



Northern
Ireland
Office

Sentence Review Commissioners (NI) Framework Document

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INTRODUCTION AND BACKGROUND

1. Purpose of document

1.1 This framework document has been agreed between the Northern Ireland Office (NIO) and the Sentence Review Commissioners for Northern Ireland (SRC) in accordance with HM Treasury's handbook *Managing Public Money* (MPM) as updated from time to time and has been approved by HM Treasury.

1.2 It sets out the broad governance framework within which the SRC and the NIO operate. It sets out the SRC's core responsibilities, describes the governance and accountability framework that applies between the roles of the NIO, SRC and other parties as relevant and sets out how the day-to-day relationship works in practice including in relation to governance and financial matters.

1.3 The document does not convey any legal powers or responsibilities but both parties agree to operate within its terms.

1.4 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 SRC website and GOV.UK.

1.5 This framework document should be reviewed and updated at least every 3 years and immediately after any review of the SRC's status, unless there are exceptional reasons that render this inappropriate that have been agreed with HM Treasury and the Principal Accounting Officer of the NIO. The latest date for review and updating of this document is 31 August 2025.

2. Objectives

2.1 The NIO and the SRC share the common objective to provide the mechanisms for an accelerated programme for the release of prisoners convicted of scheduled offences in Northern Ireland or of similar offences elsewhere. To achieve this, the SRC and the NIO will work together in recognition of each other's roles and areas of expertise, providing an effective environment for the SRC to achieve its objectives through the promotion of partnership and trust and ensuring that the SRC also supports the strategic aims and objective of the department and wider government as a whole.

3. Classification

3.1 The SRC has been classified as a public body by the HM Treasury Classifications Team.

3.2 Sentence Review Commissioners have been designated by the Cabinet Office as Statutory Office Holders.

PURPOSES, AIMS AND DUTIES

4. Purposes

4.1 The Sentence Review Commissioners are constituted under the Northern Ireland (Sentences) Act 1998.

5. Powers and Duties

5.1 The Commissioners' powers and duties are to provide the mechanisms for an accelerated programme for the release of prisoners convicted of scheduled offences in Northern Ireland or of similar offences elsewhere. The powers of the Commissioners to decide if a prisoner in Northern Ireland should be released early are set out in the Northern Ireland (Sentences) Act 1998. The 1998 act also sets out in detail the procedures under which prisoners apply for early release and the Commissioners consider their applications.

6. Aims

6.1 The overall aim of the SRC is to carry out its statutory obligations in relation to the release and recall of prisoners in accordance with the Northern Ireland (Sentences) Act 1998 and Sentence Review Commissioners Rules 1998. The SRC supports the delivery of the NIO's *Safety and Society* outcomes which aims to contribute to a safer Northern Ireland and to support greater inclusion, tolerance and openness in Northern Ireland.

GOVERNANCE AND ACCOUNTABILITY

7. Governance and Accountability

7.1 The SRC shall operate corporate governance arrangements that, as far as is practicable, and in the light of other provisions of this framework document or as otherwise may be mutually agreed, in accordance with good corporate governance practice and applicable regulatory requirements and expectations.

7.2 In particular (but without limitation) the SRC should:

- comply with the principles and provisions of the Corporate Governance in Central Government Departments Code of Good Practice (as amended and updated from time to time) to the extent appropriate and in line with their statutory duties;
- comply with *Managing Public Money*;
- take into account the codes of good practice and guidance set out in **Appendix 1** of this framework document, as they apply to ALBs.

7.3 The SRC is not required to produce a governance statement, however, the SRC is legally obliged under sub-paragraph 6(1) of Schedule 1 to the Northern Ireland (Sentences) Act 1998 to submit an annual report to the Secretary of State, who is required by statute to lay the report before Parliament.

ROLE OF THE DEPARTMENT

8. The Responsible Minister

8.1 The Secretary of State for Northern Ireland, is the minister responsible for the NIO. The Secretary of State is assisted in these duties by the Minister of State.

8.2 The Secretary of State has no role in relation to the exercise by the SRC of their statutory powers and other responsibilities.

Appointments to the SRC

8.3 Appointments to the SRC are made by the Secretary of State under the Northern Ireland (Sentences) Act 1998. These appointments are not regulated.

8.4 All such appointments should have regard to the principle that appointments should reflect the diversity of the society in which we live, and appointments should be made taking account of the need to appoint individuals with a balance of skills and backgrounds.

9. The NIO Principal Accounting Officer

9.1 The Principal Accounting Officer (PAO) is the Permanent Secretary of the NIO.

NIO Principal Accounting Officer's specific accountabilities and responsibilities

9.2 The PAO is accountable to Parliament for the financial management of all monies voted to the NIO including monies made available to SRC.

9.3 To that end, the PAO requires assurance that:

- financial and other management controls applied by the NIO to the SRC are appropriate and sufficient to safeguard public funds;
- arrangements are in place for the effective monitoring of such controls; and
- SRC have in place and apply systems of internal control that provide assurance regarding equality, probity and good financial and information management.

9.4 The PAO via the sponsorship team is also responsible for ensuring arrangements are in place in order to:

- agree an appropriate budget for the SRC in light of the NIO's overall public expenditure priorities and ensure that it is achieving value for money;
- work with the Secretary to address any significant issues raised by the Commissioners concerning finances or other resources;

- support the development of positive and effective working relationships between the SRC and the NIO, ensuring that the stewardship relationship is tailored and proportionate to the needs of both organisations;
- periodically, and at such frequency as is proportionate to the level of risk, carry out an assessment of the risks both to the NIO and SRC in line with the wider departmental risk assessment process; and
- inform the Secretary of any relevant new or revised NIO policies or changes to procedures relating to financial, HR and procurement.

10. The Role of the NIO Sponsorship Team

10.1 The senior sponsor is the Deputy Director of the NIO Security and Protection Group (SPG); and is the primary contact for the SRC. The sponsor is the main source of advice and support to the Secretary of State on the discharge of their responsibilities in respect of the SRC. They also support the PAO in their responsibilities toward the SRC. The sponsor oversees the working relationship between the NIO and the SRC and, with other NIO teams, secures the necessary management information required to monitor financial performance.

10.2 The SRC's designated Finance Business Partner is responsible for providing authoritative guidance on all budgetary and financial management matters.

11. Resolution of disputes between the SRC and the NIO

11.1 Any disputes between the NIO and the SRC will be resolved in as timely a manner as possible. The NIO and the SRC will seek to resolve any disputes through an informal process in the first instance. If this is not possible, then a formal process, overseen by the senior sponsor, will be used to resolve the issue. Failing this, the senior sponsor will ask the relevant policy director to oversee the dispute. They may then choose to ask the Permanent Secretary to discuss with the SRC to agree on a joint solution.

12. Freedom of Information Requests

12.1 Where a request for information is received by either party under the Freedom of Information Act 2000 or the Data Protection Act 1998 or 2018, the party receiving the request will consult with the other party prior to any disclosure of information that may affect the other party's responsibility.

12.2 The SRC will maintain a central monitoring record of FOI and DPA requests received and answered. The NIO may require this information for inclusion in departmental statistical returns.

13. Reporting on legal risk and litigation

13.1 The SRC shall provide a quarterly update to the sponsor on the existence of any active litigation (excluding case management litigation) and any threatened or reasonably anticipated litigation. The parties acknowledge the importance of ensuring that legal risks are communicated appropriately to the sponsor in a timely manner.

13.2 In respect of each substantial piece of litigation involving the SRC, the parties will seek to agree to 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 sponsor 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 NIO 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 legal privilege; and
- circulation of privileged information within government occurs only as necessary

GOVERNANCE STRUCTURE

14. The Secretariat

14.1 The Secretariat exists to support the SRC in the discharge of their functions. It has no separate persona and acts on behalf of SRC under its delegated authority.

14.2 The SRC Secretariat is headed by the Secretary who shall ensure the affairs of the commissioners are conducted with due probity in line with the requirements of *Managing Public Money* and adhere to all financial and governance policies, processes and guidance set by NIO and HM Treasury governing expenditure within the NIO. **Appendix 1** provides a list of such policies.

Responsibilities for the Secretary

14.3 The Secretary has particular leadership responsibility for:

- promoting the efficient and effective use of staff and other resources subject to, and consistent with, the Memorandum of Understanding between the NIO and the NICTS at **Appendix 3**;
- ensuring that adequate internal management and financial controls are maintained by the Secretariat, including effective measures against fraud and theft; effective security and risk management of all information

assets; and ensuring that any statutory or administrative requirements for the use of public funds are complied with;

- ensuring that all public funds are made available to enable SRC to discharge their functions are used for the purpose intended by Parliament and that such monies, together with assets, equipment and staff, are used economically, efficiently and effectively;
- ensuring that the Secretariat operates within the limits of its remit and any delegated authority agreed with the NIO and in accordance with any other conditions relating to the use of public funds, and taking corrective or appropriate action as necessary in response to budgetary pressures or adverse financial or procurement risks;
- keeping the sponsor team informed of progress in achieving SRC's objectives and delivering against its agreed contribution to NIO departmental delivery plan objectives as well as how resources are being used to achieve those objectives;
- providing the finance business partner with timely forecasts and monitoring information on performance and finance and notifying it promptly if overspend or underspend against the allocated budget are likely, or of any other significant management or financial problems; and
- implementing risk management and other relevant financial or management guidance promulgated by the NIO, HM Treasury and / or the Cabinet Office.

14.4 The Secretariat, on behalf of the SRC, shall consult with the NIO sponsor team to assist in the efficient, effective and expeditious pursuit of its duties.

Responsibilities to the NIO

14.5 Responsibilities to the NIO include:

- producing a business plan which should include key outcomes relevant to discharge of the SRC's function
- demonstrating how resources are being used to achieve the Commission's objectives; and
- notifying the NIO in a timely fashion about any significant problems whether financial or otherwise.

Responsibilities to the Commissioners

14.6 The Secretary will set up a robust and proportionate governance structure that will ensure that effective arrangements are in place to provide assurance on risk management, governance and internal controls. The Secretary is also responsible for:

- advising the Commissioners on the discharge of their 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 Commissioners on the SRC's performance against its aims and objectives; and
- ensuring that financial considerations are taken fully into account by the Commissioners in reaching and executing decisions.

15. Individual Commissioner Responsibilities

15.1 In accordance with the Code of Good Practice for Corporate Governance Commissioners are responsible for:

- taking forward the strategic aims and objectives of the SRC;
- ensuring that in reaching decisions they take into account guidance issued by the NIO;
- complying with the rules relating to the use of public funds;
- ensuring that the Commission operates within the limits of its statutory authority and any delegated authority agreed with the NIO; and
- ensure that they are familiar with this framework document, and the annual delegation letter issued by the NIO.

15.2 Individual Commissioners should:

- attend meetings of the SRC and apply their personal expertise in contributing to the work of the Commissioners as a whole;
- comply at all times with their terms of appointment and the [Cabinet Office's Code of Conduct for Board Members of Public Bodies](#) which covers conduct in the role and includes the Nolan Principles of Public Life as well as the rules relating to the use of public funds, and to conflicts of interest;
- not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations;
- comply with rules on the acceptance of gifts and hospitality, and of business appointments; and
- act in good faith and in the best interests of the SRC.

Responsibilities of the Chair

16.1 In addition to their role and responsibilities as a Commissioner, the Chair is responsible for providing effective leadership and encouraging high

standards of propriety, including adherence by Commissioners to the Code of Practice.

16.2 The Chair will have personal responsibility for:

- providing strategic direction for the Commissioners in the effective and efficient performance of their statutory duties;
- approving the business plan within the budget provided by the NIO;
- ensuring that new Commissioners are briefed on appointment;
- formally representing the views of the Commissioners to Ministers, the general public and others;
- effectively chairing meetings and enabling collective consideration by ensuring that the Commissioners meet regularly and that minutes of meetings accurately record the decisions taken and where appropriate, the views of individual Commissioners;
- taking decisions on routine casework / correspondence, on behalf of the Commissioners and ensuring that all Commissioners are consulted on non-routine issues;
- undertaking an annual assessment of the contribution of individual Commissioners;
- dealing with any complaints about the Commissioners and the Secretariat in line with best practice; and
- submitting an Annual Report to the Secretary of State, outlining how the Commissioners have carried out their functions in the previous financial year.

16.4 The Chair will have no executive or managerial responsibility for the day-to-day work of the Secretary or the Secretariat.

MANAGEMENT AND FINANCIAL RESPONSIBILITIES

17. Delegated Authorities

17.1 Delegated authorities are set out in the delegation letter issued annually by the NIO PAO attached at **Appendix 2**. In line with *Managing Public Money* Annex 2.2, these delegations will be reviewed on an annual basis and as a result this delegation letter will be updated and superseded by later versions issued by the NIO.

17.2 NIOs prior written approval should be obtained before:

- entering into any undertaking to incur any expenditure that falls outside the delegations or which is not provided for in SRC's annual budget as approved by the NIO;
- incurring expenditure for any purpose that is or might be considered novel or contentious or which has or could have significant future cost

implications;

- making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by the NIO;
- 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; and
- carrying out policies that go against the principles, rules, guidance and advice in *Managing Public Money*.

18. Spending Authority

18.1 Once the budget has been approved by the NIO and subject to any restrictions set out in the delegation letter, the SRC shall have authority to incur expenditure approved in the budget without further reference to the sponsor department on the following conditions:

- compliance with the delegations set out in the delegation letter. These delegations shall not be altered without the prior agreement of the sponsor department and as agreed by HM Treasury and Cabinet Office as appropriate;
- compliance 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 previously agreed; and
- providing the NIO with such information about performance or expenditure as it may reasonably require.

19. Banking and Managing Cash

19.1 The SRC must maximise the use of publicly procured banking services (accounts with central government commercial banks managed centrally by Government Banking).

19.2 The SRC should only hold money outside Government Banking Service accounts where a good business case can be made for doing so and HM Treasury consent is required for each account to be established. Only commercial banks which are members of relevant UK clearing bodies may be considered for this purpose.

20. Procurement

20.1 The SRC shall ensure its procurement policies are aligned with and comply with any relevant UK or other internal procurement rules and in particular the Public Contracts Regulations 2015, including *Annex 4.6 of Managing Public Money*, and NIO procurement guidelines and policies.

20.2 In procurement cases where the SRC is likely to exceed its delegated authority limit, approval for the specific planned purchase must be sought from the NIO Sponsor Team.

20.3 Goods, services and works should be acquired by competition. Proposals to let single tender or restricted contracts shall be limited and exceptional and a quarterly report explaining those exceptions should be sent to the NIO.

20.4 Procurement by SRC of works, equipment, goods and services shall be based on a full option appraisal and value for money.-

20.5 The SRC shall:

- engage fully with NIO and government wide procurement initiatives that seek to achieve value for money from collaborative projects;
- comply with all relevant Procurement Policy Notes issued by Cabinet Office; and
- cooperate fully with initiatives to improve the availability of procurement data to facilitate the achievement of value for money.

21. Risk management

21.1 The SRC 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 Treasury Guidance *Management of Risk: Principles and Concepts*.

22. Counter Fraud and Theft

22.1 The SRC should adopt and implement policies and practices to safeguard itself against fraud and theft.

22.2 The SRC should act in line with the guidance as issued by the Counter Fraud Function and in compliance with the procedures and considerations as set in *Managing Public Money* Annex 4.9 and the Counter Fraud Functional Standard. It should also take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to contract with.-

22.3 An annual report on fraud and theft should be provided to the NIO who should be notified about any unusual or major incidents as soon as possible. The SRC should also report detected loss from fraud, bribery, corruption and error alongside associated recoveries and prevented losses, to the counter fraud centre of expertise in line with the agreed government definitions as set out in Counter Fraud Functional Standard.

23. SRC Secretariat Staff

23.1 Administrative support is provided to the SRC under a Memorandum of Understanding (MOU) between the NIO and the Northern Ireland Courts and

Tribunal Service (NICTS). A copy of the MOU is at **Appendix 3**. This will be reviewed bi-annually.

Broad Responsibilities for Secretariat Staff

23.2 In addition to the requirements set out in the MOU, the SRC Secretary shall ensure, insofar as reasonably practicable, that:

- -staff are treated fairly and on the basis of merit;
- that all staff have due regard for promoting equality of opportunity and good relations in line with Section 75 of the Northern Ireland Act 1998;
- the performance of its staff at all levels is satisfactorily appraised and there are adequate arrangements in place for personal development;;
- proper consultation with staff takes place on key issues affecting them;
- adequate grievance and disciplinary procedures are in place; and
- whistle-blowing, grievance and disciplinary procedures consistent with the Public Interest Disclosure Act are in place.

Staff Costs

23.3 The MOU sets out the numbers and grades of the staff that will be provided to the SRC Secretariat by NICTS. The SRC Secretary and the NIO have a joint responsibility to keep staffing levels in the Secretariat under review to ensure that the level and structure, including grading and staff numbers, are appropriate to SRC's functions and requirements of economy, efficiency and effectiveness. Any increase or decrease in staffing levels must be agreed between the NIO and the NICTS, after consultation with the SRC Secretary.

Pay and Conditions of Service

23.4 The terms and conditions including pay arrangements, annual performance appraisals and personnel matters, for each member of the Secretariat is the responsibility of the NICTS. Staff costs will be aligned to average salaries as adjusted on an annual basis by pay remit uplifts.

Pensions, Redundancy and Compensation

23.5 Staff within the Secretariat shall be eligible for pensions under the contractual arrangements of the NICTS or relevant home organisation.

FINANCIAL REPORTING AND MANAGEMENT INFORMATION

24. Budgeting Procedures

24.1 Each year, in light of decisions by the department on the updated draft corporate plan, the department will send to the SRC:

- a formal statement of the annual budgetary provision allocated by the department, in light of competing priorities across the department and of any forecast income approved by the department;
- statement of any planned change in policies affecting the SRC;

24.2 The SRC Secretariat shall produce a business plan which should include key targets and milestones for the discharge of the SRC's functions aligned with the structure, and where appropriate, the content of the NIO Outcome Delivery Plan (ODP). All financial commitments contained in the business plan should be agreed as part of the spending review settlement.

24.3 The plan should also include a budget of estimated payments and receipts together with a profile of expected expenditure.

24.4 The Secretary shall be responsible for ensuring that:

- the SRC's budget is monitored on a regular basis;
- all financial commitments made by the SRC can be met within its agreed budget;
- forecast spending profiles are produced and revised as necessary to identify any estimated over / under spend against budget;
- significant deviations from profiles are explained to the NIO finance business partner;
- resource accounting and budgeting rules are followed; and
- the SRC complies with all budget monitoring returns and additional information requests issued by the NIO Finance Team.

24.5 The Secretariat shall not, without prior Departmental approval, enter into any undertaking to incur any expenditure which is not provided for in SRC's annual budget as approved by the senior sponsor.

25. Grant-in-aid and any ring-fenced grants

25.1 The SRC does not receive grant-in-aid. Expenditure by the SRC will be included in the NIO accounts reported to Parliament.

26. Annual Report and Accounts

26.1 For financial accounting purposes, the SRC and the Secretariat will not maintain or produce a separate set of accounting books and accounts, draw down grants or receive grant-in-aid. Expenditure incurred by the SRC will be included in the central figures in the NIO's reporting to Parliament.

27. Reporting Performance to the NIO

27.1 The SRC shall operate management information systems 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.

27.2 The senior sponsor and/or sponsor team will liaise regularly with the SRC Secretary to review financial performance against plans, achievement against the SRC's targets and expenditure including performance against expenditure efficiency targets as defined in the spending review settlement.

27.3 The responsible minister and/or the PAO will meet with the SRC once a year.

28. Information Sharing

28.1 The department has the right of access to all SRC governance records and personnel for any purpose including, for example, sponsorship audits and investigations.

28.2 The SRC shall provide the sponsor department with such information about its operations, performance, individual projects or other expenditure as the sponsor department may reasonably require.

28.3 The department and HM Treasury may request the sharing of data held by the SRC in such a manner as set out in the central guidance except insofar as it is prohibited by law. This may include requiring the appointment of a senior official to be responsible for the data sharing relationship.

28.4 As a minimum, the SRC shall provide the department with information monthly that will enable the department satisfactorily to monitor:

- SRC Cash Management
- Forecast outturn by resource headings;
- other data required for the Online System for Central Accounting and Reporting (OSCAR); and
- data as required in respect of its compliance with any Cabinet Office Controls pipelines or required in order to meet any condition as set out in any settlement letter.

AUDIT

29. Internal Audit

29.1 SRC will not subscribe to an internal audit service. However, if the SRC identifies an area of concern, then arrangements can be made through the senior sponsor to avail of the NIO internal audit services to carry out an audit. From time to time, the NIO's internal audit service may, in acting on behalf of the NIO, seek access to SRC staff and records as part of a review of governance arrangements.

29.2 The NIO's internal audit service providers shall be given access to all management records and to any other records they require to carry out their role. The sponsor team will inform the Secretariat where an audit is to be carried out.

29.3 The sponsor team will ensure that the Secretariat has the opportunity to contribute to the consideration of the responses to any recommendations which may have implications for the NIO before they are agreed by the SRC.

30. External Audit

30.1 Current and Capital expenditure by the SRC forms part of the NIO's Core Resource and Capital expenditure respectively in the NIO's reporting to Parliament.

30.2 The Comptroller and Auditor General (C&AG) audits the NIO's annual accounts and lays them before Parliament. The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the statutory office holder has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under section 8 of the National Audit Act 1983.

30.3 If required, the SRC Secretary will provide National Audit Office (NAO) access to all relevant documents required as part of the audit of the NIO's annual accounts. The NIO sponsor team will share any information relating to the documents identified during the audit process with the SRC Secretary.

REVIEWS AND WINDING UP ARRANGEMENTS

31. Review of SRC's status.

31.1 The UK Government has committed to review all non-departmental public bodies (NDPBs), executive agencies and non-ministerial departments at least once in the lifetime of each Parliament. As Statutory Office Holders, the SRC is outside of the scope of such reviews.

32. Arrangements in the event that the SRC is wound up

32.1 The NIO shall put in place arrangements to ensure the orderly winding up of the SRC. In particular, it should ensure that the assets and liabilities of the SRC are passed to any successor organisation and accounted for properly. In the event there is no successor organisation, the assets and liabilities will revert to the NIO who will make arrangements for the effective winding-up and closing of accounts.

32.2 To this end, the department shall:

- have regard to Cabinet Office guidance on winding up of ALBs;
- ensure that procedures are in place in the SRC 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; and
- specify the basis for the valuation and accounting treatment of SRC assets and liabilities.

32.3 The SRC shall provide the department with full details of all agreements where the SRC or its successors have a right to share in the financial gains of developers. It should also pass to the NIO details of any other forms of claw-back due to the SRC.

Signed on behalf of the NIO



Dated:
15.11.22

Signed by the SRC Secretary



Dated: 6 October 2022

GENERAL GUIDANCE

The Sentence Review Commissioners shall comply with the following general guidance documents:

- this document;
- [appropriate adaptations of sections of Corporate Governance in Central Government Departments: Code of Good Practice](#)
- [Managing Public Money \(MPM\), issued by the HM Treasury:](#)
- [Government Internal Audit Standards, issued by the Treasury](#)
- [Management of Risk: Principles and Concepts](#)
- [managing the Risk of Fraud, issued by the Treasury](#)
- the Fees and Charges Guide, issued by the Treasury: Chapter 6 of MPM
- relevant Dear Accounting Officer letters
- Regularity and Propriety, issued by the Treasury
- other relevant instructions and guidance issued by the central departments provided they have been brought to their attention by the sponsor group
- recommendations made by the Public Accounts Committee, or by other Parliamentary authority, which have been accepted by the Government, and are relevant to the Secretariat, provided they have been brought to their attention by the sponsor group
- NIO Policies on the Provision and Receipt of Hospitality, Gifts and Events
- [NIO Information Assurance Policy](#)
- [NIO Information Security Policy](#)



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19 May 2022

Delegated Authority Letter – Sentence Review Commissioners

Dear Kerry,

This letter sets out the Sentence Review Commissioners delegated authorities and budget from the Northern Ireland Office for the 2022/23 financial year. It should be read in conjunction with the Settlement Letter you received following the conclusion of Spending Review 2021 (dated 17th December 2021). In addition, I attach a formal delegation letter in line with HMT guidelines at [Annex 2](#).

Where applicable this letter supersedes any relevant content in your Framework Document, which will now be renewed as necessary by your sponsor team.

It also sets out the Sentence Review Commissioners responsibilities in regards to how these funds are used and your necessary responsibilities to me as the departmental Principal Accounting Officer.

As the Principal Accounting Officer, I am pleased to confirm that your agreed budget for 2022/23, as per your SR21 Settlement Letter, is:

- RDEL 2022/23: £121,600
- CDEL 2022/23: £0

It is your responsibility to manage within the budget allocation and to meet your corporate objectives and targets where appropriate.

The Sentence Review Commissioners is responsible for ensuring that all spend is in accordance with the principles of HM Treasury's *Managing Public Money* and complies with the HM Treasury *Consolidated Budgeting Guidance*.

Your new delegated authority limit is £7,500 excluding VAT ([See Annex 3](#)). Any transactions greater than this require NIO approval in advance, before spend is made. The Sentence Review Commissioners can set delegation authority limits to named individuals within your organisation subject to recording these limits and

meeting the requirements of the National Audit Office (NAO). You are also the authorised signatory for third party contracts for goods and services that have an estimated contract value within the limits of your budget delegation and comply with Government Spending Controls.

The budget is set for the year. Your NIO Sponsorship Team and your NIO Finance Business Partner will provide support to you and your team throughout the financial year, and will meet with you regularly to review progress against budget allocations and forecasts and discuss adherence to your responsibilities - including compliance with Government Spending Controls. Progress against your budget is reported to me as the Principal Accounting Officer on a monthly basis.

Formal financial reviews will be held at M3 and M6, led by the NIO Finance Team. If it is evident that your budget is not being spent as planned, as Principal Accounting Officer I reserve the right to redirect elements of your budget to areas of greatest financial need across the NIO Group. In this eventuality, this will be discussed with you.

There will also be a new six monthly formal review meeting with the NIO Finance Director. Further details regarding this, including your broader responsibilities, are set out in Annex 1.

Please inform your NIO Sponsorship Team and the NIO Finance Business Partner at the earliest opportunity if there are any unforeseen events or changes that impact your financial position.

I would be grateful if you could respond to me by email within ten working days to confirm that you are content that you have adequate arrangements in place to provide assurance for the responsibilities as set out in this delegation letter.

Please contact your NIO Finance Business Partner in the first instance if you have any questions regarding this delegation letter.

Yours sincerely,



Madeleine Alessandri
Permanent Secretary
Northern Ireland Office

Annex 1

Sentence Review Commissioners Responsibilities

Managing your budget

1. As a budget holder, you are responsible for living within your budget and achieving value for money in compliance with HMT's *Managing Public Money*.

2. Your organisation is required to submit the following Management Information to NIO Finance Team on the 3rd working day of each month:

- Monthly journals - with supporting documentation
- Accruals and prepayments - with supporting documentation. If there is a nil return please complete the return stating this.
- Bank reconciliations
- Regular review of staff access and permissions on Account NI
- Cash requirements to inform the monthly cash forecast
- At year end, provide year-end documentation, calculation, information and evidence as requested by NIO/EY for preparation of year end ARA and audit files.

3. Please note that requests for journals, accruals, and prepayments will not be accepted and actioned by Finance if:

- They are below £500 per transaction (including any applicable VAT)
- Supporting documentation is not provided
- They are submitted beyond the deadline

4. You should ensure your organisation has sufficient resource (with cover arrangements) in managing your budget, including knowledge of Account NI to access financial data.

Monthly reviews will be undertaken by the NIO Finance Business Partner to review in year spending and to scrutinise forecasts. Significant deviations from year to date spend and/or full year forecasts from the budget allocation at the mid-year point must be supported by a recovery plan showing how spend will be brought back in line with budgets. This will be followed by subsequent check-ins with your Finance Business Partner to discuss any developments or changes to your position since the mid-year review.

5. Performance against budgets this year may impact budgetary decisions during the year and in subsequent years.

6. You are responsible for ensuring that policy or operational proposals which will significantly impact the Northern Ireland Office resources or balance sheet (novel, contentious or repercussive items) are approved by your NIO Sponsorship Team and NIO Finance Business Partner before submitting advice to the NIO Permanent Secretary.

7. There are rules and restrictions regarding switches between expenditure categories:

- (i) Switches from (a) Resource into Capital (b) Admin into Programme require approval from the NIO. Your Finance Business Partner must be consulted prior to switches being proposed;
- (ii) Any switches can only be approved by the NIO and HMT through the parliamentary Estimates process at the start of the financial year and at Supplementary Estimates (November / December of each year); and

(ii) Switches from (a) Capital into Resource and from (b) Programme into Admin are not permitted, in line with HMT's *Consolidated Budgeting Guidance*.

Special Payments

8. The SRC must comply with HMT's *Managing Public Money* (Annexes 4.10 - 4.14) guidance in relation to special payments (including special severance payments), overpayments, losses and write offs, gifts, remedy payments and consolatory payments (£500+). Approval from the NIO Finance Business Partner is required prior to making an offer of a special payment.

9. All payments regardless of value require NIO approval if they are deemed novel, contentious or potentially repercussive. If you have any of these, please discuss with your NIO Sponsorship Team and NIO Finance Business Partner at the earliest opportunity.

Procurement Rules

10. Subject to the value and category of the procurement, different procurement routes are required under Procurement Central Limits :

- i) Up to £5k - Bodies must demonstrate that VFM is secured.
- ii) £5k to £30k - Bodies must seek a minimum of two (2) tenders.
- iii) £30k to EU threshold – Advertise on eSourcingNI through CPD.

Above EU Thresholds – EU Directives apply, and must advertise in the Official Journal of the European Union (OJEU).

11. You must follow your own internal policies for spend approval and contract signature as well as ensuring that you are compliant with Government Spend Controls.

12. You must maintain effective oversight of the following activity and should engage with NIO for guidance if required prior to undertaking any of the following:

- i) Procuring goods and services with an estimated contract value above £5,000 (excl. VAT)
- ii) Varying an existing contract either by term, value or scope
- iii) If you wish to award a contract with a value over £5,000 without competition (Direct Award/Single Tender). This should only be done in exceptional circumstances and will require prior legal approval.
- iv) For any pro-bono, zero charge or trial contracts
- v) If the services procured must commence before a contract has been signed and awarded. This should only be done in exceptional circumstances.

13. Where there is an operational emergency, and SRC are unable to conduct the procurement process in accordance with CPD guidance in the necessary time frame, SRC may source external procurement support. This should only be done in exceptional circumstances and be approved by your NIO Finance Business Partner in advance.

Government Spend Controls

14. Spend in the following categories are subject to Government Spending Controls and may require prior approval from the Cabinet Office. Guidance on gaining Approvals can be obtained at the following link:

- Commercial activity, including dispute disclosure
- Consultancy and professional services (including legal)
- Property, including facilities management
- Grants
- Digital and technology, including identity assurance
- Advertising, marketing and communications
- Learning and development (Civil Service Learning)
- Redundancy and compensation
- External recruitment

15. You must use centrally established and managed corporate contracts where possible where they already exist. These are designed to achieve the best VFM and include favourable terms & conditions.

16. You must first satisfy yourself that interim staff coming to work for your organisation for a temporary period will be meeting their tax and national insurance commitments. To do this, you must formally assess whether appointees are within scope of the Intermediaries (IR35) Regulations.

Commercial Pipeline

17. You are responsible for ensuring that an up-to-date commercial pipeline is maintained, and all planned spend with a third party is recorded; a contract (including variations and extensions) should only be signed if there is a corresponding pipeline entry.

18. Your commercial pipeline should be maintained in line with the standard government template and should be shared with the NIO Finance Business Partner on a quarterly basis and on an ad-hoc basis as requested.

Contract Management

19. Appropriate rigour should be applied to this part of the procurement lifecycle to ensure contracts deliver the value that was originally intended. You are accountable for the effective contract management and delivery of procured services. This includes; ensuring all contracts have named contract managers who are appropriately accredited (or working towards) under the GCO's Contract Management Capability Programme and are actively managing the contracts, including tracking and reporting KPIs and SLAs on any Gold level contracts within your portfolio.

20. At the business case stage, contracts must be tiered (Gold/Silver/Bronze) in accordance with the Contract Tiering Tool guidance and contract management plans produced and maintained in line with prevailing guidance as appropriate for the tier level.

21. Details of live contracts (including KPIs where applicable) should be shared with the NIO when requested.

Contract Publication

22. All contracts with a value of over £10k are legally required to be published on Contracts Finder once awarded, and all contracts with a value over £118k are required to be published on Find a Tender.

Prompt Payment Policy

23. The government commitment is to pay 90% of undisputed and valid invoices from Small and Medium Enterprises (SMEs) within 5 days and 100% of all undisputed and valid invoices to be paid within 30 days. Government departments are required to

publish their performance (including its ALBs) against these payment targets on a quarterly basis on gov.uk. This is therefore a collective responsibility and your organisation must ensure it processes invoices in a timely and efficient manner.

Risk and assurance

24. You are responsible for ensuring an effective risk management system is in place to address risks to delivery of the SRC objectives.

25. You will report at six monthly intervals to your Sponsorship Team in identifying, assessing, managing and escalating operational risks and in providing an assurance that an effective risk management system is in place and operating to a common standard, including cyber security. This is done via the stewardship statement process.

Propriety & Ethics

26. You have an obligation to disclose conflicts or potential/perceived conflicts of interest and take all reasonable steps to prevent conflicts of interest giving rise to material or perceived risks.

27. Officials within the Sentence Review Commissioners must not abuse their position by making use of privileged information for personal advantage or to help others to personally gain.

28. When considering whether to accept offers of gifts or hospitality, you must be confident that it involves no reasonable suspicion that personal judgement, impartiality or integrity has been compromised.

29. You must submit to the Permanent Secretary's Office if you or any of your staff are leaving SRC and taking any form of full, part-time or fee paid employment falling within the scope of the Business Appointment Rules. Whilst these rules are drafted and labelled for the attention of UKG Civil Servants, your organisation must comply with the spirit of these rules whatever the status of employees.

30. All business appointments must be reviewed by your Leadership Team, and, where applicable in line with your internal processes, your Audit and Risk Committee, to ensure mitigations are discussed and in place for leavers in line with Departmental practice.

Counter fraud responsibilities

31. You have a responsibility for managing fraud within your organisation by acting in accordance with the Civil Service Code, Managing Public Money and the Government Counter Fraud Functional Standard ensuring:

- (i) Accountabilities and responsibilities for managing fraud, bribery and corruption risk are defined across all levels of the organisation;
- (ii) Employees have the skills, awareness and capability to protect the organisation against fraud, bribery and corruption;
- (iii) Controls are in place to mitigate fraud, bribery and corruption risks and are regularly reviewed to meet evolving threats;
- (iv) A counter fraud, bribery and corruption strategy is in place and approved by the organisation's board or executive risk committee; and
- (v) Risk assessments are undertaken for new projects or areas of spend. Appropriate funding should be set aside for fraud and compliance activities from the outset.

32. You should promote a counter-fraud culture within your organisation. This includes highlighting to staff members the appropriate process to report concerns about actual, attempted or suspected fraud in line with whistleblowing legislation.



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19 May 2022

Delegated Authority Letter – Sentence Review Commissioners

Dear Kerry,

I am writing to set out the Sentence Review Commissioners updated delegated spending authorities. This supersedes all previous communication on delegated authorities, and includes the arrangements for approving:

- new policy proposals and announcements;
- projects and programmes; and
- internal funding allocations

HM Treasury approval for expenditure is one aspect of the convention whereby the Treasury controls all other departments in matters of finance and public expenditure on behalf of Parliament. Formally, Treasury consent is required for all expenditure or resource commitments. In practice, the Treasury delegates to departments the authority to enter into commitments and to spend within predefined limits without specific prior approval from the Treasury (with certain exceptions). Such delegated authorities strike a balance between the Treasury's need for control in order to fulfil its responsibilities to Parliament and the department's freedom to manage within its agreed budget limits and Parliamentary provision. Annex 2.2 of *Managing Public Money* sets this out in further detail.

The delegated authorities set out in this letter give the Sentence Review Commissioners standing authorisation to commit resources or incur expenditure without specific prior approval from the Northern Ireland Office in specific areas and within specific limits. Where expenditure does not fall within these delegations, Northern Ireland Office consent will be necessary. Details of these delegated authorities are set out in Annex A, alongside a list of the categories of spending which always require Northern Ireland Office approval. These include proposals for expenditure which is novel and contentious, or could cause repercussions elsewhere in the public sector. Expenditure slotting into any of these categories requires Northern

Ireland Office consent. If no delegation is set out specifically in the letter, then the delegation is nil and Northern Ireland Office consent will need to be sought. Where appropriate Northern Ireland Office will liaise with HMT in order to seek their approval. Programme specific delegations are also set out in Annex A.

This delegation letter commences from the date of this letter and will be reviewed on annual basis by the Northern Ireland Office. The letter should be read in conjunction with other guidance setting out the parameters of departmental spending authority, such as *Managing Public Money*. Any questions on the contents of this letter should be referred to your Body's sponsor Team in the Northern Ireland Office.

New policy proposals and announcements

New policy proposals and announcements with financial implications must be cleared with the Northern Ireland Office when:

- they are outside your Bodies delegated authorities;
- they are included within the list of categories of spending which always require HM Treasury approval (via NIO);
- they are to be submitted to the Cabinet or a Ministerial committee for collective approval.

Cost estimates must be provided to the Northern Ireland Office with an identification of how the costs will be met, including cost impacts for other departments. Except where specifically agreed with the Northern Ireland Office, Arm's Length Bodies are expected to submit a business case using the techniques set out in the Green Book, including cost-benefit analysis, to appraise and evaluate policy announcements and proposals, as well as projects and programmes.

Where proposals with financial implications are to be submitted to the Cabinet or a Ministerial committee for collective approval, Northern Ireland Office approval must be secured well in advance. Where the NIO (on behalf of the Sentence Review Commissioners) and Treasury cannot agree in advance, any proposal for collective ministerial consideration must record the Treasury's position in terms which are acceptable to the Treasury. Cabinet Committees will not sign-off policy proposals with public expenditure implications unless Treasury ministers are content. Issues will be referred to the Prime Minister, if necessary, for decision, or to Cabinet if the Prime Minister so decides.

Project and programme spending

When approval is required

Projects and programmes require Northern Ireland Office approval where they exceed, or are likely to exceed, the Arm's Length Body delegated authorities. The need for Northern Ireland Office approval extends to the renewal of existing projects and programmes where significant changes are being proposed as well as new projects and programmes. For clarification, Northern Ireland Office approval must be sought where multiple contracts tendered for a programme would, in aggregate, take expenditure over a given delegation limit; contracts must not be broken down in order to avoid the need for Northern Ireland Office approval. It will also be appropriate to seek Northern Ireland Office consent where additional contracts in relation to a programme of activity raise the expenditure above the delegation limit.

Where expenditure is or is likely to be beyond the Arm's Length Body delegated authorities, Northern Ireland Office approval (who will seek Treasury approval) must be given at a minimum at each key stage of the project or programme under the Five Case Model, as set out in the Green Book supplementary business case guidance:

- initial approval at the Strategic Outline Case (SOC) phase;
- approval at the Outline Business Case (OBC) phase, before going out to the market or tender;
- approval at the Full Business Case (FBC) phase before any spending is committed. In the case of projects and programmes procured under the competitive dialogue process, approval is required before close of dialogue; further approval is then required at the FBC stage for any substantive changes since close of dialogue.

Additionally, for major projects as defined by the 'Treasury approvals process' guidance, the following apply:

- NIO, through HM Treasury and the Infrastructure & Projects Authority (IPA) will agree with the Arm's Length Body a set of milestones as part of the project's Integrated Assurance and Approval Plan (IAAP). The Treasury reserves the right to add further approval milestones where necessary;
- the Arm's Length Body must continue to provide the NIO, who will provide Treasury and the Infrastructure & Projects Authority (IPA) with details of projects and programmes after FBC approval until the project or programme is operational, including on project performance, cost and time envelope, on a quarterly basis. This information will be collected via the IPA's Government Major Project Portfolio (GMPP); and
- the Arm's Length Body is required to share its post-implementation review for each project with NIO, who will share with HM Treasury and the IPA.

Where this is not the case, or where the Sentence Review Commissioners does not accept IPA recommendations, the NIO, and Treasury will consider withholding funding until it is satisfied the recommendations have been properly implemented or considered.

Project reporting

In addition to setting delegated limits, we are also maintaining lower disclosure thresholds for projects and programmes as set out in Annex A.

To facilitate effective Northern Ireland Office and Treasury oversight and knowledge of Arm's Length Body spending, and Cabinet Office oversight of delivery risk and capability, the Sentence Review Commissioners is required, on a quarterly basis, to provide the Northern Ireland Office, and relevant IPA contact, with information on projects whose whole life costs fall outside, or are likely to fall outside, delegated authorities or exceed disclosure thresholds. The quarterly GMPP process provides the primary means of collecting the information, which includes:

- project summary;
- the lifecycle stage, the next significant milestone, and when that is likely to take place;
- annual project costs and whole life costs, in government budgeting terms;
- where appropriate, the NPV of the project or programme;
- delivery confidence;
- the relative priority of the project in the department's project portfolio;
- the future timetable; and
- where applicable, the date and amount of any existing approval from HM Treasury.

The Northern Ireland Office and Treasury will normally only approve projects and programmes outside delegated authorities where Arm's Length Bodies comply with this and associated processes to prioritise and rank their portfolio(s).

This process includes all initiatives outside delegated authorities or above disclosure thresholds, including:

- those that are identified within your Arm's Length Bodies as in development, as well as serious options where project or programme initiation is envisaged; and

For any new initiative which is:

- likely to fall outside the relevant delegated authorities; or
- requires specific functional input or technical expertise (e.g. finance; digital; infrastructure; construction etc); or
- is novel, contentious, or is expected to lead to ministerial announcement

You are asked to engage the relevant Northern Ireland Office sponsor at the outset to determine the degree of challenge and whether the initiative and proposed delivery approach would benefit from Major Project status or IPA support. IPA and Treasury engagement in an initiative's transition from policy to delivery should be as early as possible and should not rely on the more formal quarterly cycle. As set out in the Sentence Review Commissioners most recent Spending Review settlement letter and if needed, there will be a quarterly meeting between the Sentence Review Commissioners and The Northern Ireland Office, who will liaise with the relevant Treasury spending team, and IPA contact where such matters should be formally discussed. In addition, the Treasury should be kept informed on a regular basis of details of planned savings measures, especially where they are novel or contentious. This communication will come from The Northern Ireland Office on behalf of the Sentence Review Commissioners.

Spending commitments beyond Spending Review settlement

In line with *Managing Public Money*, any new spending proposal which would entail contractual commitments to significant levels of spending in future years for which plans have not been set must be approved by the Northern Ireland Office. If necessary the NIO will seek Treasury approval. In addition, the Northern Ireland Office requires Arm's Length Bodies to report on a quarterly basis on the total amount of capital spending which has been committed per financial year beyond the current Spending Review settlement. This applies to capital spending beyond 2022-25. If the Northern Ireland Office has concerns about the level of commitments that have built up, it may require all spending proposals committing money beyond the current Spending Review settlement to have NIO approval, regardless of the level of spending involved.

Process for obtaining approval

Before any expenditure outside the delegated authorities is submitted by the Arm's Length Body to NIO for formal approval, it should already have passed the highest level of scrutiny within the body, which as a minimum will require sign-off by the Principal Accounting Officer (PAO), Finance Director, or other official with full delegated powers. Expenditure submitted to the Treasury via NIO for approval should also have been signed-off by the relevant minister within the Northern Ireland Office (excepting cases related to special payments). Where the PAO assesses that a ministerial direction will likely be needed in relation to the expenditure, the reasons for this should be discussed with Treasury. No direction should be sought in advance of obtaining Northern Ireland Office approval for the expenditure.

Policy proposals and projects

Applications for approval should be submitted to the NIO, who will liaise with HMT spending team, and will then communicate in writing whether approval has been granted. Projects outside delegated authority will be scrutinised through the Treasury Approval Point process, or the Major Projects Review Group for Government's largest and riskiest projects and programmes. You will normally receive a response within 28 days of the business case formally being received.

Cabinet Office controls

The Cabinet Office will continue to operate a subset of spending controls on behalf of the Treasury. They apply to the following types of expenditure:

- Advertising, marketing, and communications;
- Commercial activity, including dispute disclosure;
- Consultancy and professional services;
- Digital and technology, including identity assurance;
- Grants;
- Property, including facilities management;
- External recruitment;
- Learning and development (Civil Service Learning); and
- Redundancy and compensation.

Detailed guidance on their operation and requirements is available at: <https://www.gov.uk/government/publications/cabinet-office-controls>.

The controls apply to your arms-length body, unless exempted. Following a review, most spending control exemptions have been withdrawn or updated (details are set out at Annex B).

Your arms-length body is required to develop and share spending 'pipelines' containing information on proposed commercial procurement, digital and technology, and property spending for at least the next 18 months (publishing commercial procurement pipelines). As well as meeting this requirement your staff should also continue to produce other business cases and seek other NIO consent, (who will seek Treasury and Cabinet Office consent) as required. As it constitutes a delegation from NIO, Treasury consent, spending without the required Cabinet Office approval, or without meeting the conditions set for delegated or Cabinet Office approval, may be considered irregular. The PAO must notify the NIO, (who will notify the Cabinet Office and HM Treasury) as soon as you become aware of a breach of spending controls, and the National Audit Office (NAO) may also need to be informed.

Arm's Length Body also needs to seek NIO approval for redundancy schemes where these fall outside delegated authorities, including where this involves a request to draw down funding ring-fenced for redundancy costs in the Spending Review. HM Treasury and Cabinet Office are jointly reviewing the operation of these controls and will notify NIO who will notify the Sentence Review Commissioners of further changes.

In addition, please also note the Cabinet Office Guidance on the use of Settlement Agreements, Special Severance Payments, and Confidentiality Clauses on Termination of Employment. As of 1 February 2015 Accounting Officers are required to seek the prior approval of the Secretary of State for Northern Ireland Office for any use of a confidentiality clause and then the approval of the Minister for the Cabinet Office in specified criteria, one of which is a proposed payment of £100,000 or more (at any grade).

Special payments

Certain categories of transaction require distinct treatment, including special payments, overpayments, losses & write-offs, gifts, and remedy payments. Annexes 4.10 to 4.14 of *Managing Public Money* contain guidance on these categories and the circumstances under which NIO and Treasury approval must be sought. The NIO will liaise with HM Treasury on behalf of the Sentence Review Commissioners.

You should note that all severance payments outside of normal statutory or contractual requirements require NIO approval (who will seek Treasury approval) and, unless

separately agreed with the Treasury Officer of Accounts (TOA), any consolatory payment of above £500 also requires NIO approval (who will seek Treasury approval) (further detail set out in annex C). In addition, all payments, regardless of value, require NIO approval (who will seek Treasury approval) if they are novel, contentious, or repercussive (paragraph 2.3.4 of *Managing Public Money*). Annex A of this letter contains further detail on the delegations relating to special payments, overpayments, losses & write-offs, gifts, and remedy payments.

Contingent Liabilities

NIO consent (who will seek HM Treasury consent) must be sought for all contingent liabilities that are novel, contentious, or repercussive, before they are agreed. In addition, where such proposed contingent liabilities have maximum exposure of £3 million or more, a completed Contingent Liability approval framework checklist must be submitted to the NIO and onward to Treasury alongside the request for approval. This process is also required for remote contingent liabilities. The NIO will liaise with HM Treasury on behalf of the Sentence Review Commissioners.

New Services and Sole Authority

NIO agreement (who will seek HM Treasury agreement) is also needed to introduce new services on the sole authority of the Supply and Appropriations Acts. New services can never be introduced on a permanent footing without legislation, but there is a temporary services derogation that may be used for services lasting no more than two years in total. Using this derogation requires agreement from the Treasury through NIO.

Fees and Charges

NIO agreement (who will seek HM Treasury agreement) is needed to introduce or modify fees and charges schemes and for any proposal to retain fee and charge income to finance expenditure. The NIO will liaise with HM Treasury on behalf of the Sentence Review Commissioners.

Banking and Cash Management

The Sentence Review Commissioners must maximise the use of publicly procured banking services (accounts with commercial banks managed centrally by Government Banking). Arm's Length Bodies should only hold funds outside of the Exchequer where a good business case can be made for doing so. It should also be noted that specific NIO agreement (who will seek HM Treasury agreement) to each commercial account is required before it is established. Further details are set out in the Banking and managing cash annex of *Managing Public Money*. This also provides guidance on banking policy. As a matter of good financial management, the Sentence Review Commissioners should never go overdrawn.

As part of its delegated authority Sentence Review Commissioners should plan its own cash management efficiently. Arm's Length Bodies must support central cash management processes through forecasting of their cashflow via the cash management scheme as set out in guidance on *OneFinance* and *Managing Public Money*. This captures Arm's Length Bodies inflows and outflows at the point they leave the department's group of accounts within the exchequer.

For effective cash management it is important to distinguish cash flow from accrued budgets. Cash flow should be profiled for each day to inform Exchequer Funds and Accounts (EFA) of the Exchequer's demand for cash and expectations of income on a daily, weekly and monthly basis. The Debt Management Office (DMO) relies on the accuracy of this information to minimise the risks and cost of managing the

government's overall cash position daily, and therefore the earliest possible communication with EFA on changes to cash flow is essential.

Sharing information with NIO and HM Treasury

To support the effective monitoring of spend, and to inform decision making, Arm's Length Bodies must provide NIO, with robust spending and forecasting information, and share data to demonstrate whether priority outcomes are being achieved and contribution to key government objectives. NIO will share with HM Treasury as appropriate.

Review of delegated authorities

The Sentence Review Commissioners delegated authorities will be reviewed by the Northern Ireland Office on at least an annual basis, beginning from the date of this letter. That means that your delegations will be reviewed by **31st March 2023**. Notwithstanding these regular reviews, the NIO reserves the right to withdraw, reduce, or amend these delegated authorities. Before doing this, the NIO will set out its reasons for making the changes and give The Sentence Review Commissioners the opportunity to comment.

Change of Circumstances

For the avoidance of doubt, where there are material changes to the key metrics (e.g. cost base, forecast benefits, delivery schedule) of a programme, The Sentence Review Commissioners should consult the NIO for its view on whether the considerations that led to approval should be revisited, and if fresh consent for the continuation of funding should be sought. Failure to do so may lead the NAO to regard spending following the identification of the material change of circumstances, benefits, or costs as irregular.

Change control procedure

Where The Sentence Review Commissioners delegated authorities are amended a fresh delegation letter must be issued immediately to record this change. If a new delegation letter is not issued within 14 days of the change then it will lapse, and The Sentence Review Commissioners delegation limits will be as in the unamended letter.

ANNEX 3: DETAIL OF THE Sentence Review Commissioners DELEGATED AUTHORITIES

The Sentence Review Commissioners delegated authorities are set out below. Notwithstanding these delegations, certain categories of spending proposal override any delegated authority and must be submitted to NIO for onward submission to HM Treasury. These are proposals which:

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

In addition:

- The Sentence Review Commissioners will always act within the rules of *Managing Public Money*;
- The Arm's Length Body will abide by any specific agreements reached with NIO and Treasury Ministers or officials during Spending Review discussions or otherwise;
- If spending falls under more than one category of delegation, the lower delegated limit applies.

The delegated authorities for The Sentence Review Commissioners are set out in the following table:

Notes:

1. Approval is required if spending falls outside one or more of the applicable delegated limits. Spending should be measured on a whole life cost basis except where this is not sensible, for example for ongoing annual commitments.
2. This includes all new projects and proposals/announcements, even when they are part of a larger programme or payment that was provided for as part of a Spending Review or other NIO written approval (who will seek Treasury written approval) and that are not covered by prior written approval from the NIO/Treasury.
3. This also includes renewal of existing projects and programmes where significant changes are being proposed.
4. Costs are on current net present value accruals basis.
5. Where relevant, when comparing costs against delegated limits, non-recoverable VAT will count towards the delegated limit (recoverable VAT will not).
6. The cost is the sum of all payments committed to a body, organisation or individual from a single programme over its lifetime (i.e. costs should not be "unbundled" to fall below the delegation).

Nature of delegation		Delegated limit	Disclosure threshold
Novel, contentious, or repercussive spend. This includes where commitments are made that may give rise to such spend in future i.e. novel guarantees, indemnities and contingent liabilities, novel financing techniques, significant departures from standard departmental terms and conditions.		Nil	Nil
Projects and programs, and announcements and policy proposals with a defined timeline	Resource	£7,500	£7,500
	Capital	£7,500	£7,500
Announcements and policy proposals creating ongoing expenditure	Resource and Capital	£7,500	£7,500
Spending commitments beyond the current Spending Review settlement	Resource and Capital	£7,500	£7,500
Administrative expenditure	N/A	£7,500	£7,500
Stock write-offs and impairments	Equipment, SOSP, IS/IT etc.	£7,500	£7,500
Claims waived or abandoned	Any	£7,500	£7,500
Special payments	All special payments (save special severance payments) are included in this category. This includes extra-contractual payments involving departmental default made on appropriate legal or other professional advice, ex-gratia compensation payments made on appropriate legal or other professional advice, extra-statutory payments, and extra-regulatory payments. Managing Public Money should be consulted for appropriate guidance. For the avoidance of	£7,500	£7,500

	doubt these limits can be taken to exclude reasonable costs agreed or estimated and confirmed as reasonable by appropriate legal advice.		
Consolatory payments (ex-gratia payments to individuals in respect of incidents which do not involve financial loss and there is no legal redress available)		£500	£500
Special severance payments, including PILON and CILON, outside of normal statutory or contractual requirements.		Nil	Nil
Other	Charitable grants	Nil	Nil
	Subsidies	Nil	Nil
	Guarantees, indemnities, and loans	Nil	Nil
	Gifts	Nil	Nil
	Losses waived/abandoned claims, write offs: third party is solvent	Nil	Nil
	Losses waived/abandoned claims, write offs: third party is insolvent	Nil	Nil

ANNEX 4: CABINET OFFICE CONTROLS

Controls requirements for the Northern Ireland Office and its arms-length and central government bodies.

Body	Exempt status	Thresholds	Review date	Other conditions
Northern Ireland Office and ALBs	Not exempt	As per guidance		

ANNEX 5: EXPLANATORY NOTE ON HM TREASURY APPROVAL IN RESPECT OF CONSOLATORY PAYMENTS

Summary

The Sentence Review Commissioners will through NIO seek Treasury approval for any consolatory payment which is over £500, or which is novel, contentious, or repercussive, or which is outside the delegated authority limit for ex-gratia payments agreed with Treasury. There are some exceptions, which are given below.

Definition

Consolatory payments are ex gratia payments made to individuals by organisations in respect of incidents which do not involve financial loss, e.g. stress, inconvenience, embarrassment etc. They are a form of special payment, as defined by *Managing Public Money* (annex 4.13 – Special Payments).

Guidelines

Due to the size of the amounts involved, NIO/Treasury approval is not required for any payment up to £500, which is not novel, contentious, or repercussive, and which is within the delegated authority limit for ex-gratia payments.

Given that there is no measure of financial loss in assessing consolatory payments, any such payment over £500 is liable to be novel and contentious by its nature and as such would require NIO/ Treasury approval in most cases, even if the level of payment is within the delegated authority limit for ex gratia payments for the department or agency concerned.

Exceptions

The following exceptions to these guidelines apply **if and only if** the proposed payment is not novel, contentious or repercussive, and is within the delegated authority limit for ex gratia payments for the department or agency concerned.

- NIO/ Treasury approval is **not** required if a department is in a position to offer to settle a case which would otherwise be determined by the courts (e.g. a personal injury case), and the legal assessment is that the department is likely to lose the case and the proposed consolatory payment is less than the amount the court is likely to award.
- NIO/ Treasury approval is **not** required for cases where an arbiter which has legal authority has made a recommendation for payment. The Parliamentary and Health Service Ombudsman (PHSO) is an example of such an arbiter.
- NIO/ Treasury approval is **not** required if the proposed payment is above £500 but below a limit agreed bilaterally between the department and the Treasury in the context of an independent case examiner (ICE) within the department having made a formal determination of the appropriate level of compensatory payment.

An example of this is the Department for Work and Pensions, which has an ICE which carries out this role. The Treasury has agreed a threshold of £1,000 with the Department for consolatory payments assessed by the ICE.

Process

Submissions for Treasury approval in respect of consolatory payments should be made through the usual NIO contacts, who will liaise with contacts in Treasury

spending teams. As appropriate, the HMT spending teams will consult the Treasury Officer of Accounts team (TOA).

We would normally expect a fairly short business case, setting out the circumstances of the maladministration, the level of payment proposed, and justification for the level of payment.

Principles

Given the absence of measurable financial loss in such cases, the NIO/ Treasury seeks to strike a balance between ensuring appropriate levels of scrutiny and avoiding disproportionately heavy clearance procedures for very low value cases.

In accordance with Managing Public Money, Treasury approval is required for any payment which is novel, contentious or repercussive, or which is outside the delegated authority limit for ex gratia payments agreed with NIO/ Treasury. Treasury approval will be sought by NIO on behalf of the Sentence Review Commissioners.

MEMORANDUM OF UNDERSTANDING
FOR ADMINISTRATION
ARRANGEMENTS
BETWEEN THE
Northern Ireland Office
AND
The Northern Ireland Courts and Tribunals
Service
IN RESPECT OF
Sentence Review Commissioners

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1. PURPOSE OF AGREEMENT

The purpose of this Memorandum of Understanding (MOU) is to set out the arrangements between the Northern Ireland Office (NIO) and the Northern Ireland Courts and Tribunals Service (NICTS) relating to the administration of Sentence Review Commissioners (SRC).

NIO and NICTS set out in this Agreement the arrangements which will allow Parole Commissioners Northern Ireland (PCNI from 1st May 2012 is a cost centre of NICTS) to continue to provide certain administrative responsibility for SRC. PCNI was previously sponsored by Safer Communities Directorate, Policing and Policy & Strategy Division.

This document is not intended to confer legal obligation but to provide all parties with an understanding of what constitutes an acceptable level of service and as such does not affect any party's statutory rights.

2. BACKGROUND

The Parole Commissioners Northern Ireland (PCNI) came into being on 15 May 2008 through the renaming of the Life Sentence Review Commissioners under Article 46 (1) of the Criminal Justice (NI) Order 2008. At that point both the PCNI and the SRC were the responsibility of the Northern Ireland Office. Following devolution the PCNI became the responsibility of DOJ and the SRC remained a reserved function under the responsibility of the NIO.

One of the key recommendations of a recent Criminal Justice Inspection Report into the governance of PCNI is that consideration be given to the reposition of the PCNI within the NI Courts and Tribunal Service. The Minister accepted this recommendation and a decision has been taken that the administration of PCNI is to transfer to the NICTS 1st May 2012. The SRC, who shared staff and accommodation with the PCNI also moved to NICTS accommodation.

SRC currently has one member of their staff at Grade EO 2 level undertaking case management for all SRC cases. PCNI provides line management support to the SRC member of staff. Both PCNI and SRC were part of one function pre-devolution. Post devolution, SRC has continued to provide one grade EO 2 to perform the administrative role. This document seeks to outline and formalise the new arrangements which PCNI (from May 2012 now a cost centre of NICTS) will provide to SRC (i.e. casework will be carried out by a DOJ member of staff and this cost along with managerial input from DOJ line management will become the new practice).

3. OVERVIEW OF THE SENTENCE REVIEW COMMISSIONERS

SRC in Northern Ireland has been appointed to oversee and regulate the early release of certain prisoners convicted during the period of civil unrest. It was established under the terms of the United Kingdom Northern Ireland (Sentences) Act, which came into force in July 1998 in the wake of The Agreement, (also known as the Good Friday Agreement, the Belfast Agreement and the Peace Agreement). The Act required the then Secretary of State for Northern Ireland Dr Marjorie Mowlam to appoint 10 Sentence Review Commissioners and this was done on 30th July 1998.

The powers of the Commissioners to decide if a prisoner in Northern Ireland should be released early are set out in the Northern Ireland (Sentences) Act 1998. The Act defines three conditions that all applicants for early release must satisfy. These are:

- that the sentence was passed for a scheduled offence and is one of imprisonment for life or for at least five years;
- that the prisoner is not a supporter of a 'specified' organisation;
- and that if the prisoner were released immediately, he / she would not be likely to become a supporter of a 'specified' organisation or involved in acts of terrorism connected with Northern Ireland.

A fourth condition, applying only to life sentence prisoners, is that if released immediately he / she would not be a danger to the public.

While the Commissioners have to exercise judgement, they do not sit as a court. They do not decide in favour of one party and against the other. Instead, they decide on the basis of representations from both parties: information contained in the application by the prisoner and the response from the Prison Service/ Northern Ireland office. A Preliminary Indication (PI) is issued and either party can challenge the PI which is then set aside and the case will progress to an oral hearing.

4. PERIOD OF OPERATION

This Agreement takes effect from 1st May 2012 and will be subject to review every two years of terms and operation.

While the Agreement will be formally reviewed every two years, either party may request a review at any time. Both parties may negotiate ad-hoc variations on individual services within the Agreement.

5. NORTHERN IRELAND OFFICE RESPONSIBILITIES TO NICTS

All costs associated with operating the SRC will be borne by NIO. The Commissioners fees, expenses and other remuneration ~~will~~ from 1st May 2012 will be submitted to NIO for payment via Liberata. NIO will require PCNI / NICTS to document the required payments. NIO will additionally have a duty to pay any NICTS invoice in a full and timely manner.

6. NICTS / PCNI RESPONSIBILITIES

A member of staff is required to be appointed to complete support work for SRC e.g. case management and processing / checking travel claims etc.

There are 2 PCNI / NICTS staff and one NICTS member of staff (1 DP and 1 SO, and a G7 from NICTS) within PCNI who each spend 5% of

their time working on SRC issues including providing a line management role for the SRC staff member.

The cost of NICTS / PCNI staff time spent on SRC will be billed quarterly to NIO.

SRC work is carried out within PCNI / NICTS property. The PCNI are currently charged per quarter for their accommodation (electricity, rent and rates and security). A percentage of this will be charged back to NIO. The percentage will be calculated based on the number of PCNI and SRC staff and Commissioners using the building.

PCNI / NICTS will raise a quarterly charge to NIO in respect all of the above services provided in respect of SRC to include the following;

- The cost of NICTS / PCNI staff time spent on SRC work; and
- Accommodation related and other costs as noted above.

The total of these costs as agreed with NIO will be invoiced by NICTS to NIO. Details of **estimated** costs are included in Annex A 'NICTS Costs Attributable to NIO.'

7. COMMUNICATION

NICTS and the NIO undertake to consult each other, at the first opportunity, in respect of policy, operational or legislative proposals which may impact upon this Agreement.

8. INTERPRETATION, CHANGES TO OR TERMINATION OF THE AGREEMENT

Any change, or termination, to this Agreement must be agreed by both parties and confirmed in writing.

Signed by:

For and on behalf of the Northern Ireland Office



Date 15.11.22

James Crawford

Deputy Director Security & Protection Group

For and on behalf of the Northern Ireland Courts and Tribunals Service



Signed

Date 25 October 2022

Adrian Gallagher

Head of Tribunal and Enforcement Operations NICTS

ANNEX A: ESTIMATED NICTS COSTS ATTRIBUTABLE TO NIO

NICTS / PCNI STAFF

Costs of NICTS / PCNI Staff doing SRC (NIO) work

THESE FIGURES ARE EXCLUSIVE OF VAT HOWEVER VAT WILL BE INCLUDED IN THE ACTUAL INVOICES

Staff Member	Average Salary 2021/22	Percentage Allocation	Total Allocate to NIO
Grade 7	£76,345	5%	£3,817.25
Deputy Principal	£58,107	5%	£2,905.35
Staff Officer	£46,154.	5%	£2,307.77
Grade EO 2 (case manager)	£36,127	100%	£36,127.00
Total	£216,733		£45,157

ACCOMODATION

Percentage of accommodation costs paid by NICTS / PCNI attributed to SRC / NIO.

Percentage allocation:

	Number of Commissioners	Number of Staff	Total	Percentage Allocation
SRC	6	1	7	12%
PCNI	38	15	53	88%
Total	44	16	60	100%

Estimated Accommodation costs:

	Total annual Accommodation Cost	Percentages	Allocated Costs
SRC	£105,693	12%	£15,219 (included non-recoverable vat)
PCNI	£105,693	88%	£98,010

Estimated Annual Charge from NICTS to NIO - £60,376

Estimated Quarterly Charge from NICTS to NIO: £15,094

Staff costs will be aligned to average salaries as adjusted on an annual basis by pay remit uplifts.