



Department
for Environment,
Food & Rural Affairs



Centre for Environment
Fisheries and Aquaculture
Science

Corporate report

Cefas framework document

Updated 25 January 2023

**This was published under the 2019 to 2022 Johnson
Conservative government**

Contents

Introduction and background

Purposes, aims and duties

Role of the department

Cefas governance and structure

Management and financial responsibilities and controls

Business plans financial reporting and management information

Audit

Reviews and winding up arrangements

Signatures

Annex A



© Crown copyright 2023

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gov.uk.

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

This publication is available at <https://www.gov.uk/government/publications/cefas-framework-document/cefas-framework-document>

Introduction and background

1. Purpose of document

1.1 This Framework Document (the “Framework Document”) has been agreed between the Department for Environment Food and Rural Affairs (Defra) and the Centre for Environment, Fisheries and Aquaculture Science (Cefas) in accordance with HM Treasury’s handbook Managing Public Money (“MPM”) (as updated from time to time) and has been approved by HM Treasury.

1.2 The Framework Document sets out the broad governance framework within which Cefas and Defra operate. It sets out Cefas’ core responsibilities; describes the governance and accountability framework that applies between the roles of Defra and Cefas; and sets out how the day-to-day relationship works in practice, including in relation to governance and financial matters. Cefas and Defra, as the sponsor department, will ensure that they understand each other’s strategic priorities and those of other relevant parties, agree plans that reflect these appropriately, and keep each other informed, in good time, of risks and issues with the potential to affect delivery or performance.

1.3 The Framework Document does not convey any legal powers or responsibilities but both parties agree to operate within its terms.

1.4 References to Cefas include all its subsidiaries and joint ventures that are classified to the public sector and central government for national accounts purposes. If Cefas establishes a subsidiary or joint venture, there shall be a document setting out the arrangements between it and Cefas agreed with Defra.

1.5 Copies of the Framework Document and any subsequent amendments have been placed in the Libraries of both Houses of Parliament and made available to members of the public on the Cefas website <https://www.cefas.co.uk>.

1.6 This Framework Document should be reviewed and updated at least every 3 years unless there are exceptional reasons that render this inappropriate that have been agreed with HM Treasury and the Principal Accounting Officer of the sponsor department. The latest date for review and updating of this document is March 2025.

2. Objectives – working as Defra Group

2.1 The Defra group Outcome Delivery Plan shows how the diverse range of outcomes and activities across the group contribute to Defra's priority outcomes and strategic enablers. All of Defra's public bodies, regardless of their role and positioning, act together on a shared agenda in contributing to the single vision of improving and protecting our environment by making our air purer, our water cleaner, our land greener and our food more sustainable.

2.2. Cefas delivers objectives on behalf of Defra. To achieve this Cefas and Defra will work together in recognition of each other's roles and areas of expertise, providing an effective environment for Cefas to achieve the outcomes through the promotion of partnership and trust and ensuring that Cefas also supports the strategic aims and objectives of Defra and the wider government as a whole. Both partners will also commit to keeping each other informed of any significant issues and concerns. The terms of engagement are set out in this document, including a description of the meetings that will take place and how any disputes between the department and Cefas will be resolved.

2.3. As an executive agency within Defra, Cefas supports the achievement of the Departmental Outcome Delivery Plan primarily contributing to key components of:

- Priority Outcome 1: Environment- Improve the environment through cleaner air and water, minimised waste, and thriving plants and terrestrial and marine wildlife; and
- Priority Outcome 4: Agriculture, food, fisheries, animal welfare and biosecurity - Increase the sustainability, productivity and resilience of the agriculture, fishing, food and drink sectors, enhance biosecurity at the border and raise animal welfare standards.

In addition, Cefas provides support to Defra in achieving wider outcomes in their plan, particularly within:

- Priority Outcome 3: Floods, resilience and climate adaptation
- Reduce the likelihood and impact of flooding and coastal erosion on people, businesses, communities and the environment;
- Department Outcome 5: Strengthening the union and international
- Promote a green, fair and resilient UK and global recovery, halt and reverse global declines in biodiversity, mitigate and adapt to climate change, implement One Health, help ensure the UK has an effective border, and contribute to a strengthened and prosperous union.

Cefas also plays an important role in delivering functions and activities that support other Government Departments (notably the Foreign Commonwealth and Development Office; Ministry of Defence, Food

Standards Agency and UK Health Security Agency) both in the UK and overseas.

3. Classification

3.1 Cefas has been/is intended/expected to be classified as a central government organisation by the ONS/HM Treasury Classifications team.

3.2 It has been administratively classified by the Cabinet Office as an executive agency.

Purposes, aims and duties

4. Purposes

4.1. Cefas was created in 1997 as an Executive Agency of Defra to provide scientific advice and fulfil the functions of the Secretary of State for Defra.

Cefas delivers core work for Defra covering: the safeguarding of human and animal health, providing safe and sustainable seafood; enabling food security, including through supporting the work to reform fishing policies and fisheries negotiations; and supporting the growth of marine economies, such as the realisation of UK commitments towards low carbon energy generation. Cefas provides critical science evidence and advice that underpins Defra policy development tackling the most pressing challenges for our marine and freshwater environment, including fisheries management, climate change, pollution and biodiversity loss.

Cefas is part-funded by Defra but also receives funding from other UK Government Departments to support programme delivery, both domestically and overseas, including the Foreign Commonwealth and Development Office (FCDO), Food Standards Agency, UK Health Security Agency and Ministry of Defence. In addition, Cefas supports UK Government outcomes through commercial work with wider industry and developing strong academic partnerships.

4.2 Where permitted by statute, the Government may ask Cefas to take on additional functions or new work, on a permanent or temporary basis. The

decision to take on the additional work will be made jointly by the Secretary of State and the Cefas Management Board.

5. Powers and duties

5.1 Cefas' powers and duties originate from requests given by the Secretary of State. The Agency's statutory role to undertake inspection of aquatic animal health and investigate serious outbreaks of disease in both farms and the wild was transferred into domestic legislation under the Aquatic Animal Health (England and Wales) Regulations 2009.

The Fish Health Inspectorate (as part of Cefas) is the official service for the control of serious diseases in aquatic animals and the national regulator in England and Wales, responsible for aquatic animal health by implementing The Aquatic Animal Health (England and Wales) Regulations 2009.

In addition, the Fish Health Inspectorate is empowered to act under national legislation on the control of non-native species, veterinary medicines, and genetically modified organisms.

The remit of the Fish Health Inspectorate is provided by:

- the Aquatic Animal Health (England & Wales) Regulations 2009;
- the Trade in Animals and Related Products (Amendment) Regulations 2020;
- the Alien and Locally Absent Species in Aquaculture (England & Wales) Regulations 2011;
- the Import of Live Fish Act 1980;
- the Veterinary Medicines Regulations 2013 SI 2033;
- the Environmental Protection Act 1990; and the Regulatory Enforcement and Sanctions Act 2008.

6. Aims

6.1 Cefas' strategic aims are focussed towards developing and delivering the scientific evidence and advice needed to protect, enhance and sustainably use marine and freshwater environments. Cefas aims to:

- be leaders in our field, using our unique expertise to tackle the challenges facing the aquatic environment around the world

- maintain our science excellence, giving us the authority to have impact and influence
- be outward looking, working with our communities, our partners and our stakeholders to share our knowledge and listen and learn from others
- be a data-driven organisation, embracing new technology and innovation
- build our capability and infrastructure for the future, attracting and retaining talent through our people offer
- be an inclusive organisation, where there is equal opportunity for all

6.2 Cefas will deliver its strategic aims in the context of the Defra Group Outcome Delivery Plan outcomes through its responsibilities for:

- **Sustainable Fisheries:** Helping achieve national and global fisheries sustainability goals and minimise the impacts of fisheries on freshwater and marine ecosystems including through supporting the reform of fishing policies
- **Overseas Monitoring Advice and Science Diplomacy:** Representing the UK as a Science Superpower, addressing global challenges in marine environmental management through the development of the shared knowledge-base and building capacity with Overseas Governments for long-term sustainability
- **Marine Emergency Response:** Advising on risks to seas and oceans, including emergency response capability for oil or chemical spills, leaks of radioactivity, or outbreaks of disease in the aquatic environment
- **Marine Environmental Assessment:** Providing critical science evidence and advice to tackle the most pressing challenges for the aquatic environment including climate change, pollution (from chemicals, noise and marine litter) and biodiversity loss
- **Human and Animal Health:** Detecting and advising on the presence of pathogens and chemical hazards (incl. Anti-Microbial Resistance) in seafood and to inspect, diagnose and advise on the health of aquatic animals in freshwater and the marine environment, related to production, trade and biosecurity
- **Human Health Surveillance:** Supporting the UK government's coronavirus (COVID-19) wastewater programme by providing reference laboratory, genomics, and statistical delivery
- **Enabling Sustainable Development:** Providing quality-assured science and evidence to support the sustainable growth of marine economies, through the realisation of UK commitments towards low carbon energy

Role of the department

7. Governance and accountability

7.1 Cefas shall operate corporate governance arrangements that, so far as practicable and in the light of the other provisions of this framework document or as otherwise may be mutually agreed, accord with good corporate governance practice and applicable regulatory requirements and expectations.

7.2 In particular (but without limitation), Cefas should:

- comply with the principles and provisions of the 'Corporate governance in central government departments: code of good practice' (as amended and updated from time to time) to the extent appropriate and in line with their statutory duties or specify and explain any non-compliance in its annual report
- comply with 'Managing Public Money'
- in line with 'Managing Public Money' have regard to the relevant [Functional Standards \(https://www.gov.uk/government/collections/functional-standards\)](https://www.gov.uk/government/collections/functional-standards) (<http://www.gov.uk/government/collections/functional-standards>) as appropriate and in particular those concerning Finance, Commercial and Counter Fraud
- take into account, the codes of good practice and guidance set out in Annex A of this framework document, as they apply to Arms' Length Bodies (ALBs)

7.3 In line with 'Managing Public Money' Annex 3.1 Cefas shall provide an account of corporate governance in its annual governance statement including the Board's assessment of its compliance with the code with explanations of any material departures. To the extent that the company does intend to materially depart from the code, the sponsor should be notified in advance and their agreement sought to this approach.

8. The Responsible Minister

8.1 The Secretary of State for Defra will account for Cefas on all matters concerning Cefas in Parliament.

8.2 The Secretary of State sets the direction for Cefas.

8.3 Through the exercise of these powers the Secretary of State:

- is responsible for the policy framework within which Cefas operates;
- provides guidance and direction to ensure the strategic aims and objectives of Cefas are consistent with those of the department and government;

- approves Cefas' strategy and associated documents;
- has a power of appointment in relation to the appointment of Cefas' Chair. This appointment is not regulated by the Commissioner for Public Appointments but will follow the principles set out in the Governance Code on Public Appointments;
- may review the performance of the Chair on a regular basis.
- has a power of appointment in relation to non-executives on the board. These appointments are not regulated by the Commissioner for Public Appointments but the process will follow the principles set out in the Governance Code on Public Appointments; and
- has a power of approval in relation to the appointment of Cefas' Chief Executive.

8.4 The Chief Executive is a Senior Civil Servant, and their appointment is made by the relevant Director-General in consultation with the Defra PAO and Ministers. The CEO is line managed by the Director-General Environment, Rural and Marine.

8.5 The Chairperson is appointed by the Secretary of State. This appointment is not regulated by the Commissioner for Public Appointments but the process will follow the principles set out in the Governance Code on Public Appointments^[1]. Non-executive Members are appointed by the Secretary of State. These appointments are not regulated by the Commissioner for Public Appointments but the process will follow the principles set out in the Governance Code on Public Appointments^[2]. All such appointments should have regard to the principle that appointments should reflect the diversity of the society in which we live, and appointments should be made taking account of the need to appoint boards which include a balance of skills and backgrounds.

9. The Principal Accounting Officer (PAO)

9.1 The Principal Accounting Officer is the Permanent Secretary of the department.

Sponsor department's accounting officer's specific accountabilities and responsibilities as Principal Accounting Officer (PAO)

9.2 The PAO of Defra designates the Chief Executive as Cefas' Accounting Officer and ensures that he / she is fully aware of his or her responsibilities.

The PAO issues a letter appointing the Accounting Officer, setting out his or her responsibilities and delegated authorities.

9.3 The respective responsibilities of the PAO and accounting officers for ALBs are set out in Chapter 3 of 'Managing Public Money'.

9.4 The PAO is also responsible, usually via the sponsorship team, for advising the Responsible Minister on:

- an appropriate framework of objectives and targets for Cefas in the light of the department's wider strategic aims and priorities
- an appropriate budget for the ALB in light of the sponsor department's overall public expenditure priorities
- how well the ALB is achieving its strategic objectives and whether it is delivering value for money
- the exercise of the ministers' statutory responsibilities concerning Cefas as outlined above.

9.5 The PAO via the sponsorship team is also responsible for ensuring arrangements are in place in order to:

- monitor Cefas' activities, performance and assurance mechanisms
- address significant problems in Cefas, making such interventions as are judged necessary
- periodically and at such frequency as is proportionate to the level of risk carry out an assessment of the risks both to the department and Cefas' objectives and activities in line with the wider departmental risk assessment process and management
- inform Cefas of relevant government policy in a timely manner
- bring ministerial or departmental concerns about the activities of Cefas to the full Cefas Management Board, and, as appropriate to the departmental board requiring explanations and assurances that appropriate action has been taken

10. The role of the sponsorship team

10.1 The Sponsorship Team in the department is the primary contact for Cefas. The responsible Senior Civil Servant for this relationship is the Defra Director of Marine and Fisheries. They are the main source of advice to the Responsible Minister on the discharge of his or her responsibilities in respect of Cefas. They also support the PAO on his or her responsibilities toward Cefas.

10.2 Officials of the Sponsorship Team in the sponsor department will liaise regularly with Cefas officials to review performance against plans, achievement against targets and expenditure against its Delegated Expenditure Limit and Annually Managed Expenditure allocations. The Sponsorship Team will also take the opportunity to explain wider policy developments that might have an impact on Cefas.

10.3 The sponsorship team will advise the PAO when necessary on matters related to section 8.5. Defra applies the best practice standards in the Cabinet Office (CO) Sponsorship Code. In doing so the department operates a proportionate, risk-based approach whereby accountability and oversight is managed between Cefas and the Sponsor team collaboratively. This function can be separate or integral to the policy team depending on a number of factors, including the size of Cefas. Sponsor teams draw on the central Defra Public Bodies Partnership team and nominated functional experts for support in carrying out their role.

11. Resolution of disputes between Cefas and Defra

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

12. Freedom of Information requests

12.1 Where a request for information is received by either party under the [Freedom of Information Act 2000](http://www.legislation.gov.uk/ukpga/2000/36/contents) (<http://www.legislation.gov.uk/ukpga/2000/36/contents>), or the [Data Protection Act 1998](http://www.legislation.gov.uk/ukpga/1998/29/contents) (<http://www.legislation.gov.uk/ukpga/1998/29/contents>) or 2018, the party receiving the request will consult with the other party prior to any disclosure of information that may affect the other party's responsibilities, including a risk assessment for data protection.

13. Reporting on legal risk and litigation

13.1 Cefas shall provide a quarterly update to the Sponsor on the existence of any active litigation and any threatened or reasonably anticipated litigation. The parties acknowledge the importance of ensuring that legal risks are communicated appropriately to the Sponsor in a timely manner.

13.2 In respect of each substantial piece of litigation involving Cefas, the parties will agree a litigation protocol which will include specific provisions to ensure appropriate and timely reporting on the status of the litigation and the protection of legally privileged information transmitted to the Sponsor to facilitate this. Until such time as a protocol is agreed, the parties will ensure that:

- material developments in the litigation are communicated to the Sponsor in an appropriate and timely manner;
- legally privileged documents and information are clearly marked as such;
- individual employees handling the legally privileged documents are familiar with principles to which they must adhere to protect legal privilege; and
- circulation of privileged information within government occurs only as necessary.

Cefas governance and structure

14. The Chief Executive

Responsibilities of Cefas' Chief Executive as Accounting Officer

14.1 The Chief Executive as Accounting Officer is personally responsible for safeguarding the public funds for which they have charge; for ensuring propriety, regularity, value for money and feasibility in the handling of those public funds; and for the day-to-day operations and management of Cefas. In addition, they should ensure that Cefas as a whole is run on the basis of the standards, in terms of governance, decision-making and financial management, that are set out in Box 3.1 of Managing Public Money. These responsibilities include the below and those that are set in the Accounting Officer appointment letter issued by the Principal Accounting Officer of the Sponsor Department.

Responsibilities for accounting to Parliament and the public

14.2 Responsibilities to Parliament and the public include:

- signing the accounts and ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by the Secretary of State
- 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 Cefas in accordance with [Parliamentary and Health Service Ombudsman's Principles of Good Complaint Handling](https://www.ombudsman.org.uk/about-us/our-principles/principles-good-complaint-handling) (<https://www.ombudsman.org.uk/about-us/our-principles/principles-good-complaint-handling>) are established and made widely known within Cefas and published on [Complaints procedure - Centre for Environment, Fisheries and Aquaculture Science](https://www.gov.uk/government/organisations/centre-for-environment-fisheries-and-aquaculture-science/about/complaints-procedure) (<https://www.gov.uk/government/organisations/centre-for-environment-fisheries-and-aquaculture-science/about/complaints-procedure>)
- acting in accordance with the terms of 'Managing Public Money' and other instructions and guidance issued from time to time by the department, HM Treasury and the Cabinet Office
- ensuring that as part of the above compliance they are familiar with and act in accordance with:
 - any governing legislation
 - this framework document
 - any delegation letter issued to body as set out in paragraph 18.1
 - any elements of any settlement letter issued to the sponsor department that is relevant to the operation of Cefas
 - any separate settlement letter that is issued to Cefas from the sponsor department
- ensuring they have appropriate internal mechanisms for the monitoring, governance and external reporting regarding compliance any conditions arising from the above documents
- giving evidence, normally with the PAO, when summoned before the Public Accounts Committee on Cefas' stewardship of public funds

Responsibilities to Defra

14.3 Responsibilities to Defra include:

- establishing, in agreement with the department, Cefas' corporate and business plans aligned with the department's wider strategic aims and agreed priorities
- informing the department of progress in helping to achieve the department's policy objectives and in demonstrating how resources are being used to achieve those objectives

- ensuring that timely forecasts and monitoring information on performance and finance are provided to the department; that the department is notified promptly if over or under spends are likely and that corrective action is taken; and that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the department in a timely fashion

Responsibilities to the board

14.4 The Chief Executive is responsible for:

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

Managing conflicts

14.5 The Chief Executive should follow the advice and direction of the Board, except in very exceptional circumstances with a clear cut and transparent rationale for not doing so.

14.6 If the board, or its chairperson, is contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration, efficiency or effectiveness, is of questionable feasibility, or is unethical the Chief Executive in their role as Accounting Officer should reject that course of action and ensure that the Board have a full opportunity to discuss the rationale for that rejection

14.7 Such conflicts should be brought to the attention of the Principal Accounting Officer and the Responsible Minister as soon as possible.

14.8 Furthermore and if agreed with the responsible Minister, the Accounting Officer must write a letter of justification to the Chair of the Cefas Management Board setting out the rationale for not following the advice and recommendation of the Board and copy that letter to the Treasury Officer of Accounts.

14.9 If the Responsible Minister agrees with the proposed course of action of the Board it may be appropriate for the Minister to the direct the Accounting Officer in the manner as set out in Managing Public Money paragraph 3.6.6 onwards.

15. The Board

Composition of the Board

15.1 Cefas will have a Board in line with good standards of corporate governance and as set out in its establishing statute and in guidance as set out in Annex A. The role of the management Board is to provide strategic advice to the Cefas Chief Executive, and provide support in how to achieve its objectives, in accordance with the purposes as set out above, and their responsibilities under this framework document. Detailed responsibilities of the Board shall be set out in the board terms of reference. Remuneration of the Board will be disclosed in line with the guidance in the 'Government Financial Reporting manual' (FReM).

15.2 The Board will consist of a chairperson, together with the Chief Executive and at least four executive members that have a balance of skills and experience appropriate to directing Cefas' business. For Cefas there should be members who have experience of its business, operational delivery, corporate services, and performance management. This will include as an executive and voting board member an appropriately qualified finance director as described in Annex A 4.1 of 'Managing Public Money'. The Board should include sufficient independent non-executive members to ensure that executive members are supported and constructively challenged in their role.

Board Committees

15.3 The Board may set up such committees as necessary for it to fulfil its functions. As is detailed below at a minimum this should include an Audit and Risk Committee chaired by an independent and appropriately qualified non-executive member of the board.

15.4 While the Board may make use of committees to assist its consideration of appointments, succession, audit, risk and remuneration it retains responsibility for, and endorses, final decisions in all of these areas. The Chair should ensure that sufficient time is allowed at the board for committees to report on the nature and content of discussion, on recommendations, and on actions to be taken.

15.5 Where there is disagreement between the relevant committee and the Board, adequate time should be made available for discussion of the issue with a view to resolving the disagreement. Where any such disagreement cannot be resolved, the committee concerned should have the right to report the issue to the sponsor team, PAO and Responsible Minister. They may also seek to ensure the disagreement or concern is reflected as part of the report on its activities in the annual report.

15.6 The Chair should ensure Board committees are properly structured with appropriate terms of reference. The terms of each committee should

set out its responsibilities and the authority delegated to it by the Board. The Chair should ensure that committee membership is periodically refreshed and that individual independent non-executive directors are not overburdened when deciding the chairs and membership of committees.

Cefas Board Committees include:

Audit and Risk Assurance Committee (ARAC)

The Audit and Risk Assurance Committee (ARAC) is a formally constituted committee of the Cefas Management Board. The Committee is chaired by an external independent member and includes two further external independent members. Internal and external auditors and executives attend the meetings, with others attending as required by the committee.

The Committee considers and provides advice on:

- internal control and risk management: reviews the establishment and maintenance of an effective system of internal control and risk management
- internal audit: oversees the appointment and effective operation of internal audit; ensures effective co-ordination between the internal and external auditor; reviews the internal audit programme and considers the major findings of internal audit coverage and management response
- external audit: enhances the effectiveness of the relationship with external audit; discusses with the external auditor, before the audit commences, the nature and scope of the audit and interaction with internal audit plans; reviews external audit reports
- financial reporting: reviews the annual financial statements before submission to the Cefas Management Board, focusing particularly on changes in and compliance with accounting policies and practices, major judgmental areas and significant adjustments resulting from the audit
- Meetings are held at least three times per year. The committee (or individual members) may meet with the external and/or internal auditors during the year outside the normal schedule and in the absence of other parties.

Cefas People Development Committee (CPDC)

The Cefas People Development Committee (CPDC) is a formal sub-committee of the Cefas Management Board. It has a remit to give independent and objective advice to the Cefas Management Board on the quality, relevance and implementation of the Agency's people strategy. This specifically includes: assessing the effectiveness of systems for identification and development of succession planning of leadership capability at all levels in Cefas; considering reward and remuneration policies; and maintaining strategic oversight of all forms of employee relationships (e.g. Trade Union interactions and staff survey responses).

Cefas Science Advisory Committee (CSAC)

The Cefas Science Advisory Committee (CSAC) is a formal sub-committee of the Cefas Management Board. CSAC is chaired by a non-executive director of the Cefas Management Board. The committee operates in an advisory capacity to the Cefas Chief Scientist and Cefas Management Board. Cefas attendees are Chief Scientist, the Head of Science Development, Science Directors, and Science and Theme Leads.

The Committee advises on:

- The implementation of the recommendations made in the Cefas Quinquennial Review by undertaking an annual mini review
- Seedcorn investments

The committee will review and provide input on:

- scientific publication rates
- customer feedback
- quality accreditations
- case studies
- collaborative partnerships
- science metrics

Duties of the board

15.7 The Board is specifically responsible for:

- establishing and taking forward the strategic aims and objectives of Cefas consistent with its overall strategic direction and within the policy and resources framework determined by the Secretary of State;
- providing effective leadership of Cefas 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 Cefas to meet its objectives;
- reviewing management performance;
- ensuring that the board receives and reviews regular financial and management information concerning the management of Cefas;
- ensuring that it is kept informed of any changes which are likely to impact on the strategic direction of the Cefas Board or on the attainability of its targets, and determining the steps needed to deal with such changes and where appropriate bringing such matters to the attention of the Responsible Minister and Principal Accounting Officer via the executive team, sponsorship team or directly;
- ensuring that any statutory or administrative requirements for the use of public funds are complied with; that the board operates within the limits of its statutory authority and any delegated authority agreed with the

sponsor department, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Board takes into account guidance issued by the sponsor department;

- ensuring that as part of the above compliance they are familiar with:
 - this framework document,
 - any delegation letter issued to body as set out in paragraph 18.1;
 - any elements of any settlement letter issued to the sponsor department that is relevant to the operation of Cefas; and
 - any separate settlement letter that is issued to Cefas from the sponsor department; 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 Cefas as a whole act in accordance with their obligations under the above documents.
- demonstrating high standards of corporate governance at all times, including by using the independent audit committee to help the Board to address key financial and other risks;
- putting in place mechanisms for annual evaluation of the performance of the Chairperson by the Responsible Minister and appraisal of all other Non-executive Members to be led by the Chairperson.; and
- determining all such other things which the Board considers ancillary or conducive to the attainment or fulfilment by Cefas of its Objectives.

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

15.9 The board should make a strategic choice about the style, shape and quality of risk management and should lead the assessment and management of opportunity and risk. The board should ensure that effective arrangements are in place to provide assurance over the design and operation of risk management, governance and internal control in line with the Management of Risk – Principles and Concepts (The Orange Book). The board must set up an Audit and Risk Assurance Committee chaired by an independent and appropriately qualified non-executive member to provide independent advice and ensure that the department's Audit and Risk Assurance Committee are provided with routine assurances with escalation of any significant limitations or concerns. The board is expected to assure itself of the adequacy and effectiveness of the risk management framework and the operation of internal control

16. The Chair's role and responsibilities

16.1 The Chair is responsible for leading the Board in the delivery of its responsibilities in line with strategies and plans agreed with Defra. Such responsibility should be exercised in the light of their duties and responsibilities as set out in the chairperson's contract of employment, any appointment letter, the statutory authority governing Cefas, this document and the documents and guidance referred to within this document.

16.2 Communications between the Cefas Management board and the Responsible Minister should normally be through the chair.

16.3 The Chair is bound by the [Code of Conduct for Board Members of Public Bodies \(https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies\)](https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies), which covers conduct in the role and includes the [Nolan Principles of Public Life \(https://www.gov.uk/government/publications/the-7-principles-of-public-life\)](https://www.gov.uk/government/publications/the-7-principles-of-public-life).

16.4 In addition, the chair is responsible for:

- ensuring including by monitoring and engaging with appropriate governance arrangements that Cefas' affairs are conducted with probity
- ensuring that policies and actions support the Responsible Minister's wider strategic policies and where appropriate, these policies and actions should be clearly communicated and disseminated throughout Cefas

16.5 The chair also has an obligation to ensure that:

- the work of the board and its members are reviewed and are working effectively including ongoing assessment of the performance of individual board members with a formal annual evaluation and more in-depth assessments of the performance of individual board members when being considered for re-appointment
- that in conducting assessments that the view of relevant stakeholders including employees and the sponsorship team are sought and considered
- board members are fully briefed on terms of appointment, duties, rights and responsibilities
- they, 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 Cefas' needs when board vacancies arise
- there is a Board Operating Framework in place setting out the role and responsibilities of the board consistent with the Government Code of Good Practice for Corporate Governance
- there is a code of practice for board members in place, consistent with the Cabinet Office Code of Conduct for Board Members of Public Bodies

17. Individual board members' responsibilities

17.1 Individual board members should:

- comply at all times with the [Code of Conduct for Board Members of Public Bodies](https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies) (<https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies>) which covers conduct in the role and includes the [Nolan Principles of Public Life](https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2) (<https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2>) as well as rules relating to the use of public funds and to conflicts of interest
- demonstrate adherence to the [12 Principles of Governance for all Public Body Non-Executive Directors as appropriate](https://www.gov.uk/government/publications/public-bodies-non-executive-director-principles/12-principles-of-governance-for-all-public-body-neds) (<https://www.gov.uk/government/publications/public-bodies-non-executive-director-principles/12-principles-of-governance-for-all-public-body-neds>)
- not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations
- comply with the board's rules on the acceptance of gifts and hospitality, and of business appointments
- act in good faith and in the best interests of Cefas
- ensure they are familiar with any applicable guidance on the role of public sector non-executive directors and boards that may be issued from time to time by the Cabinet Office, HM Treasury or wider government

Management and financial responsibilities and controls

18. Delegated authorities

18.1 Cefas' delegated authorities are set out in the delegation letter. This delegation letter may be updated and superseded by later versions which may be issued by the sponsor department in agreement with HM Treasury.

18.2 In line with Managing Public Money Annex 2.2 these delegations will be reviewed on an annual basis.

18.3 Cefas shall obtain the department's and where appropriate HM Treasury's prior written approval before:

- entering into any undertaking to incur any expenditure that falls outside the delegations or which is not provided for in Cefas' annual budget as approved by the department;
- incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications;
- making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by the department;* making any change of policy or practice which has wider financial implications that might prove repercussive or which might significantly affect the future level of resources required; or
- carrying out policies that go against the principles, rules, guidance and advice in Managing Public Money.

19. Spending authority

19.1 Once the budget has been approved by the sponsor department [and subject to any restrictions imposed by statute or delegation letters, Cefas shall have authority to incur expenditure approved in the budget without further reference to the sponsor department, on the following conditions:

- Cefas shall comply with the delegations set out in the delegation letter. These delegations shall not be altered without the prior agreement of the sponsor department and as agreed by HM Treasury and Cabinet Office as appropriate;
- Cefas shall comply with Managing Public Money regarding novel, contentious or repercussive proposals;
- inclusion of any planned and approved expenditure in the budget shall not remove the need to seek formal departmental approval where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed;
- Cefas shall provide the sponsor department with such information about its operations, performance, individual projects or other expenditure as the sponsor department may reasonably require.

20. Banking and Managing Cash

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

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

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

20.4 The Accounting Officer is responsible for ensuring Cefas has a Banking Policy as set out in Managing Public Money and ensuring that policy is complied with.

21. Procurement

21.1 Cefas shall ensure that its procurement policies are aligned with and comply with any relevant UK or other international procurement rules and in particular the Public Contracts Regulations 2015.

21.2 Cefas shall establish its procurement policies and document these in a Procurement Policy and Procedures Manual.

21.3 In procurement cases where Cefas is likely to exceed its delegated authority limit, procurement strategy approval for the specific planned purchase must be sought from the Department's sponsor team.

21.4 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 those exceptions should be sent to the Department.

21.5 Procurement by Cefas of works, equipment, goods, and services shall be based on, a full option appraisal and value for money (VfM), i.e. the optimum combination and whole life costs and quality (fitness for purpose).

21.6 Cefas shall a) engage fully with Department and Government wide procurement initiatives that seek to achieve VfM from collaborative projects, b) comply with all relevant Procurement Policy Notes issued by Cabinet Office and c) co-operate fully with initiatives to improve the availability of procurement data to facilitate the achievement of VfM.

21.7 Cefas shall comply with the [Commercial](https://www.gov.uk/government/publications/commercial-operating-standards-for-government) (<https://www.gov.uk/government/publications/commercial-operating-standards-for-government>) and [Grants Standards](https://www.gov.uk/government/publications/grants-standards) (<https://www.gov.uk/government/publications/grants-standards>). These standards

apply to the planning, delivery, and management of government commercial activity, including management of grants in all departments and arm's length bodies, regardless of commercial approach used and form part of a suite of functional standards that set expectations for management within government.

22. Risk and issue management

22.1 Cefas shall ensure that the risks that it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and develop a risk management strategy consistent with the Defra Group risk strategy and in accordance with the Treasury guidance [Management of Risk: Principles and Concepts](https://www.gov.uk/government/publications/orange-book) (<https://www.gov.uk/government/publications/orange-book>).

22.1 Cefas shall ensure that the risks that it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and develop a risk management strategy consistent with the Defra group risk strategy and in accordance with the Treasury guidance [Management of Risk: Principles and Concepts](#)[1].

22.2 Cefas' Chief Executive is responsible for managing Cefas' risks and issues with oversight from Cefas' board and within its governance structure. On a quarterly basis, Cefas should share its strategic risk register with the Defra sponsor team. Cefas should inform the sponsor team at an early stage of any risk or issue that may require engagement, or have impact, beyond their own organisation. These risks may be escalated to the relevant Director General or to the Defra Executive Committee. When a risk is escalated, ownership of that risk will usually be retained by Cefas. Changing or emerging risks and issues should form part of the regular discussions between sponsor teams and Cefas, as part of a shared 'no surprises' culture.

22.3 Cefas' board has a responsibility to ensure that proper internal audit arrangements are established and maintained, and for that purpose should establish an Audit and Risk Committee (ARAC). The committee should be chaired by a non-executive member of the Cefas Management Board and provide regular reports to the Chief Executive and the board on its programme, recommendations, and their implementation.

23. Counter fraud and theft

23.1 Cefas should adopt and implement policies and practices to safeguard itself against fraud, bribery, corruption, and theft.

23.2 Cefas should ensure it complies with requirements set out in the [Counter Fraud Functional Standard GovS013](https://www.gov.uk/government/publications/government-functional-standard-govs-013-counter-fraud) (<https://www.gov.uk/government/publications/government-functional-standard-govs-013-counter-fraud>). Cefas' Board should champion a fraud aware culture which encourages staff to raise concerns and provide appropriate routes to do so. It should operate in line with the procedures and considerations set out in 'Managing Public Money' Annex 4.9 and with the [NAO good practice guidance on Fraud and Error](https://www.nao.org.uk/wp-content/uploads/2021/03/010381-001-Fraud-and-Error-Accessible.pdf) (<https://www.nao.org.uk/wp-content/uploads/2021/03/010381-001-Fraud-and-Error-Accessible.pdf>). It should also take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter a contract or to provide grant.

23.3 Cefas should record and report all instances of fraud, bribery and theft annually to Defra and notify the sponsor department of any unusual or major incidents as soon as possible, in line with Defra guidance. Cefas should also report detected loss from fraud, bribery, corruption and error, alongside associated recoveries and prevented losses, to the Counter Fraud Hub in Defra (fraudanderror@defra.gov.uk) in line with the agreed government definitions as set out in Counter Fraud Functional Standard

24. Cefas Staff

Broad responsibilities for staff

24.1 Within the arrangements approved by the Responsible Minister Cefas will have responsibility for the recruitment, retention and motivation of its staff. The broad responsibilities toward its staff are to ensure that:

- the rules for recruitment and management of staff create an inclusive culture in which diversity is fully valued; appointment and advancement are based on merit: there is no discrimination on grounds of gender, marital status, sexual orientation, race, colour, ethnic or national origin, religion, disability, community background or age
- the level and structure of its staffing, including grading and staff numbers, are appropriate to its functions and the requirements of economy, efficiency and effectiveness
- the performance of its staff at all levels is satisfactorily appraised and Cefas 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 Cefas' objectives
- proper consultation with staff takes place on key issues affecting them
- adequate grievance and disciplinary procedures are in place
- whistle-blowing procedures consistent with the Public Interest Disclosure Act are in place
- a code of conduct for staff is in place based on the Cabinet Office's [Model Code for Staff of Executive Non-departmental Public Bodies](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690948/Public_Bodies_-_a_guide_for_departments_-_chapter_5.pdf) ([https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690948/Public_Bodies - a guide for departments - chapter 5.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690948/Public_Bodies_-_a_guide_for_departments_-_chapter_5.pdf))

Staff costs

24.2 Subject to its delegated authorities, Cefas shall ensure that the creation of any additional posts does not incur forward commitments that will exceed its ability to pay for them.

Pay and conditions of service

24.3 Cefas staff are subject to levels of remuneration and terms and conditions of service (including pensions) within the general pay structure approved by the sponsor department. Cefas has no delegated power to amend these terms and conditions.

24.4 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 party entitled to payment in respect of travel expenses or other allowances, payment shall be made in accordance with the [Civil Service Management Code](https://www.gov.uk/government/publications/civil-servants-terms-and-conditions) (<https://www.gov.uk/government/publications/civil-servants-terms-and-conditions>) and the annual Civil Service Pay Remit Guidance, except where prior approval has been given by the department to vary such rates.

24.5 Staff terms and conditions should be set out in clear Employee guidance and reference material, which should be provided to the department together with subsequent amendments.

24.6 Cefas shall abide by public sector pay controls, including the relevant approvals process dependent on the organisations classification as detailed in the Senior Pay Guidance^[1] and the public sector pay and terms guidance^[2].

24.7 Cefas shall operate a performance-related pay scheme that shall form part of the annual aggregate pay budget approved by the department or the general pay structure approved by the department and the Treasury whichever is applicable, where relevant with due regard to the senior pay guidance.

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

Pensions, redundancy and compensation

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

24.10 Cefas staff shall normally be eligible for a pension provided by the Civil Service Pension Scheme or through the Principal Civil Service Pension Scheme (PCSPS). Staff may opt out of the occupational pension scheme provided by Cefas, but employers' contributions will not be made to any personal pension arrangement.

24.11 Any proposal by Cefas to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of the department. Proposals on severance must comply with the rules in chapter 4 of Managing Public Money.

Business plans financial reporting and management information

25. Corporate and business plans

25.1 By 30 April each year an annual business plan and objectives shall be agreed between the Senior Sponsor, Director General of Environment, Rural and Marine and the Chief Executive of Cefas. These will reflect Cefas' statutory and/or other duties and, within those duties, the priorities set from time to time by the Responsible Minister (including decisions taken on policy and resources in the light of wider public expenditure decisions). These are reflected in the Defra Outcome Delivery Plan which shall demonstrate how

Cefas contributes to the department's medium- term plan and priorities and aligned performance metrics and milestones.

25.2 The Outcome Delivery Plan, which also serves as the Defra group business plan, sets out the priorities, success measures and resource allocations to deliver the strategic objectives. It includes more detailed sections for priority outcomes where delivery bodies and director areas must include their priorities, indicators, risks and outcomes. DGs, Directors and CEOs report on delivery of their plans through the performance reporting framework, and report on maintaining forecasted financial positions within budget limits. The plans should be developed as appropriate through joint working between sponsorship teams, policy and delivery teams to ensure coherence. They should reflect allocations and priorities which have been agreed by ExCo, the board and approval by ministers.

25.3 The Director General of Environment, Rural and Marine and the Chief Executive of Cefas will agree key targets and milestones for the year immediately ahead and shall be linked to budgeting information so that resources allocated to achieve specific objectives can readily be identified by the department.

25.4 The following matters should be agreed:

- key outcomes and sub-outcomes associated key performance indicators (with targets where appropriate) for the forward years, and the strategy for achieving those objectives
- a review of performance in the preceding financial year, together with comparable outturns for the previous (2 to 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
- other matters as agreed between the department and Cefas

26. Budgeting procedures

26.1 Each year, in the light of agreed decisions between the Director General of Environment, Rural and Marine and the Chief Executive of Cefas, the department will send to Cefas by 1st April:

- a formal statement of the annual budgetary provision allocated by the department in the light of competing priorities across the department and of any forecast income approved by the department; and
- a statement of any planned change in policies affecting Cefas.

26.2 The approved 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.

26.3 During the financial year Cefas will provide financial reporting data to the department in accordance with agreed processes. This will include monthly out-turn data, contributions to periodic reviews on budget risks and opportunities, and other commissions as appropriate.

27. Annual report and accounts

27.1 The Cefas Board must publish an annual report of its activities together with its audited accounts after the end of each financial year. Cefas shall provide the department its finalised (audited) accounts by 31st July each year in order for the accounts to be consolidated within Defra's Annual Report and Accounts. A draft of the report should be submitted to the department two weeks before the proposed publication date. The accounts should be prepared in accordance with the relevant statutes and specific accounts direction issued by the department as well as the [Treasury's Financial Reporting Manual](https://www.gov.uk/government/publications/government-financial-reporting-manual-2020-21) (<https://www.gov.uk/government/publications/government-financial-reporting-manual-2020-21>).

27.2 The annual report must:

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

27.3 Information on performance against key financial targets is included within the annual report and subject to the auditor's consistency opinion. The report and accounts shall be laid in Parliament and made available on the Cefas' website, in accordance with the guidance in the FReM.

28. Reporting performance to the department

28.1 Cefas shall operate management, information and accounting systems that enable it to review in a timely and effective manner its financial and

non-financial performance against the budgets and targets set out in the corporate and business plans.

28.2 Cefas shall inform the sponsor department of any changes that make achievement of objectives more or less difficult. It shall report financial and non-financial performance, including performance in helping to deliver Ministers' policies, and the achievement of key objectives regularly.

28.3 While responsibility for management of performance lies with the relevant delivery organisation and the sponsor team, Cefas' performance shall be formally reviewed by the department periodically, at a frequency dependent on the extent of Cefas' scope of responsibilities and its contributions to the Defra Outcome Delivery Plan. Cefas will be expected to share their corporate performance reports with the department on a quarterly basis.

28.4 The Responsible Minister will meet the Chief Executive at least once a year and the schedule of meetings will be agreed on an annual basis between Cefas and the sponsor team.

28.5 The Principal Accounting officer will meet the Chief Executive at least once a year.

29. Information sharing

29.1 The department has the right of access to all Cefas records and personnel for any purpose including, for example, sponsorship audits and operational investigations.

29.2 Cefas shall provide the sponsor department with such information about its operations, performance, individual projects or other expenditure as the sponsor department may reasonably require.

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

29.4 As a minimum, Cefas shall provide the department with information monthly that will enable the department satisfactorily to monitor:

- Cefas' cash management
- forecast outturn by resource headings
- other data required for the Online System for Central Accounting and Reporting (OSCAR)

- data as required in respect of its compliance with any Cabinet Office Controls pipelines or required to meet any condition as set out in any settlement letter

Audit

30. Internal audit

30.1 Cefas shall:

- establish and maintain arrangements for internal audit
- ensure that any arrangements for internal audit are in accordance with the [Public Sector Internal Audit Standards \(PSIAS\)](https://www.gov.uk/government/publications/public-sector-internal-audit-standards) (<https://www.gov.uk/government/publications/public-sector-internal-audit-standards>) as adopted by HM Treasury
- 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, or be represented on Defra's Audit Committee
- forward the audit strategy, periodic audit plans and annual audit report, including Cefas' Head of Internal Audit opinion on risk management, control and governance as soon as possible to the sponsor department
- keep records of and prepare and forward to the department an annual report on fraud and theft suffered by the Cefas and notify the sponsor department of any unusual or major incidents as soon as possible
- will share with the sponsor department information identified during the audit process and the Annual Audit Opinion Report (together with any other outputs) at the end of the audit, in particular on issues impacting on the Department's responsibilities in relation to financial systems within Cefas

31. External audit

31.1 The Comptroller & Auditor General (C&AG) audits Cefas' annual accounts and lays them before parliament, together with his report.

31.2 In the event that Cefas has set up and controls subsidiary companies, Cefas 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. Cefas shall discuss with the sponsor department the procedures for appointing the C&AG as auditor of the companies.

31.3 The C&AG:

- will consult the department and Cefas on whom – the NAO or a commercial auditor – shall undertake the audit(s) on his behalf, though the final decision rests with the C&AG
- has a statutory right of access to relevant documents, including by virtue of section 25(8) of the Government Resources and Accounts Act 2000, held by another party in receipt of payments or grants from Cefas
- will share with the sponsor department information identified during the audit process and the audit report (together with any other outputs) at the end of the audit, in particular on issues impacting on the department's responsibilities in relation to financial systems within the Cefas
- will consider requests from departments and other relevant bodies to provide Regulatory Compliance Reports and other similar reports at the commencement of the audit. Consistent with the C&AG's independent status, the provision of such reports is entirely at the C&AG's discretion

31.4 The C&AG may carry out examinations into the economy, efficiency and effectiveness with which Cefas has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under section 8 of the National Audit Act 1983. In addition, Cefas shall provide, in conditions to grants and contracts, for the C&AG to exercise such access to documents held by grant recipients and contractors and sub-contractors as may be required for these examinations; and shall use its best endeavours to secure access for the C&AG to any other documents required by the C&AG which are held by other bodies..

Reviews and winding up arrangements

32. Review of ALB's status

32.1 Cefas will be reviewed every 3 years. The date of the next review will be in 2025.

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

33.1 The sponsor department shall put in place arrangements to ensure the orderly winding up of Cefas. In particular it should ensure that the assets and liabilities of Cefas are passed to any successor organisation and accounted for properly. (In the event that there is no successor organisation, the assets and liabilities should revert to the sponsor department.) To this end, the department shall:

- have regard to Cabinet Office guidance on winding up of ALBs^[1]20.
- ensure that procedures are in place in Cefas 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 Cefas' assets and liabilities;
- ensure that arrangements are in place to prepare closing accounts and pass to the C&AG for external audit, and that, for non-Crown bodies funds are in place to pay for such audits. It shall be for the C&AG to lay the final accounts in Parliament, together with his report on the accounts;
- arrange for the most appropriate person to sign the closing accounts. In the event that another ALB takes on the role, responsibilities, assets and liabilities, the succeeding ALB AO should sign the closing accounts. In the event that the department inherits the role, responsibilities, assets and liabilities, the sponsor department's AO should sign.

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

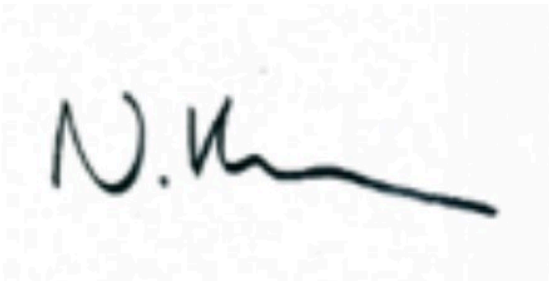
Signatures



Signed: Mike Rowe

Date: 17/05/2022

(On behalf of Defra)

A handwritten signature in black ink, appearing to read 'N. Hornby', is shown on a light-colored, slightly textured background.

Signed: Neil H. Hornby

Date: 17/05/2022

(On behalf of Cefas)

Annex A

Cefas shall comply with the following general guidance documents and instructions:

- this framework document
- [Managing Public Money \(MPM\)](https://www.gov.uk/government/publications/managing-public-money)
(<https://www.gov.uk/government/publications/managing-public-money>)
- [Government Financial Reporting Manual \(FReM\)](https://www.gov.uk/government/publications/government-financial-reporting-manual)
(<https://www.gov.uk/government/publications/government-financial-reporting-manual>)
- [Civil Service management code](https://www.gov.uk/government/publications/civil-servants-terms-and-conditions)
(<https://www.gov.uk/government/publications/civil-servants-terms-and-conditions>)
- [Corporate Governance in Central Government Departments: Code of Good Practice \(and separate guidance note\)](https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017)
(<https://www.gov.uk/government/publications/corporate-governance-code-for-central-government-departments-2017>)
- [Partnerships between departments and arm's length bodies: Code of Good Practice](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/594345/Partnerships_between_departments_and_arm_s_length_bodies-code_of_good_practice.pdf)
(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/594345/Partnerships_between_departments_and_arm_s_length_bodies-code_of_good_practice.pdf)
- [Code of Conduct for Board Members of Public Bodies](https://www.gov.uk/government/publications/board-members-of-public-bodies-code-of-conduct)
(<https://www.gov.uk/government/publications/board-members-of-public-bodies-code-of-conduct>)
- [Public Bodies: A Guide for Departments](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690944/Public_Bodies_-_a_guide_for_departments.pdf)
(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690944/Public_Bodies_-_a_guide_for_departments.pdf)

- [Governance Code for Public Appointments](https://www.gov.uk/government/publications/governance-code-for-public-appointments)
(<https://www.gov.uk/government/publications/governance-code-for-public-appointments>)
- [Orange Book: Management of Risk - Principles and Concepts](https://www.gov.uk/government/publications/orange-book)
(<https://www.gov.uk/government/publications/orange-book>)
- [Public Sector Internal Audit Standards](https://www.gov.uk/government/publications/public-sector-internal-audit-standards)
(<https://www.gov.uk/government/publications/public-sector-internal-audit-standards>)
- [Audit and Risk Assurance Committee Handbook](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/512760/PU1934_Audit_committee_handbook.pdf)
(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/512760/PU1934_Audit_committee_handbook.pdf)
- [HM Treasury Guidance on Tackling Fraud](https://webarchive.nationalarchives.gov.uk/20130102192905/http://www.hm-treasury.gov.uk/d/managing_the_risk_fraud_guide_for_managers.pdf.pdf)
(https://webarchive.nationalarchives.gov.uk/20130102192905/http://www.hm-treasury.gov.uk/d/managing_the_risk_fraud_guide_for_managers.pdf.pdf)
- [Managing the Risk of Fraud: A guide for managers](https://webarchive.nationalarchives.gov.uk/ukgwa/20130102192905/http://www.hm-treasury.gov.uk/d/managing_the_risk_fraud_guide_for_managers.pdf.pdf)
(https://webarchive.nationalarchives.gov.uk/ukgwa/20130102192905/http://www.hm-treasury.gov.uk/d/managing_the_risk_fraud_guide_for_managers.pdf.pdf)
- [The Parliamentary and Health Service Ombudsman's Principles of Good Administration](https://www.ombudsman.org.uk/about-us/our-principles) (<https://www.ombudsman.org.uk/about-us/our-principles>)
- relevant Freedom of Information Act guidance and instructions (Ministry of Justice)
- relevant Dear Accounting Officer letters
- consolidation Officer Memorandum, and relevant DCO letters
- relevant guidance and instructions issued by HM Treasury in respect of Whole of Government Accounts
- relevant instructions and guidance issued by the central Departments
- specific instructions and guidance issued by the sponsor Department
- recommendations made by the Public Accounts Committee, or by other Parliamentary authority, that have been accepted by the Government and relevant to the ALB

OGLAll content is available under the [Open Government Licence v3.0](https://www.nationalarchives.gov.uk/doc/open-government-licence/version/3), except where otherwise stated

© Crown copyright