



Department
for Transport

Framework Document

*Between the Department for Transport and
East West Railway Company Limited (EWR Co)*

Connecting People and Places

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Glossary of terms

"**Accounting Officer**", or "**AO**" is the Chief Executive or another officer of the company as designated by the PAO from time to time;

"**Annual Report and Accounts**" means the strategic report, directors report, and other statements published alongside the annual statement of accounts required to be audited by the National Audit Office;

"**Articles**" means the articles of association of the Company, as updated from time to time;

"**Audit Committee**" means the audit committee of the Company;

"**Board**" means the Board of Directors of the Company;

"**Budget**" means the most recent budget allocation provided to the Company by the Department;

"**Business Plan**" means the most recent Business Plan agreed between the Secretary of State and the Company, following the process set out in this Framework Document;

"**Cabinet Office**" means Government's Cabinet Office;

"**Centres of Excellence**" or "**COEs**" means The Department for Transport's internal Centres of Excellence;

"**Chair**" means the chair of the Company;

"**Chief Executive**" means the chief executive of the Company;

"**Code of Conduct for Board Members of Public Bodies**" means the guidance of the same name, published by Cabinet Office from time to time;

"**Companies Act**" means the Companies Act 2006;

"**Corporate Plan**" means the most recent Corporate Plan agreed between the Secretary of State and the Company, following the process set out in this Framework Document;

"**Delegated Authorities Letter**" means letters sent from the Department's Principal Accounting Officer to the Company's Accounting Officer, setting out the financial and corporate authorities delegated by the Department to the Company in relation to the East West Rail project;

"**Department**" means the Department for Transport;

"**Development Agreement**" refers to a legal document between The Company and the Department that sets out the roles, responsibilities and requirements on both parties, and it contains obligations that have a legal, contractual effect

"**Director**" means a statutory director of The Company;

"**Finance Director**" means the Finance Director of the Company;

"**Framework Document**" means this framework document;

"**FReM**" means the Government Financial Reporting Manual issued by HM Treasury;

“Governance Code for Public Appointments” means the guidance of the same name, published by the Cabinet Office from time to time;

“Governance Documents” means (i) the Articles; (ii) Budget; (iii) Business Plan; (iv) this Framework Document; (v) Delegated Authorities Letter; (vi) Sponsors Requirements, and any other document that the Company and Department agrees is defined as such;

“Government” means the UK Government;

“HM Treasury” means Her Majesty’s Treasury;

“IFRS” means International Financial Reporting Standards;

“Managing Public Money” means the guidance of the same name, published by HM Treasury from time to time;

“NDPB” means a Non-Departmental Public Body;

“Parliament” means the UK Parliament;

“Principal Accounting Officer”, or **“PAO”** is the Department's Permanent Secretary;

“Public Accounts Committee” is the Parliamentary committee of the same name;

“Secretary of State” means the Secretary of State for Transport;

“Shareholder Nominated Director” means a non-executive Director directly appointed and nominated as such by the Secretary of State;

“Shareholder Team” is the Department’s team that manages the Secretary of State’s strategic sponsorship and shareholder interests in the Company on his/her behalf, as supported by UKGI at their request;

“UK Corporate Governance Code” means the Financial Reporting Council’s UK Corporate Governance Code.

“UKGI” means UK Government Investments Limited, a UK limited company wholly owned by HM Treasury.

The Framework Document

This Framework Document has been drawn up by the Department for Transport in consultation with EWR Co. This document sets out the broad framework within which the EWR Co will operate. The document does not convey any legal powers or responsibilities. It is signed and dated by the Department and EWR Co. 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 EWR Co website. This document is to be read in conjunction with the latest version of the Development Agreement, the Corporate Plan, the Business Plan and the Delegated Authority letters.

Purpose of the EWR Co.

1.1 Under the Companies Act, the EWR Co has been set up to support the strategic aims and Business Plan of the Department for Transport, sponsor Department(s).

1.2 The EWR Co's main aim is to connect Oxford and Cambridge by rail. Providing the Company is granted consent for the Bedford to Cambridge section by the Secretary of State, then the Company shall achieve this by developing, designing and delivering the necessary plans, infrastructure, specification and rolling stock to provide for an operational service; the elements of which are to be delivered by the Company directly, or by other suppliers (including, where appropriate, the Department), according to specification set out by the Department. The Company's secondary purpose is to demonstrate that using approaches different to those currently in use by Network Rail (or others) can offer benefits to government and/or end users or their communities.

1.3 EWR Co has a duty to support the Secretary of State's fulfilment of his statutory duties under relevant legislation including the Railway Act 1993 (and subsequent amendments), as well as fulfilling its obligations to the Office of the Rail Regulator (ORR).

1.4 The EWR Co mission statement is: *To be a force for industry change, for the people and communities that we serve.*

1.5 The geographical Scope of EWR Co is the United Kingdom of Great Britain.

Partnership Relationship

2 The Department for Transport is the responsible Department for EWR Co.

2.1 The Department and the EWR Co will have an open and honest, trust-based partnership supported by the principles set out in the **Cabinet Office 'Partnerships between Departments and Arms-Length Bodies; Code of Good Practice'** and the Departments own guide: **'DfT's Approach to Delivery Body Partnership'**. As such, both parties will ensure they

clearly understand the strategic aims and objectives of their partners. Both partners will also commit to keeping each other informed of any significant issues and concerns.

2.2 The EWR Shareholder team in the Department is the primary contact for EWR Co. The Department is the main source of advice to the responsible minister on the discharge of his or her responsibilities in respect of EWR Co. They also support the DfT Principal Accounting Officer (PAO) in discharging their responsibilities in respect to the EWR Co.

Governance and accountability

3 EWR Co's legal origins of powers and duties

3.1 EWR Co is administratively classified as a Non-Departmental Public Body by the Cabinet Office, and as such is subject to the Civil Service Pay Remit Guidance. They are financially classified as central government body by the ONS.

4 Overall aims

4.1 The Secretary of State/responsible Minister(s) has agreed that, subject to 1.3, the aims of EWR Co should be as follows:

- i) Optimise and Outperform the Business Case
- ii) Set a New Benchmark for Customer Experience

5 Ministerial responsibility

5.1 The Secretary of State and the relevant Junior Minister will account for EWR Co business in Parliament.

5.2 As sole shareholder in EWR Co the Secretary of State also has specific responsibilities that include:

- Holding EWR Co's Board to account for its governance of the Company and its performance and ensuring that EWR Co is guided and monitored in the public and taxpayer interest;
- setting the aims and objectives of the Company (as set out in the Company's Articles of Association, this Framework document and associated documents);
- discharging any reserved matters that might be set out in the Company's Articles of Association from time to time;
- making decisions or giving approvals reserved to the Secretary of State elsewhere in this document, or securing same from elsewhere in government;

- giving account to Parliament of the performance of the Company, which will include laying the Annual Report and Accounts of the Company before Parliament each year;
- approving the amount of grant-in-aid to be paid to the Company and securing Parliamentary or HM Treasury approval if necessary;
- appointing the Chair, in accordance with the *Governance Code for Public Appointments*¹ (the Company Chair being identified by Government and the Commissioner as a 'significant appointment')
- nominating a Shareholder Nominated Director;
- approving appointments of other Non-Executive Directors and the Chief Executive;
- setting the remuneration for (i) the Chair and other non-executive Directors; and (ii) approving remuneration of the Chief Executive and other executive Directors; and (iii) any other remuneration issues reserved to the Secretary of State, as set out elsewhere in this document (The approval of the Chief Secretary to HM Treasury will be sought when required to do so by public sector pay guidance, as updated from time to time);
- if given due cause, removing a member of the Board from their position in accordance with the relevant provisions of the Companies Act 2006 and subject to the terms of their appointment letter; and
- annually review the performance of the Chair (or designating an agent to do so on his/her behalf), taking account of advice and feedback from the Senior Independent Director, if there is one.

6 Contact and Engagement

6.1 The relationship between DfT and its Delivery Bodies is critically important and needs careful management. The quality of this relationship influences the ability of the Body to do its job, and is important in ensuring value for money and proper accountability. Effective partnerships between the Department and its Delivery Bodies should be characterised by trust, mutual respect, communication, evidence based assurance and by being clear about what we can expect from EWR Co and what EWR Co can expect from the Department.

6.3 The Department has an EWR Co shareholder team whose responsibility is to manage the day-to-day relationship between the Department and EWR Co. What this means in practice can vary considerably, depending on the size and nature of the body but for EWR Co will include;

¹ <https://www.gov.uk/government/publications/governance-code-for-public-appointments>

- Acting as a focal point of contact for the Delivery Body, providing clear and timely communications about central requirements.
- Assisting the body's Chief Executive in working through the implications of any recommendations emerging from formal reviews that cover the Delivery Body.
- Advising the body's Chief Executive of central policy developments that might impact on the Delivery Body, steering their activities to ensure the body effectively supports the delivery of Departmental objectives.
- Establishing and maintaining a good relationship with the Delivery Body's Board, Chair and Chief Executive.
- Providing assurance to the Permanent Secretary and DfT's Board (supported by the Group Audit and Risk Assurance Committee (GARAC) and Internal Audit) on the effectiveness of the body's governance structures and processes.
- Agreeing a framework for strategic performance management.
- Actively monitoring performance against agreed targets and objectives set out in the body's business/delivery plans.
- Reviewing the Delivery Body's risks (including their operational risks, reputational risks, and project risks) and informing the body about any Departmental risks that might impact on them.
- Guiding the business case for Tier 1 and Tier 2 projects/programmes through the DfT assurance and approvals process.
- Guiding the Tier 1 and Tier 2 commercial activities through the DfT governance process
- Managing the flow of information between the Delivery Body and the DfT Centres of Excellence around project and programme investment spending decisions including details around pipeline of expenditure.
- Seeking assurance from the body that the project/programme is on track to deliver to time, budget and quality.
- Periodically carry out an assessment of the risks both to the Department and the EWR Co objectives and activities.
- Organising a Shareholder Board (between the Department and EWR Co) which will meet regularly to provide opportunity for the Department to receive reports from the Company, review progress and discuss decisions above delegations; and
- Challenge the EWR Co. on its plans and performance.

6.4 The Department has shareholder and client teams, to keep the functions of shareholder and client separate:

- The Shareholder Team, under the Director responsible for HSMRPG manages Government's corporate relationship with the Company and is the first point of contact

on issues such as corporate capability, remuneration, delegations and overall performance

- The Client Team, under the Director responsible for HSMRPG manages the policy and client relationships for the agreed outputs with EWR Co.
- Together these teams are responsible for liaising with the Company on all aspects of its work and are the first point of contact between Government and the Company. The clear separation of the shareholder from the client function ensures clarity and transparency in decision making as between shareholder, policy, regulation and customer interests
- To ensure that EWR Co does not receive conflicting instructions from the Department, the Shareholder and Client Teams will work together to ensure clarity and consistency in respect of Departmental advice, decisions and instructions; and
- periodically carry out an assessment of the risks both to the Department and EWR Co's objectives and activities

6.5 In addition to routine and policy lead contact between the Department and EWR Co, meetings will take place between:

- The Minister of State and the CEO of EWR Co as and when required

6.6 Any disputes between the Department and EWR Co shall be resolved in accordance with the Dispute Resolution Procedure set out at Schedule 4 (Dispute Resolution Procedure) of the Development Agreement.

7 Department for Transport - Principal Accounting Officer (PAO) specific accountabilities and responsibilities

7.1 The DfT PAO will ordinarily designate the chief executive as EWR Co's accounting officer. (The respective responsibilities of the PAO and Accounting Officers for NDPBs are set out in **Chapter 3 of *Managing Public Money*** which is sent separately to the accounting officer on appointment.)

7.2 The PAO is accountable to parliament for the issue of any Grant-In-Aid to EWR Co. The PAO is also responsible for advising the responsible minister:

- on an appropriate framework of objectives and targets for EWR Co in the light of the Department's wider strategic aims and priorities;
- on an appropriate budget for EWR Co in the light of the sponsor Department's overall public expenditure priorities; and

- how well the EWR Co is achieving its strategic objectives and whether it is delivering value for money.

7.3 The PAO is also responsible for ensuring arrangements are in place to:

- monitor the EWR Co business activities;
- monitor the effectiveness of EWR's governance arrangements
- address significant problems in the EWR Co, making such interventions as are judged necessary;
- periodically carry out an assessment of the risks both to the Department and the EWR Co objectives and activities;
- inform the EWR Co of relevant government policy in a timely manner; and
- bring concerns about the activities of the EWR Co to the full EWR Co board, and, as appropriate to the Departmental board requiring explanations and assurances that appropriate action has been taken.

8 Responsibilities of the EWR Co Chief Executive Officer as EWR Co accounting officer

General

8.1 The Chief Executive Officer (CEO), as EWR Co's accounting officer 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 the EWR Co.

In addition, the CEO should ensure that the EWR Co 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 in addition in line with the '**DfT Controls Approvals**' guide.

CEO Responsibilities for accounting to parliament

8.2 The accountabilities include:

- 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 any directions issued by the Secretary of State;

- preparing and signing a Governance Statement covering corporate governance, risk management and assurance of any local responsibilities, for inclusion in the annual report and accounts;
- ensuring that effective procedures for handling complaints about the NDPB are established and made widely known within the EWR Co;
- acting in accordance with the **terms of this Document, HMT Managing Public Money** and other instructions and guidance issued from time to time by the Department, the Treasury and the Cabinet Office; and
- giving evidence, normally with the PAO, when summoned before the Public Accounts Committee on the Delivery Body stewardship of public funds.

CEO Responsibilities to the Department for Transport

8.3 Responsibilities to the Department for Transport include:

- establishing, in agreement with the Department, EWR Co Corporate and Business Plans in the light of the Department's wider strategic aims and mutually agreed priorities;
- informing the Department of progress in helping to achieve the Department's policy objectives and in demonstrating how resources are being used to achieve those objectives;
- ensuring that timely forecasts and monitoring information on performance and finance are provided to the Department; that the Department is notified promptly if over or under spends are likely and that corrective action is taken; and that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the Department in a timely fashion;
- Ensuring an effective complaints handling procedure is in place for citizens in line with the Departments agreed policy '**Charter – Principles for Remediating Complaints**' and in accordance with the **Parliamentary & Health Service Ombudsman's (PSHOs) 'Principles of Good Administration'**; and
- Advising the Departments Permanent Secretary (as PAO) of every investigation initiated by the PHSO following a complaint by a Member of Parliament on behalf of a citizen, including the outcome and whether the EWR Co has complied with the recommendations made by the PHSO in full, in part or not at all.

CEO Responsibilities to the board

8.4 The chief executive is responsible for:

- advising the board on the discharge of the EWR Co responsibilities as set out in this Document, in the founding legislation and in any other relevant instructions and guidance that may be issued from time to time;
- advising the board on the EWR Co performance compared with its aim[s] and objectives;
- ensuring that financial considerations are taken fully into account by the Board at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed; and
- acting as set out in **paragraph 3.8.6 of *Managing Public Money*** if the board, or its Chair, is contemplating a course of action involving a transaction which the chief executive considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration, efficiency or effectiveness, is of questionable feasibility, or is unethical.

9. The EWR Co Board

9.1 The EWR Co board should ensure that effective arrangements are in place to provide assurance on risk management, governance and internal control. The Board must set up an Investment Committee, an Audit and Risk Committee and a Remuneration Committee. Each Committee shall be chaired by an independent, non-executive Director to provide independent advice on these and other related matters to the Board. The Shareholder Nominated Director will be a member of both the Audit and Remuneration Committees. The board is expected to assure itself of the effectiveness of the internal control and risk management systems.

9.2 The board is specifically responsible for:

- establishing and taking forward the strategic aims and objectives of EWR Co, holding the executive board members to account for the effective and efficient delivery of the Business Plan, consistent with its overall strategic direction and within the policy and resources framework determined by the Secretary of State;
- ensuring that the responsible minister is kept informed of any changes which are likely to impact on the strategic direction of the EWR Co Board or on the attainability of its targets, and determining the steps needed to deal with such changes;
- ensuring that any statutory or administrative requirements for the use of public funds as set out in **Managing Public Money** are complied with;
- that the board operates within the limits of its statutory authority and any delegated authority agreed with the Department, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Board takes into account guidance issued by the Department;

- ensuring that the board receives and reviews regular financial information concerning the management of EWR Co; is informed in a timely manner about any concerns about the activities of EWR Co; and provides positive assurance to the Department that appropriate action has been taken on such concerns;
- demonstrating high standards of corporate governance at all times, including by using the independent Audit Committee to help the Board to address key financial and other risks;
- appoint (in consultation with the Secretary of State) a chief executive and, in consultation with the Department, set performance objectives and remuneration terms linked to these objectives for the chief executive which give due weight to the proper management and use and utilization of public resources; and
- Any Shareholder Appointed Director has the same responsibilities, as a Board member, as other Directors, sharing in the collective responsibilities of the Board and fostering collegiate working relationships with Non-Executive and Executive Board members and colleagues. Without prejudice to, and mindful of, these duties he or she will provide an insight into Government thinking and approach on issues affecting the Company as well as on the Government's wider views and priorities.

The Chair's personal responsibilities

9.3 The Chair is responsible to the named minister.

Communications between the EWR Co board and the responsible minister should normally be through the Chair. The chair is responsible for ensuring that policies and actions of EWR Co support the responsible minister's wider strategic policies and that its affairs are conducted with probity. Where appropriate, these policies and actions should be clearly communicated and disseminated throughout EWR Co. The terms of the Chair and independent non-executive directors will be set in line with the *UK Corporate Governance Code* and *Governance Code for Public Appointments*.

9.4 In addition, the Chair has the following leadership responsibilities:

- formulating the EWR Co board's strategy;
- ensuring that the EWR Co Board, in reaching decisions, takes proper account of guidance provided by the responsible minister or the Department;
- promoting the efficient and effective use of staff and other resources;
- delivering high standards of regularity and propriety;

- Representing the views of the board to the public;
- To report annually on their performance and that of their board, supported by feedback including peer review, to the Secretary of State direct or as delegated, and to share this with the sponsor / shareholder; and
- Lead on issues of conflicts of interest of Board members

9.5 The Chair has an obligation to ensure EWR Co board effectiveness, including:

- The work of the EWR Co board and performance of its individual members are reviewed Annually and the board is working effectively;
- Providing feedback and evidence of the review of the EWR Co board and its members to the Secretary of State / Minister and the sponsor / shareholder.
- That the EWR Co board has a balance of skills appropriate to directing the EWR Co business, as set out in the Government Code of Good Practice for Corporate Governance;
- Reporting any concerns over EWR Co board effectiveness to the named minister and sponsor / shareholder.
- All EWR Co board members are fully briefed on terms of appointment, duties, rights and responsibilities;
- They, together with the other EWR Co board members, receive appropriate training on financial management and reporting requirements and on any differences, that may exist between private and public-sector practice;
- The responsible minister is advised of EWR Co needs (skill, knowledge, strengths, areas for improvement), when board vacancies arise; through the Department Shareholder team who, in conjunction with Governance Public Appointments Team will organise and manage the appointments process where appropriate (as agreed in advance);
- They assess the performance of individual EWR Co board members when being considered for re-appointment; providing a formal written performance appraisal to the sponsor / shareholder and the Departments Governance Division – Public Appointments team, bearing in mind re-appointments are not automatic;
- There is an EWR Co Board Operating Framework in place setting out the role and responsibilities of the Board consistent with the Government Code of Good Practice for Corporate Governance; and

- There is a code of practice for all EWR Co Board members in place, consistent with the **Government’s Governance Code on Public Appointments**.

Individual EWR Co Board members’ responsibilities

9.6 Individual EWR Co Board members should:

- comply always with the **Cabinet Office Code of conduct for Board Members of Public Bodies, The Government’s Governance Code on Public Appointments** and with the rules relating to the use of public funds and to conflicts of interest;
- conform to standards set out by the Nolan Principles
- not misuse information gained during their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations;
- comply with the board’s rules on the acceptance of gifts and hospitality, and of business appointments; and
- Act in good faith and in the best interests of the EWR Co.

10 Annual Report & Accounts (AR&A)

10.1 The EWR Co Board must publish an annual report of its activities together with its audited accounts after the end of each financial year. EWR Co shall provide the Department its finalised audited accounts when requested each year in order for the accounts to be consolidated within the Department’s Group Finance team.

10.2 The annual report must:

- cover any corporate, subsidiary or joint ventures under its control;
- comply with the **Treasury’s Financial Reporting Manual (FrEM)**;
- outline main activities, a governance statement and performance during the previous financial year and set out in summary form forward plans.

10.3 Information on performance against key financial targets is within the scope of the audit and should be included in the notes to the accounts. The report and accounts shall be laid in parliament and made available on the EWR Co website, in accordance with the guidance in the FrEM. A draft of the report should be submitted to the Department two weeks before the proposed publication date. The accounts should be prepared in accordance with the relevant statutes.

11 Internal Audit

11.1 EWR Co shall:

- Establish an audit oversight function in accordance with the Code of Good Practice for Corporate Governance, either as a separate committee of non-executive directors or as part of the Board
- Establish and maintain arrangements for internal audit in accordance with the ***Treasury's Public Sector Internal Audit Standards (PSIAS)*** to ensure that the sponsor Department's internal audit team have complete access to all relevant records.
- forward the audit strategy, periodic audit plans and annual audit report, as soon as possible to the Department; and the Departments Group Chief Internal Auditor;
- prepare and forward to the Department an annual report on, fraud and theft suffered by the Company and notify the Department of any unusual or major incidents as soon as possible

11.2 GIAA is responsible for providing the Company's Accounting Officer with an objective evaluation on the overall adequacy and effectiveness of the Company's framework of governance, risk management and control. The Opinion of the Head of Internal Audit is a key element of the framework of assurance the Company's Accounting Officer needs to inform the completion of the annual Governance Statement

11.3 The Department sponsor has a right of access to all documents and information relating to the operations of the Delivery Body, including where the internal audit service is contracted out copies of all audit opinions and views.

12 External Audit

12.1 The Controller & Auditor General (C&AG) audits the EWR Co's annual accounts. The Department will then arrange for these to be laid in the Houses of Parliament.

12.2 If the company has set up and controls subsidiary companies, the EWR Co will in the light of the provisions in the Companies Act 2006 ensure that the C&AG is appointed auditor of those company subsidiaries that it controls and/or whose accounts are consolidated within its own accounts. The EWR Co shall discuss with the sponsor Department the procedures for appointing the C&AG as auditor of the companies.

12.3 The C&AG:

- will consult the Department and the EWR Co on whom – the NAO or a commercial auditor – shall undertake the audit(s) on his behalf, though the final decision rests with the C&AG;

- has a statutory right of access to relevant documents, including by virtue of **section 25(8) of the Government Resources and Accounts Act 2000**, held by another party in receipt of payments or grants from the EWR Co;
- will share with the sponsor Department information identified during the audit process and the audit report (together with any other outputs) at the end of the audit, in particular on issues impacting on the Department's responsibilities in relation to financial systems within the EWR Co;
- will, where asked, provide Departments and other relevant bodies with Regulatory Compliance Reports and other similar reports which Departments may request at the commencement of the audit and which are compatible with the independent auditor's role.

12.4 The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the EWR Co has used its resources in discharging its functions. For these examinations the C&AG has statutory access to documents as provided for under section 8 of the National Audit Act 1983. In addition, the EWR Co shall provide, in conditions to grants and contracts, for the C&AG to exercise such access to documents held by grant recipients and 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 which are held by other bodies.

Right of access

12.5 The department has the right of access to all DB records and personnel for any purpose including, for example, assurance audits and operational investigations.

Management and financial responsibilities

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

13.1 EWR Co shall follow the principles, rules, guidance and advice in ***Managing Public Money***, referring any difficulties or potential bids for exceptions to the Shareholder Team in the first instance. In particular, the Company will seek government approval for novel, contentious or repercussive proposals.

13.2 Once the budget has been approved by the sponsor Department (and subject to any restrictions imposed by statute, The Secretary of States instructions or this document), the EWR Co shall have authority to incur expenditure approved in the budget without further reference to the sponsor Department, on the following conditions:

- the EWR Co shall comply with the delegations set out in Appendix 1. These delegations shall not be altered without the prior approval of the sponsor Department;

- the EWR Co shall comply with *Managing Public Money* regarding novel, contentious or repercussive proposals;
- inclusion of any planned and approved expenditure in the budget shall not remove the need to seek formal Departmental approval where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed;
- the EWR Co shall provide the sponsor Department with such information about its operations, performance individual projects or other expenditure as the sponsor Department may reasonably require; and
- the EWR Co shall work in accordance with the Commercial Operating Standards for Government and appropriate commercial and spending controls referred to in Appendix 2

14 Corporate governance

Board appointments - the Chair and board members

14.1 The EWR Co chair and board members are appointed for a period of up to three years by the responsible minister. Such appointments will comply with the **Government's Governance Code on Public Appointments**. The appointment process of the Chair will be managed by the Shareholder Team. Any recruitment or appointment for other non-executive directors must be undertaken following the principles of the same *Governance Code*; with Ministers involved in the process – at a minimum being given opportunity to comment on candidates at long-listing stage and the composition of the recruitment panel. All non-executive reappointments are subject to agreement by ministers and there should be no automatic presumption of reappointment.

Board appointments – the chief executive

14.2 The chief executive is appointed by the Chair, with the written approval from the Secretary of State. The Chief Executive will however report to the department's senior sponsor / shareholder on all matters, whilst retaining the option to gain direct access to a minister.

Composition of the board

14.3 In line with the **Government's Governance Code on Public Appointments**; the EWR Co Board will consist of;

- a Chair
- The Chief Executive
- three to four independent non-executive directors (appointed by the Chair with the written approval of the Secretary of State)
- one additional Executive Director, normally the Chief Finance Officer (with the written approval of the Secretary of State)
- a “Shareholder Nominated Director” (where the Secretary of State wishes to do so).

14.4 All Board appointments (non-executive and executive) must be approved by the HM Treasury prior to seeking approval from the Secretary of State.

14.5 In a situation where an interim Chair has been appointed, all appointments to the board will be made by the Secretary of State in discussion with the interim Chair.

14.6 The senior nominated Sponsor / Shareholder will have a standing invitation to attend all EWR Co board meetings and other senior Department personnel will be invited on a standing basis to observe and where necessary contribute to board meetings.

14.7 The Board should be composed of members that have a balance of skills and experience appropriate to directing the EWR Co’s business.

15 Risk management

15.1 The EWR Co shall ensure that the risks that it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and develop a risk management strategy, in accordance with the **HM Treasury guidance Orange Book: *Management of Risk: Principles and Concepts***.

15.2 The EWR Co should adopt and implement policies and practices to safeguard itself against fraud and theft, in line with the Treasury’s guidance on tackling fraud. It should also take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter into a contract or to give grant or Grant-In-Aid.

15.3 The EWR Co will have regard to the **Department for Transport’s Risk Management Policy and Guidance** launched in 2018. This will include working with the Department’s Governance Division Risk Team regarding implementing the Department for Transport’s **‘Delivery Body Risk Escalation Protocol’** as referred to in the policy.

15.4 A non-executive board director will chair the Audit & Risk Committee, and all non-executive board directors will be permanent members of it, who will report to the Departments Group Audit, Risk, & Assurance Committee (GARAC) by virtue of the chair

being a member of GARAC. However, any board member may raise concerns to the Department at any time through ministers and/or senior officials.

15.5 A non-executive EWR Co board director will chair the board's Audit & Risk Committee, Investment Committee, and Remuneration Committee, to provide independent advice and assurance, with other members being drawn from across other board members.

Assurance

15.6 As part of general good corporate governance, the Board and Accounting Officer has responsibilities to ensure adequate assurance is in place. The Company should take into account government's guidance on Assurance, and other good practice as appropriate.

15.7 Analysis produced by the Company which is integral to a Business Case, Consultation, or advice to the Department should be assured in line with the Department's Analytical Assurance Framework.

16 Corporate and Business Plans

16.1 By December each year, the EWR Co shall submit annually to the sponsor Department a draft of the Corporate Plan covering three years ahead. The shareholder team will then work with the EWR Co to produce a final draft ready for approval by the Shareholder Board and approval by the Secretary of State. EWR Co shall agree with the Department the issues to be addressed in the plan and the timetable for its preparation. The plan shall reflect the priorities set from time to time by the responsible minister (including decisions taken on policy and resources in the light of wider public expenditure decisions). The plan shall demonstrate how the EWR Co contributes to the achievement of the Department's priorities.

16.2 The first year of the Corporate Plan, amplified as necessary, shall form the Business Plan, which must be approved by the Secretary of State as shareholder. The Business Plan shall be updated to include key targets and milestones for the year immediately ahead and shall be linked to budgeting information so that resources allocated to achieve specific objectives can readily be identified by the Department. Subject to any commercial considerations, the Corporate and Business Plans should be published by the EWR Co on its website and separately be made available to staff.

16.3 The following key matters should be included in the plans:

- key objectives and associated key performance targets for the forward years, and the strategy for achieving those objectives;
- key non-financial performance targets;

- a review of performance in the preceding financial year, together with comparable outturns for the previous three years, and an estimate of performance in the current year;
- alternative scenarios and an assessment of the risk factors that may significantly affect the execution of the plan but that cannot be accurately forecast; and
- other matters as agreed between the Department and the EWR Co.

17 Budgeting procedures

17.1 Each year, in the light of decisions by the Department on the updated draft Corporate Plan, the Department will send to the EWR Co by February;

- a formal statement of the annual budgetary provision allocated by the Department in the light of competing priorities across the Department and of any forecast income approved by the Department;
- an update to the Company's delegations, if necessary; and
- a statement of any planned change in policies affecting the EWR Co.

17.2 The approved annual Business Plan will take account both of approved funding provision [where this applies] and any forecast receipts, and will include a budget of estimated payments and receipts together with a profile of expected expenditure and of draw-down of any Departmental funding and/or other income over the year. These elements form part of the approved Business Plan for the year in question.

18 Investment Decisions – Works / Programme / Project Expenditure

18.1 All proposed expenditure, should conform to the appropriate financial controls that apply in accordance with *HMT Green Book* and those issued by the Department. All proposals are to be supported by a robust business case containing all relevant information about the proposed investment in line with the Departments '**Business Case Guidance**', the '**Business Case Approvals Framework**', and the '**DfT Controls Approvals**' guide – see Appendix 2.

18.2 All proposed expenditure in which there is a 'Digital' element will require approval by the Departments Digital Services, who in turn will advise and liaise with Cabinet Office - Government Digital Services (GDS) as required. See Appendix 2.

18.3 All Investment decisions will be made in accordance with the '**DfT Project & Programme Delivery Framework**', '**Business Case Approvals Framework**', and '**DfT Controls Approvals**' guide, in liaison with the sponsor / shareholder team and Group Commercial Directorate as appropriate.

18.4 The East West Rail project is categorised as a Tier 1 programme. As such the Company must seek approval from their investment approvals body for;

- *Major Investment Decisions:* Programmes and Projects should seek approval for their Business Cases at the Strategic Outline, Outline, and Full Stages.
- *Major Commercial Decisions:* Where the Programme or Project involves a procurement led by DfT (including Executive Agencies and Arm's Length Bodies), further scrutiny and approvals are also required.

Tiering' decisions are based on several criteria, as described in the Department's Corporate Governance Framework but are in line with the following financial thresholds;

- Tier 3 – up to £10million;
- Tier 2 - Between £10million and £50 million, will be approved by the Departments High Speed and Major Rail Projects Tier 2 Investment Board, with Commercial Lifecycle Progressive Assurance and Commercial Assurance Board;
- Tier 1 – over £50 million, will be approved by department's Investment, Portfolio and Delivery Committee (IPDC), with Commercial Lifecycle Progressive Assurance and Commercial Assurance Board.

18.5 The Sponsor team will ensure early engagement on behalf of EWR Co with the Departments 'Centres of Excellence' (CoE), prior to a business case being submitted, and throughout the approval stages, to provide advice, guidance and assurance to proceed.

18.6 The portfolio of investments that incorporate all works, projects, and programmes within EWR Co, will be reported to the Sponsor / Shareholder team and in turn report to the 'DfT IPDC; at agreed points (e.g. major project or programme delivery, prior to committing significant expenditure), or at least annually as agreed between parties.

18.7 The Government Infrastructure & Projects Authority (IPA) must be informed of all projects and programmes which meet their criteria (as set out in the link in Appendix 2), which the EWR Co should do through the Shareholder Team, together with the DfT PPM CoE who maintains the register and details of all the Departments major projects and monitors progress.

In addition, MPA guidance sets out stages at which projects and programmes should be reviewed before an investment decision should be sought – see appendix 2.

18.8 The IPA offers guidance and reviews major projects and the outcome of such review is a requirement of the approval process. See Appendix 2.

19 Commercial

19.1 EWR Co will produce and adhere to its own procurement and commercial policies which will take account of any policies or guidance issued by the Cabinet Office and the Department's own commercial policies and governance requirements.

19.2 EWR Co staff will work collaboratively with DfT's Group Commercial Directorate and contribute, as agreed between the EWR Co's Head of Procurement and the Department's - Group Commercial Director or their representatives, to the Group Operating Model and associated Group Commercial Strategy and collective objectives.

19.3 Contractual Delegation is the authority to sign, make or amend contractual commitments on behalf of the EWR Co. It is not the same as authority to financially commit the EWR Co to making payments from official budgets.

19.4 There must be a clear separation between the Contractual Commitment and Financial Commitment. This means that the same person cannot exercise both a Financial and Contractual Delegation for the same requirement.

19.5 Contractual authority allows a holder to approve the proposed method of procurement, the issuing of tenders and the award of contracts up to the value of the delegation. Contractual Authority is always subject to the availability of funds and the necessary financial and business case controls as referred to elsewhere.

19.6 By way of this signed framework document, Contractual Authority is delegated to the Chief Executive of EWR Co to approve the proposed method of procurement, the issuing of tenders and the award of contracts, subject to the control and consent requirements. The Chief Executive has the authority to sub-delegate where there is a business need and may sub-delegate contractual authority in writing to any named individual member of EWR Co staff in accordance with the aforementioned clause (19.5).

19.7 Delegated authorities within the EWR Co must be clearly defined in a manual or equivalent instruction and must be consistent with any governance and regulatory requirements set by HM Treasury in *HMT Green Book* or the Department. Contractual authority must be in line with the financial limits delegated on an annual basis and should not exceed this.

20 Submissions to Ministers

20.1 The Shareholder team should work in partnership with the EWR Co, to jointly shape and agree the content of any ministerial submission, and to determine the appropriate clearances required.

20.2 The Shareholder team should steer submissions through the relevant functional areas of DfT and, if appropriate, external stakeholders and should include clearance from, but not be limited to; Corporate Finance, Legal Services and Press. Where a ministerial submission includes analysis, clearance should also be obtained from DfT's Transport Appraisal and Strategic Modelling (TASM) division.

21 Grant-in-aid and ring-fenced grants

21.1 Any Grant-In-Aid provided by the Department for the year in question will be voted in the Department's Supply Estimate and be subject to Parliamentary control.

21.2 The Grant-In-Aid will normally be paid in monthly instalments on the basis of written applications showing evidence of need. The EWR Co will comply with the general principle, that there is no payment in advance of need. Cash balances accumulated during the course of the year from grant-in-aid or other Exchequer funds shall be kept to a minimum level consistent with the efficient operation of the EWR Co. Grant-in-Aid not drawn down by the end of the financial year shall lapse. Subject to approval by parliament of the relevant Estimates provision, where grant-in-aid is delayed to avoid excess cash balances at the year-end, the Department will make available in the next financial year any such grant-in-aid that is required to meet any liabilities at the year end, such as creditors.

21.3 In the event that the Department provides the EWR Co separate Grants for specific (ring-fenced) purposes, it would issue the grant as and when the EWR Co needed it on the basis of a written request. The EWR Co would provide evidence that the grant was used for the purposes authorised by the Department. The EWR Co shall not have uncommitted grant funds in hand, nor carry grant funds over to another financial year.

21.4 The Company may not issue grants or set up grant-schemes without the explicit approval of the Department.

22 Reporting performance to the Department

22.1 The EWR Co 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 corporate and Business Plans. The EWR Co shall inform the sponsor Department of any changes that make achievement of objectives more or less difficult. It shall report financial and non-financial performance, including performance in helping to deliver ministers' policies, and the achievement of key objectives regularly. The EWR Co performance on the project shall be formally reviewed by the Department on a monthly basis via the Client Board. The responsible minister will meet the Chair and the chief executive at least twice a year unless delegated to another senior official.

22.2 The Company must publish in its annual report a statement on Modern Slavery.

Providing monitoring and assurance information to the Department

22.3 As a minimum, EWR Co shall provide the Department with information regarding corporate matters monthly for assurance purposes, which will enable the Department to satisfactorily monitor:

- EWR Co cash management;
- its draw-down of grant-in-aid;
- forecast outturn by resource headings;
- Report against achievement of objectives set out in the Annual Business Plan and the overall agreed EWR Co strategy;
- Other data required for the Online System for Central Accounting and Reporting (OSCAR); and
- Respond to the Department's annual Management Assurance exercise through the supply of accurate and timely responses based on retained evidence.

EWR Co /Department working level liaison arrangements

22.4 Officials of the Group Finance and Commercial team in the Department will liaise regularly with EWR Co officials to review financial performance against plans, achievement against targets and expenditure against its Departmental Expenditure Limits and Annually Managed Expenditure allocations. The team will also take the opportunity to explain wider policy developments that might have an impact on the EWR Co.

23 Delegated Authorities

23.1 The EWR Co delegated authorities will be set out in an annual delegation letter from the Department addressed to the Chief Executive. Additional delegations granted during the course of the year will either be reflected in an update to the letter, or formally in writing by the Department depending on the nature of the delegation.

23.2 The EWR Co shall obtain the Department's prior written approval before:

- entering any undertaking to incur any expenditure that falls outside the delegations or which is not provided for in the EWR Co annual budget as approved by the Department;
- incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications;
- making any significant change in the scale of operation or funding of any initiative or scheme previously approved by the Department;
- making any change of policy or practice which has wider financial implications that might prove repercussive or which might significantly affect the future level of resources required; or
- carrying out policies that go against the principles, rules, guidance and advice in Managing Public Money.

24 EWR Co Board responsibilities for staff

24.1 Within the arrangements approved by the responsible minister and HM Treasury, the EWR Co will have responsibility for the recruitment, retention and motivation of its staff. The board responsibilities toward its staff are to ensure that:

- the rules for recruitment and management of staff create an inclusive culture in which diversity is fully valued; appointment and advancement is based on fair and open competition 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;
- 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;
- staff whistle-blowing procedures consistent with the Public Interest Disclosure Act are in place;
- the performance of its staff at all levels is satisfactorily appraised, employees are clear about what is expected of them and the performance measurement systems are reviewed from time to time;
- its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the objectives of EWR Co;
- proper consultation with staff takes place on key issues affecting them; and
- appropriate grievance and disciplinary procedures and a code of conduct for staff is in place based on the **Cabinet Office's - Model Code for Staff of Executive Non-Departmental Public Bodies** (see Appendix 2).

EWR Co Staff Costs

24.2 Subject to its delegated authorities and any additional HM Treasury controls, the EWR Co shall ensure that the creation of any additional posts does not incur forward commitments that will exceed its ability to pay for them. The Board responsibilities of the EWR Co toward its staff will be that:

- The level and structure of its EWR Co staffing, including grading and staff numbers, are appropriate to its functions and the requirements of economy, efficiency and effectiveness.

EWR Co Remuneration, Pensions and Conditions of Service

24.3 The EWR Co will put in place a Remuneration and Benefits Policy which sets out the structure for pay, remuneration and conditions of service (including pensions) for all staff for periods of up to three years. The Remuneration Policy and any changes to it require the written consent of Ministers prior to implementation.

24.4 The EWR Co is in the public sector, and receives its funding from taxpayers via Government, rather than private customers. As such, it is subject to government controls on the remuneration of its workforce

24.5 The EWR Co board members and staff are subject to levels of remuneration and terms and conditions of service (including pensions) within the general pay structure approved by the sponsor Department [**Cabinet Office Guidance Note: public sector pay and terms**, and **HM Treasury Guidance for approval of senior pay**.] The EWR Co has **no delegated power to amend** these terms and conditions.

- Gifts by EWR Co management to staff or any similar benefit related schemes are subject to the requirements of the Cabinet Office guidance on non-pay rewards.
- EWR Co should not offer any benefits to employees that would be considered Novel, Contentious or Repercussive in accordance with HMT Guidance *Managing Public Money* (e.g. private medical insurance).

24.6 Should EWR Co wish to hire staff outside of these conditions, prior approval must be obtained from the Department through the Department's EWR Co Shareholder Team, who will liaise with HM Treasury and Cabinet Office as necessary, and must be in accordance with the **Cabinet Office Guidance note: public sector pay and terms**, **HM Treasury Managing Public Money**, and **HMT Guidance for approval of senior pay**.

24.7 If civil service terms and conditions of service apply to the rates of pay and non-pay allowances paid to the staff and to any other party entitled to payment in respect of travel expenses or other allowances, payment shall be made in accordance with the **Civil Service Management Code** except where prior approval has been given by the Department to vary such rates.

24.8 The company will abide by IR35 regulations and will avoid off-payroll arrangements wherever possible. Any staff member who is either a) on the Company's Board, or b) has significant financial control shall not be remunerated via an off-payroll arrangement unless there are exceptional circumstances, in which case Principal Accounting Officer approval must be given, and the engagement is not for longer than six months.

24.9 EWR Co Staff terms and conditions should be set out in an Employee Handbook, which should be provided to the Department together with subsequent amendments. The EWR Co should also provide staff with information on Expenses, Travel and Subsistence, Gifts and Hospitality and a complaints policy.

24.10 The Company will, in due course, produce a people strategy setting out how it intends to build its capability and meet the resourcing needs required to deliver the project.

24.11 EWR Co will agree a Performance related pay scheme with the Department and the Secretary of State, the terms of which will be reflected in the Company's remuneration and benefits policy.

24.12 The travel expenses of board members shall be tied to the rates allowed to all staff of the EWR Co in accordance with Departmental agreed rates. Departmental travel and subsistence policy states that for UK rail and air travel all staff must travel standard class irrespective of grade, except under certain circumstances, including;

- Temporary or permanent disability;
 - a temporary disability might include things such as a broken leg or arm, or any injury or other condition that affects mobility.
 - A permanent disability is as defined by the Equality Act 2010.
- Pregnancy related reasons.

Reasonable actual costs incurred following this guidance with evidence shall be reimbursed. Expenses paid to Directors are subject to tax as per HMRC policy. Directors must receive any fees via a PAYE system

24.13 The EWR Co shall comply with the EU Directive on contract workers – the **Fixed-Term Employees (Prevention of Less Favourable Treatment) Regulations**.

EWR Co Pensions, redundancy and compensation

24.14 The EWR Co will make appropriate arrangements for a pension scheme for staff. Any proposal by the Company to move from its existing pension arrangements requires the prior approval of the Department. Staff may opt out of the occupational pension scheme provided by the EWR Co, but that employers' contribution to any personal pension arrangement, including stakeholder pension shall normally be limited

24.15 Any proposal by the EWR Co to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of the Department. Proposals on severance must comply with the rules in **chapter 4 of Managing Public Money**.

24.16 Contracts with staff shall cap exit payments for any individual in line with public sector pay guidance and general employment legislation.

25 Data Protection

25.1 Data protection law requires data controllers such as DfT to designate a Data Protection Officer (DPO). Each data controller can designate only one DPO.

25.2 The EWR Co Data Protection Officer (DPO) will cooperate with all requests from DfT's DPO to provide information that is necessary to meet commissions or other requests from central government relating to data protection risks and compliance. Further, in the spirit of knowledge sharing and consistency across the DfT family, the EWR Co DPO will participate in the cross-DfT DPO forum.

26 EWR Co Relationships with devolved administrations or other bodies

26.1 The EWR Co relationships with the devolved administrations of Scotland, Wales and Northern Ireland follow the principles set out in the Memorandum of Understanding between the Westminster Parliament and those administrations, and relevant Concordats which are in force.

27 Review of EWR Co status

27.1 The role and status of the Company and this Framework Document must be reviewed by the Department every three years, or sooner in the event of a material change to the Company's aims.

28 Arrangements if the EWR Co is wound up

28.1 The sponsor Department shall put in place arrangements to ensure the orderly winding up of the EWR Co. It should ensure that the assets and liabilities of the EWR Co are passed to any successor organisation and accounted for properly. (If there is no successor organisation, the assets and liabilities should revert to the sponsor Department.) To this end, the Department shall:

- ensure that procedures are in place in the EWR Co to gain independent assurance on key transactions, financial commitments, cash flows and other information needed to handle the wind-up effectively and to maintain the momentum of work inherited by any residuary body;
- specify the basis for the valuation and accounting treatment of the EWR Co assets and liabilities;
- ensure that arrangements are in place to prepare closing accounts and pass to the C&AG for external audit. It shall be for the C&AG to lay the final accounts in Parliament, together with his report on the accounts;
- arrange for the most appropriate person to sign the closing accounts. If another EWR Co takes on the role, responsibilities, assets and liabilities, the succeeding EWR Co AO should sign the closing accounts. If the Department inherits the role, responsibilities, assets and liabilities, the sponsor Department's AO should sign.

28.2 The EWR Co shall provide the Department with full details of all Documents where EWR Co or its successors have a right to share in the financial gains of developers. It should also pass to the Department details of any other forms of claw-back due to EWR Co. Closing accounts will not be prepared until the company's assets and liabilities have been transferred to the Department or to a successor organisation of the Company, including in accordance with the Development Agreement.

29 Legal Risk and Litigation

29.1 The Company shall provide a quarterly update to the Shareholder Team on the existence of any active litigation and any threatened or reasonably anticipated litigation.

The parties acknowledge the importance of ensuring that legal risks are communicated appropriately to the Shareholder Team in a timely manner.

29.2 In respect of each substantial piece of litigation involving the Company, 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 the Shareholder Team in order to facilitate this. Until such time as a protocol is agreed, the parties will ensure that:

- material developments in the litigation are communicated to the Shareholder Team in an appropriate and timely manner;
- legally privileged documents and information are clearly marked as such;
- individual employees handling the legally privileged documents are familiar with principles to which they must adhere to protect that legal privilege; and
- circulation of privileged information within Government occurs only as necessary.



.....
(Signed by Clive Maxwell as
delegated from the
Secretary of State on behalf
of the Department)

Date: 02/10/2020



.....
(Signed by the CEO on behalf
of the EWR Co)

Date.....



LIST OF APPENDICES

- Appendix 1 - Delegated authorities
- Appendix 2 - List of government-wide corporate guidance instructions
- Appendix 3 - Agreed 'Ways of Working' between EWR Co and the Department

APPENDIX 1

For information on the delegated authority of EWR Co, refer to the annual delegation letters. These can be obtained via the DfT Shareholder Team.

APPENDIX 2

Compliance with government-wide corporate guidance and instructions

The Body shall comply with the following general guidance and instructions within this Framework Document and associated documentation:

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-2017>

Government's Governance Code on Public Appointments.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/578498/governance_code_on_public_appointments_16_12_2016.pdf

Managing Public Money (MPM);

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/454191/Managing_Public_Money_AA_v2_-jan15.pdf

Guidance for Approval of Senior Pay

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/756196/Guidance_for_approval_of_senior_pay_final.pdf

HMT Green Book,

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/220541/green_book_complete.pdf

Cabinet Office 'Partnerships between Departments and arms-length bodies: Code of Good Practice'; <https://www.gov.uk/government/publications/partnerships-with-arms-length-bodies-code-of-good-practice>

The '[DfT Controls Approvals](#)' guidance on financial controls (available through sponsor/shareholder); <https://intranet.dft.gsi.gov.uk/section/how/controls-and-approvals>

The Departments '[Business Case Approvals Framework](#)' (available through sponsor/shareholder);

<https://intranet.dft.gsi.gov.uk/page/when-do-you-need-write-business-case>

The Department's Business Case guidance on 'Transport Business Cases' (available through the sponsor/shareholder); <https://intranet.dft.gsi.gov.uk/page/guide-drafting-business-case%C2%A0-0>

Details of the Departments Centres of Excellence (available through sponsor / shareholder);
<https://intranet.dft.gov.uk/section/about-dft/how-we-work/working-centres-excellence>

HM Treasury: Public Sector Internal Audit Standards,
<https://www.gov.uk/government/publications/public-sector-internal-audit-standards>

HMT Orange Book: Management of Risk: Principles and Concepts:
<https://www.gov.uk/government/publications/orange-book>

Government Financial Reporting Manual (FRM)
<https://www.gov.uk/government/publications/government-financial-reporting-manual-2016-to-2017>

Civil Service Management Code (<https://www.gov.uk/government/publications/civil-servants-terms-and-conditions>)

Commercial Operating Standards for Government - they are set to provide for continuous improvement. <https://www.gov.uk/government/publications/commercial-operating-standards-for-government>

Detailed guidance on specific commercial controls and the processes can be found here:
<https://www.gov.uk/government/publications/cabinet-office-controls/cabinet-office-controls-guidance-version-40>

Cabinet Office – Government Digital Service – spend controls
<https://www.gov.uk/service-manual/agile-delivery/spend-controls-check-if-you-need-approval-to-spend-money-on-a-service>

The Government Commercial Function and the Commercial Operating Standards;
<https://www.gov.uk/government/publications/commercial-operating-standards-for-government>

The Government Infrastructure and Projects Authority assurance review toolkit;
<https://www.gov.uk/government/collections/infrastructure-and-projects-authority-assurance-review-toolkit>

The DfT Project and Programme Delivery Framework (available through Sponsor);
<https://intranet.dft.gsi.gov.uk/sites/default/files/Project%20and%20Programme%20delivery%20framework.pdf>

HM Treasury Guidance on Tackling Fraud,
http://webarchive.nationalarchives.gov.uk/20130102192905/http://www.hm-treasury.gov.uk/d/managing_the_risk_fraud_guide_for_managers.pdf.pdf

See also:

- *Managing Public Money* - Chapter 6: Fees and Charges Guide.

- *Managing Public Money* - Departmental Banking: A Manual for Government Departments, annex 5.6
- Consolidation Officer Memorandum, and relevant DCO letters;
- Relevant Freedom of Information Act guidance and instructions;

Relevant 'Dear Accounting Officer' letters

<https://www.gov.uk/government/collections/dao-letters> ;

Regularity, Propriety and Value for Money,

http://webarchive.nationalarchives.gov.uk/20130129110402/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>

'DfT's Approach to Delivery Body Partnership': *(available through Sponsor / Shareholder teams)*

APPENDIX 3

Ways of Working Principles

EWR Co are committed to creating one high performing team, by adopting these principles:

DIRECTION:

One team that works together with a clear sense of purpose, a common set of priorities and individual objectives that are aligned.

ORGANISATION:

One team that is designed to deliver our purpose, with: clear roles and responsibilities, the right mix of skills and capabilities, and a good match between those capabilities and responsibilities.

RELATIONSHIPS:

One team with a strong bond so that each member feels able to contribute their ideas; to support each other in times of need; to challenge each other constructively in achieving the best outcome; and to celebrate together when we succeed.

PROCESSES:

One team that lives our values through regular engagement, transparent and timely communication, and agile but robust processes to support the achievement of our objectives.

WHAT NEXT?

Over the next few months we will work together with the whole team to bring these principles to life through actionable changes to the status quo, and practical new ways of working.