

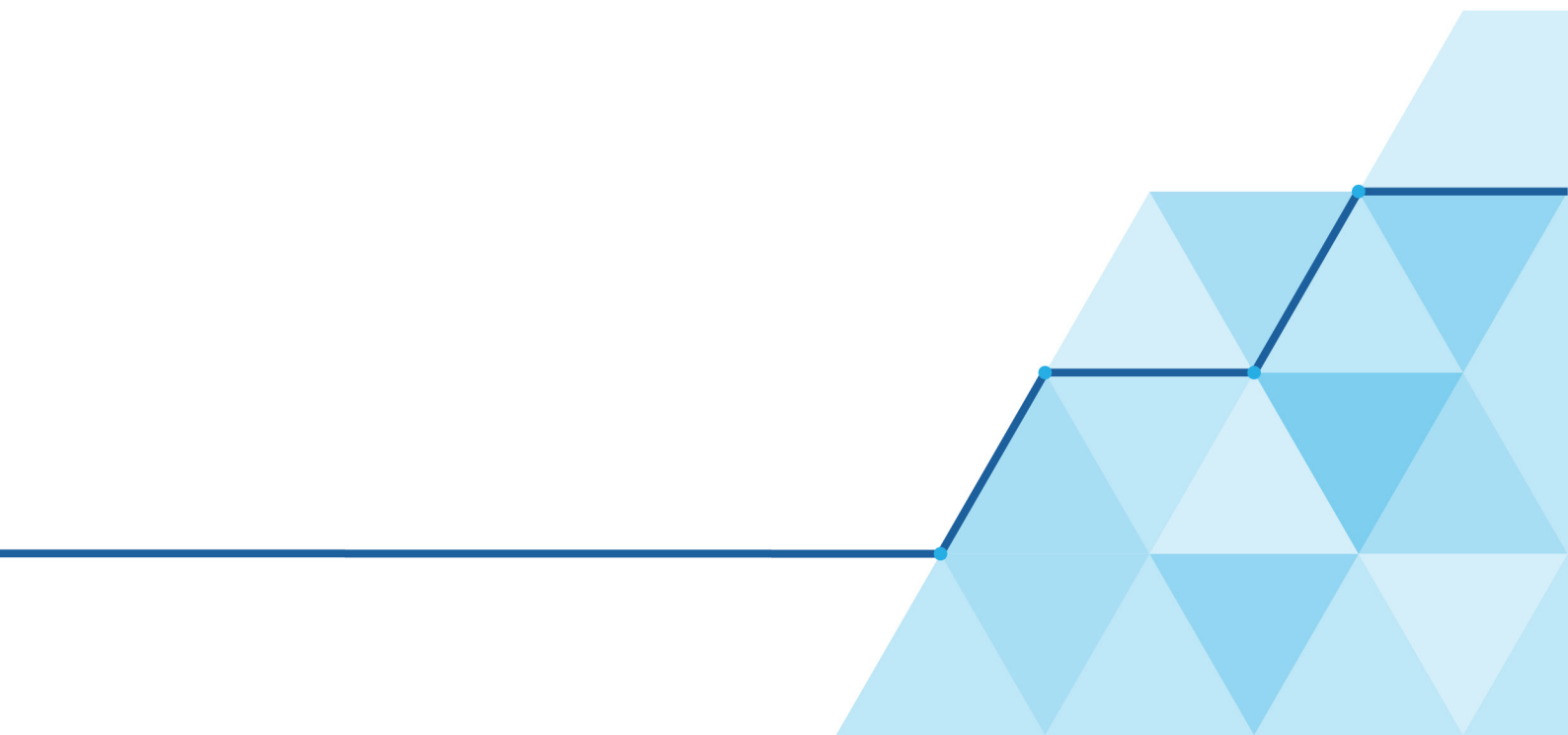


Ministry  
of Justice



JUDICIAL  
APPOINTMENTS  
COMMISSION

# Framework Document between the Ministry of Justice and the Judicial Appointments Commission



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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 Judicial Appointments Commission (JAC) 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 the JAC and the MOJ operate. It is not intended to affect the way the JAC carries out its statutory duties. It sets out the JAC's core responsibilities; describes the governance and accountability framework that applies between the roles of the MOJ and the JAC 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 the JAC include all its subsidiaries and joint ventures that are classified to the public sector and central government for national accounts purposes. The JAC does not have subsidiaries or joint ventures at the date of signing this Framework Document. If the JAC establishes a subsidiary or joint venture, there shall be a document setting out the arrangements between it and the JAC agreed with the MOJ.
- 1.5 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 GOV.UK
- 1.6 This Framework Document should be reviewed and updated at least every three years unless there are exceptional reasons that render this inappropriate that have been agreed with HM Treasury and the Principal Accounting Officer (PAO) of the MOJ. The latest date for review and updating of this document is December 2027.

## 2. Objectives

- 2.1 The MOJ recognises and supports the JAC's statutory duty to select candidates for judicial office in England and Wales, on merit and of good character. The JAC and MOJ also share a priority to improve diversity within the judiciary alongside the judiciary themselves and within this the JAC has a statutory duty to attract diverse applicants from a wide field. To achieve this, the JAC and the MOJ will work together in recognition of each other's roles and areas of expertise, providing an effective environment for the JAC to achieve its objectives through the promotion of partnership and trust and ensuring that the JAC, through the delivery of its agreed objectives, also supports the strategic aims and objectives of the department.

## 3. Classification

- 3.1 The JAC has been classified as a central government organisation by the Office for National Statistics/HM Treasury Classifications team.
- 3.2 It has been administratively classified by the Cabinet Office as a non-departmental public body. JAC is not to be regarded as the servant or agent of the Crown or as enjoying any status, immunity or privilege of the Crown.

## 4. Purposes, aims and duties

### Purposes

- 4.1 The JAC was created under the Constitutional Reform Act 2005 (the "Act"). Detailed provisions relating to the JAC are in Schedule 12 to the Act.

## 5. Powers and duties

- 5.1 The JAC's powers and duties stem from Part 4 Chapter 3 of the Act and the Judicial Appointments Regulations 2013 (the "Appointments Regulations").
- 5.2 The JAC's statutory duties and functions are to select candidates for judicial office and recommend them for appointment to the Appropriate Authority:
- to select candidates solely on merit
  - to select only people of good character
  - to have regard to the need to encourage diversity in the range of persons available for judicial selection

## 6. Aims

- 6.1 The JAC's strategic aims, as agreed with the Lord Chancellor to whom the JAC is accountable, are to:
- select candidates for judicial office and recommend them to the Appropriate Authority for appointment
  - deliver against a recruitment programme agreed with the Lord Chancellor and to reflect this in its business plan

# JAC governance and accountability

## 7. Governance and accountability

- 7.1 The JAC 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.
- 7.2 In particular (but without limitation), the JAC should:
- comply with the principles and provisions of the Corporate Governance in MOJ's Code of Good Practice (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 and Counter Fraud
  - take into account the codes of good practice and guidance set out in Annex A of this Framework Document as they apply to the JAC
  - the senior officers accountable for managing each function in the JAC are accountable to the JAC Accounting Officer (AO) for:
    - the delivery of the JAC 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
    - ensuring the JAC adopts the relevant function's policies, controls and standards so far as consistent with the other provisions of this Framework Document
- 7.3 As an embedded and integral part of the governance and performance management of the JAC, the senior officers accountable for managing each function in the JAC shall agree a proportionate basis for defining the scope of services, service 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.

- 7.4 The senior officers accountable for managing each function in the JAC are accountable to the respective MOJ function leads for:
- providing assurance over compliance with functional standards, so far as consistent with other provisions of this Framework Document
  - implementing consistent policies, systems, processes and capabilities that support and promote interoperability and efficiency
  - supporting the on-going development of the function
- 7.5 The senior officers accountable for managing each function in the JAC 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 JAC AO.
- 7.6 The JAC AO will consult with and reflect the views of the MOJ function leads to inform performance assessment of the function leads in the JAC to support their continuing personal and professional development.
- 7.7 The MOJ may provide functional services to the JAC. The PAO may seek to change the precise nature of the delivery model for these functions during the lifetime of the Framework Document to support better delivery of the JAC's objectives, more consistency, increased innovation and enhanced efficiency. Where there is proposed to be significant change in the way functions are delivered, the JAC AO will be consulted.
- 7.8 In line with MPM Annex 3.1, the JAC shall provide an account of corporate governance in its annual governance statement including an assessment of its compliance with the Code with explanations of any material departures. To the extent that the JAC does intend to materially depart from the Code, the Senior Sponsor should be notified in advance and their agreement sought to this approach.



# Role of the department

## 8. The Responsible Minister

- 8.1 The Lord Chancellor is accountable to Parliament for all matters concerning the JAC.
- 8.2 The Lord Chancellor's statutory powers in respect of the JAC are set out in the Act and the Judicial Appointments Commission Regulations 2013 (the "JAC Regulations").
- 8.3 The Lord Chancellor's responsibilities include:
- approving the JAC's strategic objectives and targets, and the policy and performance framework within which it shall operate
  - approving the resources within which the JAC operates
  - keeping Parliament informed about the JAC's performance
  - carrying out responsibilities specified in the Act and the JAC Regulations, including approving the appointment and terms and conditions of commissioners, approving the appointment of the Chief Executive, sending to the Comptroller and Auditor General the statement of accounts prepared by the JAC for each financial year and laying the annual report before Parliament
  - the power to issue procedural guidance to the JAC under sections 65 and 66 of the Act with the consent of Parliament and the Lord Chief Justice
  - considering and making decisions on recommendations for judicial appointments received from the JAC where he/she is the Appropriate Authority
  - paying the JAC such sums, through grant-in-aid, grant or other funds, as deemed appropriate for meeting the JAC's expenditure and securing Parliamentary approval

### Appointments to the board

- 8.4 Board composition and experience is as described in section 15 of this document and as laid out in Schedule 12 to the Act and Regulations 3 and 4 of the JAC Regulations. Where applicable, all such appointments are subject to the Public Appointments Order in Council and as such must comply with the [Governance Code on Public Appointments](#), as and where applicable.

- 8.5 The Lord Chancellor's role in the selection and appointment of commissioners is set out in Regulations 9 to 14 of the JAC Regulations. The Lord Chancellor may recommend a person for appointment as a commissioner provided he convenes a selection panel (for commissioners other than Lord Justice of Appeal, a puisne judge of the High Court or a senior tribunal office-holder member) or requests the Judges' Council to select a person for appointment, or if the Tribunal Judge's Council has notified to the Lord Chancellor their selection for appointment (for those posts just listed) and appoints their recommended candidate(s).

### **Other Responsible Minister powers and responsibilities**

- 8.6 The Lord Chancellor (through the sponsorship team) is also responsible for:
- the policy framework within which the JAC operates
  - setting the performance framework within which the JAC will operate including approving the JAC's strategy and Business Plan
  - such other matters as may be appropriate and proportionate

## **9. The Principal Accounting Officer**

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

### **PAO's specific accountabilities and responsibilities**

- 9.2 The PAO of the MOJ designates the Chief Executive of the JAC as the 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.
- 9.3 The respective responsibilities of the PAO and AOs for arm's length bodies (ALBs) are set out in Chapter 3 of MPM.
- 9.4 The PAO is accountable to Parliament for the issue of any grant-in-aid to the JAC. The PAO may delegate the exercise of their responsibilities to an appropriately senior official within the MOJ to act as Senior Sponsor to the JAC. Where these responsibilities are delegated to the Senior Sponsor, the PAO does so based on the continuing assurances provided by the Senior Sponsor, supported by the policy sponsorship team, the ALB Centre of Expertise and MOJ's functions.

- 9.5 The PAO is also responsible, supported by the Senior Sponsor and policy sponsorship team, for advising the Lord Chancellor on:
- an appropriate framework of objectives and targets for the JAC in the light of the MOJ's wider strategic aims and priorities
  - an appropriate budget for the JAC in light of the MOJ's overall public expenditure priorities
  - how well the JAC is achieving its strategic objectives and whether it is delivering value for money
  - the exercise of the Lord Chancellor's statutory responsibilities concerning the JAC as outlined above
- 9.6 The PAO, supported by the Senior Sponsor and the ALB Centre of Expertise team (in collaboration with the MOJ policy sponsorship team) and MOJ's functions, is also responsible for ensuring arrangements are in place in order to:
- monitor the JAC's activities and performance; address significant problems in the JAC, making such interventions as are judged necessary e.g. where there might be cause for concern regarding propriety or regularity in the handling of public funds
  - periodically, and at such frequency as is proportionate to the level of risk, carry out an assessment of the risks both to the MOJ and the JAC's objectives and activities in line with the wider departmental risk assessment process
  - inform the JAC of relevant government policy in a timely manner
  - bring ministerial or departmental concerns about the activities of the JAC to the full JAC Board, and, as appropriate to the departmental board requiring explanations and assurances that appropriate action has been taken

## **10. The role of the sponsorship team**

- 10.1 The Judicial and Legal Services Policy Directorate in the MOJ is the primary contact for the JAC. They are the main source of advice for the Lord Chancellor on the discharge of their responsibilities in respect of the JAC. They also support the PAO on their responsibilities toward the JAC.
- 10.2 Officials from the policy sponsorship team in the MOJ will liaise regularly with JAC officials to review performance against plans, achievement against targets and expenditure against its budget allocation.

- 10.3 Officials from the policy sponsorship team will also liaise with JAC officials to explain wider policy developments that might have an impact on JAC. In particular they will:
- facilitate the JAC's engagement and exchange of information and perspectives across MOJ and Whitehall, where policy development will have an impact on JAC policy
  - work with the JAC to respond to changes in operational demands
  - conduct on behalf of ministers, with the support of the ALB Centre of Expertise, the annual performance review of the Chair of the JAC
  - maintain regular contact with the JAC to ensure there is ongoing dialogue around policy issues within the JAC's remit
- 10.4 The MOJ sponsorship team will work closely together to support the JAC in effectively carrying out its functions under the Act and co-operates with the MOJ in doing so.

## **11. Resolution of disputes between the JAC and MOJ**

- 11.1 Any disputes between the MOJ and the JAC will be resolved in as timely a manner as possible. The MOJ and the JAC will seek to resolve any disputes through an informal process in the first instance. If this is not possible, then a formal process will be agreed by both parties and overseen by the Senior Sponsor to resolve the issue. Failing this, the Senior Sponsor will ask the Director General to oversee the dispute. They may then choose to ask the Permanent Secretary to nominate a non-executive member of the MOJ's Board to review the dispute, mediate with both sides and reach an outcome, in consultation with the Lord Chancellor.

## **12. Freedom of Information requests**

- 12.1 Subject to the provisions of s.130 of the Act, the JAC will carry out its obligations under the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations, including ensuring requests are answered in a timely way and are compliant with the relevant legislation.
- 12.2 Where a request for information is received by either party under the Freedom of Information Act 2000 or the Data Protection Act 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.
- 12.3 Additionally, the JAC will maintain a central monitoring record of FOI and DPA requests received. The MOJ may require this information for inclusion in its departmental statistics.

## 13. Reporting on legal risk and litigation

- 13.1 The JAC shall provide a quarterly update, through a quarterly review meeting, to the Senior Sponsor on the existence of any active litigation and any threatened or reasonably anticipated litigation. The parties acknowledge the importance of ensuring that legal risks are communicated appropriately to the Senior Sponsor in a timely manner.
- 13.2 In respect of each substantial piece of litigation involving the JAC, 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 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 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

# JAC governance structure

## 14. The Chief Executive

### Appointment

14.1 The commission appoints a Chief Executive Officer, with the approval of the Lord Chancellor, to act as the JAC's Consolidation and Accounting Officer in accordance with Schedule 12 to the Act.

### Responsibilities of the JAC's Chief Executive as Accounting Officer

14.2 The CEO as JAC 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 the JAC. In addition, they should ensure that the JAC as a whole is run on the basis of the standards, in terms of governance, decision-making and financial management, that are set out in Box 3.1 of 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

14.3 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 Lord Chancellor
- 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 the JAC are in accordance with Parliamentary and Health Service Ombudsman's Principles of Good Complaint Handling, are established and made widely known within the JAC and are published on GOV.UK and the JAC website
- acting in accordance with the terms of this document, MPM and other instructions and guidance issued from time to time by the MOJ, the HM 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 the JAC

- any elements of any settlement letter issued to the MOJ that is relevant to the operation of the JAC
- any separate settlement letter that is issued to the JAC from the MOJ
- ensuring they have appropriate internal mechanisms for the 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 and other Parliamentary Select Committees, on the JAC's stewardship of public funds

### **Responsibilities to the MOJ**

#### 14.4 Responsibilities to the MOJ include:

- (where relevant) establishing, in agreement with the MOJ, the JAC's corporate, business and strategic plans in the light of the MOJ's wider strategic aims and agreed priorities
- (where relevant) 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, risk and finance are provided to the MOJ and that the MOJ is notified promptly if over or under spends are likely and that corrective action is taken; and that any significant problems whether financial or otherwise, and whether detected by internal or audit or by other means, are notified to the department in a timely fashion
- providing the MOJ, when requested, with contributions for its annual Security Risk Management Overview return to the Cabinet Office and for its governance statement
- notifying the MOJ at the earliest opportunity if there is a risk of legal challenge against the JAC
- ensuring that recommendations addressed to the JAC in reports from the Public Accounts Committee or made to the JAC in Management Letters from the National Audit Office or which are attached to the Audit Completion Report from its external auditors, are responded to, addressed and acted upon in a timely manner. The MOJ will work with the JAC to support it in this task (the oversight of expenditure against budget delegation is the responsibility of the MOJ Finance Business Partner team who provide support to the ALB CoE on this area)

## **Responsibilities to the JAC Board**

- 14.5 The Chief Executive is responsible for:
- advising the board on the discharge of the JAC's responsibilities as set out in this document, in the founding legislation and in any other relevant instructions and guidance that may be issued from time to time
  - advising the board on the JAC's performance compared with its aims and strategic objectives
  - ensuring that financial considerations are taken fully into account by the board at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed and Commercial guidance implemented

## **Managing conflicts**

- 14.6 The Chief Executive should follow the advice and direction of the board, except in very exceptional circumstances with a clear cut and transparent rationale for not doing so, as set out in para 3.8.6 of MPM.
- 14.7 If the board, or its Chair, is contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration, efficiency or effectiveness, is of questionable feasibility, or is unethical, the Chief Executive, in their role as AO, should reject that course of action and ensure that the board have a full opportunity to discuss the rationale for that rejection.
- 14.8 Such conflicts should be brought to the attention of the PAO and the Lord Chancellor as soon as possible.
- 14.9 The Lord Chancellor and the AO must write a letter of justification to the Chair of the JAC Board setting out the rationale for not following the advice and recommendation of the Board and copy that letter to the Treasury Officer of Accounts.
- 14.10 If the Lord Chancellor agrees with the proposed course of action of the 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.



## 15. The board

### Composition of the board

15.1 The JAC will have a Board in line with good standards of Corporate Governance and as set out in its establishing statute and in guidance as set out in Annex A. The role of the board shall be to run the JAC, and to deliver its objectives, in accordance with the purposes as set out above, its statutory, regulatory, common law duties and its responsibilities under this Framework Document. Detailed responsibilities of the board shall be set out in the board terms of reference. Remuneration of the board will be disclosed in line with the guidance in the Government Financial Reporting Manual (FRoM).

15.2 In accordance with Schedule 12 to the Act, together with the JAC regulations the board consists of a Chairman and 14 other commissioners. The Chairman of the commission is a lay member. Of the 14 other commissioners:

- 7 must be judicial members (including 2 tribunal judges and 1 non-legally qualified judicial member)
- 2 must be persons practicing or employed as lawyers
- 5 must be lay members

A board member's appointment will usually be for a period of three years. Composition of the JAC Board is set out in statute.

### Board committees

15.3 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 a commissioner.

15.4 While the board may make use of committees to assist its consideration of appointments, succession, audit, risk and remuneration, it retains responsibility for, and endorses, final decisions in all of these areas. 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.

15.5 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 sponsorship team, PAO and Lord Chancellor. They may also seek to ensure the disagreement or concern is reflected as part of the report on its activities in the annual report.

- 15.6 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 commissioners are not over-burdened when deciding the chairs and membership of committees.

### **Duties of the board**

- 15.7 The board is specifically responsible for:
- establishing and taking forward the strategic aims and objectives of the JAC consistent with its overall strategic direction, within the policy and resources framework determined by the Lord Chancellor
  - providing effective leadership of the JAC within a framework of prudent and effective controls which enables risk to be assessed and managed
  - ensuring that the JAC develops MoUs with the government departments and other Authorities and Administrations of which it provides oversight (as it considers appropriate)
  - ensuring that the Chief Executive, as AO, remains personally accountable for the JAC's resources. As the Chief Executive will be directly accountable to Parliament in ensuring the requirements of MPM are met, the board is unable to delegate powers to someone other than the AO
  - ensuring the financial and human resources are in place for the JAC to meet its objectives
  - reviewing management performance
  - ensuring that the board receives and reviews regular financial, commercial and management information concerning the management of the JAC; is informed in a timely manner about any concerns about the budget of the JAC and provides positive assurance to the MOJ that action appropriate to the JAC has been taken about such concerns
  - ensuring that it is kept informed of any changes which are likely to impact on the strategic direction of the JAC 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, sponsorship team or directly
  - ensuring that any statutory or administrative requirements for the use of public funds are complied with; that the board operates within its limits of its 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 reaching decisions, the Board takes into account guidance issued by the MOJ

- ensuring that as part of the above compliance they members are familiar with:
  - this Framework Document
  - any delegation letter issued to the JAC
  - any elements of any settlement letter issued to the MOJ that is relevant to the operation of the JAC
  - any separate settlement letter that is issued to the JAC from the MOJ
  - that they have appropriate internal mechanisms for the monitoring, governance and external reporting regarding any conditions arising from the above documents and ensuring the CEO and the JAC as a whole act in accordance with their obligations under the above documents
- demonstrating high standards of corporate governance at all times, including compliance with the requirements of the security policy framework and information assurance standards, and using the audit committee to help the board to address key financial risks
- appointing, with the Lord Chancellor's approval, a Chief Executive and, in consultation with the MOJ, set performance objectives and remuneration terms linked to these objectives for the Chief Executive which give due weight to the proper management and use of public resources
- putting in place mechanisms for independent appraisal and annual evaluation of the performance of the Chair by the commissioners, taking into account the views of relevant stakeholders – the outcome of that evaluation should be made available to the Lord Chancellor as required
- determining all such things which the board considers ancillary or conducive to the attainment of fulfilment by the JAC of its objectives

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

15.9 The board should make a strategic choice about the style, shape and quality of risk management and should lead 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 a commissioner 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.

## 16. The Chair's role and responsibilities

- 16.1 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 the Chair's contract of employment, any appointment letter, the priorities in the Chair's letter issued to them by the MOJ, Schedule 12 to the Act, this Framework Document and the documents and guidance referred to within this Framework Document.
- 16.2 Communications between the JAC and the Lord Chancellor should normally take place through the Chair.
- 16.3 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.
- 16.4 In addition, the Chair is responsible for:
- ensuring, including by monitoring and engaging with appropriate governance arrangements, that the JAC's affairs are conducted with probity
  - ensuring that JAC policies and actions support the Lord Chancellor's wider strategic policies and where appropriate, these policies and actions should be clearly communicated and disseminated throughout the JAC
  - formulating the commission's strategy for delivering the overall aim of the JAC
  - ensuring a professional and effective relationship between the JAC and other statutory stakeholders in the appointment of Judicial Office Holders especially, the Lord Chancellor, Lord Chief Justice and Senior President of Tribunals
  - ensuring that the commission complies with its duties, under sections 63 and 64 of the Act, to select persons for appointment: solely on merit; of good character; and to have regard to the need to encourage diversity in the range of persons available for selection for appointments
- 16.5 The Chair has the following leadership responsibilities:
- providing leadership to the board
  - taking responsibility for the board's composition and development
  - ensuring proper information for the board
  - planning and conducting board meetings effectively
  - involving all members in the board's work
  - ensuring the board focuses on its key tasks
  - engaging the board in assessing and improving its performance
  - overseeing the induction and development of board members
  - supporting the Chief Executive
  - holding JAC management to account in delivering their strategic, operational and financial objectives

- driving JAC performance overall and working closely with the Chief Executive to ensure the organisation complies with the principles of good governance and the requirements for the use of public funds
- representing the views of the JAC when advising the Lord Chancellor on judicial appointments
- ensuring that the board, in reaching decisions, takes proper account of guidance provided by the Lord Chancellor 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

16.6 The Chair also has an obligation to ensure that:

- the work of the board and its members are reviewed and are working effectively including ongoing assessment of the performance of individual board members with a formal annual evaluation throughout their terms of appointment and more in-depth assessments of the performance of individual board members when being considered for re-appointment
- that in conducting assessments that the view of relevant stakeholders including employees and the sponsorship team are sought and considered
- that the board has a balance of skills appropriate to directing the JAC's business, and that all board members including the Chair and Chief Executive continually update their skills, knowledge and familiarity with the JAC 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 Lord Chancellor is advised of the JAC'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

## 17. Individual board members' responsibilities

### 17.1 Individual board members should:

- comply at all times with their terms of appointment, 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 the 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
- declare any financial interests
- declare any other personal interests relevant to the exercise of a function
- 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 the JAC
- ensure they are familiar with any applicable guidance on the role of Public Sector Boards that may be issued from time to time by the Cabinet Office, HM Treasury or wider government

# Management and financial responsibilities and controls

## 18. Delegated authorities

- 18.1 All the JAC's delegated authorities are set out in the delegation letter. This delegation letter may be updated and superseded by later versions which may be issued by the MOJ in agreement with HM Treasury.
- 18.2 In line with MPM Annex 2.2, these delegations will be reviewed on an annual basis.
- 18.3 At all times, the JAC will uphold the principles and duties set out in MPM and it is the responsibility of the JAC AO to ensure compliance is maintained. If the JAC AO is intending to pursue a course of action that might conflict with those duties, before proceeding they should consult with the Senior Sponsor and, where appropriate, seek MOJ and 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 the JAC'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

## 19. Spending authority

- 19.1 Once the budget has been approved by the MOJ, and subject to any restrictions imposed by statute, the Lord Chancellor's instructions, this Framework Document, HM Treasury settlement or delegation letters (which should include authority to commit expenditure with third parties being set out in the Commercial Delegated Authority letter), the JAC shall have authority to incur expenditure approved in the budget without further reference to the MOJ, on the following conditions:
- the JAC 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
  - the JAC 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 departmental approval where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed
  - the JAC shall provide the MOJ with such information about its operations, performance, individual projects or other expenditure as the MOJ may reasonably require
  - the JAC shall ensure the spending controls detailed in the delegation letter are adhered to and where appropriate approval is obtained for any exception

## 20. Banking and managing cash

- 20.1 The JAC must maximise the use of publicly procured banking services (accounts with central government commercial banks managed centrally by Government Banking Service (GBS)).
- 20.2 The JAC should only hold money outside GBS 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.
- 20.3 Commercial Accounts where approved should be operated in line with the principles as set out in MPM.
- 20.4 The AO is responsible for ensuring the JAC has a Banking Policy as set out in MPM and ensuring that policy is complied with.



## 21. Procurement

- 21.1 The JAC shall ensure that its procurement policies are aligned with and comply with any relevant UK or other international procurement rules and in particular the Public Contracts Regulations 2015.
- 21.2 The JAC shall ensure that it operates within the delegated authorities set out in the delegation letter(s), which will include their Delegated Commercial Authority as well as their Spending Authority to incur expenditure approved in the budget.
- 21.3 The JAC shall establish its procurement policies and shall issue delegation agreements to named individuals and these will be reviewed and re-issued annually in line with audit requirements. Delegation holders may sub-delegate as appropriate within their delegated authority, but they retain full responsibility for procurement activity carried out on their behalf.
- 21.4 In procurement cases where the JAC is likely to exceed its delegated authority limit, procurement strategy approval for the specific planned purchase must be sought from the Lord Chancellor via the MOJ's sponsorship team.
- 21.5 Goods, services, and works should be acquired by competition. Proposals to let single-tender or restricted contracts shall be limited and exceptional, compliant with the UK procurement regulations and a quarterly report explaining those exceptions should be sent to the MOJ Chief Commercial Officer.
- 21.6 Procurement by the JAC 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).
- 21.7 The JAC shall:
- engage fully with department 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
  - ensure that its staff are fully aware of relevant procurement policies and guidance, its general commercial delegations and financial transaction limits
  - put in place a procurement framework which sets out its procurement structure, organisation, processes and control mechanisms where/if relevant/appropriate
  - provide reports of spend against central contracts and other spend metrics as requested by CCMD for ongoing reporting to the Cabinet Office
  - periodically and wherever practicable participate in a benchmarking exercise against best practice elsewhere in the MOJ

- 21.8 The JAC 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 MOJs and ALBs regardless of commercial approach used and form part of a suite of functional standards that set expectations for management within government.

## **22. Risk management**

- 22.1 The JAC 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.
- 22.2 The JAC should maintain an effective business continuity plan, which should be reviewed in relation to threats and vulnerabilities at least on a quarterly basis, and regularly tested. The JAC may, by agreement, make use of MOJ command and control structures and service solutions (for property and IT), and shall report on impact and any risks to MOJ during emergencies, via their sponsorship team.

## **23. Counter fraud and theft**

- 23.1 The JAC should adopt and implement policies and practices to safeguard itself against fraud and theft.
- 23.2 The JAC 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 or to provide grant or grant-in-aid.
- 23.3 The JAC should keep records of, and prepare and forward, to the MOJ an annual report on fraud and theft suffered by the JAC and notify the MOJ of any unusual or major incidents as soon as possible. The JAC should also report, quarterly, 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.

## 24. Staff

### **Broad responsibilities for staff**

- 24.1 Within the arrangements approved by the Lord Chancellor (and HM Treasury), the JAC 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
  - there is an effective equality and diversity policy and statement in place, equality is embedded into business planning processes and can demonstrate how the JAC is meeting the legal duty to pay due regard to the public-sector equality duty including carrying out proportionate equality impact assessments where appropriate
  - the performance of its staff at all levels is satisfactorily appraised and the JAC performance measurement systems are reviewed from time to time
  - its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the JAC'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 Cabinet Office's Model Code for staff of Executive Non-Departmental Bodies

### **Staff costs**

- 24.2 Subject to its delegated authorities, the JAC shall ensure that the creation of any additional posts does not incur forward commitments that will exceed its ability to pay for them (this should include all staff costs – the on-boarding costs – not just the headline salary and should take into account costs potentially increasing through pay increases).
- 24.3 The JAC will follow the principles of the Civil Service Code in as far to ensure that public money and other resources are used properly and efficiently. It must therefore take account of any opportunities to reduce cost by making use of MOJ and/or government shared services.

## **Pay and conditions of service**

- 24.4 JAC staff are subject to levels of remuneration and terms and conditions of service (including pensions) within the general pay structure approved by the MOJ. The JAC has no delegated power to amend these terms and conditions.
- 24.5 If Civil Service terms and conditions of service apply to the rates of pay and non-pay allowances paid to the staff and to any other part entitled to payment in respect of travel expenses or other allowances, payment shall be made in accordance with the Civil Service Management Code and the annual Civil Service Pay Remit Guidance, except where prior approval has been given by the department to vary such rates.
- 24.6 The JAC will normally adopt the MOJ pay strategy for SCS and non SCS staff. For non SCS staff, the JAC will be incorporated into the MOJ pay remit unless agreed otherwise. If it is decided that the JAC will have its own pay strategy/remit, it shall be submitted to the MOJ for approval.
- 24.7 The JAC shall abide by public sector pay controls, including the relevant approvals process dependent on the organisations classification as detailed in the Senior Pay Guidance and the Public Sector Pay and Terms Guidance.
- 24.8 In line with the current policy outlined in the Treasury Civil Service pay remit guidance, any pay remit of the JAC will be subject to the approval of the Lord Chancellor and will be determined in line with the current year Treasury Pay remit guidance.
- 24.9 The travel expenses of board members shall be tied to the rates allowed to senior staff of the JAC or departmental rates, whichever is applicable. Reasonable actual costs shall be reimbursed.
- 24.10 Staff terms and conditions should be set out in the JAC Intranet. Details should be provided to the MOJ on request.

## **Pensions, redundancy and compensation**

- 24.11 Compensation scheme rules and pension scheme rules should reflect legislative and HM Treasury guidance requirements regarding exit payments.
- 24.12 JAC staff shall normally be eligible for a pension provided by the Principal Civil Service Pension Scheme (PCSPS). Staff may opt out of this scheme but the employers' contribution to any personal pension arrangement, including stakeholder pension shall normally be limited to the national insurance rebate level.

24.13 Any proposal by the JAC to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of the MOJ. Proposals on severance must comply with the rules in Chapter 4 of MPM.

### **Contingent labour**

24.14 In recruiting contingent labour, the JAC has a responsibility to comply with HMRC requirements and all tax legislation. This includes compliance with off-payroll working (IR35) legislation to ensure any workers (contractors) engaged via a qualifying intermediary who would be classed as an employee for tax purposes if they were engaged directly, pay tax and National Insurance at broadly the same rate as employees.

24.15 The JAC must have in place and follow a suitable IR35 assessment process when recruiting contingent labour, referring to available guidance and seeking advice from the MOJ's [Tax Centre of Excellence](#) (CoE), as required.

24.16 The ALB Centre of Expertise will also from time to time do assurance sampling of the JAC compliance with the IR35 Rules, reporting findings to the PAO.

24.17 ALBs that follow MOJ's commercial procedures when procuring resource/services will be subject to the core MOJ IR35 assurance procedures.

24.18 Whilst in many cases it will be obvious that contingent labour is being procured, there could be cases where contingent labour is provided under so called 'managed service' or 'contracted-out service' arrangements. In these instances, careful consideration must be given to the contractual arrangement and more importantly the working practices of the supplier staff to identify any disguised contingent labour/resource contracts – in these situations, the IR35 rules will need to be considered as per the above paragraphs. The Tax CoE can be contracted for further advice on this topic.

# Business plans, financial reporting and management information

## 25. Corporate and business plans

- 25.1 The JAC shall submit to the MOJ a draft of its strategic plan covering three years ahead. This will be shared with the MOJ in advance of the JAC Commission Board agreeing the final plan. The plan shall reflect the JAC's statutory duties, and, within those duties, the priorities set from time to time by the Lord Chancellor (including decisions taken on policy and resources in the light of wider public expenditure decisions). Where appropriate the plan should demonstrate the areas where the JAC also support wider departmental objectives in the MOJ Outcome Delivery Plan.
- 25.2 The first year of the strategic plan, amplified as necessary, shall form the business plan. 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 strategic plan, and business plan should be published by the JAC on the JAC's website and separately made available to staff.
- 25.3 The business plan should incorporate the following areas:
- key objectives and associated key performance targets for the forward years and the strategy for achieving those objectives including risks
  - other matters as agreed between the MOJ and the JAC

## 26. Budgeting procedures

- 26.1 Each year, in the light of decisions by the MOJ on the updated draft corporate plan, the MOJ will send to the JAC:
- a formal statement of the annual budgetary provision allocated by the MOJ in the light of competing priorities across the MOJ and of any forecast income approved by the MOJ
  - a statement of any planned change in policies affecting the JAC

26.2 The approved annual business plan will take account both of approved funding provision (where it applies) 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 departmental funding and/or other income over the year. These elements shall form part of the approved business plan for the year in question.

## **27. Grant-in-aid and any ring-fenced grants**

- 27.1 Any grant-in-aid (GiA) provided by the MOJ for the year in question will be voted in the MOJ's Supply Estimate and be subject to Parliamentary control.
- 27.2 The GiA will normally be paid in quarterly instalments on the basis of written applications showing evidence of need. The JAC will comply with the general principle, that there is no payment in advance of need. Cash balances accumulated during the course of the year from GiA or other Exchequer funds shall be kept to a minimum level consistent with the efficient operation of the JAC. GiA not drawn down by the end of the financial year shall lapse. Subject to approval by Parliament of the relevant Estimates provision, where GiA is delayed, to avoid excess cash balances at the year-end, the MOJ will make available in the next financial year any such GiA that is required to meet any liabilities at the year end, such as creditors.

## **28. Annual report and accounts**

- 28.1 The JAC must publish an annual report of its activities together with its audited accounts after the end of each financial year. The JAC shall provide the ALB Centre of Expertise and MOJ Finance its finalised (audited) accounts in line with the timetable set out in MOJ Finance and Commercial Instructions on the production of Consolidated Departmental Accounts in order for the accounts to be consolidated within the MOJ's. A draft of the report should be submitted to the MOJ in good time prior to the proposed publication date. The accounts should be prepared in accordance with the relevant statutes and specific accounts direction issued by the Lord Chancellor as well as HM Treasury's Financial Reporting Manual (FRoM).
- 28.2 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 a non-departmental public body
  - outline main activities and performance during the previous financial year and set out in summary form forward plans

- 28.3 Information on performance against key financial targets is within the annual report and subject to the auditor's consistency opinion. The report and accounts shall be laid in Parliament and made available on GOV.UK, in accordance with paragraph 32, Schedule 12 to the Act and the guidance in the FReM.

## **29. Reporting performance to the MOJ**

- 29.1 The JAC shall operate management, information and accounting systems that enable it to review in a timely and effective manner its financial and non-financial performance against the budgets and targets set out in the corporate and business plans.
- 29.2 The JAC shall inform the MOJ of any changes that make achievement of objectives more or less difficult. It shall report financial and non-financial performance, including performance in helping to deliver ministers' policies, and the achievement of key objectives regularly.
- 29.3 The JAC's performance shall be formally reviewed by the MOJ via quarterly Business Assurance Meetings (BAM). BAMs shall be chaired by the Head of the ALB Centre of Excellence (or in exceptional circumstances by their deputy) and attended by the Chief Executive or Deputy Chief Executive of the JAC. These meetings provide a timely formal opportunity for a two-way conversation to discuss JAC performance, risk and finance to assure the PAO, via the Senior Sponsor, that the JAC is functioning efficiently and effectively.
- 29.4 The Lord Chancellor will, unless other arrangements have been agreed, meet the Chair and Chief Executive of the JAC at least once a year to discuss the JAC's performance and current issues.
- 29.5 The Senior Sponsor will meet the Chief Executive at least once a year.

## **30. Information sharing**

- 30.1 Subject to the provisions of s.139 of the Act, the MOJ will have a right of access to all the JAC's records and personnel as required to discharge the obligations of the MOJ and the PAO and for any other purpose including, for example, sponsorship audits and operational investigations.
- 30.2 The JAC shall provide the MOJ with such information about its operations, performance, individual projects or other expenditure as the MOJ may reasonably require.



- 30.3 The MOJ and HM Treasury may request the sharing of data held by the JAC 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.
- 30.4 As a minimum, the JAC shall provide the MOJ with information monthly that will enable the MOJ satisfactorily to monitor:
- the JAC's cash management
  - its draw-down of grant-in-aid
  - 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

## 31. Internal audit

31.1 The JAC shall:

- establish and maintain arrangements for the Government Internal Audit Agency to provide internal audit services in accordance with the Public Sector Internal Audit Standards (PSIAS) as adopted by HM Treasury  
[www.gov.uk/government/publications/public-sector-internal-audit-standards](http://www.gov.uk/government/publications/public-sector-internal-audit-standards)
- ensure the MOJ is satisfied with the competence and qualifications of the Head of Internal Audit and the requirements for approving appointments in accordance with PSIAS
- set up an audit committee of its board in accordance with the Code of Good Practice for Corporate Governance and the Audit and Risk Assurance Committee Handbook
- forward the audit strategy, periodic audit plans and annual audit report, including the JAC's Head of Internal Audit opinion on risk management, control and governance as soon as possible to the MOJ via the ALB Centre of Expertise
- keep records of, and prepare and forward to the MOJ, an annual report on fraud and theft suffered by the JAC and notify the MOJ of any unusual or major incidents as soon as possible
- share with the MOJ information identified during the audit process and the Annual Audit Opinion 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 the JAC. The GIAA has a right of access to all documents prepared by the JAC's internal auditor, including where the service is contracted out

## 32. External audit

32.1 The Comptroller & Auditor General (C&AG) audits the JAC's annual accounts. The C&AG passes the audited accounts to the Lord Chancellor, who will lay the accounts together with the C&AG's report before parliament.

- 32.2 In the event that the JAC sets up and controls subsidiary companies, the JAC will (in the light of the provisions in the Companies Act 2006) ensure that the C&AG has the option to be appointed auditor of those company subsidiaries that it controls and/or whose accounts are consolidated within its own accounts. The JAC shall discuss with the MOJ the procedures for appointing the C&AG as auditor of the companies.
- 32.3 The C&AG:
- will consult the MOJ and the JAC on whom – the National Audit Office 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, those held by another party in receipt of payments or grants from the JAC
  - 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 the JAC
  - 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
- 32.4 The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the JAC 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, the JAC 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 endeavour, 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

## 33. Review of JAC status

- 33.1 The JAC will be reviewed as part of the wider Public Bodies Reviews programme, at a time determined by the MOJ's ministers and their PAO.
- 33.2 The status of the JAC will be periodically reviewed in line with Cabinet Office Guidance. The principle aim of periodic reviews is to ensure public bodies remain fit for purpose, well governed and properly accountable for what they do. This document sets out the agreed governance arrangements at the time of publication and will be updated, as necessary, after any such review of the JAC.

## 34. Arrangements in the event that the JAC is wound up

- 34.1 If the JAC were to be altered or abolished as a result of primary legislation, the MOJ shall put in place arrangements to ensure its orderly winding up. In particular, the MOJ should ensure that the assets and liabilities of the JAC 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 MOJ shall:
- have regard to Cabinet Office guidance on winding up of ALBs
  - ensure that procedures are in place in the JAC to gain independent assurance on key transactions, financial commitments, cash flows and other information needed to handle the wind-up effectively and to maintain the momentum of work inherited by any residuary body
  - specify the basis for the valuation and accounting treatment of the JAC's assets and liabilities
  - ensure that arrangements are in place to prepare closing accounts and pass these to the C&AG for external audit, and that funds are in place to pay for such audits. It shall be for the C&AG to lay the final accounts in Parliament, together with his or her 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 MOJ inherits the role, responsibilities, assets and liabilities, the MOJ's AO should sign
  - make arrangements for the appropriate transfer or retention of cases, records and other information relevant to the JAC's activities

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

# Annex A

As detailed in the Framework Agreement, JAC 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: [www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017](http://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017)
- Code of conduct for board members of public bodies: [www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies](http://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: [www.gov.uk/government/publications/partnerships-with-arms-length-bodies-code-of-good-practice#:~:text=This%20code%20of%20good%20practice,partnership%20approach%20to%20shaping%20relationships](http://www.gov.uk/government/publications/partnerships-with-arms-length-bodies-code-of-good-practice#:~:text=This%20code%20of%20good%20practice,partnership%20approach%20to%20shaping%20relationships)

## Financial management and reporting

- Managing Public Money (MPM): [www.gov.uk/government/publications/managing-public-money](http://www.gov.uk/government/publications/managing-public-money)
- Government Financial Reporting Manual (FReM): [www.gov.uk/government/collections/government-financial-reporting-manual-frem](http://www.gov.uk/government/collections/government-financial-reporting-manual-frem)
- Relevant Dear Accounting Officer (DAO) letters: [www.gov.uk/government/collections/dao-letters](http://www.gov.uk/government/collections/dao-letters)
- Relevant guidance and instructions issued by the Treasury in respect of Whole of Government Accounts: [www.gov.uk/government/collections/whole-of-government-accounts](http://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](http://www.gov.uk/government/publications/orange-book) and [www.gov.uk/government/publications/management-of-risk-in-government-framework](http://www.gov.uk/government/publications/management-of-risk-in-government-framework)
- Public Sector Internal Audit Standards: [www.gov.uk/government/publications/public-sector-internal-audit-standards](http://www.gov.uk/government/publications/public-sector-internal-audit-standards)

- HM Treasury approval processes for major projects above delegated limits: [www.gov.uk/government/publications/treasury-approvals-process-for-programmes-and-projects](http://www.gov.uk/government/publications/treasury-approvals-process-for-programmes-and-projects)
- The government cyber-security strategy and cyber security guidance: [www.gov.uk/government/publications/national-cyber-strategy-2022/national-cyber-security-strategy-2022](http://www.gov.uk/government/publications/national-cyber-strategy-2022/national-cyber-security-strategy-2022) and [www.gov.uk/government/collections/cyber-security-guidance-for-business](http://www.gov.uk/government/collections/cyber-security-guidance-for-business)

### **Commercial management**

- Policy procurement notes: [www.gov.uk/government/collections/procurement-policy-notes](http://www.gov.uk/government/collections/procurement-policy-notes)
- Cabinet Office spending controls: [www.gov.uk/government/collections/cabinet-office-controls](http://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](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](http://www.gov.uk/government/publications/governance-code-for-public-appointments)
- Procurement Policy Note 08/15 – Tax Arrangements of Public Appointees: [www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees](http://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](http://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](http://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: [www.gov.uk/government/publications/whistleblowing-guidance-and-code-of-practice-for-employers](http://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](http://www.gov.uk/guidance/equality-act-2010-guidance)

## General

- Freedom of Information Act guidance and instructions: [www.legislation.gov.uk/ukpga/2000/36/contents](http://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: [www.ombudsman.org.uk/about-us/our-principles](http://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 the JAC.
- Guidance from the Public Bodies team in Cabinet Office: [www.gov.uk/government/publications/public-bodies-information-and-guidance](http://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): [www.gov.uk/government/publications/civil-service-diversity-and-inclusion-strategy-2022-to-2025](http://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](http://www.gov.uk/government/organisations/infrastructure-and-projects-authority)
- The Government Digital Service: [www.gov.uk/government/organisations/government-digital-service](http://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](http://www.gov.uk/government/collections/fraud-error-debt-and-grants-function) and [www.gov.uk/government/publications/grants-standards](http://www.gov.uk/government/publications/grants-standards)
- Code of Practice for Official Statistics: <https://code.statisticsauthority.gov.uk/#:~:text=The%20Code%20of%20Practice%20for%20Statistics%20sets%20the,produced%20by%20people%20and%20organisations%20that%20are%20trustworthy>
- Accounting Officer System Statements (AOSS are produced by departments with input from ALBs): [www.gov.uk/government/publications/accounting-officer-system-statements](http://www.gov.uk/government/publications/accounting-officer-system-statements)





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