



Department for
Science, Innovation
& Technology

MET OFFICE FRAMEWORK DOCUMENT

May 2025

Met Office Framework Document

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Introduction and Background

Purpose of Document

- 1.1. This framework document (the “framework document”) has been agreed between the Department for Science, Innovation and Technology (“DSIT”) and The Meteorological Office (“the Met Office”) in accordance with HM Treasury's handbook Managing Public Money¹ (“MPM”) (as updated from time to time) and has been approved by HM Treasury. It replaces the Framework Document published in 2019.
- 1.2. The framework document sets out the broad governance framework within which the Met Office and the Department for Science, Innovation and Technology operate. It sets out the Met Office's core responsibilities, describes the governance and accountability framework that applies between the roles of DSIT in a sponsorship and owning department function and sets out how the day-to-day relationship works in practice, including in relation to governance and financial matters.
- 1.3. The document does not convey any legal powers or responsibilities but both parties agree to operate within its terms.
- 1.4. Copies of the document and any subsequent amendments have been placed in the libraries of both Houses of Parliament and made available to members of the public on the Met Office website (<https://www.metoffice.gov.uk/>).
- 1.5. 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 sponsor department. The latest date for review and updating of this document is 31st May 2028. Discussions for updating the framework document should commence 6 months prior to the latest review date.

Objectives

- 1.6. The Department for Science, Innovation and Technology and the Met Office share the common objective of ensuring the UK has a National Meteorological Service that is equipped to meet the needs and requirements of the nation relating to weather and climate. The Met Office fulfils this role primarily through delivering weather and climate science and services to the public, government and industry. To achieve this, the Met Office and DSIT will work together in recognition of each other's roles and areas of expertise, providing an effective environment for the Met Office to achieve its objectives through the promotion of partnership and trust and ensuring that the Met Office also supports the strategic aims and objectives of the department and wider government.

¹<https://www.gov.uk/government/publications/managing-public-money>

Classification

- 1.7. The Met Office has been classified as a Public Non-Financial Corporation by the Office for National Statistics (“ONS”) / HM Treasury. However, it has not been established as a separate legal entity from the Department for Science, Innovation and Technology.
- 1.8. It has been administratively classified by the Cabinet Office as an Executive Agency. It has also been established as a Trading Fund within the Department for Science, Innovation and Technology, pursuant to the Government Trading Funds Act 1973.
- 1.9. Ownership was transferred to the department through The Secretaries of State for Energy Security and Net Zero, for Science, Innovation and Technology, for Business and Trade, and for Culture, Media and Sport and the Transfer of Functions (National Security and Investment Act 2021 etc) Order 2023².
- 1.10. It is also considered a Public Sector Research Establishment by the Department for Science, Innovation and Technology and recognised as such by the Government Office for Science.

Purposes, Aims and Duties

Purposes

- 1.11. The Met Office provides a critical national weather and climate capability, providing forecasts and projections based on model simulations of both weather and climate. It forms a key part of the UK’s defence and civil contingencies infrastructure. It is responsible for delivering the Public Weather Service (“PWS”) and National Severe Weather Warning Service (“NSWWS”), helping people make better decisions to stay safe and thrive. It also provides a national capability in climate research, with a central role in providing underpinning scientific evidence to support, constructively challenge, and enable development of national and international climate policy. This includes supporting the delivery of the United Nations Intergovernmental Panel on Climate Change’s (“IPCC”) Assessment Reports. In addition to weather and climate, the Met Office provides services in the realms of space weather and dispersion modelling of various natural and man-made hazards. In addition, the Met Office works in partnership with academia and other UK and international centres of excellence, helping to pull through and exploit world-leading meteorological and climate science to deliver economic and social value through its products and services.

² [The Secretaries of State for Energy Security and Net Zero, for Science, Innovation and Technology, for Business and Trade, and for Culture, Media and Sport and the Transfer of Functions \(National Security and Investment Act 2021 etc\) Order 2023 \(legislation.gov.uk\)](#)

- 1.12. The purpose of the Met Office is set out in Schedule 1 to the Meteorological Office Trading Fund Order 1996 (Statutory Instrument 1996 No. 774, as amended)³. Namely:
- (a) the provision of meteorological, climatological, and associated services to the Department for Science, Innovation and Technology;
 - (b) the provision of such services to other customers; and
 - (c) operations incidental, conducive, or otherwise ancillary to the foregoing.

Powers and Duties

- 1.13. The primary duties and functions of the Met Office are explained above. In addition to the duties laid out in the Trading Fund Order, the Met Office's other key statutory duties, functions and treaty obligations are as follows:
- 1.14. The Public Records Act 1958⁴ requires the Met Office to select and appraise its information for consideration by The National Archives ("TNA") for future preservation. The Met Office is designated as the official national Place of Deposit for meteorological records relating to England and Wales. Records pertaining to Scotland and Northern Ireland are owned by the Met Office and managed on its behalf by National Records of Scotland ("NRS") and Public Records Office Northern Ireland ("PRONI") respectively.
- 1.15. The Met Office has a duty as a Category 2 responder under the Civil Contingencies Act 2004 (as amended)⁵ to co-operate and share information with other responders in preparing for, and responding to, risks associated with extreme weather events⁶.
- 1.16. The importance of the PWS and NSWWS is also recognised by The Civil Contingencies Act 2004 (Contingency Planning) Regulations 2005, which specifically requires other responders to have regard to the arrangements maintained by the Met Office to warn the public, and to provide information and advice to the public, if an emergency is likely to occur or has occurred⁷. The Met Office supports the UK's National Risk Register helping to ensure national resilience.

Scotland, Wales and Northern Ireland

- 1.17. The Met Office provides weather and climate services for the whole UK, including responsibility for delivery of the PWS and NSWWS. The Met Office therefore maintains close links with the devolved administrations to ensure that the weather and climate needs of Scotland, Wales and Northern Ireland are fully understood.

³ [The Meteorological Office Trading Fund Order 1996 \(legislation.gov.uk\)](#)

⁴ [Public Records Act 1958 \(legislation.gov.uk\)](#)

⁵ [Civil Contingencies Act 2004 \(legislation.gov.uk\)](#)

⁶ [The Civil Contingencies Act 2004 \(Amendment of List of Responders\) Order 2023 \(legislation.gov.uk\)](#)

⁷ [The Civil Contingencies Act 2004 \(Contingency Planning\) Regulations 2005 \(legislation.gov.uk\)](#)

Relationships between the Met Office and the devolved administrations come within, and are subject to, the principles and procedures enshrined in the Memorandum of Understanding between the UK Government, the Scottish Ministers, the Welsh Ministers, and the Northern Ireland Executive Committee. Memoranda of understanding and agreements are in place between the Met Office and relevant public bodies established by the devolved administrations.

International Representation

- 1.18. By virtue of its treaty obligations and membership of international organisations from which the UK benefits, the Government is required to designate a National Meteorological Service (“NMS”), which is the Met Office.
- 1.19. To support its national and global forecasting capability the Met Office depends on observations made across the world by other National Meteorological Services. In this context, the Met Office is required by the Foreign, Commonwealth and Development Office to provide senior officials to act as the Permanent UK representatives to the World Meteorological Organization, the European Organisation for the Exploitation of Meteorological Satellites (“EUMETSAT”), and the European Centre for Medium-range Weather Forecasts (“ECMWF”).
- 1.20. In accordance with Annex 3 to the Chicago Convention for International Civil Aviation, (Meteorological service for international air navigation) the Met Office has been designated as the responsible meteorological office for the UK’s civil aviation. It has also been designated as one of two World Area Forecast Centres (“WAFC”) in accordance with this convention.
- 1.21. The international Convention for the Safety of Life at Sea (SOLAS, 1974, Chapter 5, Regulation 5) obliges the Met Office, as the UK’s designated NMS, to issue meteorological forecasts and warnings for shipping in coastal areas and on the high seas, to be carried out in cooperation with the Maritime and Coastguard Agency (“MCA”).

Aims

- 1.22. The Met Office’s strategic purpose is to help people make better decisions to stay safe and thrive, supporting government and its agencies, businesses, and the public to achieve their goals. The Met Office’s vision is to be recognised as a global leader in weather and climate science and services in a changing world.

Delivery of Services to Customers

- 1.23. The Met Office’s work is further defined by a variety of public sector customer supplier agreements (such as for the PWS), which provide a range of services, singly or in partnership with others. These leading services and scientific research capabilities help to protect lives, property and infrastructure from weather and climate impacts, and to contribute to UK economic growth through the effective use of weather and climate information. These include enabling the UK to fulfil several domestic and international obligations, from civil contingencies, flood management, air quality and dispersion monitoring, cold weather payments for

the elderly, space weather and international civil aviation obligations, through to climate change policies and climate services. In addition, the new Met Office supercomputer will ensure the organisation can continue meeting its government remit and core user requirements. It will also realise significant benefits for government, industry and the public – enabling better decision making to reduce risks to safety, increase productivity, reduce waste and inform resilience. These customer supplier agreements provide for the majority of Met Office funding, with the largest being the Public Weather Service, the Met Office Hadley Centre Climate Programme, and agreements with the Ministry of Defence, Department for Environment, Food & Rural Affairs and Foreign, Commonwealth and Development Office (“FCDO”).

1.24. The Met Office has been authorised by Cabinet Office to maintain its own website and communication channels in order to deliver its services independently and effectively, including the delivery of the National Severe Weather Warning Service. As a Trading Fund, it has been authorised to use these communication channels to help fund the delivery of its services.

1.25. The Met Office holds a Crown Copyright Licensing Delegation of Authority from the Keeper of the Public Records that enables it to issue licences on a commercial basis in support of its delivery of services to customers.

Public Weather Service Customer Group (PWSCG)

1.26. The Met Office is responsible for the delivery of the Public Weather Service (“PWS”). The Public Weather Service Customer Group (“PWSCG”) acts as the formal customer for this service. Under an independent chair responsible to the Minister for Science, Research and Innovation, this group comprises public sector users from government departments and agencies as well as an independent member representing the interests of UK citizens. Its role is to gather requirements to define the scope of the Customer Supplier Agreement and monitor delivery of the PWS services. PWS funding is the main source of revenue contributing to the underpinning operational capability at the Met Office, and the research and development needed to improve the utility of its forecasts over time.

Met Office Hadley Centre Climate Programme (MOHCCP)

1.27. The Met Office Hadley Centre’s Climate Programme (“MOHCCP”) is a programme of work in climate science and modelling. It is designed to maintain and strengthen UK Government priorities for UK climate science capability and to provide an evidence base to support government objectives on climate change. Policy responsibility sits with the Department for Energy Security and Net Zero (“DESNZ”).

Support for wider Government and National Security

1.28. The Met Office also attends the Interdepartmental Met Office Strategy Group chaired by DSIT which brings other government departments and the devolved administrations together to review government’s overall strategic priorities for the Met Office and the delivery of these priorities. The group also works to ensure the Met Office is aligned with and supportive of government policymaking priorities across various departments.

- 1.29. The Met Office provides several critical services to other government departments. Major agreements include that with the Ministry of Defence, under which the Met Office provides operational, strategic and intelligence support to the UK's defence capability. The Met Office also provides services to the defence forces of the UK's allies and allied organisations.

A range of services is provided in conjunction with FCDO to deliver Official Development Assistance ("ODA") and support FCDO to deliver its mission around the globe. The Met Office also supports the World Meteorological Organization and United Nations agencies in the provision of meteorological services to a range of nations.

- 1.30. The Met Office makes an important contribution to the UK's national resilience. It has ownership responsibilities for four risks on the National Risk Register (storms, high temperatures and heatwaves, low temperatures and snow, severe space weather). It also supports emergency responses in a range of different scenarios, whether natural hazards (including risks such as volcanic ash, flooding and drought) or other incidents affected by the weather (such as atmospheric dispersion following a chemical incident). The Met Office is a member of the Natural Hazards Partnership, working to ensure cross-specialism advice and challenge to the Government's National Risk Assessment.

- 1.31. The Met Office works closely with a number of government agencies to support the UK's national security.

Governance and Accountability

Governance and Accountability

- 1.32. The Met Office 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.

- 1.33. In particular (but without limitation), the Met Office should:

- comply with the principles and provisions of the Corporate Governance in Central Government Departments Code of Good Practice⁸ (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 Standards⁹ as appropriate and in particular those concerning Finance, Commercial and Counter Fraud

⁸ <https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017>

⁹ <https://www.gov.uk/government/collections/functional-standards>

- take into account, the codes of good practice and guidance set out in Annex A of this framework document, as they apply to ALBs

1.34. In line with MPM Annex 3.1, the Met Office 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 the Met Office does intend to depart materially from the Code, the sponsor should be notified in advance.

Role of the Department

The Responsible Minister

- 1.35. The Secretary of State for Science, Innovation and Technology is the Minister with formal responsibility (“the responsible Minister”) and is accountable to Parliament for all matters concerning The Met Office.
- 1.36. The responsible Minister’s powers and rights in respect of the Met Office are outlined below. The responsible Minister may delegate, in accordance with the Government Trading Funds Act, their powers to the Minister for Science, Research and Innovation or other Ministers and officials in DSIT in order to ensure effective operations and governance for the Met Office.

Appointments to the Board

- 1.37. The Chief Executive of the Met Office is appointed by the Secretary of State for Science, Innovation and Technology as responsible Minister.
- 1.38. The responsible Minister shall have the following appointment and approval rights in relation to The Met Office’s Board:
 - The Chair is appointed by the Secretary of State or the Minister for Science, Research and Innovation if responsibility is delegated
 - Non-executive members are appointed by the Secretary of State or the Minister for Science, Research and Innovation if responsibility is delegated
 - 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

- 1.39. The responsible Minister is also responsible, or will delegate responsibility to the Minister for Science, Research and Innovation, for:
 - the policy framework within which the Met Office operates
 - setting the performance framework within which the Met Office will operate including approving the Met Office’s Strategy and Corporate Plan
 - matters regarding spending approvals, acquisitions, disposals and joint ventures in line with delegations as set out in the delegation letter
 - overseeing and reviewing top-level objectives in line with the government’s ownership, financial, and policy interests in the Met Office
 - such other matters as may be appropriate and proportionate
- 1.40. The responsible Minister or the Minister for Science, Research and Innovation will meet with the Chief Executive as and when required to discuss the Met Office’s performance and outlook.

The Principal Accounting Officer

- 1.41. The Principal Accounting Officer (“PAO”) is the Permanent Secretary of DSIT.

- a. The Treasury has appointed the DSIT Permanent Secretary as Principal Accounting Officer. The PAO is liable to be summoned before the Public Accounts Committee (“PAC”) to answer any questions relating to the discharge of their responsibilities.
- b. The PAO has the following responsibilities:
 - allocation of Departmental resources to the Met Office, including the Public Dividend Capital and Departmental Expenditure Limits cover for any loan facility with the National Loan Fund;
 - ensuring that the Met Office’s financial systems and procedures and its governance arrangements promote a high standard of financial management and propriety; and
 - ensuring that these financial systems and monitoring procedures are adequate and robust.
- c. The PAO does not have responsibility for or involvement in the day-to-day-operations of the Met Office; in this regard the PAO delegates the oversight of this to the DSIT Met Office sponsorship team.
- d. The PAO and Accounting Officer (see below) both report directly to the responsible Minister. However, if any differences of view arise between the PAO and the Accounting Officer, it is for the PAO to decide on what should be done.
- e. The Chief Executive is appointed by the responsible Minister. The responsible Minister may remove the Chief Executive from office if they are unable or unfit to discharge their functions.
- f. The Chief Executive is appointed by HM Treasury as the Accounting Officer for the Trading Fund.

PAO’s specific accountabilities and responsibilities

- 1.42. The respective responsibilities of the PAO and AOs for ALBs are set out in Chapter 3 of MPM.
- 1.43. The PAO is also responsible, usually via the sponsorship team, for advising the responsible Minister on:
 - the appropriateness of objectives and targets for the Met Office in the light of the department’s wider strategic aims and priorities
 - the appropriateness of budget for the Met Office in the light of the sponsor department’s overall public expenditure priorities
 - how well the Met Office is achieving its strategic objectives and whether it is delivering value for money
 - the exercise of the responsible Minister’s statutory responsibilities concerning the Met Office as outlined above
- 1.44. The PAO via the sponsorship team is also responsible for ensuring arrangements are in place in order to:
 - monitor the ALB’s activities and performance
 - address significant problems in the Met Office, 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 the Met Office's objectives and activities in line with the wider departmental risk assessment process
- inform the Met Office of relevant government policy in a timely manner
- bring ministerial or departmental concerns about the activities of the Met Office to the full Met Office board, and, as appropriate to the departmental Board, requiring explanations and assurances that appropriate action has been taken

The Role of the Sponsorship Team

- 1.45. The Public Sector Research Establishments ("PSRE") Sponsorship team in the department is the primary contact for the Met Office. The responsible senior civil servant for this relationship is the Director for International Research and Innovation. They are the main source of advice to the responsible Minister on the discharge of their responsibilities in respect of the Met Office. They also support the PAO on their responsibilities toward the Met Office.
- 1.46. Officials of the PSRE sponsorship team in the sponsor department will liaise regularly with Met Office officials to review performance against plans, achievement against targets and engage DSIT Finance Business Partners to monitor expenditure against its DEL and AME allocations. The Sponsor team will also take the opportunity to explain wider policy developments that might have an impact on the Met Office, including providing the secretariat and chairing the Interdepartmental Met Office Strategy Group to facilitate effective engagement with other government departments. The sponsor team will provide the day-to-day contact point with the Met Office and will carry out its duties with regard to the sponsorship code of good practice.
- 1.47. Responsibility for monitoring, evaluation and delivery of specific agreements and contracts will be for the respective policy teams such as the PWS and MOHCCP policy teams recognising some contracted services are funded by other government departments.

Resolution of Disputes between the Met Office and Department

- 1.48. Any disputes between the department and the Met Office will be resolved in as timely a manner as possible. The department and the Met Office will seek to resolve any disputes through an informal process in the first instance. If this is not possible, then a formal process, overseen by the senior sponsor, will be used to resolve the issue. Failing this, the senior sponsor will ask the relevant policy Director 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.

Freedom of Information Requests

- 1.49. Where a request for information is received by either party under the Freedom of Information Act 2000, Environmental Information Regulations 2004 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 significantly affect the other party's responsibilities.

Reporting on Legal Risk and Litigation

1.50. The Met Office shall provide a quarterly update to the 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 sponsor in a timely manner.

1.51. In respect of each substantial piece of litigation involving the Met Office, 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

Met Office Governance Structure

The Chief Executive

Responsibilities of the ALB's Chief Executive as Accounting Officer (AO)

- 1.52. 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 the Met Office. In addition, they should ensure that the Met Office 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 those below and those that are set in the AO's appointment letter.

Responsibilities for accounting to Parliament and the public

- 1.53. 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 and the Treasury in line with requirements as a Trading Fund
 - preparing and signing a Governance Statement covering corporate governance, risk management and oversight of any local responsibilities, for inclusion in the Met Office annual report and accounts
 - ensuring that effective procedures for handling complaints about the Met Office in accordance with Parliamentary and Health Service Ombudsman's Principles of Good Complaint Handling are established and made widely known within the Met Office and published on the Met Office's website
 - 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 the Met Office as set out in paragraph 18.1
 - any elements of any settlement letter issued to the sponsor department that is relevant to the operation of the Met Office
 - any separate settlement letter that is issued to the Met Office from the sponsor department
 - 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 on relevant matters at parliamentary committees; this includes the PAC, when summoned to give evidence on the Met Office's stewardship of public funds
 - responding to correspondence received directly from members of the UK and devolved Parliaments

Responsibilities to the Department for Science, Innovation and Technology

- 1.54. Responsibilities to DSIT include:

- establishing, in agreement with the department, the Met Office's corporate plan in the light of the department's wider strategic aims and agreed priorities
- informing the department of progress in helping to achieve the department's policy objectives and in demonstrating how resources are being used to achieve those objectives
- ensuring that timely forecasts and monitoring information on performance and finance are provided to the department; that the department is notified promptly if over or under spends are likely and that corrective action is taken; and that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the department in a timely fashion

Responsibilities of the Chief Executive Officer as Accounting Officer

1.55. Responsibilities of the Chief Executive as Accounting Officer are to:

- ensure the Met Office provides the UK representative for the WMO, and the councils for EUMETSAT and ECMWF;
- ensure that all expenditure the Chief Executive incurs in respect of the funded operations are to be paid out of the Trading Fund taking one year with another, and pay into the Consolidated Fund each year a dividend equal to at least the required rate of return on average capital employed, unless otherwise agreed in advance;
- establish, in agreement with DSIT, the corporate plan, annual budget and KPIs in the light of the Department's wider strategic aims and agreed priorities;
- achieve any further financial objectives determined by the responsible Minister, with Treasury concurrence;
- establish and maintain general capital and other reserves in the accounts of the Trading Fund, and may pay into the Consolidated Fund any amount standing in the reserves of the Trading Fund that at any time appear to be surplus to the foreseeable requirements of the funded operations;
- invest, if the Chief Executive wishes, money not immediately required in such Government securities as the Treasury may approve;
- appoint the staff of Met Office on such terms and conditions as the Chief Executive thinks fit, within the constraints of any guidance issued by HM Treasury, the Cabinet Office or DSIT; determine, in agreement with Treasury, the amount and timing of any payment out of the Trading Fund into the Consolidated Fund in respect of staff pensions and associated administrative expenses.

Responsibilities to the board

1.56. 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
- seeking approval of the five-year corporate plan, annual budget and KPIs and advising the Board on the Met Office's performance against these KPIs
- developing, together with the Chair and the other members of the Board, the strategy for the Met Office, for agreement with the Department
- advising the Board on the Met Office'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 with the Board

- 1.57. 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.
- 1.58. If the Board, or its Chair, 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.
- 1.59. The Chief Executive must ensure that the Board has 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 Board and the Principal Accounting Officer on behalf of the responsible Minister and copy that to the Treasury Officer of Accounts.
- 1.60. If the responsible Minister 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.

The Board

Composition of the Board

- 1.61. The Met Office 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 Board shall be to oversee the Met Office in the delivery of its objectives, in accordance with the purposes as set out above, their regulatory, common law duties and their 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 (FreM)¹⁰.
- 1.62. The Board will consist of a Chair, together with the Chief Executive and a number of non-executive and executive members that have a balance of skills and experience appropriate to directing the Met Office's business. For the Met Office there should be members who have experience of its business, including its national capability generating scientific meteorological research and delivering weather forecasts and climate information, its provision of products and services for government, business and the public and its enabling corporate services such as HR, technology, estate management, communications, finance and performance management. This will include as an executive and voting board member an appropriately qualified finance director as described in Annex 4.1 of MPM. The Board should include a majority of independent non-executive

¹⁰ <https://www.gov.uk/government/collections/government-financial-reporting-manual-frem>

members to ensure that executive members are supported and constructively challenged in their role.

Board Committees

- 1.63. 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 Assurance Committee chaired by an independent and appropriately qualified non-executive member of the Board.
- 1.64. 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.
- 1.65. 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 sponsor team, 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.
- 1.66. 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.
- 1.67. The Committees the Board has established are:
Audit and Risk Assurance Committee
Remuneration Committee
Security Issues Committee

Duties of the Board

- 1.68. The Board is specifically responsible for:
- establishing and taking forward the strategic aims and objectives of the Met Office, consistent with its overall strategic direction and within the policy and resources framework determined by the responsible Minister
 - providing effective leadership of the Met Office 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 the Met Office to meet its objectives
 - approving the Met Office's annual budget and KPIs, including reviewing performance against them

- ensuring that the Board receives and reviews regular financial and management information concerning the management of the Met Office
- ensuring that it is kept informed of any changes which are likely to impact on the strategic direction of the Met Office 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 the limits of any statutory authority and any delegated authority agreed with the sponsor department, 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 sponsor department
- ensuring that as part of the above compliance they are familiar with:
 - this framework document
 - any delegation letter issued to body as set out in paragraph 18.1
 - any elements of any settlement letter issued to the sponsor department that is relevant to the operation of the Met Office
 - any separate settlement letter that is issued to the Met Office from the sponsor department
 - 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 the Met Office 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 Audit and Risk Assurance Committee to help the board to address key financial and other risks
- setting, in consultation with the department, performance objectives for the Chief Executive and remuneration terms linked to these objectives which give due weight to the proper management and use of public resources
- putting in place mechanisms for appraisal and annual evaluation of the performance of the Chair, led by the sponsor department and taking into account the views of the independent non-executives and relevant stakeholders. The outcome of that evaluation should be made available to the responsible Minister
- determining all such other things which the Board considers ancillary or conducive to the attainment or fulfilment by the Met Office of its objectives

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

1.70. 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)¹¹. 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 is 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.

The Chair's Role and Responsibilities

- 1.71. 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/appointment letter, the priorities in the chair's letter issued to them by the sponsor team, any relevant statute governing the Met Office, this document and the documents and guidance referred to within this document.
- 1.72. Communications between the Met Office's Board and the responsible Minister should normally be through the Chair.
- 1.73. The Chair is bound by the Code of Conduct for Board Members of Public Bodies¹², which covers conduct in the role and includes the Nolan Principles of Public Life¹³.
- 1.74. In addition, the Chair is responsible for:
 - ensuring by monitoring and engaging with appropriate governance arrangements that the Met Office's affairs are conducted with probity
 - ensuring that policies and actions support the responsible Minister's and where relevant other Ministers' wider strategic policies and where appropriate, these policies and actions should be clearly communicated and disseminated throughout the Met Office
- 1.75. The Chair has the following leadership responsibilities:
 - overseeing the formulation of the Met Office's strategy
 - ensuring that the Board, in reaching decisions, takes proper account of guidance provided by the responsible Minister or the department
 - promoting the efficient and effective use of staff and other resources
 - delivering high standards of regularity and propriety
 - representing the views of the Board to the general public
- 1.76. 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 and more in-depth

¹¹ <https://www.gov.uk/government/publications/orange-book>

¹² <https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies>

¹³ <https://www.gov.uk/government/publications/the-7-principles-of-public-life>

assessments of the performance of individual board members when being considered for re-appointment

- that in conducting assessments that the views 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 Met Office's business, and that all directors including the Chair and Chief Executive continually update their skills, knowledge and familiarity with the Met Office 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 the Met Office's needs when board vacancies arise
- there are Board Terms of Reference in place setting out the role and responsibilities of the Board consistent with the Government Code of Good Practice for Corporate Governance
- board members are aware of and conduct themselves in accordance with the Cabinet Office Code of Conduct for Board Members of Public Bodies, the 12 Principles of Governance for all Public Body Non-Executive Directors and other applicable guidance.¹⁴

Individual Board Members' Responsibilities

1.77. 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 the Met Office
- 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

¹⁴ <https://www.gov.uk/government/publications/public-bodies-non-executive-director-principles/12-principles-of-governance-for-all-public-body-neds>

Management and Financial Responsibilities and Controls

Delegated Authorities

- 1.78. The Met Office'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 sponsor department in agreement with HM Treasury.
- 1.79. In line with MPM Annex 2.2 these delegations will be reviewed on an annual basis.
- 1.80. The Met Office 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 set out in the delegation letter
 - 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 department
 - making any change of policy or practice which has wider financial implications that might prove repercussive or which might significantly affect the future level of resources required
 - carrying out policies that go against the principles, rules, guidance and advice in MPM

Spending Authority

- 1.81. The Met Office shall have authority to incur expenditure without further reference to the sponsor department, on the following conditions:
- the Met Office shall comply with the delegations set out in the delegation letter. These delegations shall not be altered without the prior agreement of the sponsor department and as agreed by HM Treasury and Cabinet Office as appropriate
 - the Met Office 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 Met Office shall provide the sponsor department with such information about its operations, performance, individual projects or other expenditure as the sponsor department may reasonably require
- 1.82. As a trading fund the Met Office is financed primarily from its trading income generated from its government customers and commercial customers. The Met Office funds its operations from this income and is expected to generate a profit

from which it will pay a dividend as agreed by DSIT. Any remaining retained earnings are available for reinvestment in the business in line with the approved Corporate Plan subject to the delegations within the Delegation Letter issued to the Chief Executive periodically by DSIT.

Capital Structure

- 1.83. The net assets of the Met Office Trading Fund at vesting day, 1 April 1996, were financed by a combination of loans and Public Dividend Capital and are unchanged following the transfer from Ministry of Defence into the former Department for Business, Innovation and Skills (now DSIT), save for the maximum borrowing limit of the fund being increased from £200,000,000 to £300,000,000 by the Meteorological Office Trading Fund (Maximum Borrowing) Order 2019¹⁵ and from £300,000,000 to £400,000,000 by the Meteorological Office Trading Fund (Maximum Borrowing) (Amendment) Order 2024¹⁶. With the concurrence of DSIT and the Chief Secretary to the Treasury, the Met Office has established and maintained general capital and other reserves.
- 1.84. The Met Office should, with the DSIT sponsorship team, periodically review its capital structure and funding requirements as part of the general business planning process.

Loan Funding

- 1.85. The sole provider of loans to the Met Office is DSIT. DSIT will set the terms on advice from HM Treasury. All loans are subject to the presentation of a timely and compelling business case built around the high-level business objectives set out in the Corporate Plan. Business cases will be subject to scrutiny by DSIT.
- 1.86. For the purposes of this framework document, the definition of loans excludes the normal operation of routine banking arrangements which may give rise to unplanned short-term liabilities. These may include, but are not limited to, BACS payment facilities, daylight facilities, bank guarantees and indemnities, daily settlement limits and foreign exchange transactions.

Banking and Managing Cash

- 1.87. The Met Office must maximise the use of publicly procured banking services (accounts with central government commercial banks managed centrally by Government Banking).
- 1.88. The Met Office 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.

¹⁵ <https://www.legislation.gov.uk/uksi/2019/927/article/2/made>

¹⁶ <https://www.legislation.gov.uk/uksi/2024/1170/made>

- 1.89. Commercial accounts where approved should be operated in line with the principles as set out in MPM.
- 1.90. The AO is responsible for ensuring the Met Office has a banking policy as set out in MPM and ensuring that policy is complied with.

Procurement

- 1.91. The Met Office shall ensure that its procurement policies are aligned, and comply, with any relevant UK or other international procurement rules and in particular the Procurement Act 2023.
- 1.92. The Met Office shall establish its procurement policies and document these in a Procurement Policy and Procedures Manual.
- 1.93. In procurement cases where the Met Office is likely to exceed its delegated authority limit, procurement strategy approval for the specific planned purchase must be sought from the department's sponsor team.
- 1.94. 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 department.
- 1.95. Procurement by the Met Office of works, equipment, goods and services shall be based on a full option appraisal and value for money (VfM), i.e. the optimum combination of whole life costs and quality (fitness for purpose).
- 1.96. The Met Office 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
- 1.97. The Met Office shall comply with the commercial¹⁷ and grants standards¹⁸. 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.

¹⁷ <https://www.gov.uk/government/publications/commercial-operating-standards-for-government>

¹⁸ <https://www.gov.uk/government/publications/grants-standards>

Risk Management

- 1.98. The Met Office 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 (The Orange Book)¹⁹.

Counter Fraud and Theft

- 1.99. The Met Office should adopt and implement policies and practices to safeguard itself against fraud and theft.
- 1.100. The Met Office should act in line with guidance as issued by the Public Sector Fraud Authority and in compliance with the procedures and considerations as set in in MPM Annex 4.9 and the Counter Fraud Functional Standard²⁰. It should also take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter into a contract or to provide grant or grant-in-aid.
- 1.101. The Met Office should keep records of fraud and theft suffered by the Met Office and notify the sponsor department of any unusual or major incidents as soon as possible. The Met Office should also report detected loss from fraud, bribery, corruption and error, alongside associated recoveries and prevented losses, to the Public Sector Fraud Authority in line with the agreed government definitions as set out by the Public Sector Fraud Authority in consolidated data requests.

Staff

Broad responsibilities for staff

- 1.102. Within the arrangements approved by the responsible Minister, the Met Office 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 on grounds of socio-economic background and/or characteristics protected 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 and the Met Office's 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 Met Office's objectives
 - proper consultation with staff takes place on key issues affecting them

¹⁹ <https://www.gov.uk/government/publications/orange-book>

²⁰ <https://www.gov.uk/government/publications/government-functional-standard-govs-013-counter-fraud>

- adequate grievance and disciplinary procedures are in place
- whistle-blowing procedures consistent with the Public Interest Disclosure Act are in place

Staff costs

- 1.103. Subject to its delegated authorities, the Met Office 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

- 1.104. The Met Office's staff are subject to levels of remuneration and terms and conditions of service (including pensions) within the general pay structure approved by the sponsor department. In reviewing levels of remuneration and terms and conditions the Met Office and the sponsor department will consider the requirements of the Met Office as a PSRE and Trading Fund. Where civil service terms and conditions of service apply to the rates of pay and non-pay allowances paid to the staff and to any other party entitled to payment in respect of travel expenses or other allowances, payment shall be made in accordance with the Civil Service Management Code²¹. Outside of agreed cross-government frameworks, where pay business cases or payment schemes fall outside the annual Civil Service Pay Remit Guidance, then prior approval will be obtained from the department on behalf of the Minister for Science, Research and Innovation. Any such cases must follow any processes and requirements for approval set out in the annual Civil Service Pay Remit Guidance.
- 1.105. As a PSRE the Met Office employs a large majority of staff with scientific, digital and data and other specialist skills that can be difficult to recruit. With endorsement of the Board and agreement of the sponsor department on behalf of the Minister for Science, Research and Innovation, the Met Office may implement remuneration schemes that follow government frameworks designed to recruit and retain staff with specialist skills or support the implementation of capability-based pay progression or support wider workforce transformation. The Met Office should ensure the funding of any scheme remains within the overall affordability agreed with the sponsor department and does not alter the status of Met Office staff as civil servants.
- 1.106. Staff terms and conditions should be set out in an Employee Handbook, which should be provided to the department together with subsequent amendments.
- 1.107. The Met Office shall abide by public sector pay controls, including the relevant approvals process dependent on the organisations classification as detailed in the Senior Pay Guidance²² and the Public Sector Pay and Terms Guidance²³.
- 1.108. The Met Office shall operate a performance-related pay scheme that shall form part of the annual aggregate pay budget approved by the department, where relevant with due regard to the Senior Pay Guidance.

²¹ <https://www.gov.uk/government/publications/civil-servants-terms-and-conditions>

²² <https://www.gov.uk/government/publications/senior-civil-service-pay-and-reward>

²³ <https://www.gov.uk/government/publications/public-sector-pay-and-terms-guidance-note>

1.109. The travel expenses of board members shall be tied to the rates allowed to senior staff of the Met Office. Reasonable actual costs shall be reimbursed.

Pensions, redundancy and compensation

1.110. Compensation scheme rules and pension scheme rules should reflect legislative and HM Treasury guidance requirements regarding exit payments.

1.111. The Met Office staff shall normally be eligible for a pension provided by PCSPS. Staff may opt out of the occupational pension scheme provided by the Met Office, but that employers' contribution to any personal pension arrangement, including stakeholder pension, shall normally be limited to the national insurance rebate level.

1.112. Any proposal by the Met Office to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of the department. Proposals on severance must comply with the rules in chapter 4 of MPM.

Business Plans, Financial Reporting and Management Information

Corporate Plans

1.113. The Met Office shall submit annually, or as otherwise agreed, to the sponsor department a draft of the corporate plan covering five years ahead. The draft should be submitted by a date agreed with the department. The Met Office shall agree with the department the issues to be addressed in the plan and the timetable for its preparation. The plan shall reflect the Met Office'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). The plan shall demonstrate how the Met Office contributes to the achievement of the department's medium-term plan and priorities and aligned performance metrics and milestones.

1.114. The first year of the corporate plan, amplified as necessary, shall form the basis of the annual budget and key performance indicators ("KPIs"). The KPIs and milestones for the year immediately ahead shall be aligned with the corporate plan and shall be linked to budgeting information so that resources allocated to achieve specific objectives can readily be identified by the department. Progress in relation to the corporate plan and key performance indicators will be reported in the Met Office's Annual Report.

1.115. The following key matters should be included in the plans:

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

Budgeting Procedures

26.1 An annual budget and a range of performance targets will be monitored by the Executive Board and by the Board. The annual budget and KPIs will be reviewed and set and approved each year by the Board in line with the agreed five-year plan and in agreement with DSIT. This will cover the same topics as the corporate plan but for the coming year, amplified if required. Performance measures will be designed to deliver the Met Office's strategic objectives. The relevance of these measures will be reviewed regularly and new measures introduced as appropriate to reflect the changing business and government environment. The measures will be cascaded through the Met Office as appropriate.

26.2 The Minister for Science, Research and Innovation on behalf of the responsible Minister will be informed of the Annual Budget and KPIs.

- 26.3 The approved annual budget 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 departmental funding and/or other income over the year.

27. Annual Report and Accounts

- 27.1 The Met Office will prepare an audited Annual Report and Accounts after the end of each financial year. This is in accordance with the Government Trading Funds Act 1973 (as amended).
- 27.2 The Chief Executive, as Accounting Officer, will sign the Annual Report and Accounts for each financial year, which are to be transmitted to the Comptroller and Auditor General within an agreed timetable for audit and certification. The Chief Executive must also send an audited Annual Report and Accounts to the responsible Minister.
- 27.3 The Annual Report and Accounts should:
- outline main activities and performance during the previous financial year and summarise forward plans;
 - be compliant with the principles and requirements set out in the Accounts Direction issued for each financial year by HM Treasury; and
 - cover any corporate, subsidiary or joint ventures under its control
- 27.4 The audited Annual Report and Accounts will be laid before Parliament by the Comptroller and Auditor General and will be published, including, but not limited to, on the gov.uk and Met Office websites. A draft should be submitted to DSIT before the proposed publication date.

28. Reporting Performance to the Department

- 28.1 The Met Office 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.
- 28.2 The Met Office shall inform the sponsor department of any changes that make achievement of objectives more, or less, difficult. It shall regularly report financial and non-financial performance, including performance in helping to deliver Ministers' policies, and the achievement of key objectives.
- 28.3 The Met Office performance shall be formally reviewed by the department twice a year.
- 28.4 The responsible Minister or the Minister for Science, Research and Innovation will meet the Chair and Chief Executive once a year.
- 28.5 The PAO will meet the Chief Executive at least once a year.

29. Information Sharing

- 29.1 The department has the right of access to all the Met Office records and personnel for any purpose including, for example, sponsorship audits and operational investigations.
- 29.2 The Met Office shall provide the sponsor department with such information about its operations, performance, individual projects or other expenditure as the sponsor department may reasonably require.
- 29.3 The department and HM Treasury may request the sharing of data held by the Met Office 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.
- 29.4 As a minimum, the Met Office shall provide the department with information monthly that will enable the department satisfactorily to monitor:
- the Met Office'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

30. Internal Audit

- 30.1 The Met Office shall:
- establish and maintain arrangements for internal audit
 - ensure that any arrangements for internal audit are in accordance with the Public Sector Internal Audit Standards (PSIAS) as adopted by HM Treasury²⁴.
 - ensure the Chair of the Audit and Risk Assurance Committee and the Chief Executive are satisfied with the competence and qualifications of the Head of Internal Audit and the requirements for approving appointments in accordance with PSIAS
 - report to the Audit and Risk Assurance Committee in accordance with the Audit and Risk Assurance Committee Handbook
 - ensure sponsor department representation on the Audit and Risk Assurance Committee
 - forward the audit strategy, periodic audit plans and annual audit report, including the Met Office Head of Internal Audit opinion on risk management, control and governance as soon as possible to the sponsor department

²⁴ <https://www.gov.uk/government/publications/public-sector-internal-audit-standards>

- keep records of and prepare and forward to the department an annual report on fraud and theft suffered by the Met Office and notify the sponsor department of any unusual or major incidents as soon as possible
- share with the sponsor department 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 department's responsibilities in relation to financial systems within the Met Office

31. External Audit

31.1 The Comptroller & Auditor General (“C&AG”) audits the Met Office’s annual accounts and lays them before Parliament, together with their report.

31.2 In the event that the Met Office has set up and controls subsidiary companies, they will ensure that C&AG is appointed auditor of those subsidiaries that it controls and/or whose accounts are consolidated into its own accounts.

31.3 The C&AG:

- will consult the department and the Met Office on whom – the NAO or a commercial auditor – shall undertake the audit(s) on their behalf, though the final decision rests with the C&AG
- has a statutory right of access to relevant documents, including by virtue of section 25(8) of the Government Resources and Accounts Act 2000, held by another party in receipt of payments or grants from the Met Office
- will share with the sponsor department information identified during the audit process and the audit report (together with any other outputs) at the end of the audit, in particular on issues impacting on the Department's responsibilities in relation to financial systems within the Met Office
- 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

31.4 The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the Met Office 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 Met Office 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

32. Review of ALB's Status

32.1 The Met Office will be reviewed as part of the wider Public Bodies Reviews programme, at a time determined by the department's ministers and their PAO. The most recent review was completed in 2023.

33. Arrangements in the event that the ALB is wound up

33.1 The sponsor department shall put in place arrangements to ensure the orderly winding up of the Met Office. In particular it should ensure that the assets and liabilities of the Met Office 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 sponsor department.) To this end, the department shall:

- have regard to Cabinet Office guidance on winding up of ALBs
- ensure that procedures are in place in the Met Office 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 Met Office'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 Parliament, 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 sponsor department's AO should sign

33.2 the Met Office shall provide the department with full details of all agreements where the Met Office 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 the Met Office.

Annex A: Guidance

The Met Office 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#:~:text=This%20code%20of%20good%20practice,partnership%20approach%20to%20shaping%20relationships.>

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 and <https://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
- 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> 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](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
- 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 [the ALB].
- 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
- 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

HM Treasury contacts

This document can be downloaded from www.gov.uk

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