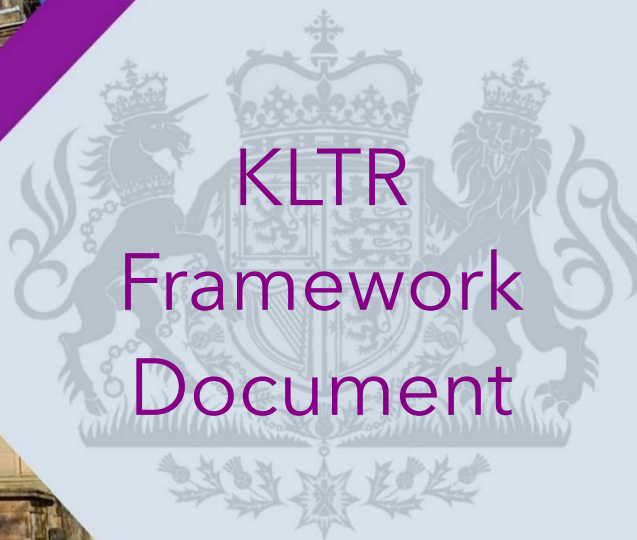


King's and Lord
Treasurer's Remembrancer



KLTR Framework Document



KLTR Framework Document

Contents

Introduction	Page 2
Accountability in KLTR Office	Page 2
Executive Roles and Responsibilities	Page 3
Non-Executive Roles and Responsibilities	Page 5
Staff Terms and Conditions	Page 8
Assurance in KLTR Office	Page 9
Management and Resources Framework	Page 9
Useful Links	Page 11

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Introduction

The King's and Lord Treasurer's Remembrancer (KLTR) is a [Non-Ministerial office-holder](#) in the Scottish Administration. The post-holder is the Crown's representative in Scotland with authority to deal with ownerless property falling to the Crown by operation of law. The KLTR decides whether, and how, to apply Crown rights to Scottish property that has been rendered ownerless, which includes assets of dissolved companies, the estates of heirless individuals, and treasure trove.

The KLTR, as the Crown's representative, can elect to exercise rights over ownerless property we are made aware of but is not obliged to do so and has wide discretion on this point. Alternatively, the KLTR may elect not to apply Crown rights over property or disclaim it. Ultimately, we apply Crown rights only where we are satisfied that to do so is responsible and appropriate, finding a balance between KLTR priorities and managing potential risk both to the Crown and to the public funds held by us.

We published our first formal [Strategic Plan](#) at the end of March 2024. This plan outlines our overall vision for the office, our values and the strategic objectives we have chosen to focus on over the next three financial years from April 2024 - March 2027.

This Framework Document provides an overview of governance and accountability within the KLTR Office ("Office") structure. As a live document it should be reviewed by KLTR at least every 3 years. Any material proposed changes will be taken to the Advisory Board and Executive Management Team for consideration before final approval by the Chief Executive.

Accountability in KLTR Office

This section summarises the specific responsibilities and accountabilities of the key roles who contribute to the good governance of the KLTR.

The KLTR is a non-ministerial office holder. The role of KLTR is held by the postholder of the Crown Agent and Chief Executive of the Crown Office and Procurator Fiscal Service (COPFS). It is entirely separate from the Crown Agent's prosecutorial functions and forms part of the Scottish Administration in its own right. The KLTR can be regulated by Scottish Ministers per the Scotland Act 1998.

The KLTR Office's day-to-day operations are overseen by the Chief Executive to the KLTR who is currently also the KLTR's Accountable Officer. The Chief Executive delegates some of their responsibilities and authorities, per the internally facing Scheme of Internal Delegation document and COPFS Schedule of Delegated Authorities and Responsibilities.

The Chief Executive is supported by our Advisory Board, our Executive Management Team who oversee the operational delivery of the Office, our Audit Committee which is a sub-committee of the Advisory Board, and a non-executive advisor.

The OPTS Advisory Panel (the Panel), shown in the diagram below, supports the effective running of the Ownerless Property Transfer Scheme and is responsible to the KLTR post-holder. The Chair of the Panel provides the KLTR with a report annually which summarises the work of the Panel in the relevant period.

The Treasure Trove Unit at National Museums Scotland, shown in the diagram below, runs the day-to-day operations of processing archaeological finds per the Treasure Trove system



in Scotland. The KLTR has overall responsibility for administration of the Treasure Trove system in Scotland.



Executive Roles and Responsibilities

The KLTR

The Crown Agent office holder assumes the role of KLTR. This appointment is made via an open Civil Service competition overseen by the Civil Service Commission.

The KLTR's main responsibilities can be summarised as follows:

- Sets the overall strategic direction and priorities for the Office, considering input from the Chief Executive
- Approves the Office's annual business plan and budget, ensuring alignment with strategic priorities and resource availability
- Holds the Chief Executive accountable for their performance and adherence to agreed-upon frameworks, and
- Provides timely feedback and guidance to the Chief Executive on performance and reporting.

Chief Executive (CE)

The Chief Executive is a senior civil servant and reports to the KLTR office holder. Any vacancy at this level must be advertised both to applicants internal and external to the Civil Service in an open manner meeting the Civil Service Recruitment principles of selection being based on merit and through fair and open competition. The Chief Executive role is to provide strategic and operational leadership to staff working for the KLTR and to ensure that its aims and objectives are met, its functions are delivered, and its targets are reached through effective and properly controlled executive action.

The Chief Executive's main responsibilities include:



- Developing and proposing the overall organisational strategy, annual business plan, resourcing requirement, and annual budget for the KLTR's consideration and approval
- Leading implementation of the approved strategy, plan, and budget with discretion within agreed parameters
- Ensuring the overall effective delivery of the day-to-day operations of KLTR, and that all services and activities are delivered effectively and align with the Office's strategic objectives
- Ensuring that all finances and resources under the Chief Executive's control are utilised in an economical, efficient, and effective manner, striving for the highest standards in line with the requirements and expectations of the Scottish Public Finance Manual (SPFM) and the Government Financial Reporting Manual (FReM)
- Ensuring we meet all of our legal and regulatory obligations
- Preparing and ensuring publication of our annual report and accounts
- Leading our workforce, fostering a culture of excellence, accountability, high performance and continuous improvement
- Managing our staff, ensuring their wellbeing, learning and development are prioritised, and ensures that the KLTR staff management responsibilities are addressed
- Providing routine quarterly reports to the KLTR on progress towards key objectives, financial performance, and potential risks or challenges, and
- Attending all meetings of our Advisory Board, presenting updates and answering questions, and giving due regard to the Board's views, advice, and guidance.

Accountable Officer (AO)

Our Chief Executive is designated as the Accountable Officer for the KLTR by the Principal Accounting Officer for the Scottish Administration (in accordance with the terms of the Public Finance and Accountability (Scotland) Act 2000). The Accountable Officer is personally responsible for the propriety and regularity of our public finances ensuring that our resources are used economically, efficiently, and effectively, as required by section 15 of the Public Finance and Accountability (Scotland) Act 2000 and may be called to give evidence to the Public Audit Committee of the Scottish Parliament. The responsibilities of the Accountable Officer are set out in full in the Memorandum to Accountable Officers for Parts of the Scottish Administration in the Scottish Public Finance Manual.

Our Accountable Officer is specifically responsible for raising matters of concern for discussion with the KLTR, even if they fall outside the immediate reporting structure.

Chief Finance Officer (CFO)

Our CFO is accountable to the CE and plays a vital part in assisting the AO in their duties.

The CFO main duties include:



- Having responsibility for our budget, financial strategies, policies, systems, processes and services
- Ensuring delivery of our Annual Report and Accounts
- Providing Strategic financial advice and guidance supporting our outcomes
- Being a member of the Advisory Board and attendee of Audit Committee, and
- Deputising for the AO/CE.

Executive Management Team (EMT)

The Executive Management Team regularly meets to discuss and make decisions on operational delivery and progress against business and strategic plan objectives. The Team comprises the individual Heads of the teams within the KLTR Office.

Meetings of the Executive Management Team are chaired by the CFO. The CE also attends these meetings.

The purpose of the EMT is to provide leadership to the KLTR Office, contribute to the KLTR's strategy, and ensure effective delivery of the operations and strategic objectives.

The responsibilities of the EMT are to:

- make decisions about the strategic priorities and, as and where appropriate, to make decisions on key operational matters, processes, policies, new projects and schemes
- provide advice to the Chief Executive on resourcing and resource allocation
- provide advice to the Chief Executive on other matters and topics as may be requested from time to time by the Chief Executive
- provide advice and recommendations to the Chief Executive regarding the agenda for the Advisory Board, and
- be responsible for Risk Management within KLTR.

Non-Executive Roles and Responsibilities

Advisory Board (Board)

We are supported by our Advisory Board, which is chaired by the KLTR who has responsibility for the Board, assisted by administrative support from the KLTR Office. The Board is comprised of:

- The KLTR
- The KLTR Chief Executive Officer/Accountable Officer
- The KLTR Chief Finance Officer
- 3 x Non-Executive Directors

Other external and internal individuals may be invited to attend all or part of a meeting, at the Chair's discretion, for specific items under discussion. Attendees may include, for example, representatives from External Audit (Audit Scotland), and subject matter experts.

Non-Executive Directors are appointed by the Chief Executive to support them in the discharge of their responsibilities, and act in a supportive and advisory (non-statutory)



capacity in accordance with *On Board: a guide for members of management advisory boards*.

Prior to the KLTR establishing its own Advisory Board, our Chief Executive and Accountable Officer used to attend and report at the COPFS Audit and Risk Committee meetings. The current Non-Executive Directors for our Board are from the COPFS Audit and Risk Committee which provides them with an existing and thorough understanding of our remit and business.

Future Non-Executive Directors will be appointed through fair competition with the support of COPFS' HR Resource Team. The Chair of the Advisory Board will be involved in these appointments.

The role of the Non-Executive Directors of the Board includes:

- Providing independent scrutiny, advice and guidance to the KLTR and KLTR Office on its strategy development, activities and any initiatives
- Acting as a sounding board and providing views on issues relating to any work as determined by the KLTR and KLTR Office
- Promoting good governance practices to assist the Board in discharging its functions effectively and the Office in operating effectively, and
- Considering the content of draft key governance documents and other documents for publication and providing feedback and suggestions in their advisory capacity prior to final CEO and KLTR sign-off. These include but are not limited to: strategic plans, business plans, annual reports and accounts, finance strategies, publication schemes, business continuity plans and newly created KLTR specific policies (i.e. not COPFS policies) which are considered to be of significant importance or strategic relevance.

Specific guidance on how the Chair and Board members should discharge their duties is provided in their appointment letters and in [On Board: A Guide for Members of Management Advisory Boards](#). Guidance on governance good practice is available in the [Scottish Public Finance Manual](#).

Audit Committee (AC)

The AC supports the Accountable Officer and Board in overseeing and monitoring the KLTR's corporate governance, financial reporting, risk management and associated systems of internal control. It also provides assurance to the Accountable Officer and Board on the efficacy and integrity of the arrangements, activities, and processes in place. Its role is consistent with the [Scottish Public Finance Manual](#) and the [Scottish Government's Audit Committee Handbook](#).

The AC has been set up initially as a sub-committee of the Advisory Board, with the option for this to change in the future as is appropriate for KLTR. Therefore, membership of the AC comprises the four NXDs from the KLTR's Advisory Board, one of whom will take up the post of the Chair, and the KLTR's Accountable Officer. The KLTR's Governance & Strategy Team, as secretariat for the AC, will also be present at meetings.

Other external and internal individuals may be invited to attend all or part of a meeting, at the Chair's discretion, for specific items under discussion. Attendees may include, for



example, representatives from External Audit (Audit Scotland), Scottish Government Internal Audit Directorate, and subject matter experts.

OPTS Advisory Panel

The OPTS process is supported by the OPTS Advisory Panel (Panel), which consists of five ex-officio members, nominated from across the public and community sectors, and the Chair of the Panel.

The Panel Chair was selected by the Head of Policy, Communications and OPTS and the KLTR Chief Executive based on their experience from serving on the panel for a similar, existing scheme, and involvement with community projects. The other five Panel members were nominated by the OPTS key stakeholder groups.

The Panel provides independent scrutiny and support for the KLTR in the OPTS decision-making process. Its purpose is to review and make recommendations in relation to OPTS applications and policy delivery and to advise the KLTR on OPTS and other related matters as requested by the KLTR.

It will report to our Board annually on its role and progress of OPTS.

Non-Executive Advisor

As well as seeking the advice, guidance and views of the Board, the Chief Executive may commission independent advisers as needed to provide expert advice to the Chief Executive on specific areas of our strategy, policy, or operations.

Teams within the KLTR Office

We operate in line with our Scheme of Internal Delegation, an internal live document provided to the Board for feedback and agreed by the EMT. The KLTR Office currently consists of:

- **The Legal and Operational team** who deal with the majority of the casework we receive. This consists mainly of dealing with the former assets of dissolved companies such as funds held in bank accounts and property, property which has no traceable title and property of missing persons and the administration of the property of individuals who die leaving no heirs and have no will
- **The Policy, Communications and OPTS Team** who also deal with FoI enquiries and are responsible for running the OPTS
- **The Finance, Governance and Strategy Team** who also deal with compliance and risk processes with the support of COPFS finance colleagues, and
- **The Treasure Trove Review Team** who are carrying out a full review of the Treasure Trove systems and processes. They will then lead on implementation of the recommendations from the review.

The KLTR has overall responsibility for administration of the Treasure Trove system in Scotland.

Archaeological objects can be bona vacantia (ownerless property) and the KLTR has ultimate responsibility for exercising the Crown's interest in these items. In practice, archaeological finds are dealt with under the Treasure Trove system in Scotland with



day-to-day operations of processing archaeological finds being carried out by the Treasure Trove Unit (TTU), employed and operated by National Museums Scotland on behalf of the KLTR.

Staff Terms and Conditions

Our staff are civil servants employed by COPFS and seconded to KLTR Office. We follow the [Civil Service Code](#) which sets out the behaviours expected of all civil servants.

Shared services with COPFS

With a shared service model in place, we are supported by COPFS staff in matters relating to HR, IT and procurement. This ensures that services meet an agreed standard. The expectation is that the KLTR will continue to use COPFS corporate services and negotiated contracts.

COPFS will not change the level of service provision provided to the KLTR, withdraw services or increase costs (where applicable) without prior consultation with the KLTR, and there will be an appropriate period of notice before any changes take effect.

COPFS and the KLTR may also agree for the KLTR to receive services from other public bodies or commercial providers.

We align to and adopt the majority of COPFS' corporate governance and compliance policies and processes, such as those that cover health and safety, finances, procurement, whistleblowing, IT and diversity, for example. The exceptions to this, where we have developed our own corporate policies and processes, are listed here:

- [Complaints and feedback](#)
- Corporate branding (internal facing policy)
- [Freedom of Information](#)
- Legal clearance levels (internal facing policy)
- Publication Scheme, and
- Records Management Plan.

Health and Safety

As our main office is situated at Victoria Quay, a Scottish Government building, we also adhere to Scottish Government's policies on building security. COPFS health and safety staff visit our office space to ensure compliance with COPFS safety and security.

Trade Unions

The FDA and the Public and Commercial Services Union (PCS) are the two trade unions that represent civil servants recognised by COPFS. These two unions work in partnership with COPFS to address matters relating to civil servants' welfare, pay, and terms and conditions of employment in a fair and effective way.

Equality and Inclusion

We align to COPFS equality, inclusion and diversity policies. As COPFS employees, we can access guidance documents and staff networks designed to provide support platforms for those with protected characteristics. We also receive support from the HR Diversity, Inclusion and Wellbeing Team when required.



Wellbeing

We have full access to the range of services, initiatives and policies COPFS provide which are designed to protect and promote staff wellbeing. In addition, COPFS HR are available to assist with wellbeing issues within the workplace.

Assurance in KLTR Office

The Accountable Officer receives assurance that there is an effective system of internal controls and risk management in place from our Advisory Board, EMT and Audit Committee. We have a standalone assurance framework document which we provide to our Board and AC to ensure that appropriate assurance is provided on our performance and governance. Additional internal controls in place include:

- Certificates of assurance
- our published strategic plan and business plans
- annual report and account including annual governance statement
- performance management processes
- budgetary controls
- project and scheme management
- risk management, and
- COPFS and KLTR's corporate and operational policies and processes.

Management and Resources Framework

Funding

The KLTR's operations and supporting staff are entirely self-funded by net surpluses generated from ownerless property receipts.

Annual report and accounts

The KLTR will publish an annual report of its activities together with its audited accounts after the end of each financial year. The annual report and accounts will cover the activities of any corporate, subsidiary or joint ventures under the control of the KLTR. It will comply with the Government [Financial Reporting Manual](#) (FReM), the [Scottish Public Finance Manual \(SPFM\)](#) and outline the body's main activities and performance against agreed objectives and targets for the previous financial year.

As soon as reasonably practicable after the end of each financial year, the KLTR will prepare an annual report on how it has carried out its statutory functions during that year. The annual report will contain an outline of the KLTR's main activities and performance. As part of the Scottish Administration, the KLTR is subject to the accountability and audit provisions of Part 2 of the Public Finance and Accountability (Scotland) Act 2000, including the duty to prepare annual accounts. For each financial year the KLTR will produce accounts of expenditure incurred in the fulfilment of its statutory functions. The annual accounts must be prepared in accordance with the relevant legislation and the specific Accounts Direction (including compliance with the Financial Reporting Manual (FReM) and other relevant guidance issued by the Scottish Ministers.

The annual report and audited accounts will be laid before the Scottish Parliament and will be published on KLTR's website.



Risk management

The KLTR has a systematic approach to risk management. Managing risk is an integral part of our system of internal control and is aligned to the risk management principles set out in the SPFM. Strategic risks are captured and monitored through the strategic risk register. Risks to operational activities, key initiatives, and projects are also captured and monitored through individual risk registers.

The risk registers articulate the control measures in place to ensure that risk is managed within an acceptable tolerance, and our developing assurance framework outlines the range of assurance activities in place to assess the effectiveness of controls for each risk.

The KLTR risk management framework exists to monitor and evaluate the extent and nature of the KLTR's risk exposure, with escalation through the corporate governance framework to the Executive Management Team (EMT) and the Advisory Board as appropriate.

The KLTR's risk management strategy, framework and policies are currently under review and will be approved by the EMT. Going forward these will be reviewed by the EMT annually and presented to the Advisory Board for noting.

The KLTR strategic risk register operates as a live risk register and is reviewed as a standing item by the EMT as appropriate; and discussed at the Audit Committee and Advisory Board meetings quarterly.

The Advisory Board should have a clear understanding of the key risks, threats and hazards it may face in the personnel, accommodation and cyber domains, and take action to ensure appropriate organisational resilience, in line with the guidance in: Having and Promoting Business Resilience (part of the Preparing Scotland suite of guidance) and the [Public Sector Cyber Resilience Framework](#).

We do not currently have our own policies on counter fraud and anti-bribery, but we have a zero-tolerance approach to fraud and bribery and ensure that we control any opportunities for them as part of our risk management work to ensure the lowest possible level of risk. We also follow the [counter fraud and anti-bribery practices](#) in force in COPFS.

External audit

The Auditor General for Scotland (AGS) audits, or appoints auditors to audit, the KLTR's annual accounts and the accounts are laid before the Scottish Parliament together with the auditor's report and any report prepared by the AGS. The AGS, or examiners appointed by the AGS, may also carry out examinations into the economy, efficiency and effectiveness with which the body has used its resources in discharging its functions and/or carry out examinations into the arrangements made by the KLTR to secure Best Value.

The AGS, or the AGS's appointed auditors or examiners, have a statutory right of access to documents and information held by relevant persons, including any contractors to or recipients of grants from the KLTR. The KLTR will ensure that this right of access to documents and information is made clear in the terms of any contracts issued or conditions of any grants awarded and will also use its best endeavours to secure access to any other information or documents required which are held by other bodies.



Internal audit

The KLTR will:

- Review requirements for independent assurance activities and determine the most appropriate and proportionate approach for KLTR. This may include engagement with external third-party providers; and
- set up an Audit Committee of its Board, in accordance with the [Audit Committees](#) section of the SPFM, to advise both the Board and the Accountable Officer.

Useful Links

[Executive Management Team Terms of Reference](#)

[OPTS Panel Terms of Reference](#)