



Ministry
of Justice

IMA

For the Citizens'
Rights Agreements

Framework document between the Ministry of Justice and the Independent Monitoring Authority for the Citizens' Rights Agreements

April 2024



Contents

1. Purpose of document	3
2. Objectives	3
3. Classification	4
4. Purposes	5
5. Powers and duties	5
6. Aims	6
7. Governance and accountability	7
8. The responsible minister	9
Appointments to the board	10
Other ministerial powers and responsibilities	10
9. The Principal Accounting Officer	10
MoJ's Accounting Officer's specific accountabilities and responsibilities as PAO	10
10. The role of the sponsorship team	11
11. Resolution of disputes between IMA and MoJ	12
12. Freedom of Information requests	12
13. Reporting on legal risk and litigation	13
14. The CEO	14
Appointment	14
Responsibilities of the ALB's CEO as accounting officer	14
Responsibilities for accounting to Parliament and the public	14
Responsibilities to MoJ	15
Responsibilities to the board	15
Managing conflicts	16
15. The board	16
Composition of the Board	16
Board Committees	17
Duties of the board	17

16. The chair's role and responsibilities	19
17. Individual board members' responsibilities	20
18. Delegated authorities	22
19. Spending authority	23
20. Banking and managing cash	23
21. Procurement	24
22. Risk management	25
23. Data protection, information risk and assurance	25
24. Counter fraud and theft	25
25. Staff	26
Broad responsibilities for staff	26
Staff costs	26
Pay and conditions of service	27
Pensions, redundancy and compensation	27
26. Corporate and business plans	29
27. Budgeting procedures	29
28. Grant-in-aid and any ring-fenced grants	30
Capital	30
29. Annual report and accounts	31
30. Reporting performance to the department	31
31. Information sharing	32
32. Internal audit	33
33. External audit	33
34. Review of IMA's status	35
35. Arrangements in the event that the IMA is wound up	35

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 Independent Monitoring Authority for the Citizens' Rights Agreements (IMA) in accordance with HM Treasury's Managing Public Money (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 IMA and the MoJ operate. It sets out the IMA's core responsibilities and describes the governance and accountability framework that applies between the roles of the MoJ and the IMA. It also 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 IMA include any subsidiaries and joint ventures that are classified to the public sector and central government for national accounts purposes. If the IMA establishes a subsidiary or joint venture, there shall be a document setting out the arrangements between it and the IMA 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 the IMA website and 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 2026.

2. Objectives

- 2.1 The IMA's core objective is to ensure the rights of EU and EEA EFTA citizens living in the UK and Gibraltar are upheld, following the departure of the UK from the EU. The MoJ and the IMA will work together in recognition of each other's roles and areas of expertise, providing an effective environment for the IMA to achieve its objectives through the promotion of partnership and trust and ensuring that the IMA

also supports the strategic aims and objectives of the MoJ and wider government as a whole where this is consistent with its functions.

3. Classification

- 3.1 The IMA has been classified as a central government organisation by the Office for National Statistics/HM Treasury Classifications team. It has been administratively classified by the Cabinet Office as a non-departmental public body.

Purposes, aims and duties

4. Purposes

- 4.1 The IMA was established as a body corporate under section 15 of the European Union (Withdrawal Agreement) Act 2020 (the Act). The Act specifies that the IMA does not hold Crown status. Provisions in relation to the composition, functions, powers and duties of the IMA are contained in Schedule 2 to the Act. The IMA's functions extend to Scotland, England, Wales, Northern Ireland and Gibraltar.

5. Powers and duties

- 5.1 The IMA was established under the Act to monitor the implementation and application of Part 2 of the Withdrawal Agreement, and Part 2 of the EEA EFTA Separation Agreement (together, "the Agreements").
- 5.2 The core statutory functions of the IMA are to monitor the implementation and application in the UK of Part 2 of each of the Agreements and to promote the adequate and effective implementation in the UK of Part 2 of each of the Agreements. Part 2 of each of the Agreements include provision relating to:
- residency
 - right to work
 - co-operation of social security
 - mutual recognition of professional qualifications
 - non-discrimination on the grounds of nationality and equal treatment
- 5.3 The IMA's roles and responsibilities include:
- monitoring the implementation and application in the UK of the Agreements, including reviewing both the legislative framework which implements these parts, and the exercise by public authorities of the obligations the Agreements places on them
 - promoting the implementation and application of the Agreements
 - being able to receive complaints – following receipt of a complaint the IMA must carry out a preliminary review of each complaint received to decide whether to carry out an inquiry
 - being able to carry out inquiries, following requests from the Secretary of State (SoS) or ministers of the devolved administrations, following a complaint or on its own initiative and prepare a report following any inquiry

- being able to make an application for review (judicial review in England and Wales, an application to the Court of Session in Scotland) and to intervene in any existing legal proceedings
- having regard to the importance of addressing general or systemic failings in the implementation of the citizens' rights parts of the agreements – though it will not be precluded from looking at individual matters
- publishing its annual plan on how it will exercise its functions – the first annual plan must be published within three months of the IMA's board membership first being constituted
- publishing guidance on how it will exercise its functions – the guidance must be published within three months of the IMA's board membership first being constituted
- reporting annually to the Specialised Committee on the application of citizens' rights under the Withdrawal Agreement and to the joint committee established under the EEA EFTA Separation Agreement and provide copies of the reports to the SoS, Parliament, and the devolved administrations;
- in accordance with paragraph 2 of Schedule 9 to the Northern Ireland Act 1998, submit an equality scheme to the Equality Commission of Northern Ireland.

6. Aims

6.1 The IMA's strategic priorities are to:

- raise awareness of the IMA and its role in monitoring public bodies to ensure they are upholding the rights of EU and EEA EFTA citizens
- monitor the implementation and application of EU and EEA EFTA citizens' rights
- to receive and consider complaints and launch inquiries to ensure public bodies are upholding the rights of EU and EEA EFTA citizens
- review the adequacy and effectiveness of the legislative framework which implements or otherwise deals with rights arising from Part 2 of the Withdrawal Agreement and Part 2 of the EEA EFTA Separation Agreement
- work to develop a modern workforce with a strong, transparent and open culture

Governance and accountability

7. Governance and accountability

- 7.1 The IMA 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 IMA should:
- in line with Managing Public Money have regard to the relevant Functional Standards as appropriate and in particular those concerning Finance, Commercial and Counter Fraud¹
 - comply with the principles and provisions of the Corporate Governance in Central Government Departments Code of Good Practice (as amended and updated from time to time) to the extent appropriate and in line with their statutory duties or specify and explain any non-compliance in its annual report
 - comply with Managing Public Money
 - take into account the codes of good practice and guidance set out in Annex A of this framework document as they apply to the IMA
- 7.3 The senior officers accountable for managing each function in the IMA are accountable to the IMA AO for:
- the delivery of the IMA business plan objectives relevant to the function and the direction and control of associated resources
 - the quality and value for money of the service provision and
 - ensuring the IMA adopts the relevant function's policies, controls and standards, so far as consistent with the other provisions of this framework document
- 7.4 As an embedded and integral part of the governance and performance management of the IMA, the senior officers accountable for managing each function in the IMA 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.

¹ www.gov.uk/government/collections/functional-standards

- 7.5 The senior officers accountable for managing each function in the IMA are accountable to the respective Ministry of Justice function leads for:
- providing assurance over compliance with functional standards, so far as consistent with the other provisions of this framework document;
 - implementing consistent policies, systems, processes and capabilities that support and promote interoperability and efficiency and
 - supporting the on-going development of the function
- 7.6 The senior officers accountable for managing each function in the IMA shall provide the Ministry of Justice function leads with such information about their 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 IMA Accounting Officer (AO).
- 7.7 The respective MoJ function lead will engage with the IMA AO and senior officer accountable for managing each function in the IMA to develop functional plans that set out activities, processes and developments that align to the delivery of MoJ outcome priorities to required standards, meet the collective needs across the organisation, and support an inclusive vision and clear prioritisation for all those operating within and supported by these activities where appropriate to do so. The IMA shall work collaboratively with the MoJ's functions to align processes, systems, knowledge and career pathways.
- 7.8 The IMA AO will consult with and reflect the views of the Ministry of Justice function leads to inform the performance assessment of the function leads in the IMA to support their continuing personal and professional development.
- 7.9 The IMA AO may provide their views on the performance of the MoJ function leads to support their continuing personal and professional development.
- 7.10 The Ministry of Justice may provide functional services to the IMA. 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 IMA's objectives, more consistency, increased innovation and enhanced efficiency. Where there is proposed to be significant change in the way functions are delivered, the IMA AO will be consulted.
- 7.11 In line with Managing Public Money Annex 3.1, the IMA 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 IMA does intend to materially depart from the Code, the Senior Sponsor, should be notified in advance.

Role of the department

8. The responsible minister

8.1 The SoS for Justice will account for the IMA's business in Parliament.

8.2 The SoS's statutory powers in respect of the IMA are set out in Schedule 2 to the Act.

8.3 These include:

- exercising their functions, having regard to the need to protect the IMA's operational independence and ability to make impartial assessments
- the appointment of the non-executive members of the IMA (the SoS and the non-executive members must ensure, so far as is possible, that the number of non-executive members exceeds the number of executive members, in order to ensure effective oversight)
- ensuring, as far as is possible, that the IMA membership includes non-executive members with knowledge of the conditions in Scotland, Wales, Northern Ireland and Gibraltar respectively, in relation to matters about which provision is made in the Agreements – this is to reflect the fact that the IMA will exercise its functions across all areas of the UK and Gibraltar
- to confirm whether a person does not have a conflict of interest before appointment and, if a conflict of interest is identified, whether this can be managed and/or mitigated on appointment (conflict of interest is defined in paragraph 4(5) of Schedule 2 to the Act as a person having a financial or other interest which is likely to prejudice their functions as a member of the IMA, which might be, for example, a member who sits on another public body that has an interest in the IMA's work)
- determining the remuneration, allowances and gratuities to be paid to non-executive members of the IMA (paragraphs 7(3) and (4) of Schedule 2 provide that the IMA must make a payment to a non-executive member as the SoS may determine where they cease to hold office, other than by reason of their term expiring, and the SoS thinks there are special circumstances that make it right for that member to receive compensation)
- setting the terms of appointment for non-executive member appointments, subject to the provisions contained in the Schedule
- setting the terms and remuneration of the CEO as set out in Schedule 2
- power to remove a non-executive member of the IMA on the grounds specified in paragraph 6(7) of Schedule 2 (before doing so, the SoS is under a duty to consult the chair)

- paying the IMA such sums, through grant-in-aid or other funds, as they consider appropriate for the purpose of enabling the IMA to carry out its functions

8.4 Through the exercise of their powers of appointment to the IMA, the SoS will act in accordance with the Governance Code on Public Appointments, as and where applicable.

Appointments to the board

8.5 The CEO is appointed by the board and the board composition and experience is as described at paragraphs 15.1 to 15.4 and as laid out under paragraph 2 of Schedule 2 to the Act. All such appointments will comply with the Governance Code on Public Appointments, as and where applicable.

8.6 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

8.7 The minister is also responsible for:

- the policy framework within which the IMA operates
- setting the performance framework within which the IMA will operate including approving the IMA's strategy and annual plan
- matters regarding spending approvals, acquisitions, disposal and joint ventures in line with delegations as set out in the delegation letter and
- such other matters as may be appropriate and proportionate

9. The Principal Accounting Officer

9.1 The PAO is the Permanent Secretary of the MoJ.

MoJ's Accounting Officer's specific accountabilities and responsibilities as PAO

9.2 The PAO of the MoJ designates the CEO as the IMA's accounting officer and ensures that they are fully aware of their responsibilities. The PAO issues a letter appointing the IMA's accounting officer, setting out their responsibilities and delegated authorities. IMA's AO is expected to raise any performance issues or risks to the PAO in a timely fashion. The respective responsibilities of the PAO and accounting officer for arm's length bodies are set out in Chapter 3 of Managing Public Money.

9.3 The PAO is accountable to Parliament for the issue of any grant-in-aid to the IMA. The PAO may delegate the exercise of their responsibilities to an appropriately

senior official within the department to act as senior sponsor to the IMA. Where these responsibilities are delegated to a senior sponsor, the PAO does so based on the continuing assurances provided by the senior sponsor, supported by the policy sponsorship team, the Public Bodies Centre of Expertise and MoJ's functions.

- 9.4 The PAO is also responsible, supported by the senior sponsor and policy sponsorship team, for advising the responsible minister on:
- an appropriate framework of objectives and targets for the IMA in light of the MoJ's wider strategic aims and priorities as relevant and where appropriate to do so for an independent body.
 - an appropriate budget for the IMA in the light of the MoJ's overall public expenditure priorities, taking into account IMA workload projections
 - how well the IMA is achieving its strategic objectives and whether it is delivering value for money
 - the exercise of the ministers' statutory responsibilities concerning the IMA as outlined above.
- 9.5 The PAO, supported by the senior sponsor and the Public Bodies 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 IMA's activities and performance;
 - address significant problems in the IMA, 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 IMA's objectives and activities in line with the wider departmental risk assessment process;
 - ensure the IMA develops memoranda of understanding with the government departments and other authorities and administrations of which it provides oversight;
 - inform the IMA of relevant government policy in a timely manner; and
 - bring ministerial or departmental concerns about the activities of the IMA to the full IMA Board, and, as appropriate to the departmental board, and to other relevant departments, requiring explanations and assurances that appropriate action has been taken.

10. The role of the sponsorship team

- 10.1 The senior sponsor, supported by the Public Bodies Centre of Expertise, the policy sponsorship team in the MoJ, and the department's functions (where relevant), are the primary contacts for the IMA. The responsible Senior Civil Servant for supporting this sponsorship relationship is the Head of the Public Bodies Centre of

Expertise. The senior sponsor is the main source of advice to the responsible minister on the discharge of their responsibilities in respect of the IMA. They also support the PAO on their responsibilities toward the IMA. This engagement will be guided by the principles set out in the Cabinet Office's partnerships between departments and arm's length bodies: code of good practice.

- 10.2 Officials of the Public Bodies Centre of Expertise in the MoJ will liaise regularly with IMA officials to review performance against plans, achievement against targets and expenditure against its budget allocations.
- 10.3 Policy sponsorship of the IMA is led by MoJ's International, Rights and Constitutional Policy Directorate. They will support the PAO and senior sponsor to advise the responsible minister on the desired policy outcomes and monitoring whether these are being delivered. The policy sponsorship team will report on the policy performance of the IMA to senior MoJ officials and ministers. They will also liaise with IMA officials to explain wider policy developments that might have an impact on the IMA.
- 10.4 The Public Bodies Centre of Expertise and International, Rights and Constitutional Policy Directorate will work closely together to ensure that the IMA effectively carries out its functions under the Act and co-operates with the MoJ in doing so.

11. Resolution of disputes between IMA and MoJ

- 11.1 Any disputes between the MoJ and the IMA will be resolved in as timely a manner as possible. The MoJ and the IMA 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 may then choose to ask the Permanent Secretary, as the PAO, to nominate a non-executive member of the MoJ board to review the dispute, mediate with both sides and reach an outcome, in consultation with the responsible minister.

12. Freedom of Information requests

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

13. Reporting on legal risk and litigation

- 13.1 The IMA shall provide a quarterly update to the senior sponsor, on the existence of any active litigation against the IMA and any threatened or reasonably anticipated litigation against the IMA. 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 such substantial piece of litigation involving the IMA, 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 any legally privileged information the IMA decides to share with the MoJ to facilitate this. Until such time as a protocol is agreed the parties will ensure that:
- material developments in the litigation are communicated to the senior sponsor in an appropriate and timely manner
 - any legally privileged documents and information the IMA decide to share with the MoJ 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, and not without prior consultation and agreement with the IMA
- 13.3 For the avoidance of doubt, the commitments in this section do not cover any litigation where the IMA initiates proceedings or decides to intervene in existing proceedings. Such litigation concerns the exercise of the IMA's operational functions and it would be inappropriate for details of such litigation to be shared with the MoJ, beyond what is provided around operational matters under the terms of this framework document. Similarly, where any litigation against the IMA concerns operational decisions taken by the IMA, any information provided by the IMA to the MoJ under this section will not include detail of individual operational decision-making.

IMA governance structure

14. The CEO

Appointment

14.1 The CEO of the IMA is appointed by the non-executives of the board who must consult with the SoS for Justice on the appointment under paragraph 2(5) of Schedule 2 to the Act.

Responsibilities of the ALB's CEO as accounting officer

14.2 The CEO as IMA accounting officer is personally responsible for safeguarding the public funds for which they have charge; for ensuring propriety, regularity, value for money and feasibility in the handling of those public funds; and for the day-to-day operations and management of the IMA. In addition, they should ensure that the IMA 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 Managing Public Money. These responsibilities include the below and those that are set in the accounting officer appointment letter issued by the PAO.

Responsibilities for accounting to Parliament and the public

14.3 The accountabilities include:

- signing the accounts and ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by the SoS
- 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 IMA are established in accordance with Parliamentary and Health Service Ombudsman's Principles of Good Complaint Handling and made widely known in the IMA and published on the IMA's website
- acting in accordance with the terms of this document, Managing Public Money and other instructions and guidance regarding governance and accounting issued from time to time by the MoJ, 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

- any elements of any settlement letter issued to the MoJ that is relevant to the operation of the IMA
- any separate settlement letter that is issued to the IMA from the MoJ
- any conditions arising from the above documents (ensuring they have appropriate internal mechanisms for the monitoring, governance and external reporting regarding non-compliance)
- giving evidence, normally with the PAO, when summoned before the Public Accounts Committee and other Parliamentary Select Committees, on the IMA's stewardship of public funds.

Responsibilities to MoJ

14.4 Responsibilities to the MoJ, in particular the PAO, include:

- establishing, in discussion with the department, the IMA's corporate, business and strategic plans in the light of the department's wider strategic aims and agreed priorities where appropriate
- 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, risk and finance are provided to the MoJ
- ensuring that the MoJ and in particular the PAO is notified promptly if over or under spends are likely and that corrective action is taken
- informing MoJ of any significant problems whether financial or otherwise, and whether detected by internal audit or by other means
- reporting any of the above to the department and in particular the PAO in a timely fashion

Responsibilities to the board

14.5 The CEO is responsible for:

- advising the board on the discharge of the IMA's responsibilities as set out in this document, in the Act and in any other relevant instructions and guidance that may be issued from time to time
- advising the board on the IMA's performance compared with its aims, strategic objectives, priorities and outcomes
- 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

- 14.6 The CEO 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.
- 14.7 If the board, or its chairperson, is contemplating a course of action involving a transaction which the CEO 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 CEO, in their role as accounting officer should reject that course of action and ensure that the board has 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 responsible minister as soon as possible. Furthermore, and if agreed with the responsible minister, the accounting officer must write a letter of justification to the chair of the IMA 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.
- 14.9 If the responsible minister agrees with the proposed course of action of the board it may be appropriate for the minister to direct the accounting officer in the manner as set out in Managing Public Money paragraph 3.4 onwards.

15. The board

Composition of the Board

- 15.1 The IMA board will be in line with good standards of corporate governance and as set out in the Act and in guidance set out in Annex 1. The role of the board shall be to run the IMA, 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's terms of reference. Remuneration of the board will be disclosed in line with the guidance in the government financial reporting manual.
- 15.2 The Act provides that the board will consist of:
- a chair (who is to be a non-executive)
 - at least two, but not more than six, other non-executive members
 - the CEO (who is to be an executive member)
 - at least one but not more than three other executive members
- 15.3 The IMA board must have a balance of skills and experience appropriate to directing the IMA's business. For the IMA, the SoS and the chair must have regard to the desirability of the IMA's members having knowledge of conditions in the

United Kingdom as set out in the Act. In addition, the SoS must, so far as possible, ensure that the non-executive members of the IMA include members who know about the conditions in Scotland, Wales, Northern Ireland and Gibraltar relating to the relevant matters. The board should include a majority of independent non-executive members to ensure that executive members are supported and constructively challenged in their role.

- 15.4 Annex 4.1 of Managing Public Money requires that non-departmental public body boards should include an individual who is an appropriately qualified finance director as an executive and voting board member.

Board Committees

- 15.5 The board may set up such committees as necessary for it to fulfil its functions. As is detailed below at a minimum this should include an Audit and Risk Committee chaired by an independent and appropriately qualified non-executive member of the board.
- 15.6 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.
- 15.7 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.
- 15.8 The chair should ensure board committees are properly structured with appropriate terms of reference. The terms of each committee should set out its responsibilities and the authority delegated to it by the board. The chair should ensure that committee membership is periodically refreshed and that individual independent non-executive directors are not over-burdened when deciding the chairs and membership of committees.

Duties of the board

- 15.9 The board is specifically responsible for:
- establishing and taking forward the strategic objectives, priorities and outcomes of the IMA, set out in its annual plan
 - providing effective leadership of the IMA 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 IMA to meet its objectives
- reviewing management performance
- ensuring that the board receives and reviews regular financial and management information concerning the management of the IMA
- ensuring that it is kept informed of any changes which are likely to impact on the strategic direction of the IMA 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
- ensuring that it operates within the 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, it takes into account guidance issued by the MoJ such as:
 - this framework document
 - any delegation letter issued
 - any elements of any settlement letter issued to the MoJ that is relevant to the operation of the IMA
 - any separate settlement letter that is issued to the IMA from the MoJ
- ensuring it has appropriate internal mechanisms for the monitoring, governance and external reporting regarding any conditions arising from the above documents
- ensuring the CEO and the IMA as a whole act in accordance with their obligations
- demonstrating high standards of corporate governance at all times, by using the independent audit committee to help the board to address key financial and other risks
- appointing, consulting with the responsible minister as appropriate, a CEO and, in consultation with the MoJ, setting performance objectives and remuneration terms linked to these objectives for the CEO which give due weight to the proper management and use and utilisation of public resources
- putting in place mechanisms for independent appraisal and annual evaluation of the performance of the chair by the independent non-executives, taking into account the views of relevant stakeholders – the outcome of that evaluation should be made available to the responsible minister
- determining all other things which the board considers ancillary or conducive to the attainment or fulfilment by the IMA of its objectives

- 15.10 The board should ensure that effective arrangements are in place to provide assurance on risk management, governance and internal control.
- 15.11 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 Orange Book Management of Risk – Principles and Concepts. The board must set up an Audit and Risk Assurance Committee chaired by an independent and appropriately qualified non-executive member to provide independent advice and ensure that the department's Audit and Risk Assurance Committee are provided with routine assurances with escalation of any significant limitations or concerns. The board is expected to assure itself of the adequacy and effectiveness of the risk management framework and the operation of internal control.

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 appointment, any appointment letter, the statutory authority governing the IMA, this document and the documents and guidance referred to within this document.
- 16.2 Communications between the IMA board and the responsible minister should normally be 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 Seven 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 IMA'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 IMA
- 16.5 The chair has the following leadership responsibilities:
- formulating the board'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

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
- 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 IMA's business, and that all directors, including the chair and CEO, continually update their skills, knowledge and familiarity with the IMA 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 IMA'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's 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 the code of conduct for board members of public bodies which covers conduct in the role and includes the Seven 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
- 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 IMA
- ensure they are familiar with any applicable guidance on the role of public sector non-executive directors and boards that may be issued from time to time by the Cabinet Office, HM Treasury or wider government

Management and financial responsibilities and controls

18. Delegated authorities

- 18.1 The IMA'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 Managing Public Money Annex 2.2, these delegations will be reviewed on an annual basis.
- 18.3 At all times, the IMA shall uphold the principles and duties set out in Managing Public Money and it is the responsibility of the IMA accounting officer to ensure compliance is maintained. If the IMA accounting officer 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 IMA'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 have repercussions or which might significantly affect the future level of resources required
 - carrying out policies that go against the principles, rules, guidance and advice in Managing Public Money

19. Spending authority

19.1 Once the budget has been approved by the MoJ (and subject to any restrictions imposed by statute, the responsible minister's instructions, this document, HM Treasury settlement or delegation letters), the IMA shall have authority to incur expenditure approved in the budget without further reference to the MoJ, on the following conditions:

- the IMA shall comply with the delegations and financial transaction limits set out in the prevailing budget variation 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 IMA shall comply with Managing Public Money regarding novel, contentious or repercussive proposals
- inclusion of any planned and approved expenditure in the budget shall not remove the need to seek formal departmental approval where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed
- the IMA shall comply with spending controls unless an agreed exemption is in place to ensure operational independence
- the IMA shall provide the MoJ with such information about its operations, performance, individual projects or other expenditure as the MoJ may reasonably require

20. Banking and managing cash

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

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

20.3 Commercial accounts, where approved, should be operated in line with the principles as set out in Managing Public Money.

20.4 The accounting officer is responsible for ensuring the IMA has a banking policy as set out in Managing Public Money and ensuring that policy is complied with.

21. Procurement

- 21.1 The IMA 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.
- 21.2 The IMA shall ensure that its procurement policies are aligned with and comply with any relevant UK procurement regulations, government policies and procedures or other international procurement rules.
- 21.3 The IMA shall follow the same guidance in relation to procurement as the MoJ, which is available on the MoJ intranet.
- 21.4 In procurement cases where the IMA is likely to exceed its delegated authority limit, procurement strategy approval for the specific planned purchase must be sought from the senior sponsor, 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 IMA of works, equipment, goods, and services shall be based on, a full option appraisal and value for money, i.e. the optimum combination and whole life costs and quality (fitness for purpose).
- 21.7 The IMA shall:
- engage fully with MoJ and Government wide procurement initiatives that seek to achieve value for money from collaborative projects
 - comply with all relevant procurement policy notes issued by Cabinet Office
 - co-operate fully with initiatives to improve the availability of procurement data to achieve value for money
 - 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 and if relevant appropriate
 - provide reports of spend against central contracts and other spend metrics as requested by Commercial and Contract Management Directorate 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 IMA shall comply with the Commercial and Grants standards. These standards apply to the planning, delivery and management of government commercial activity including management of grants in all departments and ALBs regardless of commercial approach used and form part of a suite of functional standards that set expectations for management within government.

22. Risk management

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

23. Data protection, information risk and assurance

- 23.1 Due to the nature of the authority's independence, the IMA is their own legal data controller and will appoint a data protection officer (DPO) to be accountable for the protection of data, and in particular personal data, handled by IMA, and will be named as data controller on the ICO registration. As such:
- the IMA may nominate its own SIRO to make decisions on all data risks.
 - IMA will at a minimum adhere to relevant MoJ policies and standards across data protection, information risk management, information assurance, information security, information management and other data protection and information risk and assurance related compliance policies as they arise
 - The MoJ may seek periodic assurance that IMA is adhering to these policies and relevant standards but will at no point access any information, including personal data on MoJ hosted cloud-based platforms without the prior and explicit consent of the IMA.

24. Counter fraud and theft

- 24.1 The IMA should adopt and implement policies and practices to safeguard itself against fraud, theft, bribery and corruption. This includes staff fraud and theft.
- 24.2 The IMA should act in line with guidance as issued by the Counter Fraud Functional Standard and in compliance with the procedures and considerations as set in in Managing Public Money Annex 4.9 and the Counter Fraud Functional Standard.
- 24.3 It should also take all reasonable steps to conduct due diligence checks and 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 in order to minimise fraud risks.

24.4 The IMA should keep records of and prepare and forward to the department an annual report on fraud and theft suffered by the IMA and notify the MoJ of any unusual or major incidents as soon as possible. IMA should also report, quarterly, identified loss from fraud, bribery, corruption and error, alongside associated recoveries and prevented losses, to the MoJ Counter Fraud Centre of Expertise in line with the agreed government definitions as set out in Counter Fraud Functional Standard.

25. Staff

Broad responsibilities for staff

- 25.1 Within the arrangements approved by the responsible minister (and HM Treasury), the IMA 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; on grounds of gender, marital status, sexual orientation, race, colour, ethnic or national origin, religion, disability, community background or age
 - the level and structure of its staffing, including grading and staff numbers, are appropriate to its functions and the requirements of economy, efficiency and effectiveness
 - the performance of its staff at all levels is satisfactorily appraised and the IMA 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 IMA'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 public bodies

Staff costs

25.2 Subject to its delegated authorities, the IMA 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

- 25.3 As a Non-Departmental Public Body sponsored by the MoJ, the IMA is independent in the exercise of its functions and submits a separate pay case each year to HMT but it is accountable to the MoJ for the way it manages its staff and budgets, including pay. IMA is also subject to Cabinet Office and HMT rules on pay, terms and conditions (including pensions).
- 25.4 In line with the current policy outlined in the HMT annual Civil Service pay remit guidance (CSPG), the pay remit of the IMA is subject to the approval of the Permanent Secretary and Lord Chancellor and must comply with the CSPG. The MoJ will engage the IMA as both IMA and MoJ carry out their annual reviews and develop their pay remits. MoJ will provide constructive feedback to the IMA on its draft pay remit submission as part of the submission process. IMA has freedom to develop its own proposal within the framework provided by HMT and Cabinet Office rules and the CSPG.
- 25.5 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 party 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.
<https://www.gov.uk/government/publications/civil-servants-terms-and-conditions>
- 25.6 Staff terms and conditions should be set out in an employee handbook, which should be provided to the MoJ together with subsequent amendments.
- 25.7 The IMA shall abide by public sector pay controls, including the relevant approvals process dependent on the organisation's classification as detailed in the guidance for approval of senior pay and the public sector pay and terms guidance.
- 25.8 The IMA shall operate a performance-related pay scheme that shall form part of the annual aggregate pay budget approved by the MoJ or the general pay structure approved by the MoJ and HM Treasury, whichever is applicable, with due regard to the senior pay guidance.
- 25.9 The travel expenses of board members shall be tied to the rates allowed to staff of the IMA or departmental rates (whichever is applicable). Reasonable actual costs shall be reimbursed.

Pensions, redundancy and compensation

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

- 25.11 IMA staff shall normally be eligible for a pension provided by the Civil Service Pension Scheme alpha. Staff may opt out of this scheme but should note that employers' contribution to any personal pension arrangement, including stakeholder pension shall normally be limited to the national insurance rebate level.
- 25.12 Any proposal by the IMA 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 Managing Public Money

Business plans, financial reporting and management information

26. Corporate and business plans

- 26.1 The Act requires the IMA to prepare, for each financial year, a plan for the exercise during that year of its functions (annual plan). The proposed annual plan or any revision of it, must be sent to the SoS.
- 26.2 The IMA shall consult (as appropriate) with the MoJ on the issues to be addressed in the plan and the timetable for its preparation. The plan shall reflect the IMA's statutory and/or other duties and, within those duties, the priorities set from time to time, and as appropriate, by the responsible minister (including decisions taken on policy and resources in the light of wider public expenditure decisions).
- 26.3 The first year of the annual plan 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 department. Subject to any commercial considerations, the annual plan should be published by the IMA on its website and separately be made available to staff.
- 26.4 The following key matters should be included:
- key objectives and associated key performance targets for the forward years, and the strategy for achieving those objectives
 - key non-financial performance targets
 - a review of performance in the preceding financial year, together with comparable outturns for the previous years, and an estimate of performance in the current year
 - alternative scenarios and an assessment of the risk factors that may significantly affect the execution of the plan but that cannot be accurately forecast
 - other matters as agreed between the department and the IMA

27. Budgeting procedures

- 27.1 Each year, the MoJ will send to the IMA:
- 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 IMA

27.2 The IMA annual plan will take account both of approved funding provision (where this applies) and any forecast receipts, and will include a budget of estimated payments and receipts together with a profile of expected expenditure and of draw-down of any departmental funding and/or other income over the year. These elements form part of the approved annual business plan for the year in question

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

28.1 Any grant-in-aid provided by the MoJ for the year in question will be voted in the MoJ's supply estimate and be subject to Parliamentary control.

28.2 The grant-in-aid will normally be paid in monthly instalments. The IMA will comply with the general principle that there is no payment in advance of need. Cash balances accumulated during the course of the year from grant-in-aid or other exchequer funds shall be kept to a minimum level consistent with the efficient operation of the IMA. Any grant-in-aid not drawn down by the end of the financial year shall lapse. Subject to approval by Parliament of the relevant estimates provision, where grant-in-aid is delayed to avoid excess cash balances at the year-end, the MoJ will make available in the next financial year any such grant-in-aid that is required to meet any liabilities at the year end, such as creditors.

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

Capital

28.4 Capital requirements must be agreed in advance and be included as part of the MoJ's capital allocation included in its supply estimate and delegated to IMA as part of its budget allocation. The approval of the MoJ Investment Committee will be sought for any requests for capital spend above the IMA's financial transaction limit based on the submission of a business case for approval of this spend. Expenditure and decisions on estates and ICT issues will comply with the MoJ guide to spending controls and limits.

29. Annual report and accounts

- 29.1 The IMA must publish an annual report of its activities together with its audited accounts after the end of each financial year. The IMA shall provide the Public Bodies 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 SoS as well as HM Treasury's Financial Reporting Manual.
- 29.2 The annual report must:
- cover any corporate, subsidiary or joint ventures under its control
 - comply with the Financial Reporting Manual 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
- 29.3 Information on performance against key financial targets is included 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 the IMA's website, in accordance with the guidance in the Financial Reporting Manual.

30. Reporting performance to the department

- 30.1 The IMA 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.
- 30.2 The IMA shall inform the MoJ of any changes that make achievement of key stakeholder 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.
- 30.3 The IMA's performance shall be formally reviewed by the department via quarterly business assurance meetings. These meetings provide a timely formal opportunity for a two-way conversation to discuss IMA performance, risk and finance to assure the PAO, via the senior sponsor, that the IMA is functioning efficiently and effectively.

30.4 The responsible minister will meet the chair once a year. The senior sponsor will meet the CEO at least once a year.

31. Information sharing

31.1 The MoJ has the right of access to all IMA records and personnel for any purpose including, for example, sponsorship audits and operational investigations.

31.2 The IMA shall provide the MoJ with such information about its operations, performance, individual projects or other expenditure as the MoJ may reasonably require.

31.3 Any information sharing by the IMA to the MoJ shall reflect the need to protect the operational independence of the IMA and the ability of the IMA to make impartial assessments when exercising its functions. This will include any actual infringement of operational independence but also any potential perception of infringement of independence. The IMA will not share information relating to operational matters other than in the most exceptional circumstances.

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

31.5 As a minimum, the IMA shall provide the MoJ with information monthly that will enable the department satisfactorily to monitor:

- the IMA'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
- 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

32. Internal audit

32.1 The IMA shall:

- establish and maintain arrangements for internal audit from the Government Internal Audit Agency in accordance with the public sector internal audit standards as adopted by HM Treasury
- 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 public sector internal audit standards
- 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 IMA's head of internal audit opinion on risk management, control and governance as soon as possible to the MoJ
- keep records of and prepare and forward to the MoJ, an annual report on fraud and theft suffered by the IMA 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 IMA

33. External audit

33.1 The Comptroller and Auditor General (C&AG) audits the IMA's annual accounts. The C&AG passes the audited accounts to the SoS who will lay the accounts together with the C&AG's report before Parliament.

33.2 In the event that the IMA has set up and controls subsidiary companies, the IMA 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 IMA shall discuss with the MoJ the procedures for appointing the C&AG as auditor of the companies.

33.3 The C&AG:

- will consult the department and the IMA on who – 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, those held by another party in receipt of payments or grants from the IMA
- 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 IMA
- 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

33.4 The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the IMA 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 IMA 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

34. Review of IMA's status

34.1 The IMA 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 date of the next review will be in 2026.

35. Arrangements in the event that the IMA is wound up

35.1 The MoJ shall put in place arrangements to ensure the orderly winding up of the IMA in the event either that its functions are transferred to another body, or if the specialised committee on citizens' rights established by the Withdrawal Agreement and the joint committee established by the EEA Separation Agreement decides that it can be abolished. In particular, the MoJ should ensure that the assets and liabilities of the IMA are passed to any successor organisation and accounted for properly. (In the event that there is no successor organisation, the assets and liabilities should revert to the MoJ.) To this end, the department shall:

- have regard to Cabinet Office guidance on winding up of ALBs
- ensure that procedures are in place in the IMA 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 IMA'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 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 accounting officer should sign the closing accounts. In the event that the department inherits the role, responsibilities, assets and liabilities, the MoJ's accounting officer should sign.

35.2 The IMA shall provide the MoJ with full details of all agreements where the IMA 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 IMA.

- 35.3 In the event that the IMA is abolished, as IMA staff are directly employed by the IMA, not MoJ, the responsibility for decision making, managing a redundancy process, engagement with staff and representative bodies and taking appropriate redundancy avoidance measures, legally rests with the IMA. The MoJ is not responsible for decision making resulting in potential redundancy, managing IMA staff under notice of redundancy, managing staff through the process or finding IMA staff alternative employment.
- 35.4 However, depending on the scale of the restructure and expected potential redundancies, the MoJ would offer support to the IMA HR team to guide and support it through the various HM Treasury and Cabinet Office approvals, where relevant. This may include following the Cabinet Office protocols on redundancy avoidance, identifying suitable vacancies across the MoJ and making connections to regional Civil Service employers. As an employer with approval from the Civil Service Commission, IMA staff under notice of redundancy can apply for vacancies advertised on Civil Service Jobs.

Annex A: Guidance

The IMA shall comply with the following general guidance documents and instructions except in so far as they conflict with the IMA's independence in discharging its statutory functions:

Corporate governance

- This framework document.
- Corporate governance in central government departments: code of good practice: 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
- 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/partnerships-between-departments-and-arms-length-bodies-code-of-good-practice

Financial management and reporting

- Managing Public Money: www.gov.uk/government/publications/managing-public-money
- Government Financial Reporting Manual: www.gov.uk/government/collections/government-financial-reporting-manual-frem
- Relevant Dear Accounting Officer letters: www.gov.uk/government/collections/dao-letters www.gov.uk/government/publications/government-financial-reporting-manual-2019-20
- Relevant guidance and instructions issued by HM Treasury in respect of Whole of Government Accounts: 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 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: 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 and www.gov.uk/government/collections/cyber-security-guidance-for-business

Commercial management

- Procurement Policy Notes: www.gov.uk/government/collections/procurement-policy-notes
- Cabinet Office spending controls: www.gov.uk/government/collections/cabinet-office-controls
- Transparency in supply chains – a practical guide: 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

- Guidance from the Commissioner for Public Appointments: 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: www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees

Staff and remuneration

- HM Treasury guidance on senior pay and reward: www.gov.uk/government/publications/senior-civil-service-pay-and-reward
- Civil Service pay guidance (updated annually): www.gov.uk/government/collections/civil-service-pay-guidance
- Public sector pay and terms: 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
- 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 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/principles-good-administration
- Other relevant guidance and instructions issued by HM Treasury in respect of Whole of Government Accounts.
- Recommendations made by the Public Accounts Committee, or by other Parliamentary authority, that have been accepted by the government and are relevant to the arm's length bodies.
- 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): www.gov.uk/government/publications/civil-service-diversity-and-inclusion-strategy-2022-to-2025
- Guidance produced by the Infrastructure and Projects Authority (IPA) on management of major projects: www.gov.uk/government/organisations/infrastructure-and-projects-authority
- The Government Digital Service: www.gov.uk/government/organisations/government-digital-service
- The Government Fraud, Error, Debt and Grant Efficiency function:
www.gov.uk/government/collections/fraud-error-debt-and-grants-function and
www.gov.uk/government/publications/grants-standards
- Code of Practice for Official Statistics:
code.statisticsauthority.gov.uk/wp-content/uploads/2022/05/Code-of-Practice-for-Statistics-REVISED.pdf
- Accounting Officer System Statements (AOSS are produced by departments with input from arm's length bodies): www.gov.uk/government/publications/accounting-officer-system-statements

Ministry of Justice contacts

This document can be downloaded from GOV.UK

If you require this information in an alternative format or have general enquiries, please contact: ALBGovernance@Justice.gov.uk



© Crown copyright 2024

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at: www.gov.uk/official-documents.

Any enquiries regarding this publication should be sent to us at: public.enquiries@hmtreasury.gov.uk

