

The
Meteorological Office
Agency

FRAMEWORK
DOCUMENT



The Meteorological Office
is an
Agency of the Ministry of Defence

April 1996

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FOREWORD

The Meteorological Office is rightly a familiar and valuable part of the nation's daily life. As the National Meteorological Service, the office plays an important and leading role in the international exchange of meteorological data, on which all modern weather services depend. Throughout its 140 year history the Meteorological Office has established an unrivalled, world class reputation for the quality of its science.

As the next step in the development of the Agency, Parliament has agreed that the Meteorological Office should become a Trading Fund. This will provide new opportunities for the development and expansion of the Agency's services. It will demand innovation, flexibility and responsiveness to meet in a cost-effective way the changing requirements of the Agency's many customers in the Armed Forces, Government Departments, industry, commerce and the general public. I am confident that the Chief Executive and his skilled and well motivated staff will rise to the new challenges that lie ahead. I wish them well in their new endeavours.

A handwritten signature in black ink, reading "Michael Portillo". The signature is written in a cursive style with a large, looping flourish at the top.

MICHAEL PORTILLO

Secretary of State for Defence

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Note:

Throughout this document, where the context so admits, the masculine gender shall be deemed to include equally the feminine.

SECTION 1

Status

- Status** 1.1 The Meteorological Office, which was established as a Next Steps Agency within Government on 2 April 1990, will operate as a Trading Fund from 1 April 1996. The Agency is owned by the Secretary of State for Defence. It is required to operate on a commercial basis with predetermined performance targets and is financed by income from its customers.
- Title** 1.2 The Agency will normally use the title "The Meteorological Office" for official purposes and "The Met Office" in its dealings with external users.

SECTION 2

Aims, Objectives and Functions

- Aim** 2.1 The aim of the Meteorological Office Agency is to provide for the United Kingdom an effective, modern and efficient National Meteorological Service.
- Objectives** 2.2 In support of its aims, the principal objectives of the Agency shall be:
- to enhance the effectiveness of the UK Armed Forces by providing a range of meteorological and climatological products, service and advice to meet the needs of Defence customers in peace, crisis and war;
 - to contribute to the safety of the public and maritime safety by providing a range of weather warnings and emergency services specified by civil Departments, including pollution tracking;
 - to meet the needs of civil aviation for meteorological services as specified by the Civil Aviation Authority;
 - to develop and pursue profitable commercial outlets for services, within HM Treasury guidelines, and to maximise the financial contribution to offset the Core and central overhead costs of the Agency;
 - to operate efficiently, providing maximum advantage to the taxpayer, whilst improving the quality of service and products.
- Functions** 2.3 In fulfilling its aim the Agency will:
- offer and provide on agreed contractual terms, a range of meteorological and climatological services to meet the requirements of the MOD, other Government Departments, the Civil Aviation Authority, commerce, industry and the public;
 - maintain and advance its technical competence and quality of applied research in meteorology and climate, necessary to meet the requirements of its customers;
 - provide information and advice to Ministers as required by them on matters related to meteorology and climate;
 - represent and maintain United Kingdom interests within the World Meteorological Organization and other relevant international bodies;
 - maintain an up-to-date National Meteorological Library, and National Meteorological Archive in accordance with the Public Records Act 1958.

SECTION 3

Responsibilities and Accountability

Ministerial Responsibility

3.1 The Secretary of State for Defence is the Minister responsible for the Meteorological Office, and is accountable to Parliament for the Agency's policy and operations. He determines the policy and resources framework within which the Agency operates and sets objectives and targets for it. The Secretary of State may designate another MOD Minister to assist him in the discharge of his responsibilities but neither Ministers nor officials of MOD will normally become involved in day-to-day management of the Agency.

The Chief Executive

3.2 The Chief Executive will be appointed by the Secretary of State, through open competition, for a fixed period, with the possibility of an extension to the contract subject to satisfactory performance.

3.3 The Chief Executive is personally accountable to the Secretary of State for the efficient and effective management of the Agency, and for achieving the aim, objectives and targets set for the Agency in this Framework Document and in the Corporate and Business Plans, including the financial targets set in the Treasury Minute laid before Parliament.

Accounting Officer Responsibilities

3.4 The Chief Executive is appointed by the Treasury as the Accounting Officer for the Meteorological Office Agency Trading Fund. The Chief Executive is responsible for the Agency's accounts and financial procedures and for the proper, effective and efficient use of the Agency's resources within the terms of this Framework Document and of the memorandum setting out his responsibilities as Accounting Officer.

3.5 The Chief Executive is liable to be summoned to appear before the Public Accounts Committee and will normally give evidence to Parliamentary Select Committees when the affairs of the Meteorological Office are being discussed. He is also responsible for ensuring that the requirements of Government Accounting are met; that the Agency observes guidance issued by HM Treasury and the the Office of Public Service (OPS); and for putting into effect any recommendation accepted by the Government of the Public Accounts Committee, Parliamentary Select Committee or other Parliamentary authority.

3.6 The propriety and regularity of MOD customer requirements and expenditure placed with the Agency are the responsibility respectively of the Permanent Under Secretary, as Principal Accounting Officer and Permanent Head of the Department, and the Chief of Defence Procurement as additional Accounting Officer for Vote 3.

3.7 The Principal Accounting Officer has overall responsibility for matters concerned with the management of voted funds across the Department including the propriety and regularity of loans and grants made to the Meteorological Office from Vote 1.

Other Government Departments

3.8 The Chief Executive will deal directly with other Government Departments on questions related to the operation and management of the

Agency, consulting the MOD on any aspect that is novel or contentious or could have wider policy implications.

**Parliamentary
Commission for
Administration**

3.9 The Meteorological Office is subject to the jurisdiction of the Parliamentary Commissioner for Administration.

**Parliamentary
Business**

3.10 Members of Parliament are encouraged to deal with the Chief Executive on matters delegated to the Agency under the Framework Document.

3.11 The Secretary of State will normally ask the Chief Executive to write to MPs who raise written Parliamentary Questions about matters delegated to the Agency. The Secretary of State will continue to deal in the usual way with other Parliamentary business, with enquiries about policy matters not delegated to the Agency and where an MP specifically requests a Ministerial reply, seeking advice from the Chief Executive as necessary.

3.12 The Meteorological Office will respond to requests from Parliamentary Select Committees for information on matters delegated to the Agency under the Framework Document. The Meteorological Office's responses will be submitted to the Secretary of State for prior approval.

SECTION 4

Meteorological Office Relationships with the Secretary of State for Defence

General	<p>4.1 The Secretary of State for Defence is both the owner of the Agency and a principal customer.</p>
Role of Defence Meteorological Board (the Board)	<p>4.2 The Secretary of State is advised by the Defence Meteorological Board. The Board is chaired by the 2nd Permanent Under Secretary at the Ministry of Defence. It is the means through which the Agency reports performance and seeks guidance from the Ministry. The Board considers the Agency's Corporate and Business Plans and advises the Secretary of State on the broad lines of the Agency's strategic development and any potential conflict between his concerns as owner and as a principal customer of the Agency. The Terms of Reference of the Board are at Annex I.</p> <p>4.3 Membership of the Defence Meteorological Board includes the Chief Executive who reports to it on behalf of the Agency, senior representatives of the Ministry of Defence Central and Scientific staffs, and two outside members with relevant scientific or commercial expertise.</p>
MOD Focal Point (The Fraser Figure)	<p>4.4 The Deputy Under Secretary of State (Civilian Management) is nominated as the focal point (the Fraser figure) within the MOD for Meteorological Office matters. He will maintain a close working relationship with the Chief Executive of the Agency and will receive copies of all submissions to MOD Ministers. In addition he will:</p> <ul style="list-style-type: none">• ensure that matters affecting Meteorological Office policy are dealt with efficiently and effectively within MOD;• advise and assist the Chief Executive on questions affecting the Agency's relationship with its owner.
Standing Requirement	<p>4.5 The Meteorological Office will maintain the capability to support the MOD in peace, crisis and war or in other operations and deployments where meteorological support may be required. The Meteorological Office will also be required to support the planning and execution of MOD contingency operations including those for NBC accidents. The Secretary of State may, exceptionally, direct the Chief Executive to undertake work or maintain capabilities incompatible with existing commitments or normal commercial practice; the Agency will suffer no financial detriment as a result of this requirement.</p>
The Agency's Relationship with MOD Customers	<p>4.6 The Secretary of State for Defence is responsible for the requirements placed on the Agency by the Department as a customer. The MOD and the Meteorological Office will establish a formal customer-supplier relationship for all work placed on the Agency by MOD customers. A Trading Agreement between MOD customers and the Agency will be signed detailing the terms under which business between the MOD and the Agency is to be conducted.</p>

4.7 The Secretary of State, advised by the Defence Meteorological Board, will be the final arbiter in disputes between MOD customers and the Agency which cannot be resolved under the disputes procedure set out in the Trading Agreement.

Core Customer Group/Meteorological Support Group

4.8 The Core Customer Group provides a focal point for the Civil Departments, MOD budget holders and the Civil Aviation Authority, who together fund the core activities of the Agency. Its terms of reference are at Annex II. The Core Customer Group will be given technical assistance by the Meteorological Support Group, part of the MOD Chief Scientific Adviser's staff.

Goods and Services Supplied by MOD

4.9 The Agency will reimburse the MOD for the supply of all goods, supporting services and facilities on a full cost basis. The only circumstances in which the MOD will not charge for rent and tenant services is when the Meteorological Office is operating in support of MOD from a particular site. Where work for customers, other than the MOD, is also carried out from the site, charges will be raised.

SECTION 5

Financial Strategy

- Trading Fund** 5.1 The Meteorological Office Agency will operate as a Government Trading Fund in accordance with the Government Trading Funds Act 1973, as amended; and the Meteorological Office Trading Fund Order 1996.
- Commencing Capital** 5.2 The net assets of the Trading Fund at 1 April 1996 are financed by a combination of borrowing and public dividend capital.
- Borrowing** 5.3 The initial requirement for working capital will be met by borrowing. The Meteorological Office will, with the consent of the Secretary of State, be able to borrow from MOD votes such sums as it may require to meet its working capital needs and finance its capital expenditure programme, provided its indebtedness does not exceed the limit contained in the Meteorological Office Trading Fund Order, and Temporary Borrowing and External Financing Limits agreed for individual years. The overall borrowing limit may be varied by an amending order, with the approval of Parliament.
- Income and Expenditure** 5.4 The Meteorological Office's revenue will come from payments made by customers for its services. All sums received by the Agency will be paid into the Trading Fund and all expenditure incurred will be paid out of the Trading Fund.
- 5.5 The Chief Executive will manage the Fund on behalf of the Secretary of State so that the revenue of the Fund is not less than sufficient, taking one year with another, to meet outgoings which are properly chargeable to the Agency's revenue account; and will aim to achieve such further financial objectives as the Secretary of State and HM Treasury may require.
- Pricing Policy** 5.6 The Meteorological Office will aim to recover the full cost of carrying out customers' requirements and will price its activities generally in accordance with the Treasury's Fees and Charges Guide. In determining the cost of its activities it will have regard to the financial objectives set by the Secretary of State with HM Treasury agreement. The Agency is to comply with Government purchasing policies.
- Application of Surpluses** 5.7 As soon as possible after the end of the trading year, the Meteorological Office will calculate its net operating surplus/deficit after deduction of interest charges. Any surplus will be retained in the business or appropriated to MOD votes or paid as dividends on Public Dividend Capital in proportions to the approved by the Secretary of State and Treasury Ministers. By agreement with the Secretary of State, sums which are retained in the business but are surplus to immediate requirement may be deposited with the National Loans Fund or in an interest bearing account with the Paymaster General's Office or may be invested in Government Securities.

SECTION 6

Agency Structure and Assets

- Management Structure** 6.1 The Chief Executive is assisted by the Director Research and Development, the Director Services and Business, the Director Finance and Administration, the Director Operational Services, the Director Observations and the Director Corporate Development. The Chief Executive and these principal officers will form the Board of Management of the Agency. These arrangements are subject to review and change by the Chief Executive.
- 6.2 The Chief Executive will maintain an organisation that is:
- efficient, effective and economical.
 - responsive to changes in customer demand for meteorological services.
- Assets** 6.3 The Agency occupies an headquarters at Bracknell, a Meteorological Office College at Shinfield Park, Reading, and a technical support facility at Beaufort Park near Crowthorne. Additionally, it maintains weather and climate centres throughout the United Kingdom, specialised research centres, and a network of automatic weather stations, radar sites and other technical facilities.
- 6.4 The Meteorological Office will retain and renew only the assets needed for its business and will dispose of surplus land, buildings, plant and equipment to achieve economy in its operations. Any proposals to alter significantly the assets held by the Meteorological Office will be considered during the Corporate and Business Planning processes. The Meteorological Office may also lease assets in accordance with HM Treasury guidelines.
- 6.5 The assets appropriated to the Trading Fund are shown in the Meteorological Office Trading Fund Order 1996; any changes in the assets or their valuation will be indicated in the Annual Report and Accounts, and in the Agency Corporate and Business Plans. Ownership of the assets appropriated to the Meteorological Office Trading Fund remains vested in the Secretary of State as the owner of the Agency.
- Capital Investment** 6.6 The Meteorological Office capital investment programme is defined by the Chief Executive. The five year commitment is set out in the Corporate Plan for approval by the Secretary of State. Major new proposals not included in the Corporate Plan, and which exceed the Chief Executive's delegated powers are subject to consultation with the Department.
- 6.7 The Meteorological Office will carry out investment appraisals of all capital expenditure proposals, in accordance with HM Treasury guidance.
- Disposal of Assets** 6.8 The distribution of net proceeds from disposals over £1.5M will be decided by MOD and the Agency, with priority given to the repayment of any debt associated with the asset.

Intellectual Property

6.9 Intellectual Property Rights (IPR) generated in the Meteorological Office as a result of work paid for by the MOD remains vested in the Secretary of State and is administered in accordance with the IPR Concordat agreed between MOD and the Agency.

SECTION 7

Meteorological Office Relationships with Other Customers

General

7.1 The Meteorological Office may seek work on commercial terms from Government Departments other than the MOD, commerce, industry and private sector bodies in the United Kingdom and abroad within the framework of its Corporate and Business Plans, as approved by the Secretary of State.

7.2 In undertaking work for other customers the Agency will have regard to wider security and political considerations. In this context the Agency's contracts or business with overseas Governments, firms or nationals will conform with MOD policy guidelines.

7.3 In undertaking work on commercial terms the Meteorological Office will have due regard to the Department's policies concerning the Agency's commercial activities. Where a commercial service requires specific data these costs are to be reflected in the price which, as a minimum, should cover all the direct costs of providing the service. As a public sector body the Meteorological Office will have due regard for the equitable treatment of customers in the supply of data and products for commercial purposes.

Intellectual Property

7.4 Intellectual Property Rights generated as a result of work funded by customers, other than the MOD, will be subject to separate arrangements between those customers and the Agency.

SECTION 8

Planning and Performance Review

- Planning** 8.1 The Chief Executive will prepare annually for the Secretary of State for Defence a five year corporate Plan and a one year Business Plan. The Agency will seek to develop its Plans to meet best public sector practice.
- 8.2 These plans, when approved by Secretary of State, are the authority for the Agency to conduct its business accordingly and provide a common understanding of the expected development of the business and a framework within which the Agency's performance can be measured.
- Corporate Plan** 8.3 The Corporate Plan will set out the Agency's programme and associated financial requirements and forecast income for a five year period. The scope of the Corporate Plan is set out at Annex III.
- Business Plan** 8.4 The Annual Business Plan will set out the Agency's budget for the year ahead and the key assumptions and the targets agreed following consideration of the Corporate Plan by the Secretary of State and the Defence Meteorological Board. It is the document against which the in-year performance of the Agency is measured.
- Planning Timetable** 8.5 The Corporate Plan will be submitted to the Secretary of State in September for approval in November; the Business Plan by the end of the calendar year for approval by the end of March.
- Performance Indicators** 8.6 Key performance targets are agreed each year by the Secretary of State and the Chief Executive as a fundamental element of the Business Plan. These targets assess the Agency's performance under the following headings:
- Quality of Service
 - Financial Results
 - Efficiency Improvements
- Further targets to cover other aspects of the Agency's performance may also be set. The agreed key targets will be announced to Parliament each year.
- Performance Review** 8.7 The Chief Executive will provide quarterly reports to the Defence Meteorological Board to enable it to assess the progress of the Agency and its performance against targets.
- Trading Fund Report and Accounts** 8.8 The Agency will produce an annual report together with a statement of accounts, in accordance with Treasury directions, as required by Section 4(6) and 4(6A) of the Government Trading Fund Act 1973, as amended.
- 8.9 The Annual Report and Accounts will review the operations of the Agency over the year, provide details of Agency performance against the objectives and targets set and review planned developments. The accounts will meet the accounting and disclosure requirements of the Companies Acts and accounting standards, so far as these are applicable to the Agency. The Annual

Report and Accounts will be reviewed by the Defence Meteorological Board before submission to the Secretary of State for approval.

8.10 The Annual Report and Accounts will be published and will be laid before Parliament before the summer recess.

Audit

8.11 The Chief Executive is responsible for the provision of internal audit, in a manner that best demonstrates value for money, in accordance with the standards of the Government Internal Audit Manual.

8.12 The Agency is subject to external audit by the Comptroller and Auditor General.

**Manpower
Consultancy**

8.13 In fulfilling his obligation for the efficient and effective use of manpower the Chief Executive may call upon the assistance of the Director of Management and Consultancy Services.

SECTION 9

Pay and Personnel

Status and Conditions of Service	<p>9.1 Civilian staff in the Meteorological Office are MOD civil servants. For day to day operational matters, including those to do with the management of staff, the Meteorological Office operates as a discrete body within the Ministry of Defence. The Chief Executive will exercise an agreed level of authority on behalf of the Secretary of State, within the authority delegated to Secretary of State by the OPS and HM Treasury. Pay, grading and personnel authorities are vested in the Chief Executive. Within the Meteorological Office the Chief Executive has overall responsibility for personnel management.</p> <p>9.2 Where the Chief Executive wishes to make proposals for changes to existing terms and conditions of employment that would exceed current management flexibilities, these will need to be agreed with the Secretary of State, consulting HM Treasury and the OPS as appropriate. There will be full consultation and, where appropriate, negotiation with staff and their representatives, including Trade Unions, on any changes that affect terms and conditions of employment.</p>
Personnel Management Strategy	<p>9.3 The Chief Executive will develop and maintain a personnel management strategy which enables the Meteorological Office to recruit, develop, retain and motivate staff in the numbers and with the skills and expertise required to meet its aims and objectives; whilst observing the principle of equitable treatment of all.</p>
Staff Relations	<p>9.4 The Chief Executive is responsible for staff relations and he will consult staff and their representatives, including Trade Unions, on all appropriate matters.</p>
Senior Staff	<p>9.5 The Chief Executive and staff at grade 5 level and above of Meteorological Office will be members of the Senior Civil Service and subject to centrally prescribed OPS rules.</p>
Recruitment	<p>9.6 Recruitment by the Agency will be undertaken on the basis of fair and open competition and in accordance with the rules and guidance laid down in the appropriate Orders in Council, Civil Service Management Code and MOD standards. In seeking to meet the Agency's business aims and objectives, the Meteorological Office will offer sufficient opportunities for the personal development of its staff, ensuring that they are enabled to acquire the necessary skills, experience and qualifications. This will be supported, as necessary, by a developmental strategy that offers technical, professional and managerial training, and appropriate vocational qualifications.</p>
Staff Interchange	<p>9.7 The Agency's personnel managers will continue to maintain close contact with their counterparts elsewhere in the MOD and will facilitate the interchange of staff into and out of the Agency.</p>

Equal Opportunities

9.8 The Chief Executive will promote best practice in the area of equal opportunities within the Agency. The Chief Executive will ensure his staff are provided with a working environment free from discrimination and harassment.

Discipline and Inefficiency

9.9 The Chief Executive is responsible for ensuring that civilian disciplinary and inefficiency cases are handled in accordance with central MOD guidelines.

SECTION 10

Security, Safety and Environment

- Security** 10.1 The Chief Executive is responsible to the Secretary of State for meeting security requirements specified by the MOD.
- Health and Safety** 10.2 The Chief Executive is responsible to the Secretary of State for ensuring that the provision of the Health and Safety at Work Act 1974, and all other relevant legislation are met. In order to ensure that safety standards are maintained to the required level, the Agency is subject to safety audit by the Secretary of State's Chief Safety Officer.
- Environment** 10.3 The Chief Executive is responsible to the Secretary of State for ensuring that, where relevant, the requirements of the Environmental Protection Act 1990 and similar legislation are met.

SECTION 11

Review and Publication of the Framework Document

Modification

11.1 This Framework Document is to be reviewed jointly by the Secretary of State, the Chief Executive, the Treasury and the OPS after 5 years. In the meantime either the Department or the Chief Executive may propose changes to the Framework Document, which will be agreed with the Treasury and OPS.

11.2 The staff and their representatives will be consulted about any proposed changes to this document which affect staff and their conditions of service.

Publication

11.3 Copies of this Framework Document and any subsequent amendments will be published and deposited in the libraries of the Houses of Parliament.

TERMS OF REFERENCE FOR THE DEFENCE METEOROLOGICAL BOARD

The Defence Meteorological Board will assist the Secretary of State in carrying out his responsibilities as owner of the Meteorological Office Agency.

The Board will:

- a. consider the Agency's corporate and business plans and advise the Secretary of State on the broad lines of the strategic development of the Agency;
- b. advise on the setting of key targets for the Agency;
- c. assess the performance of the Agency in the light of the Agency's annual report and accounts, and any other reports which the Board may require from time to time;
- d. make recommendations on the appointment and terms of employment of the Chief Executive;
- e. advise the Secretary of State on any conflicts that may arise between his concerns as owner and as a principal customer of the Meteorological Office Agency;
- f. advise on other matters which may be referred to it by the Secretary of State or on which the Chief Executive seeks guidance.

The membership of the Board will be as follows:

Chairman	2nd Permanent Under Secretary
MOD Members	Chief Scientific Adviser Deputy Chief Defence Staff (Commitments) Deputy Under Secretary (Civilian Management) Chief Executive Meteorological Office

External Members, appointed by the Secretary of State:

Professor B E F Fender – Chief Executive Higher Education Funding Council for England

Mr C M Brendish – Admiral PLC

The Board will normally meet four times a year.

The Secretariat will be provided by staff responsible to the Deputy Under Secretary (Civilian Management).

TERMS OF REFERENCE FOR THE METEOROLOGICAL OFFICE CORE CUSTOMER GROUP

The Core Customer Group will provide a focal point for all matters concerning Core activities which are of interest to its members as customers of the Meteorological Office (1). Its particular responsibilities are:

- to examine Meteorological Office Core activities and Core costs with a view to securing efficiency, effectiveness and value for money in relation to the quality of service required;
- to instigate technical, scientific or cost accounting scrutinies of any of the Core activities;
- to co-ordinate and communicate to the Meteorological Office customer wishes to vary the level and consequently costs of Core services;
- to keep under review the cost-sharing between participating customers in response to change in their requirements for Core meteorological services;
- to provide advice as customers to the Defence Meteorological Board as may from time to time be appropriate;
- to provide a forum for wider discussion of Meteorological Office customer issues as appropriate.

(1) Direct value-added services will be subject to negotiation between the Meteorological Office and individual customers or groups of customers.