



Ministry
of Justice



Criminal Injuries
Compensation
Authority

Criminal Injuries Compensation Authority

Framework Document

March 2023

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Introduction and background

1. Purpose of document

- 1.1 This framework document (the "framework document") has been agreed between the Ministry of Justice (MoJ) and the Criminal Injuries Compensation Authority (CICA) 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 The framework document sets out the broad governance framework within which CICA and the MoJ operate. It sets out CICA's core responsibilities; describes the governance and accountability framework that applies between the roles of the MoJ and CICA 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 References to CICA include all its subsidiaries and joint ventures that are classified to the public sector and central government for national accounts purposes. If CICA establishes a subsidiary or joint venture, there shall be a document setting out the arrangements between it and CICA agreed with the MoJ.
- 1.5 Copies of the document and any subsequent amendments will be placed in the libraries of both Houses of Parliament and made available to members of the public on gov.uk.
- 1.6 This framework document should be reviewed and updated at least every 3 years unless there are exceptional reasons that render this inappropriate that have been agreed with HM Treasury and the Principal Accounting Officer of the MoJ. The latest date for review and updating of this document is April 2026.

2. Objectives

- 2.1 The MoJ and CICA share the common objective of delivering swift access to justice. To achieve this CICA and the MoJ will work together in recognition of each other's roles and areas of expertise, providing an effective environment for CICA to achieve its objectives through the promotion of partnership and trust and ensuring that CICA also supports the strategic aims and objectives of the department and wider government as a whole.

3. Classification

- 3.1 CICA has been administratively classified by the Cabinet Office as an Executive Agency.

Purposes, aims and duties

4. Purpose and duties

- 4.1 CICA is an Executive Agency of the Ministry of Justice. First established in 1996 as a Non-Departmental Public Body, CICA was converted to an Executive Agency on 1 April 2014.
- 4.2 As an Executive Agency, CICA does not have a separate legal personality to the MoJ.
- 4.3 The purpose of CICA is to administer the Criminal Injuries Compensation Schemes in accordance with the Criminal Injuries Compensation Act 1995 and any subsequent compensation schemes set-out by Parliament in secondary legislation.
- 4.4 The first criminal injuries compensation scheme was made in 1964 on an ex gratia basis. The Criminal Injuries Compensation Act 1995 required a statutory scheme to be made by the responsible Minister and approved by both Houses of Parliament.
- 4.5 The first statutory criminal injuries compensation scheme was made in 1996 and revised schemes followed in 2001, 2008 and 2012. The Criminal Injuries Compensation Scheme 2012 was amended in 2019. CICA also administers the Victims of Overseas Terrorism Scheme 2012.
- 4.6 Each scheme makes reference to CICA (“the Authority”) as the body responsible for its administration. Claims officers of CICA have the powers and duties described in each scheme for the purpose of the determination of claims for criminal injuries compensation and associated matters.

5. Aims

- 5.1 CICA’s strategic aims are to:
 - Provide an accessible service that treats victims with compassion, sensitivity and fairness.
 - Invest in an inclusive, diverse and professional workforce which lives our values and delivers public service with pride.
 - Operate an efficient and accurate assessment process and account for the public funds we spend.
 - Build strong stakeholder relationships in which we listen and collaborate to improve applicant experience.

Governance and accountability

6. Governance and accountability

- 6.1 CICA shall operate corporate governance arrangements that, so far as practicable and in the light of the other provisions of this framework document or as otherwise may be mutually agreed, accord with good corporate governance practice and applicable regulatory requirements and expectations.
- 6.2 In particular (but without limitation), CICA should:
- comply with the principles and provisions of the Corporate Governance in Central Government Departments Code of Good Practice¹ (as amended and updated from time to time) to the extent appropriate and in line with their statutory duties or specify and explain any non-compliance in its annual report
 - comply with MPM
 - in line with MPM have regard to the relevant Functional Standards as appropriate and in particular those concerning Finance, Commercial, Counter Fraud, Digital & Technology and HR
 - take into account the codes of good practice and guidance set out in Annex A of this framework document, as they apply to ALBs
- 6.3 In line with MPM Annex 3.1, CICA shall provide an account of corporate governance in its annual governance statement including the Board's assessment of its compliance with the Code with explanations of any material departures. To the extent that CICA does intend to materially depart from the Code, the Sponsor should be notified in advance.
- 6.4 The senior officers accountable for managing each function in CICA are accountable to the CICA Accounting Officer for:
- the delivery of the CICA business plan objectives relevant to the function and the direction and control of associated resources;
 - the quality and value for money of the service provision; and
 - ensuring CICA adopts the relevant function's policies, controls and standards, so far as consistent with the other provisions of this framework document.
- 6.5 As an embedded and integral part of the governance and performance management of CICA, the senior officers accountable for managing each function in CICA shall agree a proportionate basis for defining the scope of services, service

¹ <https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments>

levels, appropriate milestones and performance criteria, with routine reporting on compliance with defined standards and requirements, the resources deployed and costs, and any gaps in capacity and capabilities.

- 6.6 The senior officers accountable for managing each function in CICA are accountable to the respective MoJ function leads for:
- providing assurance over compliance with functional standards, so far as consistent with the other provisions of this framework;
 - implementing consistent policies, systems, processes and capabilities that support and promote interoperability and efficiency; and
 - supporting the on-going development of the function.
- 6.7 The senior officers accountable for managing each function in CICA shall provide the MoJ function leads with such information about their operations, performance and capabilities as may reasonably be required. In the event of any significant concerns being identified, the MoJ function lead will draw these to the attention of the CICA Accounting Officer.
- 6.8 The respective MoJ function lead will engage with the CICA Accounting Officer and senior officer accountable for managing each function in CICA to develop functional plans that set out activities, processes and developments that align to the delivery of MoJ outcome priorities to required standards, meet the collective needs across the organisation, and support an inclusive vision and clear prioritisation for all those operating within and supported by these activities. CICA shall work collaboratively with the MoJ's functions to align processes, systems, knowledge and career pathways.
- 6.9 The CICA Accounting Officer will consult with and reflect the views of the MoJ function to inform the performance assessment of the function lead in CICA to support their continuing personal and professional development.
- 6.10 The Principal Accounting Officer will consult with and reflect the views of the CICA Accounting Officer to inform the performance assessment of the MoJ function leads to support their continuing personal and professional development.
- 6.11 The MoJ may provide functional services to CICA. The Principal Accounting Officer may seek to change the precise nature of the delivery model for these functions during the lifetime of the framework to support better delivery of CICA objectives, more consistency, increased innovation and enhanced efficiency. Where there is proposed to be significant change in the way functions are delivered, the CICA Accounting Officer will be consulted.

Role of the department

7. The responsible Minister

- 7.1 The Secretary of State for Justice, as Lord Chancellor is accountable to Parliament for all matters concerning CICA.
- 7.2 The Secretary of State's statutory powers and responsibilities in respect of Criminal Injuries Compensation are set out in the Criminal Injuries Compensation Act 1995 (the Act):
- Pursuant to section 1 of the Act, the Secretary of State shall make arrangements for the payment of compensation to, or in respect of, persons who have sustained one or more criminal injuries, by making a Criminal Injuries Compensation Scheme providing for:
 - the circumstances in which awards may be made; and
 - the categories of person to whom awards may be made.
 - Pursuant to section 2 of the Act, the Secretary of State may at any time alter the Tariff contained in the Criminal Injuries Compensation Scheme.
 - Pursuant to section 6 of the Act, the Secretary of State shall lay before each House of Parliament a copy of every such annual report, [and the Scottish Ministers shall lay before the Scottish Parliament] a copy of every such Annual Report,
 - Pursuant to section 9 of the Act, the Secretary of State may pay remuneration and manage expenses incurred, including but not limited to the following financial provisions:
 - sums required for the payment of compensation in accordance with the Scheme shall be provided by the Secretary of State out of money provided by Parliament.
 - any expenses incurred by the Secretary of State under this Act shall be paid out of money provided by Parliament.
 - any expenses incurred by the Secretary of State as regards Scotland shall be reimbursed to the Secretary of State by the Scottish Ministers. Through the exercise of these powers the Minister is also responsible for the policy framework within which CICA operates.

Other Ministerial powers and responsibilities

7.3 The Minister is also responsible for:

- The policy framework within which CICA operates.
- Providing guidance and direction to ensure the strategic aims and objectives of CICA are consistent with those of the MoJ.
- setting the performance framework within which CICA will operate including approving CICA's Strategy and Annual Plan.
- acting in accordance with the Governance Code of Conduct on Public Appointments in relation to the appointment of the CICA Board Chair and of non-executives.
- matters regarding spending approvals, acquisitions, disposals, and joint ventures in line with delegations as set out in the delegation letter.
- such other matters as may be appropriate and proportionate.

Appointments to the board

7.4 The Chief Executive of CICA is appointed by the responsible Minister.

7.5 The Minister shall have the following appointment and approval rights in relation to CICA's Board:

- The chairperson is appointed by the responsible Minister. This appointment is subject to the Public Appointments Order in Council and as such must comply with the Governance Code on Public Appointments.
- Three non-executive members are appointed by the responsible Minister. These appointments must comply with the Governance Code on Public Appointments.
- 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 boards which include a balance of skills and backgrounds.

Other Ministerial powers and responsibilities

7.6 The Minister is also responsible for:

- The policy framework within which CICA operates.

8. The Principal Accounting Officer

8.1 The Principal Accounting Officer (PAO) is the Permanent Secretary of the department.

PAO's specific accountabilities and responsibilities

8.2 The PAO of MoJ designates the Chief Executive as CICA's Accounting Officer (AO) and ensures that they are fully aware of their responsibilities. The PAO issues a letter appointing the AO, setting out their responsibilities and delegated authorities. CICA's Accounting Officer is expected to consult the PAO should any issue arise that engages their AO responsibilities, in a timely fashion.

8.3 The respective responsibilities of the PAO and AOs for Executive Agencies are set out in Chapter 3 of MPM.

8.4 The PAO is also responsible, supported by the Senior Sponsor and the policy sponsorship team, for advising the responsible Minister on:

- an appropriate framework of objectives and targets for CICA in the light of the department's wider strategic aims and priorities
- an appropriate budget for CICA in the light of the sponsor department's overall public expenditure priorities
- how well CICA is achieving its strategic objectives and whether it is delivering value for money
- the exercise of the Ministers' statutory responsibilities concerning CICA as outlined above, and in any other relevant legislation.

8.5 The PAO, supported by the Senior Sponsor and senior officers accountable for managing each function in the MoJ, is also responsible for ensuring arrangements are in place in order to:

- monitor CICA's activities and performance
- address significant problems in CICA, making such interventions as are judged necessary
- periodically and at such frequency as is proportionate to the level of risk carry out an assessment of the risks both to the department and CICA's objectives and activities in line with the wider departmental risk assessment process
- inform CICA of relevant government policy in a timely manner
- bring ministerial or departmental concerns about the activities of CICA to the CICA Board, and, as appropriate to the departmental Board, requiring explanations and assurances that appropriate action has been taken

9. The role of the Senior Sponsor and policy sponsorship team

- 9.1 The responsible Senior Civil Servant for this relationship is the Senior Sponsor, as delegated by the Permanent Secretary. Working with the policy sponsorship team, they are the main source of advice to the responsible Minister on the discharge of their responsibilities in respect of CICA. They also support the PAO on their responsibilities toward CICA.
- 9.2 The Senior Sponsor, supported by Officials within MoJ will liaise regularly with CICA officials to review performance against plans, achievement against targets and expenditure against its DEL and AME allocations. MoJ's policy sponsorship team will also liaise regularly with CICA officials and take the opportunity to explain and discuss wider policy developments that might have an impact on CICA.

10. Resolution of disputes between the CICA and MoJ

- 10.1 Any dispute between the department and CICA will be resolved in as timely a manner as possible. The department and CICA will seek to resolve any dispute 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 General to oversee the dispute. They may then choose to ask the Permanent Secretary to nominate a non-executive member of the department's Board to review the dispute, mediate with both sides and reach an outcome, in consultation with the Secretary of State.

11. Freedom of information requests

- 11.1 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 responsibilities.

12. Reporting on legal risk and litigation

- 12.1 CICA will manage any litigation arising from its operational activities and bring any actual, threatened or reasonably anticipated litigation against CICA and/or the MoJ, to the attention to the MoJ.
- 12.2 The parties acknowledge the importance of ensuring that legal risks are communicated appropriately to the Senior Sponsor in a timely manner. CICA will routinely provide a quarterly update to the Senior Sponsor on the existence of any actual, threatened or reasonably anticipated litigation arising from its operational activities and/or within its knowledge concerning the criminal injuries compensation schemes, and if warranted, by exception at any other time.
- 12.3 CICA may seek legal advice independent of the MoJ, where appropriate.
- 12.4 In respect of each substantial piece of litigation involving CICA, 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 Senior 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 Senior Sponsor 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
 - circulation of privileged information within government occurs only as necessary

CICA governance structure

13. The Chief Executive

Responsibilities of CICA's chief executive as accounting officer

13.1 The Chief Executive as AO is personally responsible for safeguarding the public funds for which they have charge; for ensuring propriety, regularity, value for money and feasibility in the handling of those public funds; and for the day-to-day operations and management of CICA. In addition, they should ensure that CICA 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 MPM. These responsibilities include the below and those that are set in the AO appointment letter issued by the PAO of the MoJ.

Responsibilities for accounting to Parliament and the public

13.2 Responsibilities to Parliament and the public 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 oversight of any local responsibilities, for inclusion in the annual report and accounts
- ensuring that effective procedures for handling complaints about CICA in accordance with Parliamentary and Health Service Ombudsman's Principles of Good Complaint Handling are established and made widely known within CICA and published on gov.uk
- acting in accordance with the terms of MPM and other instructions and guidance issued from time to time by the department, the Treasury and the Cabinet Office
- ensuring that as part of the above compliance they are familiar with and act in accordance with:
 - any governing legislation
 - this framework document
 - any delegation letter issued to body as set out in paragraph 18
 - any elements of any settlement letter issued to the MoJ that is relevant to the operation of CICA
 - any separate settlement letter that is issued to CICA from the MoJ
- ensuring they have appropriate internal mechanisms for monitoring, governance and external reporting regarding non-compliance with any conditions arising from the above documents

- giving evidence, normally with the PAO, when summoned before the Public Accounts Committee (PAC) on CICA's stewardship of public funds

Responsibilities to the MoJ and Principal Accounting Officer

13.3 Responsibilities to MoJ, and in particular to the PAO, include:

- establishing, in agreement with the MoJ, CICA's corporate and business plans in the light of the MoJ's wider strategic aims and agreed priorities
- informing the MoJ of progress in helping to achieve the MoJ'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 MoJ; that the MoJ and in particular the PAO is notified promptly if over or under spends are likely and that corrective action is taken;
- ensuring that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the MoJ and in particular the PAO in a timely fashion

Responsibilities to the Board

13.4 The Chief Executive is responsible for:

- advising the Board on the discharge of their responsibilities as set out in this document, any relevant legislation and in any other relevant instructions and guidance that may be issued from time to time
- advising the Board on CICA's performance compared with its aims and objectives
- ensuring that financial considerations are taken fully into account by the Board at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed

Managing conflicts

13.5 In Executive Agencies, final decisions, responsibility and accountability rest with the Chief Executive as Accounting Officer. However, the expectation is that the Chief Executive will follow the advice of the Board.

13.6 If the Board is contemplating a course of action involving a transaction which the Chief Executive considers would infringe upon the requirements of propriety or regularity or does not represent prudent or economical administration, efficiency or effectiveness, is of questionable feasibility, or is unethical the Chief Executive in their role as AO should reject that course of action.

13.7 The Chief Executive must ensure that the Board have a full opportunity to discuss the rationale. The Chief Executive should confirm the rationale for not following the

advice of the Board in writing to the Chair of the CICA Board and the PAO, and copy that to the Treasury Officer of Accounts.

- 13.8 If the responsible Minister agrees with the proposed course of action of the CICA Board, it may be appropriate for the Minister to direct the AO in the manner as set out in MPM paragraph 3.6.6 onwards.

14. The Board

Composition of the Board

- 14.1 CICA will have a Board in line with good standards of corporate governance, the guidance as set out in Annex A and any relevant legislation. The role of the CICA Board shall be to support the Chief Executive in the effective delivery of services and overall performance by advising on strategy and the deliverability of policies, maintaining high standards of corporate governance, ensuring that controls are in place to manage risk, scrutinising performance, and acting as the forum for self-challenge. The Board shall support CICA to deliver its objectives, in accordance with the purposes as set out above, CICA's regulatory, common law duties and its responsibilities under this framework document. Detailed responsibilities of the CICA Board will be set out in the Board terms of reference. Remuneration of the Board members will be disclosed in line with the guidance in the Government Financial Reporting manual (FRoM).
- 14.2 The Board will consist of a Chair, together with the Chief Executive and three non-executive members that have a balance of skills and experience appropriate to directing CICA's business. For CICA there should be executive members or attendees who have experience of its business including operational delivery; legal and policy; corporate services. This will include an appropriately qualified finance director as a CICA Board member as described in Annex 4.1 of MPM, a role which will be fulfilled in practice by a Senior Civil Servant member of MoJ's Finance function. The Board should include a majority of suitably qualified and independent non-executive members to ensure that executive members are supported and constructively challenged in their role. CICA should also ensure that additional representatives from MoJ Policy and Scottish Government are regular attendees at Board meetings to further enhance this independent challenge and scrutiny.

Board committees

- 14.3 The Board may set up such committees as necessary for it to fulfil its functions. As is detailed below at a minimum this should include an Audit and Risk Committee chaired by an independent and appropriately qualified non-executive member of the Board.

- 14.4 The Board may make use of committees to assist its consideration of appointments, succession, audit, risk and remuneration. The Chair should ensure that sufficient time is allowed at the board for committees to report on the nature and content of discussion, on recommendations, and on actions to be taken.
- 14.5 Where there is disagreement between the relevant committee and the Board, adequate time should be made available for discussion of the issue with a view to resolving the disagreement. Where any such disagreement cannot be resolved, the committee concerned should have the right to report the issue to the Senior Sponsor, PAO and Responsible Minister. They may also seek to ensure the disagreement or concern is reflected as part of the report on its activities in the annual report.
- 14.6 The Chair should ensure board committees are properly structured with appropriate terms of reference. The terms of each committee should set out its responsibilities and the authority delegated to it by the Board. The Chair should ensure that committee membership is periodically refreshed and that individual independent non-executive directors are not over-burdened when deciding the chairs and membership of committees.

Duties of the Board

- 14.7 The Board is specifically responsible for:
- providing support and advising on the establishment and delivery of the strategic aims and objectives of CICA, consistent with its overall strategic direction and within the policy and resources framework determined by the Secretary of State
 - supporting effective leadership of CICA within a framework of prudent and effective controls which enables risk to be assessed and managed
 - ensuring the financial and human resources are in place for CICA to meet its objectives
 - reviewing CICA performance against its strategic aims and objectives
 - reviewing regular financial and management information concerning the operation of CICA
 - ensuring that it is kept informed of any changes which are likely to impact on the strategic direction of CICA Board or on the attainability of its targets, and determining the steps needed to deal with such changes and where appropriate bringing such matters to the attention of the Responsible Minister and PAO via the executive team, Senior Sponsor or directly
 - ensuring that any statutory or administrative requirements for the use of public funds are complied with; that the CICA Board operates within the limits of any statutory authority and any delegated authority agreed with the MoJ, and in accordance with any other conditions relating to the use of public funds

- ensuring that in discharging its duties the CICA Board takes into account guidance issued by the MoJ
- ensuring that as part of the above compliance they are familiar with:
 - this framework document,
 - any delegation letter issued to body
 - any elements of any settlement letter issued to the MoJ that is relevant to the operation of CICA
 - any separate settlement letter that is issued to CICA from the MoJ, and
 - that they have appropriate internal mechanisms for the monitoring, governance and external reporting regarding any conditions arising from the above documents and ensure that the Chief Executive and CICA as a whole act in accordance with their obligations under the above documents
- demonstrating high standards of corporate governance at all times, including by using the independent CICA Audit and Risk Committee to help the CICA Board to address key financial and other risks
- supporting the appointment, with the Responsible Minister's approval, a Chief Executive and, in consultation with the MoJ, setting performance objectives and remuneration terms linked to these objectives for the Chief Executive which give due weight to the proper management and use and utilisation of public resources
- putting in place mechanisms for independent annual evaluation of the performance of the Chair the independent non-executives, taking into account the views of relevant stakeholders. The outcome of that evaluation should be made available to the Responsible Minister
- determining all such other things which the CICA Board considers ancillary or conducive to the attainment or fulfilment by CICA of its objectives

14.8 The Board should ensure that effective arrangements are in place to provide assurance on risk management, governance and internal control.

14.9 The Board should make a strategic choice about the style, shape and quality of risk management and should inform the assessment and management of opportunity and risk. The Board should ensure that effective arrangements are in place to provide assurance over the design and operation of risk management, governance and internal control in line with the Management of Risk – Principles and Concepts (The Orange Book). The Board must set up an Audit and Risk Assurance Committee chaired by an independent and appropriately qualified non-executive member to provide independent advice and ensure that the department's Audit and Risk Assurance Committee are provided with routine assurances with escalation of any significant limitations or concerns. The Board is expected to assure itself of the adequacy and effectiveness of the risk management framework and the operation of internal control.

15. The Chair's role and responsibilities

- 15.1 The Chair is responsible for leading the board in the delivery of its responsibilities. Such responsibility should be exercised in the light of their duties and responsibilities as set out in their contract of employment, priorities set out in any letter issued to them by the MoJ, and relevant statute governing the CICA, this framework and the documents and guidance referred to within this framework.
- 15.2 Communications between CICA's Board and the Responsible Minister should normally be through the Chair.
- 15.3 The Chair is bound by the Code of Conduct for Board Members of Public Bodies, which covers conduct in the role and includes the Nolan Principles of Public Life.
- 15.4 In addition, the Chair is responsible for:
- Ensuring, including by monitoring and engaging with appropriate governance arrangements, that CICA's affairs are conducted with probity
 - ensuring that policies and actions support the Responsible Minister's wider strategic policies and where appropriate, these policies and actions should be clearly communicated and disseminated throughout CICA
- 15.5 The Chair has the following leadership responsibilities:
- formulating the Board's strategy
 - ensuring that the Board, in reaching any decisions, takes proper account of guidance provided by the Responsible Minister or the MoJ
 - 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 general public
- 15.6 The Chair also has an obligation to ensure that:
- the effectiveness of the CICA Board is reviewed (annually), including ongoing assessment of the performance of individual CICA Board members. A more in-depth assessment of the performance of individual board members should be undertaken before any reappointment
 - that in conducting the effectiveness review contributions are sought from relevant stakeholders
 - that the Board has a balance of skills appropriate to directing CICA's business, and that all directors including the Chair and Chief Executive continually update their skills, knowledge and familiarity with CICA to fulfil their role both on the Board and committees. This will include but not be limited to skills and training in relation to financial management and reporting requirements, risk management and the requirements of board membership within the public sector

- Board members are fully briefed on terms of appointment, duties, rights and responsibilities
- they, together with the other 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 CICA's needs when board vacancies arise
- there is a 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
- there is a code of practice for board members in place, consistent with the Cabinet Office Code of Conduct for Board Members of Public Bodies

16. Individual CICA Board members' responsibilities

16.1 Individual board members should:

- comply at all times with the 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 rules relating to the use of public funds and to conflicts of interest
- demonstrate adherence to the 12 Principles of Governance for all Public Body Non-Executive Directors as appropriate
- 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 the Board's rules on the acceptance of gifts and hospitality, and of business appointments
- act in good faith and in the best interests of CICA
- ensure they are familiar with any applicable guidance on the role of public sector non-executive directors and boards that may be issued from time to time by the Cabinet Office, HM Treasury or wider government

Management and financial responsibilities and controls

17. Delegated authorities

- 17.1 CICA's delegated authorities are set out in the delegation issued to the Chief Executive. This delegation letter may be updated and superseded by later versions which may be issued by the MoJ in agreement with HM Treasury.
- 17.2 In line with MPM Annex 2.2 these delegations will be reviewed on an annual basis.
- 17.3 CICA shall obtain the department's and where appropriate HM Treasury's prior written approval before:
- entering into any undertaking to incur any expenditure that falls outside the delegations or which is not provided for in CICA's annual budget as approved by the MoJ
 - 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 MoJ
 - 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
 - carrying out policies that go against the principles, rules, guidance and advice in MPM

18. Spending authority

- 18.1 Once the budget has been approved by the MoJ, CICA shall have authority to incur expenditure approved in the budget without further reference to the MoJ, on the following conditions:
- CICA shall comply with the delegations set out in the delegation letter. These delegations shall not be altered without the prior agreement of the MoJ and as agreed by HM Treasury and Cabinet Office as appropriate
 - CICA shall comply with MPM regarding novel, contentious or repercussive proposals
 - inclusion of any planned and approved expenditure in the budget shall not remove the need to seek formal MoJ approval where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed

- CICA shall provide the MoJ with such information about its operations, performance, individual projects or other expenditure as the MoJ may reasonably require

19. Banking and managing cash

- 19.1 CICA must maximise the use of publicly procured banking services (accounts with central government commercial banks managed centrally by Government Banking).
- 19.2 CICA 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.
- 19.3 Commercial accounts where approved should be operated in line with the principles as set out in MPM.
- 19.4 The AO is responsible for ensuring CICA has a banking policy as set out in MPM and ensuring that policy is complied with.

20. Procurement

- 20.1 CICA shall ensure that it operates within the delegated authorities set out in the delegation letter(s), which will include their Delegated Commercial Authority (DCA) as well as their Spending Authority to incur expenditure approved in the budget.
- 20.2 CICA shall ensure that its procurement policies are aligned with and comply with any relevant UK Public Procurement Regulations, HMG policies and procedures or other international procurement rules.
- 20.3 The procurement processes for CICA shall be those documented by the MoJ in their Policies and Procedures, as published on the MoJ intranet and available to all CICA staff.
- 20.4 In procurement cases where CICA is likely to exceed its delegated authority limit, procurement strategy approval for the specific planned purchase must be sought from the Senior Sponsor.
- 20.5 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 MoJ Chief Commercial Officer.

- 20.6 Procurement by CICA of works, equipment, goods, and services shall be based on, a full option appraisal and value for money (VfM), i.e. the optimum combination and whole life costs and quality (fitness for purpose).
- 20.7 CICA shall:
- engage fully with MoJ and government wide procurement initiatives that seek to achieve VfM from collaborative projects
 - comply with all relevant Procurement Policy Notes issued by Cabinet Office
 - co-operate fully with initiatives to improve the availability of procurement data to facilitate the achievement of VfM
- 20.8 CICA shall comply with the commercial and grants standards. These standards apply to the planning, delivery, and management of government commercial activity, including management of grants in all departments and ALBs, regardless of commercial approach used and form part of a suite of functional standards that set expectations for management within government.

21. Risk management

- 21.1 CICA 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 CICA should adopt and implement policies and practices to safeguard itself against fraud and theft.
- 22.2 CICA should act in line with guidance as issued by the Counter Fraud Function and in compliance with the procedures and considerations as set in in MPM 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 enter a contract.
- 22.3 CICA should keep records of and prepare and forward to the MoJ an annual report on fraud and theft suffered by CICA and notify the MoJ of any unusual or major incidents as soon as possible. CICA 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. Staff

Broad responsibilities for staff

23.1 Within the arrangements approved by the Responsible Minister and HM Treasury, CICA will have responsibility for the recruitment, retention and motivation of its staff. The broad 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 merit; there is no discrimination against employees with protected characteristics under the Equality Act 2010
- 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
- the performance of its staff at all levels is satisfactorily appraised according to contemporaneous MoJ HR policies and CICA 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 CICA's objectives
- proper consultation with staff takes place on key issues affecting them
- adequate grievance and disciplinary procedures are in place
- whistle-blowing procedures consistent with the Public Interest Disclosure Act are in place
- a code of conduct for staff is in place based on the civil service code

Staff costs

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

Pay and conditions of service

23.3 CICA's staff are MoJ employees, and thereby subject to levels of remuneration and terms and conditions of service (including pensions) within the general pay structure approved by the MoJ [and the Treasury]. CICA has no delegated power to amend these terms and conditions.

23.4 CICA staff are Civil Servants and MoJ employees. Therefore, terms and conditions of service set out in the Civil Service Management Code and MoJ employment policies, including those on pay and allowances apply to CICA staff. Terms and conditions of service, standards of behaviour and other relevant policies related to employees are accessible and maintained on the MoJ internal intranet to which all CICA staff have access.

- 23.5 As part of MoJ, CICA shall abide by public sector pay controls, including the relevant approvals processes. These are dependent on the organisation's classification as an Executive Agency. Arrangements will be prescribed by MoJ with reference to details set out in Public Sector Pay and Terms Guidance and Senior Pay Guidance.
- 23.6 The travel expenses of board members shall be tied to the rates allowed to staff of MoJ. Reasonable actual costs shall be reimbursed.

Pensions, redundancy and compensation

- 23.7 In line with MoJ arrangements, compensation scheme and pension scheme rules should reflect legislative and HM Treasury guidance requirements regarding exit payments.
- 23.8 As MoJ employees, CICA staff shall normally be eligible for a pension provided by PCSPS. Staff may opt out of the occupational pension scheme provided by CICA, but that employers' contribution to any personal pension arrangement, including stakeholder pension, shall normally be limited to the national insurance rebate level.
- 23.9 Any proposal by CICA to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of MoJ. Proposals on severance must comply with the rules in chapter 4 of MPM.

Business plans, financial reporting and management information

24. Business plans

- 24.1 CICA shall submit annually to the MoJ a draft of the business plan for the year ahead. CICA shall agree with the MoJ the issues to be addressed in the plan and the timetable for its preparation. The plan shall reflect CICA's statutory and/or other duties and, within those duties, 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). Where appropriate, the plan shall demonstrate how CICA contributes to the achievement of the MOJ's medium-term plan and priorities, and aligned performance metrics and milestones.
- 24.2 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 MoJ. Subject to any commercial considerations, the business plan should be published on its website and made available to staff.
- 24.3 The following key matters should be included in the plans:
- key objectives and associated key performance targets for the coming year, 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 previous years as appropriate, 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
 - other matters as agreed between the MoJ and CICA

25. Budgeting procedures

- 25.1 Each year, in the light of decisions by the department on the updated draft corporate plan, the MoJ will send to CICA in advance of year end:
- a formal statement of the annual budgetary provision allocated by the MoJ informed by forecast demand for compensation, in the light of competing priorities across the department and of any forecast income anticipated by the MoJ
 - a statement of any planned change in policies affecting CICA

25.2 The approved CICA annual business plan will take account both of approved funding provision and any forecast receipts. It will include a budget of estimated payments and receipts together with a profile of expected expenditure and of draw-down of any MoJ funding and/or other income over the year. These elements form part of the approved business plan for the year in question.

26. Annual report and accounts

26.1 CICA must publish an annual report of its activities together with its audited accounts after the end of each financial year. CICA shall provide the department its finalised (audited) accounts each year in order for the accounts to be consolidated within the MoJ's accounts. A draft of the report should be submitted to the MoJ before the proposed publication date. The accounts should be prepared in accordance with the relevant statutes and specific accounts direction issued by the department as well as the Treasury's Financial Reporting Manual (FRoM).

26.2 The annual report must:

- cover any corporate, subsidiary or joint ventures under its control
- comply with the FRoM and in particular have regard to the illustrative statements for an executive agency
- outline main activities and performance during the previous financial year and set out in summary form forward plans.

26.3 Information on performance against key financial controls is included within the annual report and subject to the auditor's consistency opinion. The report and accounts shall be laid in the UK and Scottish Parliaments and made available on CICA's website, in accordance with the guidance in the FRoM.

27. Reporting performance to the MoJ

27.1 CICA shall operate management, information and accounting systems that enable it to review in a timely and effective manner its financial and non- financial performance against the budgets and targets set out in the business plan.

27.2 CICA shall inform the MoJ of any changes that make achievement of objectives more or less difficult. It shall report financial and non-financial performance, the achievement of key objectives and how its performance has helped deliver Ministers' priorities.

27.3 CICA's performance shall be formally reviewed by the MoJ at least quarterly at meetings chaired by the Senior Sponsor and attended by the Chief Executive of the CICA. These meetings provide a timely formal opportunity for a two-way

conversation to discuss performance, risk and finance to assure the PAO, via the Senior Sponsor, that CICA is functioning efficiently and effectively.

- 27.4 The Responsible Minister will, unless other arrangements have been agreed, meet the Chief Executive and Board Chair once a year to discuss performance and current issues.
- 27.5 The PAO will meet the CICA Accounting Officer at least once a year.

28. Information sharing

- 28.1 Subject to relevant legislation, the MoJ has the right of access to all CICA records and personnel for any purpose including, for example, sponsorship audits and operational investigations.
- 28.2 CICA shall provide the MoJ with such information about its operations, performance, individual projects or other expenditure as the MoJ may reasonably require.
- 28.3 The department and HM Treasury may request the sharing of data held by CICA in such a manner as set out in 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, CICA shall provide the MoJ with information monthly that will enable the MoJ to satisfactorily monitor:
- CICA's cash management
 - forecast outturn by resource headings
 - other data required for the Online System for Central Accounting and Reporting (OSCAR)
 - 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 CICA shall:

- establish and maintain arrangements for internal audit through the Government Internal Audit Agency and ensure that the internal audit team have complete access to all relevant records.
- ensure that any arrangements for internal audit are in accordance with the Public Sector Internal Audit Standards (PSIAS) as adopted by HM Treasury.
- set up an Audit and Risk Committee of its board in accordance with the Code of Good Practice for Corporate Governance and the Audit and Risk Assurance Committee Handbook
- Share with the MoJ'S Senior Sponsor, at the relevant time;
 - the audit strategy and periodic audit plans
 - an annual report on fraud and theft suffered by CICA and notify the MoJ of any unusual or major incidents (keeping records of all such incidents)
 - the Annual Audit Opinion Report (together with any other outputs) at the end of the audit, including the GIAA assigned CICA Head of Internal Audit opinion on risk management, control and governance, in particular highlighting issues impacting on the MoJ's responsibilities in relation to financial systems within CICA

30. External audit

30.1 The Comptroller & Auditor General (C&AG) audits CICA's annual accounts and passes the audited accounts to the Relevant Minister who will lay the accounts together with the C&AG's report before the UK Parliament.

30.2 The Relevant Minister will concurrently lay the accounts CICA's Annual Report and Accounts before the Scottish Parliament.

30.3 The C&AG:

- will consult the MoJ and CICA 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 CICA

- will share with the MoJ 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 MoJ's responsibilities in relation to financial systems within CICA
- will consider requests from departments and other relevant bodies to provide regulatory compliance reports and other similar reports at the commencement of the audit. Consistent with the C&AG's independent status, the provision of such reports is entirely at the C&AG's discretion

30.4 The C&AG may carry out examinations into the economy, efficiency and effectiveness with which CICA has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under section 8 of the National Audit Act 1983. In addition, CICA 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.

Reviews and winding up arrangements

31. Review of CICA's status

- 31.1 CICA will be reviewed as part of the wider Public Bodies Reviews programme, at a time determined by the MoJ's ministers and their PAO. The most recent review was undertaken in 2022/ 2023.

32. Arrangements in the event that CICA is wound up

- 32.1 The MoJ shall put in place arrangements to ensure the orderly winding up of CICA. In particular, it should ensure that the assets and liabilities of CICA are passed to any successor organisation and accounted for properly. (In the event that there is no successor organisation, the assets and liabilities should revert to the MoJ.) To this end, the department shall:
- have regard to Cabinet Office guidance on winding up of ALBs
 - ensure that procedures are in place in CICA 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 CICA's assets and liabilities
 - ensure that arrangements are in place to prepare closing accounts and pass to the C&AG for external audit, and that, for non-Crown bodies funds are in place to pay for such audits. It shall be for the C&AG to lay the final accounts in the UK and Scottish Parliaments, together with his report on the accounts
 - arrange for the most appropriate person to sign the closing accounts. In the event that another ALB takes on the role, responsibilities, assets and liabilities, the succeeding ALB AO should sign the closing accounts. In the event that the department inherits the role, responsibilities, assets and liabilities, the MoJ's PAO should sign
- 32.2 CICA shall provide the department with full details of any and all agreements where CICA 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 CICA.

Annex A: Guidance

CICA shall comply with the following guidance, documents and instructions:

Corporate governance

- This framework document
- Corporate Governance Code for Central Government Departments (relevant to Arm's Length Bodies) and supporting guidance:
<https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017>
- Code of conduct for Board members of Public Bodies:
<https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies>
- Code of practice for partnerships between Departments and Arm's Length Bodies:
<https://www.gov.uk/government/publications/partnerships-with-arms-length-bodies-code-of-good-practice>

Financial management and reporting

- Managing Public Money (MPM):
<https://www.gov.uk/government/publications/managing-public-money>
- Government Financial Reporting Manual (FReM):
www.gov.uk/government/collections/government-financial-reporting-manual-frem
- Relevant Dear Accounting Officer (DAO) letters:
www.gov.uk/government/collections/dao-letters
- Relevant guidance and instructions issued by the Treasury in respect of Whole of Government Accounts: <https://www.gov.uk/government/collections/whole-of-government-accounts>
- The most recent letter setting out the delegated authorities, issued by the parent department.

Management of risk

- Management of Risk: www.gov.uk/government/publications/orange-book
- Public Sector Internal Audit Standards: www.gov.uk/government/publications/public-sector-internal-audit-standards
- HM Treasury approval processes for Major Projects above delegated limits:
<https://www.gov.uk/government/publications/treasury-approvals-process-for-programmes-and-projects>
- The Government cyber-security strategy and cyber security guidance:
<https://www.gov.uk/government/publications/national-cyber-strategy-2022/national-cyber-security-strategy-2022>

[cyber-security-strategy-2022](#) and <https://www.gov.uk/government/collections/cyber-security-guidance-for-business>

Commercial management

- Procurement Policy Notes: <https://www.gov.uk/government/collections/procurement-policy-notes>
- Cabinet Office spending controls: <https://www.gov.uk/government/collections/cabinet-office-controls>
- Transparency in supply chains - a practical guide: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1040283/Transparency_in_Supply_Chains_A_Practical_Guide_2017_final.pdf

Public appointments

The following are relevant where public bodies participate in public appointments processes.

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

Staff and remuneration

- HM Treasury guidance on senior pay and reward: www.gov.uk/government/publications/senior-civil-service-pay-and-reward
- Civil Service pay guidance (updated annually): www.gov.uk/government/collections/civil-service-pay-guidance
- Public sector pay and terms: <https://www.gov.uk/government/publications/public-sector-pay-and-terms-guidance-note>
- Whistleblowing Guidance and Code of Practice: <https://www.gov.uk/government/publications/whistleblowing-guidance-and-code-of-practice-for-employers>
- The Equalities Act 2010: www.gov.uk/guidance/equality-act-2010-guidance

General

- Freedom of Information Act guidance and instructions: www.legislation.gov.uk/ukpga/2000/36/contents and <https://ico.org.uk/for-organisations/guide-to-freedom-of-information/>
- The Parliamentary and Health Service Ombudsman's Principles of Good Administration: <https://www.ombudsman.org.uk/about-us/our-principles>

- Other relevant instructions and guidance issued by the central Departments (Cabinet Office and HM Treasury)
- Recommendations made by the Public Accounts Committee, or by other Parliamentary authority, that have been accepted by the Government and are relevant to CICA.
- Guidance from the Public Bodies team in Cabinet Office:
www.gov.uk/government/publications/public-bodies-information-and-guidance
- The Civil Service diversity and inclusion strategy (outlines the ambition, to which Arm's Length Bodies can contribute): <https://www.gov.uk/government/publications/civil-service-diversity-and-inclusion-strategy-2022-to-2025>
- Guidance produced by the Infrastructure and Projects Authority (IPA) on management of major projects: www.gov.uk/government/organisations/infrastructure-and-projects-authority
- The Government Digital Service: www.gov.uk/government/organisations/government-digital-service
- The Government Fraud, Error, Debt and Grant Efficiency function;
www.gov.uk/government/collections/fraud-error-debt-and-grants-function and
www.gov.uk/government/publications/grants-standards
- Code of Practice for Official Statistics: <https://code.statisticsauthority.gov.uk>
- Accounting Officer System Statements (AOSS are produced by departments with input from ALBs): www.gov.uk/government/publications/accounting-officer-system-statements

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