

Framework Document

Climate Change Committee

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Introduction and background

1. Purpose of document

- 1.1. This framework document has been agreed between the Climate Change Committee (CCC) and its sponsoring bodies: the Department for Energy Security and Net Zero (DESNZ) or future equivalent, Department for Environment, Food & Rural Affairs (Defra) or future equivalent, and the devolved administrations. It is in accordance with HM Treasury's handbook Managing Public Money¹ (MPM). It has also been approved by HM Treasury.
- 1.2. It sets out:
 - the broad governance and accountability framework within which the CCC and the sponsoring bodies operate;
 - the CCC's core responsibilities; and
 - how the day-to-day relationship works in practice, including on governance and financial matters.
- 1.3. The document does not convey any legal powers or responsibilities, but all parties agree to operate within its terms.
- 1.4. In this document the Climate Change Committee (or CCC) refers to the Non-Departmental Public Body set up through the Climate Change Act 2008. It consists of the Committee ("the Committee") focusing on mitigation, the Adaptation Sub-Committee (also known as the Adaptation Committee or "AC") and the Secretariat.
- 1.5. References to the CCC include all its subsidiaries and joint ventures that are classified to the public sector and central government for national accounts purposes. If the CCC establishes a subsidiary or joint venture, there shall be a document setting out the arrangements between it and the CCC agreed with the sponsoring bodies.
- 1.6. 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 www.theccc.org.uk
- 1.7. 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 DESNZ, after consultation with the other sponsoring bodies. The latest date for reviewing and updating this document is January 2027.

2. Devolution

- 2.1. The Committee is jointly sponsored by DESNZ and the devolved administrations. The AC is jointly sponsored by Defra and the devolved administrations. DESNZ is the lead sponsor for the CCC.
- 2.2. The Northern Ireland Executive, the Scottish Government and the Welsh Government sponsor the CCC for their share of UK-wide activity, and activities relating solely to devolved matters.

3. Objectives

- 3.1. The sponsoring bodies and the CCC share the common objectives of reducing greenhouse gas emissions and preparing for and adapting to the impacts of climate

change.

- 3.2. The CCC and the sponsoring bodies work together in recognition of each other's roles and areas of expertise, providing an effective environment for the CCC to achieve its objectives through partnership and trust. They also work together to ensure that the CCC supports the strategic aims and objectives of the sponsoring bodies and wider UK Government.

4. Classification

- 4.1. The Office for National Statistics classified the CCC as a central government organisation.
- 4.2. The Cabinet Office administratively classified the CCC as a Non-Departmental Public Body.

Purposes, aims and duties

5. Purposes

- 5.1. The CCC was established under the Climate Change Act 2008. Its purposes are set out in Part 2 of the Act.

6. Powers and duties

- 6.1. The CCC's powers and duties stem from Parts 1, 2, 3 and 4 and Schedule 1 of the Climate Change Act 2008 and section 49 of the Infrastructure Act 2015.
- 6.2. The CCC is required to fulfil specific duties and statutory requirements under UK and devolved legislation, including:

Legislation	Summary of statutory duties
Climate Change Act 2008	<ul style="list-style-type: none"> Advise on the appropriate level of the UK's carbon budgets and steps required to meet them. The budgets define the maximum level of CO₂ and other greenhouse gases which the UK can emit in each five-year budget period Report to the UK Parliament annually on the progress the government is making towards meeting UK carbon budgets and recommend actions to keep budgets on track Report to the UK Parliament biennially on the progress the government is making towards assessment of progress in preparing for climate change in England Evaluate progress towards implementation of the UK Government's National Adaptation Programme, and reporting to the UK Parliament Provide advice on emissions from international aviation and shipping Provide advice, analysis, information or other assistance to the UK government or devolved administrations as requested
Climate Change (Scotland) Act 2009	<ul style="list-style-type: none"> Advise on the appropriate level of statutory targets in Scotland (including annual targets) Monitor and report on progress to Scotland's emissions reduction targets and recommending actions to keep on track Prepare assessments of the Scottish Government's Climate Change Adaptation Programme Provide advice, analysis, information or other assistance to the Scottish Government as requested

Infrastructure Act 2015	<ul style="list-style-type: none"> Advise on the impact of the exploitation of onshore petroleum on UK carbon budgets and the 2050 target
Environment (Wales) Act 2016	<ul style="list-style-type: none"> Advise on the appropriate level of statutory targets in Wales Advise on the progress made towards meeting carbon budgets and targets, whether those budgets and targets are likely to be met and any further measures that are needed Advise on the progress made on the Welsh Government's Adaptation Plan, as required Provide advice, analysis, information or other assistance to Welsh Ministers as requested
Planning (Scotland) Act 2019	<ul style="list-style-type: none"> Requires Scottish Ministers to consult the CCC on each new revised National Planning Framework
Climate Change Act (Northern Ireland) 2022	<ul style="list-style-type: none"> Advise on the level of carbon budgets and emissions targets for Northern Ireland and the development of the Climate Action Plan Advise on the development of proposals to make regulations arising from the Act e.g. climate change reporting required by public bodies Advise on the progress made towards meeting emissions targets and carbon budgets, whether those targets and budgets are likely to be met, and whether any further measures are needed to meet those targets and budgets Prepare independent assessments of the Northern Irish Administration's Adaptation Programme including an assessment of the progress made and recommendations for the next Adaptation Programme

7. Aims

7.1. The CCC's strategic aims are to:

- Provide impartial advice to UK Government and the devolved administrations on setting and meeting carbon budgets or emission reduction targets and preparing for climate change;
- Monitor progress in reducing emissions, achieving carbon budgets or emission reduction targets and preparing for climate change;
- Conduct independent analysis into climate change science, economics and policy; and
- Engage with stakeholders to promote understanding and inform an evidence-based debate on climate change and its impacts, and measures to address it.

7.2. These are in line with the Climate Change Act 2008 and other relevant legislation as set out above, and the CCC's Corporate and Business Plan.

8. Governance and accountability

8.1. The CCC shall operate corporate governance arrangements that are in accordance with good corporate governance practice and applicable regulatory requirements and expectations (as far as practicable and in the light of other provisions of this framework document or as otherwise may be mutually agreed).

8.2. In particular (but without limitation), the CCC should:

- comply with the principles and provisions of the Corporate Governance in Central Government Departments Code of Good Practice² (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 and equivalent devolved guidelines;
- in line with MPM, have regard to the relevant Functional Standards³ as appropriate,

- and in particular those concerning Finance, Commercial and Counter Fraud; and
- take into account the codes of good practice and guidance set out in Annex 5 of this Framework Document, as they apply to Arm's Length Bodies.

8.3. In line with MPM Annex 3.1, the CCC shall provide an account of corporate governance in its annual governance statement including the CCC's assessment of its compliance with the Code together with explanations of any material departures. To the extent that the CCC does intend to materially depart from the Code, the sponsoring bodies should be notified in advance.

Role of the sponsoring bodies

9. The responsible national authorities⁴

- 9.1. The DESNZ and Defra Secretaries of State are respectively accountable to the UK Parliament for mitigation and adaptation matters concerning the CCC. The relevant Ministers or equivalent in the Scottish Government, Welsh Government and Northern Ireland Executive are accountable to their respective parliaments or assembly on devolved matters. The relevant HMG Secretaries of State, the Scottish Ministers, the Welsh Ministers and the relevant Northern Ireland Department are together called the "national authorities".
- 9.2. National authorities' statutory powers and duties in respect of the CCC include those set out in the Climate Change Act 2008, the Climate Change (Scotland) Act 2009, the Environment (Wales) Act 2016 and the Climate Change Act (Northern Ireland) 2022.
- 9.3. The powers set out in the Climate Change Act 2008 include:
- Making appointments (including the Committee Chair and, in consultation with the Chair, the Committee members)
 - Giving the CCC guidance on its direction and function and requesting advice.
- 9.4. Devolved legislation sets out additional requirements placed on the CCC in terms of advice / assessments required.

Appointments to the Committee and AC

- 9.5. The Chief Executive of the CCC is appointed by the Committee, with the agreement of the national authorities under the Climate Change Act 2008.
- 9.6. The Chairs and members of both the Committee and AC are jointly appointed by the national authorities under the Climate Change Act 2008. This also applies to re-appointments or extensions to the terms of members or Chairs.
- 9.7. Chairs and members are appointed for a period agreed at the time of the vacancy being advertised (usually 5 years for the Committee chair and members; usually 5 years for the AC chair and 3 years for AC members).
- 9.8. Appointments to the Committee are subject to the Public Appointments Order in Council and as such should comply with the Governance Code on Public Appointments. Unlike the Committee, the AC appointments are not regulated by the Commissioner for Public Appointments. AC appointment processes will nonetheless follow the best practice principles outlined in the Governance Code for Public Appointments.
- 9.9. When making CCC appointments, decision makers should consider the diversity of the

society in which we live, acknowledging the need of a variety of skills and backgrounds for both the Committee and the AC.

Other powers and responsibilities

9.10. National authorities are also responsible for:

- the policy framework within which the CCC operates;
- matters regarding spending approvals, acquisitions, disposals, and joint ventures in line with delegations as set out in the allocation letter⁵;
- such other matters as may be appropriate and proportionate.

9.11. The national authorities may give the Committee guidance and directions about its functions under the Climate Change Act 2008.

10. The Principal Accounting Officer

10.1. The Principal Accounting Officer (PAO) for the CCC is the DESNZ Permanent Secretary. The PAO is responsible for safeguarding all public funds which fall under the auspices of the CCC and accountable to UK Parliament for the CCC's economic, efficient and effective use of resources. The PAO might consult the Defra Permanent Secretary on CCC matters specifically related to adaptation.

10.2. The PAO designates the CCC's Chief Executive as the CCC Accounting Officer (AO) and ensures that they are fully aware of their responsibilities. The PAO issues a letter appointing the AO, setting out their responsibilities and delegated authorities.

10.3. The respective responsibilities of the PAO and accounting officers for Arm's Length Bodies (ALBs) are set out in Chapter 3 of MPM.

10.4. The PAO, in consultation with Defra on adaptation, is accountable to UK Parliament for the issue of a grant-in-aid to the CCC. In each devolved administration, officials equivalent to the PAO are accountable to the relevant legislature for the issue of their contribution to grant-in-aid and any separate grant funding as needed.

10.5. The PAOs (and devolved equivalents) are also responsible, usually in consultation with the sponsorship team, for advising their national authority on:

- an appropriate framework of objectives and targets for the CCC in the light of their wider strategic aims;
- an appropriate budget for the CCC in light of their overall public expenditure priorities;
- how well the CCC are achieving their strategic objectives and whether they are delivering value for money;
- the exercise of the national authorities' statutory responsibilities concerning the CCC as outlined in section 9.

10.6. The PAO (or devolved equivalents), via officials of the sponsoring bodies, also hold overall responsibility for ensuring arrangements are in place to:

- monitor the CCC's activities and performance;
- address significant problems in the CCC, 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 in liaison with all sponsoring bodies in line with the wider risk assessment process;

- inform the CCC of relevant government policy in a timely manner;
- bring Ministerial or Departmental (or equivalent) concerns about the activities of the CCC to the Committee and/or AC, and as appropriate to the Departmental Board (or equivalent), requiring explanations and assurances that appropriate action has been taken.

11. The role of the sponsorship team

- 11.1. The CCC sponsorship team in DESNZ is the primary contact for the CCC. The responsible senior civil servant is the Net Zero Strategy Director or future equivalent. The Climate Adaptation team in Defra is the lead contact for AC. DESNZ and Defra jointly are the main source of advice to the relevant HMG ministers on the discharge of their responsibilities in respect of the CCC. They also support the PAO on their responsibilities toward the CCC.
- 11.2. In devolved administrations, the following areas are responsible for advising their national authorities on the CCC:
- Climate Change and Green Growth Policy Division, Department of Agriculture, Environment and Rural Affairs (DAERA), Northern Ireland Executive
 - Directorate for Energy and Climate Change, Scottish Government
 - Economy, Skills and Natural Resources Group, Welsh Government.
- 11.3. Officials of the national authorities will liaise regularly with the CCC's Secretariat to review the CCC's financial performance against plans, achievement against targets, and the CCC expenditure against its Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME) allocations. They will also explain wider policy developments that might have an impact on the CCC.
- 11.4. To ensure effective coordination and oversight, officials from the sponsoring bodies meet regularly with the CCC.

12. Resolution of disputes between the CCC and the sponsoring bodies

- 12.1. Any disputes between the sponsoring bodies and the CCC should be resolved in as timely a manner as possible. The relevant sponsoring body or bodies and the CCC should seek to resolve any disputes through an informal process in the first instance. If this is not possible, then a formal process, overseen by DESNZ as the lead sponsor, will be used to resolve the issue through discussion with the relevant parties. Failing this, the lead sponsor will ask the relevant policy Director General (or equivalent) in the relevant sponsoring body or bodies to oversee the dispute.
- 12.2. They may then choose to ask the relevant Permanent Secretary on the sponsoring body or bodies to nominate a non-executive director to review the dispute, mediate with relevant parties and reach an outcome.

13. Freedom of Information requests

- 13.1. Where a request for information is received by the CCC and/or UK Government, Welsh Government or Northern Ireland Executive ("the Parties") under the Freedom of Information Act 2000, the Environmental Information Regulations 2004; or received by the Scottish Government under the Freedom of Information (Scotland) Act 2002, or the Environmental Information (Scotland) Regulations 2004, the Party receiving the request will, so far as it is reasonably practical, inform the other Party prior to any disclosure of information that may affect the other Parties' responsibilities.
- 13.2. Any need to inform, or consult with, the other Party about an information request must

not lead to a breach of the relevant statutory deadline for responding to it. Both Parties will have regard to their Data Protection obligations when sharing information about requests, for example by not sharing the requester's personal data where doing so would contravene Data Protection principles.

- 13.3. Compliance with the UK General Data Protection Regulation and Data Protection Act 2018 will be a matter for the CCC, as the data controller for personal data it collects.
- 13.4. It is the responsibility of each Party to ensure they comply with the relevant statutory regimes which they are subject to. The Parties may disclose any information as required by law or as a consequence of judicial order or order by any court or tribunal with authority to order disclosure.

14. Reporting on legal risk and litigation

- 14.1. The CCC shall provide a quarterly update to the sponsoring bodies on the existence of any active litigation and any threatened or reasonably anticipated litigation. The CCC acknowledges the importance of ensuring that legal risks are communicated appropriately to the sponsoring bodies in a timely manner.
- 14.2. In respect of each substantial piece of litigation against the CCC, the sponsoring bodies 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 sponsoring bodies to facilitate this. Until such time as a protocol is agreed, the CCC and sponsoring bodies will ensure that:
- material developments in the litigation are communicated to the sponsoring bodies 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 should adhere to protect legal privilege; and
 - circulation of privileged information within and between HM Government / the devolved administrations occurs only as necessary.

The CCC's governance structure

15. The Chief Executive

- 15.1. The Chief Executive as AO is personally responsible for:
- Safeguarding the public funds for which they have charge;
 - Ensuring propriety, regularity, value for money and feasibility in the handling of those public funds; and
 - The day-to-day operations and management of the CCC.
- 15.2. The Chief Executive should ensure that the CCC is run based on the standards set out in Box 3.1 of MPM in terms of governance, decision-making and financial management. Their responsibilities include the below, and those set out in the CCC AO appointment letter issued by the PAO.
- 15.3. Responsibilities to Parliament and the public include:
- Signing the accounts; ensuring that proper records are kept relating to the accounts; and ensuring that the accounts are properly prepared and presented in accordance with any directions issued by responsible national authorities;
 - 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 CCC in accordance with Parliamentary and Health Service Ombudsman's Principles of Good Complaint Handling⁶ are established and made widely known within the CCC and published;
- Acting in accordance with the terms of MPM and other instructions and guidance issued by the sponsoring bodies, HM Treasury, and the Cabinet Office;
- Ensuring that as part of the above compliance the CCC are familiar with and act in accordance with:
 - any governing legislation;
 - this framework document;
 - any allocation letter issued to the CCC as set out in this document;
 - any elements of any allocation letter that is relevant to the operation of the CCC, issued to the sponsoring bodies and subsequently shared with the Chief Executive; and
 - any separate allocation letter issued to the CCC from the sponsoring bodies.
- Ensuring the CCC have appropriate internal mechanisms for monitoring, governance and external reporting regarding compliance and any conditions arising from the above documents; and
- Giving evidence, normally with the PAO, when summoned before the UK Parliament's Public Accounts Committee on the CCC's stewardship of public funds.

15.4. Responsibilities to the sponsoring bodies include:

- Establishing, in agreement with the sponsoring bodies, the CCC's Corporate and Business Plans in the light of the sponsoring bodies' wider strategic aims and agreed priorities;
- Informing the sponsoring bodies of progress in helping to achieve their policy objectives and in demonstrating how resources are being used to achieve those objectives;
- Providing timely forecasts and monitoring information on performance and finance to the sponsoring bodies, including prompt notifications if over or under spends are likely and ensuring 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 in a timely fashion.

15.5. Responsibilities to the Committee and AC include:

- Advising both Committees on the discharge of their responsibilities as set out in this document, in legislation, and in any other relevant instructions and guidance that may be issued from time to time;
- Advising both Committees on the CCC's performance compared with its aim(s) and objectives; and
- Ensuring that financial considerations are taken fully into account by both Committees at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed.

Managing conflicts

- 15.6. The Chief Executive should follow the advice and direction of the AC and the Committee, except in very exceptional circumstances with a clear and transparent rationale for not doing so.
- 15.7. If the Committee or the AC or their Chairs are contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety or regularity or does not represent prudence or economical

administration, efficiency or effectiveness, questionable feasibility, or is unethical, the Chief Executive in their role as AO should reject that course of action and ensure that the Committee or the AC have a full opportunity to discuss the rationale for that rejection.

- 15.8. Such conflicts should be brought to the attention of the PAO and the responsible national authorities as soon as possible.
- 15.9. Furthermore, and if agreed with the responsible national authorities, the AO should write a letter of justification to the Chair of the relevant Committee setting out the rationale for not following their advice and recommendation and copy that letter to HM Treasury Officer of Accounts.
- 15.10. If the responsible national authorities agree with the proposed course of action of the Committee it may be appropriate for the responsible national authorities to direct the AO in the manner as set out in MPM paragraph 3.6.6 onwards.

16. The Committees

- 16.1. The Committees take decisions on the advice that they provide to UK governments.

Composition

- 16.2. The Committee and the AC will both operate in line with good standards of corporate governance and as set out in the Climate Change Act 2008. The role of the Committee and the AC shall be to run the CCC, and to deliver the objectives in accordance with the purposes as set out above, their statutory, regulatory, common law duties and their responsibilities under this framework document. Detailed responsibilities of both the Committee and the AC shall be set out in their terms of reference. Remuneration of the Committee and the AC will be disclosed in line with the guidance in the Government Financial Reporting Manual (FReM)⁷.
- 16.3. In line with the Climate Change Act 2008, the Committee consists of a Chair and no less than five but no more than eight other independent members that have a balance of skills and experience appropriate to directing the CCC's business. The Chief Executive attends the full meetings of the Committee. The AC consists of a Chair and no less than five independent members.
- 16.4. For the Committee there should be members who have experience of business, operational delivery, corporate services, estate management, communications and performance management as well as devolved powers.

Sub-committees

- 16.5. The Committee may set up such sub-committees as necessary for it to fulfil its functions. This, at a minimum, will include an Audit and Risk Committee chaired by an appropriately qualified non-executive, who can be a member of the Committee or AC or independent. The Audit and Risk Committee will also have representation from DESNZ as lead sponsor and the CCC's Chief Executive.
- 16.6. The Committee and AC will provide the Audit and Risk Assurance Committee with routine assurances with escalation of any significant limitations or concerns. The Committee and AC are expected to assure themselves of the effectiveness of the operation of internal control and risk management framework.
- 16.7. While the Committee and the AC may make use of sub-committees to assist their

consideration of succession, audit, risk and remuneration, they retain responsibility for, and endorse, final decisions in all of these areas. The relevant Committee Chair should ensure that sufficient time is allowed for sub-committees to report on the nature and content of discussion, on recommendations, and on actions to be taken.

- 16.8. Where there is disagreement between the relevant sub-committee and the Committee or AC, 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 sub-committee concerned should have the right to report the issue to the PAO and responsible national authorities. They may also seek to ensure the disagreement or concern is reflected as part of the report on its activities in the annual report.
- 16.9. The Committee Chair should ensure that sub-committees are properly structured with appropriate terms of reference. The terms of each sub-committee should set out its responsibilities and the authority delegated to it by the Committee. The Committee Chair should ensure that sub-committee membership is periodically refreshed and that members are not over-burdened when deciding the chairs and membership of sub-committees.

Duties of the Committees

16.10. The Committee and AC are specifically responsible for:

- Establishing and taking forward the strategic aims and objectives of the CCC as detailed in the CCC's Corporate and Business Plan; and ensuring these are consistent with the CCC's overall strategic direction and within the policy and resources framework determined by the sponsoring bodies;
- Providing effective leadership of the CCC 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 CCC to meet its objectives;
- Reviewing management performance;
- Ensuring that the Committee receives and reviews regular financial and management information concerning the management of the CCC;
- Ensuring that it is kept informed of any changes which are likely to impact on the strategic direction of the CCC or on the attainability of its targets/aims (as detailed in the Corporate and Business Plan), and determining the steps needed to deal with such changes and where appropriate bringing such matters to the attention of the sponsoring bodies and PAO via the CCC executive team, sponsoring bodies or directly;
- Ensuring that any statutory or administrative requirements for the use of public funds are complied with; that the CCC operates within the limits of its statutory authority and any delegated authority agreed with the sponsoring bodies, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the CCC takes into account guidance issued by the sponsoring bodies;
- Ensuring that as part of the above compliance the Committee is familiar with:
 - this framework document,
 - any allocation letter issued to the CCC as set out in section 22 of this document
 - any elements of any allocation letter that is relevant to the operation of the CCC issued to the sponsoring bodies and subsequently shared with the Committee or AC;
 - any separate allocation letter that is issued to the CCC from the sponsoring bodies; and
 - that they have appropriate internal mechanisms for the monitoring, governance and external reporting regarding any conditions arising from the

above documents and ensure that the Chief Executive and CCC as a whole act in accordance with the above documents.

- Demonstrating high standards of corporate governance at all times, including using the CCC's Audit and Risk Assurance Committee to help address key financial and other risks;
- Putting in place mechanisms for independent appraisal and annual evaluation of the performance of the Committee Chair by the DESNZ Director General and AC Chair by the Defra Director General, considering the views of relevant stakeholders. The outcome of that evaluation should be made available to the sponsoring bodies; and
- Determining any other matters which the Committee and AC considers ancillary or conducive to the attainment or fulfilment by the CCC of its objectives.

16.11. In addition to its statutory duties in the Climate Change Act 2008, the CCC should ensure that effective arrangements are in place to provide assurance on risk management, governance and internal control.

16.12. The Committee and AC 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 Committee and AC 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)⁸.

17. The Chairs' roles and responsibilities

17.1. The Committee Chair and AC Chair are responsible for leading the Committee and AC respectively in the delivery of their responsibilities. Such responsibility should be exercised in the light of their duties and responsibilities as set out in each Chair's contract of employment, any appointment letter, the statutory authority governing the CCC, this document and the documents and guidance referred to within this document.

17.2. Both Chairs are responsible to the responsible national authorities. Communications between the Committee, AC and national authorities should normally be through their Chair. Each Chair is responsible for ensuring that the Committee's and AC's policies and actions support each of the national authorities and, where relevant, HMG's wider strategic policies, and that the Committee and AC's affairs are conducted with probity. Where appropriate, these policies and actions should be clearly communicated and disseminated throughout the CCC.

17.3. The Chairs are bound by the CCC's Code of Practice and the Cabinet Office Code of Conduct for Board Members of Public Bodies⁹, which covers conduct in the role and includes the Nolan Principles of Public Life.¹⁰

17.4. In addition, the Chairs have the following leadership responsibilities:

- Formulating the Committee and AC's strategy;
- Ensuring that the Committee and AC, in reaching decisions, take proper account of guidance provided by responsible national authorities;
- Promoting the efficient and effective use of staff and other resources;
- Delivering high standards of regularity and propriety; and
- Representing the views of the Committee and AC to the general public.

17.5. The Chairs should also ensure that:

- The Committee and the AC are working effectively;

- The work of the Committee, AC and their members are reviewed. This includes ongoing assessment of the performance of individual committee members with a formal annual evaluation, and more in-depth assessments of the performance of individual members when being considered for re-appointment;
- In conducting such assessments, the view of relevant stakeholders including employees and the sponsoring bodies are sought and considered;
- The Committee and the AC have a balance of skills appropriate to directing the CCC's and AC's business, with reference to paragraph 1(3) of Schedule 1 to the UK Climate Change Act 2008 and the UK Government Code of Good Practice on Corporate Governance¹¹;
- The Chairs and Chief Executive continually update their skills, knowledge and familiarity with the CCC to fulfil their role both on the Committee and AC. 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;
- Committee and AC members are fully briefed on terms of appointment, duties, rights and responsibilities, including devolved-specific matters;
- Committee and AC members receive appropriate training on financial management and reporting requirements, devolved legislation, and on any differences that may exist between private and public sector practice;
- They regularly update one another on the work of the Committee and AC;
- They make aware the sponsoring bodies of vacancies and any skill gaps;
- There is a Board Operating Framework in place setting out the role and responsibilities of the Committee and AC consistent with the Government Code of Good Practice for Corporate Governance;
- There is a code of practice for board members in place, consistent with the Cabinet Office Code of Conduct for Board Members of Public Bodies.

18. Committee and AC members' responsibilities

18.1. Individual members of both the Committee and the AC should:

- Comply at all times with the CCC's Code of Practice and the Cabinet Office 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), ensuring any real or perceived conflicts of interest are raised with the Chief Executive and Chair;
- Adhere to the Cabinet Office 12 Principles of Governance for all Public Body Non-Executive Directors as appropriate¹²;
- 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 CCC Gifts and Hospitality Register¹³ and with business appointments policies;
- Act in good faith and in the best interests of the Committee and AC; and
- 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, a devolved administration or wider government.

19. Language of CCC publications

- 19.1. The Committee and AC's documents should be produced in writing and in plain English. Where Welsh Ministers are required to lay a CCC document before Senedd Cymru, the CCC will provide a Welsh translation of the document. Equivalent arrangements will be followed for translation into other languages as required.

20. The CCC's role in UK carbon budgets policy

- 20.1. The DESNZ Secretary of State, in consultation with devolved administrations where appropriate, is responsible for making decisions on the level of the UK carbon budgets and the policies and proposals needed to ensure the UK remains within them, taking proper account of the CCC's advice.
- 20.2. The CCC's general presumption should be that its advice (including that under section 38 of the 2008 Climate Change Act) does not include detailed recommendations on specific policies or proposals which could be required to meet the carbon budgets, except when requested by a national authority.
- 20.3. The sponsoring bodies are responsible for ensuring arrangements are in place to inform the CCC of relevant UK Government and devolved policy, as appropriate, in a timely manner.

Management and financial responsibilities and controls

21. Delegated authorities

- 21.1. The CCC's delegated authorities are set out in the allocation letter. This letter may be updated and superseded by later versions which may be issued by the sponsoring bodies in agreement with HM Treasury. Annex 1 sets out the specific delegations.
- 21.2. In line with MPM Annex 2.2, these delegations will be reviewed on an annual basis.
- 21.3. The CCC shall obtain the sponsoring bodies' and, where appropriate, HM Treasury's prior written approval before:
- Entering into any undertaking to incur any expenditure that falls outside the delegations, or which is not provided for in the CCC's annual budget as approved by the relevant sponsoring body;
 - Incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications;
 - Incurring expenditure for matters which formally commit a national authority or a Government to action;
 - Incurring expenditure for matters in which Ministers have declared an interest;
 - Progressing matters on which national authorities are likely to be questioned in Parliament;
 - Making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by the sponsoring bodies;
 - Making any change of policy or practice which has wider financial or legal implications that might prove repercussive or which might significantly affect the future level of resources required; or
 - Carrying out policies that go against the principles, rules, guidance and advice in MPM.

22. Spending authority

- 22.1. Once the sponsoring bodies approve the budget (and subject to any restrictions imposed by HM Treasury settlement or allocation letters or devolved administrations' allocation letters), the CCC shall have authority to incur expenditure approved in the budget without further reference to the sponsoring bodies, on the following conditions:
- The CCC shall comply with the delegations set out in the allocation letter. These delegations shall not be altered without the prior agreement of the sponsoring bodies,

- and HM Treasury and Cabinet Office where appropriate;
- The CCC 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 approval from the sponsoring bodies where any proposed expenditure is outside the delegated limits or for new schemes not previously agreed; and
- The CCC shall provide the sponsoring bodies with such information about its operations, performance, individual projects or other expenditure as they may reasonably require.

22.2. The CCC's Operations Board, which takes decisions on the running of the organisation, should have a member who is a qualified accountant and has the director of finance role within their responsibilities, in line with Annex 4.1 of MPM. The CEO also attends the Operations Board.

23. Banking and managing cash

23.1. The CCC should maximise the use of publicly procured banking services (accounts with central government commercial banks managed centrally by Government Banking).

23.2. The CCC should only hold money outside Government Banking Service accounts where a good business case can be made for doing so. 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.

23.3. Commercial accounts, where approved, should be operated in line with the principles as set out in MPM.

23.4. The CCC AO is responsible for ensuring the CCC has a Banking Policy as set out in MPM and ensuring that policy is complied with.

24. Procurement

24.1. The CCC shall ensure that its procurement policies are aligned with and comply with any relevant UK or international procurement rules, and in particular the UK Public Contracts Regulations 2015.

24.2. The CCC shall establish its procurement policies and document these in a Procurement Policy and Procedures Manual.

24.3. In procurement cases where the CCC is likely to exceed its delegated authority limit, procurement strategy approval for the specific planned purchase should be sought from the lead sponsor, who will co-ordinate with the sponsoring bodies as needed.

24.4. 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 exceptions above £10k should be sent to the sponsoring bodies.

24.5. Procurement by the CCC of works, equipment, goods, and services shall be based on a full option appraisal and value for money (VfM), using public resources in a way that creates and maximises public value.

24.6. The CCC shall:

- engage fully with UK Government wide procurement initiatives that seek to achieve

- VfM from collaborative projects;
- comply with all relevant Procurement Policy Notes and legislation;
- co-operate fully with initiatives to improve the availability of procurement data to facilitate the achievement of VfM; and
- for work sponsored by a devolved administration, the CCC should comply with the relevant Procurement Policy requirements in that country.

24.7. The CCC shall comply with the commercial¹⁴ and grant standards¹⁵. These standards apply to the planning, delivery, and management of UK government commercial activity, including management of grants in all UK Government departments and the CCC, regardless of commercial approach used and form part of a suite of functional standards that set expectations for management within UK Government.

25. Risk management

25.1. The CCC shall ensure that the risks 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 HM Treasury guidance Management of Risk: Principles and Concepts¹⁶. A copy of the risk register should be shared with the sponsoring bodies each quarter.

26. Counter fraud and theft

26.1. The CCC should adopt and implement policies and practices to safeguard itself against fraud and theft.

26.2. The CCC should act in line with guidance as issued by the UK Government Counter Fraud Function and in compliance with procedures and considerations as set in MPM Annex 4.9 and the Counter Fraud Functional Standard¹⁷. They should also take all reasonable steps to appraise the financial standing of any firm or other body with which the CCC intends to enter into a contract or to give grant or grant-in-aid.

26.3. The CCC should keep records of, and prepare and forward to the sponsoring bodies, an annual report on fraud and theft suffered by the CCC. The CCC should notify the sponsoring bodies of any unusual or major incidents as soon as possible. The CCC should also report detected loss from fraud, bribery, corruption and error, alongside associated recoveries and prevented losses, to the UK Government counter fraud centre of expertise in line with the agreed government definitions as set out in Counter Fraud Functional Standard¹⁸.

27. Staff

Broad responsibilities for staff

27.1. Within the arrangements approved by the sponsoring bodies (and HM Treasury), the CCC will have responsibility for the recruitment, retention and motivation of staff (the CCC's Secretariat). The broad responsibilities of the CCC toward its staff are to ensure that:

- The rules for recruitment and management of staff create an inclusive culture in which diversity is fully valued;
- Appointment and advancement is based on merit; there is no discrimination against employees with protected characteristics under the Equality Act 2010;
- The level and structure of its staffing, including grading and staff numbers, are appropriate to its functions and the requirements of economy, efficiency and effectiveness;
- The performance of its staff at all levels is satisfactorily appraised and 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 CCC's objectives;
- Proper consultation with staff takes place on key issues affecting them;
- Build a positive, constructive equality, diversity and inclusion (EDI) culture within the CCC and to ensure that EDI informs delivery of statutory obligations as set out in the EDI strategy and action plan¹⁹;
- Adequate grievance and disciplinary procedures are in place;
- Whistle-blowing procedures consistent with the Public Interest Disclosure Act 1998 are in place; and
- A code of conduct for staff is in place based on the Cabinet Office's Model Code for Staff of Executive Non-departmental Public Bodies²⁰.

Staff costs

- 27.2. Subject to its delegated authorities, the CCC shall ensure that the creation of any additional post does not incur forward commitments that will exceed its ability to pay for them.

Pay and conditions of service

- 27.3. Staff are subject to levels of remuneration and terms and conditions of service (including pensions) within the general pay structure approved by the lead sponsor (on behalf of the sponsoring bodies) and the Treasury. The CCC has no delegated power to amend these terms and conditions.
- 27.4. 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 body entitled to payment in respect of travel expenses or other allowances, payment shall be made in accordance with the Civil Service Management Code²¹ and the annual Civil Service Pay Remit Guidance²², except where DESNZ (as lead department) has given prior approval to vary such rates.
- 27.5. Staff terms and conditions should be set out in an Employee Handbook, which should be provided to the sponsoring bodies together with subsequent amendments.
- 27.6. The CCC shall abide by public sector pay controls, including the relevant approvals process dependent on the organisations classification as detailed in the Senior Pay Guidance²³ and the Public Sector Pay and Terms Guidance²⁴.
- 27.7. The CCC shall operate a performance-related pay scheme that shall form part of the annual aggregate pay budget approved by the lead department, where relevant with due regard to the senior pay guidance.
- 27.8. The travel expenses of Committee and AC members shall be tied to the rates allowed to senior staff of the CCC. Reasonable actual costs shall be reimbursed.

Pensions, redundancy and compensation

- 27.9. Compensation scheme rules and pension scheme rules should reflect legislative and HM Treasury guidance requirements regarding exit payments.
- 27.10. CCC staff shall normally be eligible for a pension provided by the Principal Civil Service Pension Scheme. Staff may opt out of the occupational pension scheme provided by the CCC, but the employer's contribution to any personal pension

arrangement, including stakeholder pension, shall normally be limited to the national insurance rebate level.

27.11. Any proposal by the CCC to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of DESNZ. Proposals on severance should comply with the rules in chapter 4 of MPM.

Business plans, financial reporting and management information

28. Budgeting procedures

28.1. Each year, the sponsoring bodies will consider the CCC's work priorities. DESNZ (on behalf of the sponsoring bodies) will then aim to send to the CCC by March:

- an allocation letter of the annual budgetary provision for the Committee and the AC, including core funding for statutory work and any additional funding for individual pieces of work; and
- a statement of any planned change in policies in UK Government that could affect the CCC's work. Devolved administrations will separately notify the CCC of any policy changes.

28.2. For additional work requests arising outside of this cycle, the sponsoring body will write to the CCC directly with detail of the requirement. The CCC then provides a timely price and timing estimate and a work plan for agreement.

29. Corporate and business plans

29.1. The CCC shall submit to the sponsoring bodies a draft of the corporate plan covering three years by the end of December each year. The CCC shall agree with the sponsoring bodies the issues to address in the plan, and the timetable for its preparation.

29.2. The CCC should discuss its work priorities and planned activities with the sponsoring bodies to inform the plan. This shall reflect the CCC's statutory duties and, within those duties, the priorities set from time to time by the responsible national authorities (including decisions taken on policy and resources in light of wider public expenditure decisions). The plan shall demonstrate how the CCC contributes to the achievement of the sponsoring bodies' medium-term plan and priorities and aligned performance metrics and milestones.

29.3. The first year of the Corporate Plan shall form the Business Plan. The Business Plan shall include key targets, milestones and activities for the year immediately ahead. It shall also be linked to budgeting information provided in the allocation letter so that resources allocated to achieve specific objectives can readily be identified by the sponsoring bodies. Subject to any commercial considerations, the Corporate and Business Plans should be published by the CCC on its website and separately be made available to staff.

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

- Key objectives and associated key performance targets for the years ahead 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 2-5 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; and
- Other matters as agreed between the sponsoring bodies and the CCC.

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

- 30.1. Any UK Government grant-in-aid for the CCC for the year in question will be voted in DESNZ's and Defra's Supply Estimates and subject to Parliamentary control.
- 30.2. The grant-in-aid will normally be paid by DESNZ in monthly instalments based on written applications showing evidence of need. Under current arrangements, funding due from the other sponsoring bodies will be paid direct by DESNZ on their behalf and recharged as applicable.
- 30.3. The CCC will comply with the general principle that there is no payment in advance of need. Cash balances accumulated during the year from grant-in-aid or other Exchequer funds shall be kept to a minimum level consistent with the efficient operation of the CCC. 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, DESNZ will make available in the next financial year any such grant-in-aid that is required to meet any liabilities accrued at the year end, such as creditors.
- 30.4. If a sponsoring body provides the CCC with separate grants for specific (ring-fenced) purposes, it should issue the grant with the rest of the funding via DESNZ (in line with 30.2). This should be on the basis of a written request or valid invoice from the CCC. The CCC should provide evidence that the grant was used for the purposes authorised by the sponsoring bodies and comply with terms and conditions of the grant letters. The CCC shall not have uncommitted grant funds in hand, nor carry grant funds over to another financial year.

31. Annual report and accounts

- 31.1. The CCC must publish an annual report of its activities together with its audited accounts after the end of each financial year in accordance with Schedule 1, paragraphs 22-24 of the Climate Change Act 2008. The CCC shall provide the sponsoring bodies with its finalised (audited) accounts before the start of the UK Parliamentary summer recess each year to allow the accounts to be consolidated with those of the sponsoring bodies where applicable. A draft of the report should be submitted to the sponsoring bodies a month before the proposed publication date. The accounts should be prepared in accordance with the relevant statutes and specific accounts direction issued by DESNZ as well as HM Treasury's Financial Reporting Manual (FrM).
- 31.2. The annual report must:
- Cover any corporate, subsidiary or joint ventures under its control;
 - Comply with the FrM and in particular have regard to the illustrative statements for a Non-departmental Public Body (NDPB);
 - Outline main activities and performance during the previous financial year and set out in summary form forward plans; and
 - Outline the funding formula and level of grant-in-aid from each of the sponsoring bodies.
- 31.3. Information on performance against key financial targets is within the scope of the audit and should be included in the notes to the accounts. The report and accounts

shall be laid before UK Parliament by the responsible Ministers (and before the devolved legislatures as needed), and made available on the CCC's website, in accordance with the guidance in the FReM.

32. Reporting performance to the sponsoring bodies

- 32.1. The CCC 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.
- 32.2. The CCC shall report financial and non-financial performance, including performance in helping to deliver national authorities' policies, annually in its corporate and business plan. It shall inform the sponsoring bodies of any changes that make achievements of objectives more or less difficult.
- 32.3. The sponsoring bodies shall formally review the CCC's performance on an annual basis.
- 32.4. The responsible national authorities will meet the Chief Executive once a year. The PAO will meet the Chief Executive at least once a year.

33. Information sharing

- 33.1. The sponsoring bodies have the right of access to all CCC records and personnel for any purpose including, for example, sponsorship audits and operational investigations.
- 33.2. The CCC shall provide the sponsoring bodies with such information about its operations, performance, individual projects or other expenditure as the sponsoring bodies may reasonably require.
- 33.3. The sponsoring bodies and HM Treasury may request the sharing of data held by the CCC 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.
- 33.4. As a minimum, the CCC shall provide the sponsoring bodies with information monthly that will enable them to satisfactorily monitor:
- the CCC's cash management;
 - its draw-down of grant-in-aid;
 - forecast outturn by resource headings;
 - other data required for the Online System for Central Accounting and Reporting (OSCAR) tool used by HM Treasury to monitor public sector budget, forecasts and spends; and
 - data as required in respect of its compliance with any Cabinet Office Controls pipelines or required to meet any condition as set out in any allocation letter.

34. Communication with the media

- 34.1. The CCC should:
- Decide on who should represent them to the media;
 - Establish rules of conduct on whether confidential and/or personal briefings given by members to interested parties are permitted; and
 - Ensure that the interaction with media of members of the Committee and the AC and their Secretariat is in line with the Civil Service Code of Conduct.
- 34.2. Such rules of conduct need not affect a member's freedom to represent their field of

expertise in a personal capacity. The Committee and AC's rules however should generally provide for members to make clear when they are not speaking in their capacity as members of either committee.

Audit

35. Internal audit

35.1. The CCC shall:

- Establish and maintain arrangements for internal audit in accordance with the Public Sector Internal Audit Standards (PSIAS) as adopted by HM Treasury²⁵
- 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. In this work, under the "Corporate governance in central government departments²⁶", the CCC should be supported by an internal audit service operating to Public Sector Internal Audit Standards;
- Nominate a person (not associated with the CCC), as the Head of Internal Audit to the Committee;
- Ensure the sponsoring bodies are satisfied with the competence and qualifications of the Head of Internal Audit and that the requirements for approving appointments in accordance with PSIAS have been met;
- Forward the audit strategy, periodic audit plans and annual audit report, including the Chief Executive's opinion on risk management, control and governance as soon as possible to the sponsoring bodies;
- Keep records of and forward to the sponsoring bodies an annual report on fraud and theft suffered by the CCC. Notify the sponsoring bodies of any unusual or major incidents as soon as possible; and
- Share with the sponsoring bodies 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 sponsoring bodies responsibilities in relation to financial systems within the CCC.

36. External audit

36.1. The Comptroller & Auditor General (C&AG) audits the CCC's annual accounts, and together with their report, these are laid before the UK Parliament by the DESNZ Secretary of State and before the devolved legislatures by the responsible national authorities.

36.2. In the event that the CCC has set up and controls subsidiary companies, the CCC 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 CCC shall discuss with the sponsoring bodies the procedures for appointing the C&AG as auditor of the companies.

36.3. The C&AG:

- Will consult DESNZ (as the lead sponsor) and the CCC on who – the National Audit Office (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 under the Government Resources and Accounts Act 2000;
- Will share with DESNZ 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 DESNZ's responsibilities in relation to financial systems within the CCC;
- Will consider, where asked, providing the sponsoring bodies with Regulatory Compliance Reports and other similar reports which the sponsoring bodies may request 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.

36.4. The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the CCC have used their resources in discharging their 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 CCC 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

37. Review of CCC's status

37.1. The CCC will be reviewed as part of the wider Public Bodies Reviews programme, at a time determined by the national authorities and their PAO. The date of the next review is due in 2023/24.

38. Arrangements in the event that the CCC is wound up

38.1. The sponsoring bodies shall put in place arrangements to ensure the orderly winding up of the CCC. In particular, they should ensure that the assets and liabilities of the CCC are passed on to any successor organisation or organisations and accounted for properly. (In the event that there is no successor organisation or organisations, the assets and liabilities should revert to the lead sponsor for distribution as appropriate amongst the sponsoring bodies). To achieve this, sponsoring bodies shall:

- have regard to the Cabinet Office guidance on winding up of Arm's Length Bodies (ALB)²⁷
- ensure that procedures are in place in the CCC 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 CCC'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 or her report on the accounts; and
- 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 sponsoring bodies inherit the role, responsibilities, assets and liabilities, the lead sponsor's AO should sign.

38.2. The CCC shall provide the sponsoring bodies with full details of all agreements in which the CCC or its successors have a right to share in the financial gain of developers. It should also pass to DESNZ details of any other forms of claw-back due to the CCC.

Annexes

Annex 1: Delegated financial authorities

Building on the delegated authorities section of this document, the table below lists specific delegations. This is not an exhaustive list. The CCC should consult the sponsoring bodies in advance on all potentially novel or contentious matters. If in doubt, the CCC should consult DESNZ as the lead sponsor before making any commitments.

Description / Item	Financial delegation
Projects within agreed programmes set out in the corporate plan.	£200k – based on whole life costs and subject to constraints in respect of novel and contentious items
Individual capital commitments within agreed budgets.	£100k – based on whole life costs
Individual contracts and other financial commitments (incl. leases).	£200k – based on whole life costs
Additions to the number of permanent staff (incl. long term contracts) above that agreed in the corporate plan	Above that agreed in the corporate plan, the CCC will ensure that any additional posts does not incur forward commitments which will exceed its ability to pay for them within their overall pay remit
Car purchases	None – contract hire only as per the relevant ESNZ or Defra terms and conditions
Gifts & hospitality	A written record should be kept of all gifts received or presented which provides a record of their actual or estimated value, and statement confirming whether they were disposed of or retained
Ex-gratia payments , including inter alia items such as: <ul style="list-style-type: none"> • Extra contractual compensation payments • Extra statutory payments • Extra regulatory payments and other such payments. 	No delegation
Special payments, losses and write-offs , such as: <ul style="list-style-type: none"> • Irrecoverable amounts • Cash losses • Bookkeeping losses • Overpayments • Fruitless payments • Constructive loss • Disposal of assets 	No delegation [under discussion with DESNZ CFO]
Irrecoverable amounts under insolvency provisions.	No delegation
Issue of indemnity or other form of guarantee	No delegation

Annex 2: Compliance with corporate governance guidance

Alongside the legislative requirements set out in this document, the CCC shall also comply with the following guidance, documents and instructions:

Corporate Governance

- This Framework document
- Corporate Governance Code for Central Government Departments (relevant to Arm's Length Bodies) and Supporting Guidance, www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017
- Code of Conduct for Board Members of Public Bodies, www.gov.uk/government/publications/board-members-of-public-bodies-code-of-conduct
- Code of Practice for Partnerships between Departments and Arms' Length Bodies, www.gov.uk/government/publications/partnerships-with-arms-length-bodies-code-of-good-practice

Financial Management and Reporting

- Managing Public Money (MPM), www.gov.uk/government/publications/managing-public-money
- Fees and Charges Guide, Chapter 6 of MPM, www.gov.uk/government/publications/managing-public-money
- Departmental Banking: A Manual for Government Departments, annex 5.6 of MPM, www.gov.uk/government/publications/managing-public-money
- Government Financial Reporting Manual (FReM) – updated annually, www.gov.uk/government/collections/government-financial-reporting-manual-frem
- Relevant Dear Accounting Officer (DAO) letters, www.gov.uk/government/collections/dao-letters
- Regularity, Propriety and Value for Money, www.gov.uk/government/publications/accounting-officers-appointed-by-hm-treasury-july-2013
- Other 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>

Management of risk

- Management of Risk, www.gov.uk/government/publications/orange-book
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
- Guidance on audit, risk assurance and fraud (see links at bottom of webpage), www.gov.uk/government/publications/accounting-officers-appointed-by-hm-treasury-july-2013

- 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-security-strategy-2016-to-2021
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/publications/cabinet-office-controls
- Transparency in Supply Chains – a practical guide, www.gov.uk/government/publications/transparency-in-supply-chains-a-practical-guide

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, www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees

Staff and remuneration

- Guidance on senior pay, www.gov.uk/government/publications/senior-civil-service-pay-and-reward
- Gifts and hospitality policy, <https://www.gov.uk/government/publications/ssro-gifts-and-hospitality-policy/gifts-and-hospitality-policy>
- 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
<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);
- Specific instructions and guidance issued to Partner Organisations by DESNZ;
- When working on devolved matters – relevant devolved legislation and guidance;
- Recommendations made by the Public Accounts Committee, or by other Parliamentary authority, that have been accepted by the Government and relevant to the CCC.
- 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 the CCC can contribute), www.gov.uk/government/publications/a-brilliant-civil-service-becoming-the-uks-most-inclusive-employer
- 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
www.gov.uk/government/publications/grants-standards
- Code of Practice for Official Statistics (although UKRI is not a producer of official statistics, the code may nevertheless be a useful guide), www.statisticsauthority.gov.uk/code-of-practice/
- Production of Accounting Officer System Statements (AOSS are produced by government departments with input from Partner Organisations), www.gov.uk/government/publications/accounting-officer-system-statements.
- UK General Data Protection Regulation (UK GDPR) <https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/>
- Environmental Information Regulations <https://ico.org.uk/for-organisations/guide-to-the-environmental-information-regulations/>

Annex 3: Endnotes

- ¹ <https://www.gov.uk/government/publications/managing-public-money-framework-documents>
- ² <https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017>
- ³ <https://www.gov.uk/government/collections/functional-standards>
- ⁴ Responsible national authorities are: Scottish Ministers, Welsh Ministers, relevant Northern Ireland department, DESNZ and Defra (or future equivalent) Secretaries of State.
- ⁵ Also known as delegation letter
- ⁶ <https://www.ombudsman.org.uk/about-us/our-principles/principles-good-complaint-handling>
- ⁷ <https://www.gov.uk/government/publications/government-financial-reporting-manual-2021-22>
- ⁸ <https://www.gov.uk/government/publications/orange-book>
- ⁹ <https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies>
- ¹⁰ <https://www.gov.uk/government/publications/the-7-principles-of-public-life>
- ¹¹ <https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments>
- ¹² <https://www.gov.uk/government/publications/public-bodies-non-executive-director-principles/12-principles-of-governance-for-all-public-body-neds>
- ¹³ https://www.theccc.org.uk/wp-content/uploads/2022/11/CCC-Gifts-and-Hospitality-Register_Nov-22.xlsx
- ¹⁴ <https://www.gov.uk/government/publications/commercial-operating-standards-for-government>
- ¹⁵ <https://www.gov.uk/government/publications/grants-standards>
- ¹⁶ <https://www.gov.uk/government/publications/orange-book>
- ¹⁷ <https://www.gov.uk/government/publications/government-functional-standard-govs-013-counter-fraud>
- ¹⁸ <https://www.gov.uk/government/publications/government-functional-standard-govs-013-counter-fraud>
- ¹⁹ <https://www.theccc.org.uk/publication/equality-diversity-and-inclusion/#introduction>
- ²⁰ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/80082/Public_BodiesGuide2006_5_public_body_staffv2_0.pdf
- ²¹ <https://www.gov.uk/government/publications/civil-servants-terms-and-conditions>
- ²² <https://www.gov.uk/government/publications/civil-service-pay-remit-guidance-202122>
- ²³ <https://www.gov.uk/government/publications/senior-civil-service-pay-and-reward>
- ²⁴ <https://www.gov.uk/government/publications/public-sector-pay-and-terms-guidance-note>
- ²⁵ <https://www.gov.uk/government/publications/public-sector-internal-audit-standards>
- ²⁶ <https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017>
- ²⁷ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690952/Public_Bodies_-_a_guide_for_departments_-_chapter_10.pdf