

FRAMEWORK DOCUMENT

**between
The Child Maintenance and Enforcement Commission
and
The Department for Work and Pensions**

EFFECTIVE FROM 24th JULY 2008

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1. INTRODUCTION

- 1.1. This Framework Document has been drawn up by the Department for Work and Pensions (the Department) and the Child Maintenance & Enforcement Commission (the Commission). This Document sets out the broad framework within which the Commission will operate. The document does not convey any legal powers or responsibilities. It is signed and dated by the Department and the Commission. Copies of the Document and any subsequent amendments have been placed in the Libraries of both Houses of Parliament and will be made available to members of the public on the Commission's website.
- 1.2. This Framework Document will be reviewed formally at least every three years by the Department, in consultation with the Commission. However, the Commission or the Department may propose amendments to this Document at any time. Any variations to the provisions of the Document shall be made with the agreement of the Department and the Commission, involving HM Treasury as necessary.
- 1.3. For policy/administrative purposes, the Commission is classified as a Crown Non-Departmental Public Body (NDPB).

2. Purpose of the Commission

- 2.1. The Commission was established as a corporate body and Crown body under the Child Maintenance and Other Payments Act 2008 (the 2008 Act). Its main statutory objective is to:
 - maximise the number of those children who live apart from one or both of their parents, for whom effective maintenance arrangements are in place.
- 2.2. Its main objective is supported by the following subsidiary objectives:
 - to encourage and support the making and keeping by parents of appropriate voluntary maintenance arrangements for their children;
 - to support the making of applications for child support maintenance under the Child Support Act 1991 (c. 48) and to secure compliance when appropriate with parental obligations under that Act.

3. Governance and accountability

3.1. Ministerial responsibility

3.1.1. The Secretary of State for Work and Pensions will be accountable to Parliament for the activities and performance of the Commission. The responsibilities of the Secretary of State include:

- approving the policy and performance framework within which the Commission will operate. This includes setting the Commission's annual performance targets;
- providing information about Government policy and legislation in respect of the Commission to Parliament; and
- responsibilities specified in the 2008 Act.

3.2. Responsibilities of the Principal Accounting Officer

3.2.1. The Permanent Secretary, as the Department's Principal Accounting Officer is responsible for the overall organisation, management and staffing of the Department and for ensuring that there is a high standard of financial management in the Department as a whole. The Principal Accounting Officer is accountable to Parliament for the issue of any funds from the Department to the Commission. The Principal Accounting Officer will normally designate the Commissioner for Child Maintenance (the Commissioner) as the Commission's Accounting Officer.

3.2.2. The Principal Accounting Officer is responsible for advising the Secretary of State:

- on an appropriate framework of objectives and targets for the Commission in light of the Department's wider strategic aims, current Public Service Agreements, and Departmental Strategic Objectives;
- on an appropriate budget for the Commission; and
- on how well the Commission is achieving its objectives and whether it is delivering value for money.

3.2.3. The Principal Accounting Officer is also responsible for ensuring that arrangements are in place in order to:

- monitor the Commission's activities;

- address any significant problems which may arise in the Commission, making such interventions as are judged necessary;
- periodically carry out an assessment of the risks both to the Department and the Commission's objectives and activities;
- inform the Commission of relevant government policy in a timely manner; and
- bring any concerns which he or the Secretary of State may have about the activities of the Commission to its Board; requiring explanations and assurances that appropriate action is being taken.

3.3. Responsibilities of the Departmental Sponsor

3.3.1. The Principal Accounting Officer will be supported in exercising the responsibilities cited above by a Departmental Sponsor. The Sponsor is the senior official designated by the Principal Accounting Officer as being responsible for the sponsorship of the Commission. The Sponsor supports the Principal Accounting Officer, is the primary source of advice to the Secretary of State on the discharge of his/her responsibilities in respect of the Commission, and the primary point of contact for the Commission in dealing with the Department. The Sponsor will also represent and promote the interests of the Commission and ensure that the Department supports the Commission in the delivery of its objectives and functions.

3.4. Responsibilities of the Commissioner for Child Maintenance

Responsibilities as Accounting Officer

3.4.1. As Accounting Officer, the Commissioner is personally responsible for safeguarding the public funds for which he/she has charge; for ensuring propriety and regularity in the handling of those public funds, and for the day-to-day operations and management of the Commission. In addition he/she should ensure that the Commission 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 Managing Public Money.

Responsibilities to Parliament

3.4.2. The Commissioner's responsibilities include:

- signing the Commission's accounts, ensuring that proper records are kept relating to the accounts, and that the accounts are properly prepared and

presented in accordance with any directions issued by the Secretary of State;

- signing a Statement of Accounting Officer's responsibilities, for inclusion in the annual report and accounts;
- signing a Statement of Internal Control, setting out the key challenges and opportunities facing the Commission, for inclusion in the annual report and accounts;
- ensuring that effective procedures for handling complaints about the Commission are established and made widely known;
- acting in accordance with the terms of this Document, and other instructions and guidance issued from time to time by the Department, HM Treasury and the Cabinet Office; and
- giving evidence, normally with the Principal Accounting Officer, when summoned before the Public Accounts Committee on the Commission's stewardship of public funds.

Responsibilities to the Department

3.4.3. The Commissioner's responsibilities to the Department include:

- establishing, in agreement with the Department, the Commission's corporate and business plans; and
- informing the Department of progress in achieving agreed objectives and targets; and
- ensuring that timely forecasts and monitoring information on performance and finance are provided to the Department; that the Department is notified promptly if overspends or underspends are anticipated and what corrective action has been or will be taken; and that any significant problems, whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the Department in a timely fashion.

Responsibilities to the Board

3.4.4. The Commissioner is responsible for:

- advising the Board on the discharge of its responsibilities as set out in this Document, in the founding legislation, and in any other relevant instructions and guidance that may be issued from time to time;
- advising the Board on the Commission's performance;
- ensuring that financial considerations are taken fully into account by the Board at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed; and
- taking action as set out in Managing Public Money if he or she believes that the Board, or its Chair, is contemplating a course of action involving a transaction which the Commissioner considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration, efficiency or effectiveness, questionable feasibility, or is unethical.

3.5. Responsibilities of the Board¹

3.5.1. The Board should satisfy itself that effective arrangements are in place to secure assurance on risk management, governance, and internal control. It is specifically responsible for:

¹ The term 'Board' is used to refer to the Commission members meeting together as the governing body of the organisation.

- establishing and taking forward the strategic aims of the Commission, consistent with its overall statutory objectives;
- overseeing the production of the Commission's Corporate Plan;
- providing policy advice to the Secretary of State in relation to the child maintenance system including relevant primary and secondary legislation, which reflects cost, value for money and impact on wider government objectives;
- ensuring that the Secretary of State is kept informed of any changes which are likely to impact on the strategic direction of the Commission or on the attainability of its targets, and determining the steps needed to deal with such changes;
- securing assurance that any statutory or administrative requirements for the use of public funds are complied with; that the Board operates within the limits of its statutory authority and any delegated authority agreed with the Department, and in accordance with any other conditions relating to the use of public funds and that, in reaching decisions, the Board takes into account guidance issued by the DWP and complies with any statutory Direction given by the Secretary of State²;
- reviewing regular financial information concerning the management of the Commission and providing positive assurance to the Department that appropriate action has been taken on such concerns; and
- establishing a non-executive functions committee in accordance with Schedule 1, Paragraph 20, (1) of The Child Maintenance and Other Payments Act 2008, and through this an effective Audit Committee.

3.6. Individual responsibilities of the Chair

3.6.1. The Chair is responsible to the Secretary of State. Communications between the Commission's Board and the Secretary of State should usually be through the Chair. He or she chairs the Board of the Commission and is responsible for ensuring that the Commission's policies and actions support the wider policies of the Secretary of State and that its affairs are conducted with probity. Where appropriate, these policies and actions should be clearly communicated and disseminated throughout the Commission.

² The power of direction enables the Secretary of State to instruct the Commission to take a particular course of action; the Commission must comply with any Direction provided. The power of guidance enables the Secretary of State to set basic principles or guidelines for the Commission to follow however, unlike the power of Direction, the Commission need only give consideration to guidance rather than follow it verbatim. Any Direction or Guidance must be in writing.

3.6.2. In addition, the Chair has the following responsibilities:

- ensuring that the Commission fulfils the functions set out in the Child Maintenance and Other Payments Act 2008;
- encouraging high standards of propriety and promoting the efficient and effective use of resources;
- ensuring that the Board takes proper account of guidance provided through statute by the Secretary of State and complies with any statutory Direction;
- advising the Secretary of State as to the terms, conditions, and remuneration payable to non-executive members;
- appointing one of the non-executive directors to act as his or her deputy; and
- representing the views of the Board to Ministers and to the general public.

3.6.3. The Chair also has an obligation to ensure that:

- the work of the Board and its members is reviewed and that it is working effectively;
- the Board has a balance of skills appropriate to directing the Commission's business;
- Board members are fully briefed on terms of appointment, duties, rights and responsibilities;
- he or she, together with the other Board members, receives 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 Commission's needs when Board vacancies arise;
- he or she assesses the performance of individual Board members when being considered for re-appointment; and
- there is a Code of Practice for Board members in place consistent with the Cabinet Office model code.

3.7. Individual responsibilities of Board members

3.7.1. Individual Board members should:

- act in good faith and in the best interests of the Commission;
- comply at all times with the Code of Practice adopted by the Commission and with the rules relating to the use of public funds and to conflicts of interest; and
- not misuse information gained in the course of their public service for any reason, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations.

3.8. Policy Responsibilities

The Child Maintenance and Enforcement Commission

3.8.1. The Commission has responsibility for the day-to-day running of the child maintenance system within the parameters set in statute and in this Document, including all areas of the Child Support Act 1991 and the Child Maintenance and Other Payments Act 2008 not reserved for the Department (see paragraph 3.8.6). Legislative responsibility, however, remains with the Secretary of State.

3.8.2. In order to allow the Secretary of State to fulfil his accountability to Parliament, and to support an effective decision making process, the Commission will ensure that Ministers are informed at an early stage of:

- all policy proposals that are likely to require new primary or secondary legislation, that would require additional expenditure above agreed allocations, or that could detract from the Commission's ability to fulfil its commitments under the agreed performance framework; and
- any changes to the policy proposals outlined in the White Paper and during the passage of the 2008 Act, including Ministerial commitments made and recorded in Hansard, and any changes to the timescale for their implementation.

3.8.3. The Commission will also provide advice to Ministers on the development of supporting operational policy. It will sight Ministers on any 'novel and contentious' proposals at an early stage, particularly on any such proposals likely to involve staff exits. In addition, reflecting the crucial role of targets, it will alert Ministers at the earliest possible moment, to any targets that stand the risk of being missed.

3.8.4. The Commission will be responsible for making decisions on day-to-day issues, informing Ministers as necessary. This includes

- operational issues in relation to the current schemes.
- the interface with the rest of government and external stakeholders on day-to-day child maintenance issues;
- communication plans;
- development and publication of research and statistics; and
- the treatment of individual cases, in particular where the Commission has to exercise discretion under the 1991 Child Support Act. This also includes the referral to the Commissioner by Ministers of any Ministerial correspondence received on individual Child Maintenance cases.

Department for Work and Pensions

3.8.5. The Commission has statutory responsibility for most of the child maintenance system. The Department, however, will be responsible for giving Ministers strategic advice on the overall child maintenance system and on the performance of the new organisation against its objectives. Areas where the Department is responsible for providing advice to Ministers include:

- Sections 1-3 and 9-11 of the Act;
- the interface between child maintenance and wider, cross-government, policy; and
- proposals for fundamental reform of the child maintenance system.

3.8.6. The Department will ensure that the Commission is fully informed about relevant DWP and wider Government policy initiatives, bringing to its attention any synergies and conflicts with the child maintenance system. It will also ensure that the Commission receives such Departmental information and data as is required to enable it to deliver its functions effectively and efficiently.

3.9. Annual Report and Accounts

3.9.1. The Commission must publish an annual report of its activities together with its audited accounts after the end of each financial year. The Commission will provide to the Department its finalised (audited) accounts

each year in sufficient time to let the Department meet its external reporting requirements and no later than 31st August.

3.9.2. The Annual Report and Accounts must:

- cover any corporate, subsidiary, or joint ventures under its control;
- outline the main activities and performance during the previous financial year and set out in summary form forward plans; and
- comply with the relevant Treasury accounting guidance.

3.9.3. 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 dates for laying the report and accounts before Parliament and publication will be agreed between the Department and the Board, in line with statutory requirements and any relevant HM Treasury deadlines. A draft of the report will be submitted to the Department with sufficient time for the report to be reviewed before the agreed publication date.

3.9.4. The Commission will have three separate accounts directions in relation to its;

- administration accounts;
- client funds accounts for existing schemes; and
- client funds accounts for the future statutory maintenance scheme, to be issued prior to the first year of the new statutory maintenance arrangements.

3.10. Internal audit

3.10.1. The Commission will:

- establish and maintain arrangements for internal audit in accordance with HM Treasury's Government Internal Audit Standards;
- ensure the Department is satisfied with the competence and qualifications of the Head of Internal Audit and the requirements for approving appointments in accordance with these standards;
- set up an Audit Committee of its Board in accordance with the Cabinet Office's Guidance on Code of Practice for Public Bodies, HM Treasury's Audit Committee Handbook and the 2008 Act;

- keep records of, and prepare and forward to the Department an annual report on fraud and theft suffered by the Commission and notify the Department of any unusual or major incidents as soon as possible; and
- forward its audit strategy, periodic audit plans and annual reports, control and governance as soon as practicable to the Department.

3.10.2. The Commission will provide access to any records and/or personnel when required by the Department for any reasonable purpose. The Department's Risk Assurance Division has a right of access to all documents prepared by the Commission's internal auditor, including where the service is contracted out.

3.11. External audit

3.11.1. The Comptroller and Auditor General (C&AG) audits the Commission's annual accounts. For the purpose of audit, the C&AG has a statutory right of access to relevant documents as provided for in the Government Resources and Accounts Act 2000, including by virtue of any Order made under that Act. All National Audit Office letters and the Commissioner's replies will be copied to the Department.

4. Management and financial responsibilities

4.1. Managing Public Money and other government-wide corporate guidance and instructions

4.1.1. Unless agreed by the Department and, as necessary, HM Treasury, the Commission shall follow the principles, rules, guidance and advice in Managing Public Money, and the other guidance listed in Appendix 2.

4.1.2. The Commission has been established as a Crown Non Departmental Public Body. As such it is eligible for refunds of VAT on certain contracted out services under Section 41(3) of the Value Added Tax Act 1994, subject to HM Treasury approval.

4.1.3. Once the Commission's budget has been approved and subject to any conditions imposed by the Department or the Secretary of State, the Commission will have authority to incur expenditure approved in the budget without further reference to the Department, on the following conditions:

- the Commission will comply with the delegations set out in Appendix 1;

- the Commission will consult with the Department and Ministers at an early stage on any novel, contentious or repercussive proposals, including any proposed staff exits;
- the Commission will not undertake activity that does not relate to its statutory objectives and functions; and
- the Commission will provide the Department with such information about its operations, performance, individual projects or other expenditure as the Department may reasonably require to meet its external reporting obligations.

4.2. Corporate governance - Board appointments³

- 4.2.1 The Commission's Chair is appointed by the Secretary of State for a period of four years, with the possibility of an extension for one further term.
- 4.2.2 The non-executive directors of the Commission are appointed by the Commission's Chair with the approval of the Secretary of State.
- 4.2.3 The executive directors of the Commission are to be appointed by the Board with the approval of the Secretary of State.
- 4.2.4 The first appointment of the Commissioner is the responsibility of the Secretary of State in consultation with the Chair. Subsequent appointments of the Commissioner are the responsibility of the Board with the approval of the Secretary of State.

4.3. Risk management

- 4.3.1. The Commission will 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 will develop a risk management strategy to ensure that appropriate systems are in place to identify, manage and report risks. It will adopt and implement policies and practices to safeguard itself against fraud and theft, and take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter into a contract or to give grant or grant-in-aid.

³ In accordance with the 2008 Act, the Board will consist of a Chair, the Commissioner; one or more executive members; and two or more independent non-executive members. The Board must always have more non-executive members than executive members.

4.4. Corporate and business plans

- 4.4.1. The Commission will provide annually to the Department a draft of its corporate plan covering at least three years ahead, to an agreed timetable. The Commission will agree with the Department the issues to be addressed in the plan and the timetable for its preparation. The plan will reflect the Commission's statutory duties and, within those duties, the priorities set by the Secretary of State.
- 4.4.2. The first year of the corporate plan, amplified as necessary, will form the business plan. The annual business plan will be updated to include key targets and milestones for the financial year immediately ahead. This will be supported by budgeting information so that resources allocated to achieve specific objectives can readily be identified by the Department.
- 4.4.3. For the financial year 2008-2009 the Commission will provide a business plan covering the remainder of the year at the time of vesting and will prepare a corporate plan during the following six months.

4.5. Budgetary procedures

- 4.5.1. Before the start of each financial year, and in the light of discussions between the Department and the Commission on its updated draft corporate plan and annual business plan, the Department will send to the Commission:
- a formal statement of the annual budgetary provision allocated by the Department to the Commission in the light of competing priorities across the Department and of any forecast income approved by the Department;
 - a statement of any planned change in policies affecting the Commission; and
 - forthcoming continuous three-year planning requirements to contribute to Spending and Departmental reviews.
- 4.5.2. The annual business plan will take account both of approved funding provision 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 business plan for the year in question.
- 4.5.3. Subject to any commercial considerations, the corporate and business plans should be published by the Commission.

4.5.4. In normal circumstances, the Commission will be able to carry forward unspent funding into later financial years as 'End of Year Flexibility' (EYF). Take up of EYF is subject to Departmental and HM Treasury approval.

4.5.5. Upon vesting the Department will send to the Commission a statement of the budgetary provision for the remainder of the SR07 period ending 31st March 2011.

4.5.6. Approved funding will be provided as a single allocation to the Commission, which will be free to deploy it as it sees fit subject to any restrictions imposed by Managing Public Money, this Document, or Ministers.

4.6. Voted funds

4.6.1. Any funding provided by the Department for the year in question will be voted in the Department's Supply Estimate and will be subject to HM Treasury and Parliamentary control. Indicative funding will be allocated for the relevant three-year Spending Review period.

4.6.2. Funding will be paid in single monthly instalments on the first working day of each month, or on a more regular basis based on written applications showing evidence of need. The Commission will comply with the general principle that there is no payment in advance of need. Cash balances accumulated during the course of the year will be kept to a minimum level consistent with the efficient operation of the Commission. Subject to approval by Parliament of the relevant Estimates provision, where funding is delayed to avoid excess cash balances at the year-end, the Department will make available in the next financial year any such funding that is required to meet any liabilities at the year end, such as to creditors.

4.7. Reporting performance to the Department

4.7.1. The Commission will 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 its agreed corporate and business plans. The Commission will inform the Department of any changes that make achievement of objectives more or less difficult. The Commission's performance will be formally reviewed by the Department twice a year. The responsible Minister will meet the Chair and Commissioner on a quarterly basis.

4.7.2. As a minimum, the Commission will provide financial and non-financial information, in line with the Department's external reporting timetable, to enable the Department satisfactorily to monitor:

- Its cash management;
- forecast outturn by resource headings, clearly distinguishing between recurrent and non-recurrent costs; and
- other data required for its Combined On-line Information System.

4.8. Delegated Authorities

4.8.1. The Commission's delegated authorities are set out in Appendix 1. The Commission will obtain the Department'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 Commission's annual budget as approved by the Department and within HM Treasury delegated authorities;
- incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications for which there is no approved funding;
- making any change of policy or practice which has wider financial implications (e.g. because it might prove repercussive to the Department or other public sector bodies) 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 Managing Public Money.

4.9. The Commission's staff

4.9.1. Within the arrangements approved by the Secretary of State and HM Treasury, and in line with the Civil Service Management Code, the Commission will have responsibility for the recruitment, retention and motivation of its staff. The Commission will ensure that in its responsibilities to its staff, it complies with the Civil Service Management Code, and that a code of conduct for staff is in place based on the Civil Service Code.

Staff costs

4.9.2. Subject to its delegated authorities, the Commission will 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

4.9.3. In accordance with the Civil Service pay guidance issued by HM Treasury, the pay remit of the Commission's staff will be approved by the Secretary of State and by the Chief Secretary to the Treasury.

4.9.4. The terms and conditions of the Commission's staff will be in accordance with the Civil Service Management Code except where prior approval has been given by the Department. These terms and conditions will be set out in an Employee Handbook, which should be provided to the Department together with subsequent amendments.

4.9.5. The travel expenses of Board members will be tied to the rates allowed to senior staff of the Commission. Reasonable actual costs will be reimbursed.

4.9.6. The Commission comply with the EU Directive on contract workers – the Fixed-Term Employees (Prevention of Less Favourable Treatment) Regulations.

Pensions, redundancy and compensation

4.9.7. The Commission's staff will have access to a pension provided by the Principal Civil Service Pension Scheme. Staff may opt out of the occupational pension scheme provided by the Commission, but the employers' contribution to any personal pension arrangement, (including stakeholder pension) shall normally be limited to the national insurance rebate level.

4.9.8. Any proposal by the Commission to move from its existing pension arrangements, or to pay any redundancy or compensation for loss of office, will require the prior approval of the Department. Proposals on severance must comply with the rules in chapter 4 of Managing Public Money.

5. Status of the Commission

5.1. Review of Crown and of NDPB status

5.1.1. The 2008 Act provides that the Crown status of the Commission will be reviewed three years beginning with the day on which section 13 comes into force, and thereafter as considered appropriate, by the Secretary of State. A report of any review must be prepared. The Secretary of State must lay a copy of the report before Parliament.

5.1.2. The NDPB status of the Commission will be reviewed at least every five years. The Department will give the Commission due notice of such a review.

5.2. Arrangements in the event that the Commission is wound up

5.2.1. In the event of a decision to wind up the Commission, the Department will put in place arrangements to ensure that this takes place in an orderly manner. In particular it will ensure that the assets and liabilities of the Commission are passed to any successor organisation and accounted for properly. In the event that there is no successor organisation, the assets and liabilities will revert to the Department. To this end, the Department will:

- ensure that procedures are in place in the Commission 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 Commission's assets and liabilities;
- ensure that arrangements are in place to prepare and pass closing accounts to the C&AG for external audit, and that funds are in place to pay for such audits. It shall be for the C&AG to lay the final accounts in Parliament, together with his or her report on the accounts; and
- arrange for the most appropriate person to sign the closing accounts. In the event that another arms-length body takes on the Commission's role, responsibilities, assets and liabilities, the succeeding body's Accounting Officer should sign the closing accounts. In the event that the Department inherits the role, responsibilities, assets and liabilities, the Principal Accounting Officer should sign the accounts.

5.2.2. The Commission will provide the Department with full details of any agreements where it or its successors have a right to share in the financial

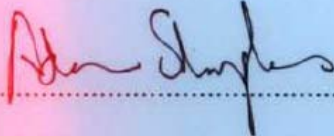
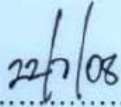

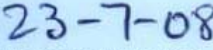

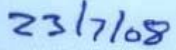
gains of developers. It will also pass to the Department details of any other forms of claw-back due to the Commission.

6. LIST OF APPENDICES TO THE FRAMEWORK DOCUMENT

Appendix 1 - List of delegated authorities

Appendix 2 - List of government-wide corporate guidance instructions

Appendix 3 - Glossary/Definitions

	
Director General, Work, Welfare and Equality Group	Date
	
Chair, Child Maintenance and Enforcement Commission	Date
	
Commissioner, Child Maintenance and Enforcement Commission	Date

Appendix 1: Financial Delegations

Once the Commission's budget has been approved by the Department (and subject to any restrictions imposed by Statute/the Department/this Document/Managing Public Money), the Commission shall have delegated authority to incur expenditure approved in the budget without further reference to the Department, subject to the following expenditure areas:

Description	Amount
Capital DEL	
Capital expenditure	£25m
Resource DEL	
The Commission has full delegated authority to incur administration and programmes expenditure subject to the requirements of Managing Public Money and the specific areas mentioned in these delegated authorities.	
Projects	
Any individual project outside the scope of the agreed business case	£50m
Any project outside the scope of the agreed business case, with an ongoing annual cost above	£10m
Ex-gratia payments:	
The Commission has full delegated authority to make special 'ex-gratia' payments arising from misdirection or official error, other than in cases with financial repercussions beyond the Commission. Unless otherwise agreed, such payments will be made from within the Commission's DEL allocation.	

These delegated authorities are in addition to, and do not replace, the requirements set out in Managing Public Money. In particular, the Commission cannot incur expenditure for any purpose which is or might be considered novel or contentious, or be repercussive, without HM Treasury approval. The Commission shall obtain the agreement of the Sponsorship Team prior to approaching HM Treasury.

These delegated authorities may be varied or accompanied by specific spending controls established in the course of individual spending reviews. The Sponsorship Team will advise the Commission of any such variations.

Appendix 2: Compliance with government-wide corporate guidance and instructions

The Commission shall comply with the following general guidance documents and instructions:

- This Framework Document;
- Appropriate adaptations of sections of Corporate Governance in Central Government Departments: Code of Good Practice available on HMT website;
- Managing Public Money, issued by HM Treasury;
- The Green Book – Financial Appraisal and Evaluation in Central Government
- [International] Financial Reporting Manual ([i]FRem), issued by HMT;
- Government Internal Audit Standards, issued by HMT;
- Management of Risk: Principles and Concepts: issued by HMT;
- Managing the Risk of Fraud, issued by HMT;
- Relevant Dear Accounting Officer (DAO) letters;
- Regularity, Propriety and Value for Money, issued by HMT;
- The Parliamentary Ombudsman’s Principles of Good Administration;
- The Consolidation Officer Memorandum, issued by HMT;
- Relevant Dear Consolidation Officer letters;
- Relevant guidance and instructions issued by the Ministry of Justice on the Freedom of Information Act;
- The Civil Service Management Code;
- Other relevant guidance and instructions issued by HMT in respect of Whole of Government Accounts;
- Other relevant instructions and guidance issued by the central departments;
- Specific instructions and guidance issued by the Department;
- Recommendations made by the Public Accounts Committee, or by other Parliamentary authority, that have been accepted by the Government and relevant to the Commission.

Appendix 3: Glossary/definitions

In this Framework Document, the following definitions apply:

Accounting Officer	A person appointed by HM Treasury or designated by the Department to be accountable for the operations of an organisation and the preparation of its accounts
Accounts Direction	Direction issued setting out the accounts which a body must prepare, and the form and content of those accounts
Audit Committee	A Committee of the board to support the Board) in monitoring the corporate governance and control systems in the Commission.
Board	The Board of the Child Maintenance and Enforcement Commission; consisting of the Chair, the Commissioner, the Executive Directors and the Non-Executive Directors.
Commission	The corporate body established in the Child Maintenance and Other Payments Act 2008
Commissioner	The Commissioner for Child Maintenance
Spending Review	A cross-Government review of departmental aims, objectives and budgets to find the best way of delivering Government's objectives, which sets DEL for a three year period.
Comptroller and Auditor General (C&AG)	The Head of the National Audit Office
Consolidated Online Information System (COINS) database	A Treasury database holding departmental (including NDPB) public expenditure data (outturn and plans) for a run of years.
Dear Accounting Officer (DAO) Letters	Letters sent to Accounting Officers by HM Treasury. DAOs are used to provide specific advice on issues of accountability, regularity and propriety and annual accounting exercises. These are used to supplement guidance published in MPM and FreM.
Departmental Expenditure Limit (DEL)	Budget for expenditure classed as being within the Department's direct control and which can managed within fixed, three-year limits
Department	The Department for Work and Pensions
Departmental Sponsor	The senior official designated by the Secretary of State as being responsible for the sponsorship of the Commission
Departmental Strategic Objectives (DSO's)	Departmental objectives agreed as part of the performance framework for the 2007 Comprehensive Spending Review
DWP	Department for Work and Pensions
End-Year Flexibility	a mechanism whereby departments, their agencies and NDPBs are allowed to carry forward unspent DEL provision into later years
Estimates	Statement of how much resource the Department needs in the coming financial year and for what purposes by which Parliamentary authority for expenditure is sought
Government Financial Reporting Manual (FReM)	A technical accounting guide published by HM Treasury in consultation with the Financial Reporting Advisory Board, that complements guidance on the handling of public funds published separately by the relevant authorities.
Government Internal	Government Internal Audit Standards define the way in which an

Audit Standards (GIAS)	internal audit function should be established
International Financial Reporting Manual (IFReM)	A version of the FReM which reflects international financial reporting standards (IFRS). The resource accounts of central government departments and entities in the wider public sector will be produced using IFRS, as interpreted for the public sector in the IFReM, from 2009-10.
Main Estimate	Statement of the resource needed by a Department in a financial year, for which Parliamentary authority is sought
Managing Public Money (MPM)	An HM Treasury document setting out the main principles for dealing with resources used by public sector organisations in the UK. Parliament expects departments and public servants to follow the guidance and principles in MPM.
National Audit Office (NAO)	Office of the Comptroller and Auditor General, which audits resource accounts of government bodies and carries out value for money inspections within the bodies it audits.
Non Departmental Public Bodies (NDPBs)	Public bodies that have a role in the process of central government but which are not government departments or part of one, and which operate to a greater or lesser extent at arm's length from Ministers.
Office of National Statistics (ONS)	The Government Department responsible for collecting and publishing official statistics about the UK's society and economy
Principal Accounting Officer (PAO)	The Treasury appoints the permanent head of each central government Department (the Permanent Secretary) to be its Accounting Officer. Where there are several Accounting Officers in a Department, the permanent head is the Principal Accounting Officer.
Public Accounts Committee (PAC)	Committee of the House of Commons which examines the accounting, regularity and propriety of Government expenditure. It also examines economy, efficiency and effectiveness
Public Service Agreements (PSAs)	Set out what the public can expect the Government to deliver with its resources
Request for Resources (RfR)	The functional level into which Departmental Estimate is split
Spending Review	Sets out the key improvements in public services that the public can expect over a given period. It includes a thorough review of departmental aims and objectives to find the best way of delivering the Government's objectives, and results in the allocation of three-year Departmental Expenditure Limits (DELs).
Supplementary Estimates	Statements of additional resource needed by a Department a financial year, for which Parliamentary authority is sought
Whole of Government Accounts	Set of accounts required under section 9 of the Government, Resources and Accounts Act 2000 to be prepared by HM Treasury for a group of bodies which appear to HM Treasury to (a) exercise functions of a public nature or (b) to be substantially funded by public money

