's assets and liabilities;
- DECA is to ensure that arrangements are in place to prepare closing accounts and pass to the C&AG for external audit, and that funds are in place to pay for such audits. It shall be for the C&AG to lay the final accounts and their report on the accounts in Parliament;
- MOD is to arrange for the most appropriate person to sign the closing accounts. In the event that another ALB takes on the role, responsibilities, assets and liabilities, the succeeding Accounting Officer should sign the closing accounts. If the Department inherits the role, responsibilities, assets and liabilities, the PAO should sign the closing accounts.

Duration of the Framework Document

- 7.3. This Framework shall be reviewed by the MOD, with the assistance of DECA, at three yearly intervals, and when a new Chief Executive is appointed, if required. Amendments may be proposed for mutual consideration whenever either party considers this necessary.
- 7.4. This Framework Document will take effect from January 2022. The next scheduled review of this document shall take place no later than January 2025.

DECA

MOD

ANNEX A: Framework for Specific Major Business Proposals and Government efficiency constraints

In general, the DECA Chief Executive may exercise the financial authority delegated by the PAO. However, in accordance with *Managing Public Money*, all expenditure which is novel, contentious or repercussive, or in some other way at odds with HM Treasury guidance, must be approved by HM Treasury. Before incurring any such expenditure DECA should seek advice and agreement from Head Office Finance before seeking the Department's approval.

The overriding constraint relates to the need to ensure full compliance with *Managing Public Money* and other government-wide corporate guidance and instructions. Subject to that, these governance arrangements (set out in the table below) are reviewed from time to time by the Owner in conjunction with the DECA Chair and Chief Executive. Additional external approvals may also be required. Thresholds relate to proposals' whole life costs.

| Type of Expenditure ¹⁸ or other item | Threshold above which the DECA Chief Executive will seek the DECA Board's endorsement ¹⁹ | Threshold above which DECA Chief Executive will seek the Owner's approval ²⁰ |
|--|---|---|
| 1. Approval Thresholds | | |
| Capital expenditure (excluding property) included in the Corporate Plan | £2,000,000 | £5,000,000 |
| Capital expenditure (excluding property) not included in, or going beyond, the Corporate Plan | £1,000,000 | £4,000,000 |
| Non-capital investment and expenditure (excluding property) included in the Corporate Plan | £2,000,000 | £5,000,000 |
| Non-capital investment and expenditure (excluding property) not included in, or going beyond, the Corporate Plan | £1,000,000 | £5,000,000 |
| Capital Expenditure on Land and Buildings (excluding maintenance) | £500,000 | £5,000,000 |
| 2. Other Financial Commitments | | |
| Actions leading to write-offs/write downs | £500,000 | £1,000,000 |
| 3. Bids and Sales Contracts | | |
| Aggregate value of binding bids and sales contracts specified in the Corporate Plan | £5,000,000 | £20,000,000 |
| Aggregate value of binding bids and sales contracts not specified or going beyond the Corporate Plan | £3,000,000 | £12,000,000 |

¹⁸ All expenditure will additionally be subject to DECA's own internal approvals processes.

¹⁹ All expenditures should be subject to DECA's own internal approvals processes

²⁰ The approval route is sequential i.e. DECA must consult the Board; then approach D Res HO&CF for advice and agreement before securing the Owner's approval.

ANNEX B: Compliance with government-wide corporate guidance and instructions

DECA shall comply with the following general guidance documents and instructions:

- Appropriate adaptations of sections of Corporate Governance in Central Government Departments: Code of Good Practice
<https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments>
- Code of Conduct for Board Members of Public Bodies
<https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies>
- Code of Practice for Ministerial Appointments to Public Bodies
<https://publicappointmentscommissioner.independent.gov.uk/wp-content/uploads/2017/01/New-Code-of-Practice-for-Ministerial-Appointments-to-Public-Bodies-August-2009.pdf>
- Managing Public Money
<https://www.gov.uk/government/publications/managing-public-money>
- Public Sector Internal Audit Standards
<https://www.gov.uk/government/publications/public-sector-internal-audit-standards>
- Management of Risk: Principles and Concepts:
<https://www.gov.uk/government/publications/orange-book>
- HM Treasury Guidance on Tackling Fraud
https://webarchive.nationalarchives.gov.uk/20130102192905/http://www.hm-treasury.gov.uk/d/managing_the_risk_fraud_guide_for_managers.pdf.pdf
- Government Financial Reporting Manual (FReM),
<https://www.gov.uk/government/publications/government-financial-reporting-manual-2018-to-2019>
- Fees and Charges Guide, Chapter 6 of Managing Public Money;
- Departmental Banking: A Manual for Government Departments, annex 5.6 of Managing Public Money;
- Relevant Dear Accounting Officer letters
<https://www.gov.uk/government/collections/dao-letters>
- Regularity, Propriety and Value for Money
https://webarchive.nationalarchives.gov.uk/20130102173401tf/http://www.hm-treasury.gov.uk/psr_governance_valueformoney.htm
- The Parliamentary and Health Service Ombudsman's Principles of Good Administration
<http://www.ombudsman.org.uk/improving-public-service/ombudsmansprinciples>

- Consolidation Officer Memorandum, and relevant DCO letters;
- Relevant Freedom of Information Act guidance and instructions (Ministry of Justice);
- Model Code for Staff of Executive Non-Departmental Public Bodies (Cabinet Office);
- Other relevant guidance and instructions issued by the Treasury in respect of Whole of Government Accounts;
- Other relevant instructions and guidance issued by the central Departments;
- Specific instructions and guidance issued by the sponsor Department;
- Recommendations made by the Public Accounts Committee, or by other Parliamentary authority, that have been accepted by the Government and relevant to DECA.

ANNEX C: Glossary

| | |
|----------|---|
| ABC | Annual Budgeting Cycle |
| AO | Accounting Officer |
| AR&A | Annual Report and Accounts |
| ARAC | Audit and Risk Assurance Committee |
| C&AG | Comptroller & Auditor General |
| CDP | Chief of Defence Personnel |
| CE | Chief Executive |
| COO | Chief Operating Officer |
| DECA | Defence Electronics and Components Agency |
| DE&S | Defence Equipment and Support |
| DIA | Defence Internal Audit |
| DIO | Defence Infrastructure Organisation |
| DOM | Defence Operating Model |
| DPA | Data Protection Act |
| DSEC | Defence Safety and Environmental Committee |
| DSOP | Directorate for Sponsorship and Organisational Policy |
| FOI | Freedom of Information Act |
| FReM | Financial Reporting Manual |
| HMT | Her Majesty's Treasury |
| HR | Human Resources |
| IPR | Intellectual Property Rights |
| IYM | In Year Management |
| LEC | Locally Engaged Civilians |
| Min (DP) | Minister for Defence Procurement |
| MOD | Ministry of Defence |
| NAO | National Audit Office |
| NED | Non-Executive Director |
| PAO | Principal Accounting Officer |
| P&RR | Performance and Risk Reviews |
| RENCO | Remuneration and Nomination Committee |
| SBSO | Single Balance Sheet Owners |
| SCS | Senior Civil Service |
| SEMS | Safety and Environment Management System |
| SLA | Service Level Agreements |
| SME | Subject Matter Expert |
| SofS | Secretary of State |
| UKSV | United Kingdom Security Vetting |