



Department  
for Environment  
Food & Rural Affairs

## **Accounting Officer Memorandum: Terrestrial Natural Capital and Ecosystem Assessment (tNCEA) Programme**

It is normal practice for accounting officers to scrutinise significant policy proposals or plans to start or vary major projects, and then assess whether they measure up to the standards set out in Managing Public Money. From April 2017, the government has committed to make a summary of the key points from these assessments available to Parliament when an accounting officer has agreed an assessment of projects within the Government's Major Projects Portfolio.

### **Background and context**

This document provides an assessment of the Accounting Officer Standards for an accounting officer responsible for managing public resources. The assessment focuses on terrestrial Natural Capital and Ecosystem Assessment programme, which is setting up a holistic and long-term environmental monitoring capability and delivering a baseline assessment of the environment. The programme aims to provide comprehensive and systematic data on natural assets, enhance decision-making capability, and achieve value for money. The assessment examines the programme's compliance with standards of regularity, propriety, value for money, and feasibility.

### **Regularity**

The programme follows internal governance processes, The Programme Business Case has been prepared in line with the HM Treasury Green Book, it has been assessed and following a period of conditional approval, was fully approved by the Department for Environment, Food and Rural Affairs (DEFRA) Investment Committee in March 2023.

The programme aligns with government priorities and legislative objectives, including the 25 Year Environment Plan, Net Zero targets, Environmental Land Management Schemes and the Environmental Act.

My assessment is that the regularity test is met.

### **Propriety**

Programme governance is comprised of a monthly Programme Board chaired by the Senior Responsible Owner (SRO) which feeds recommendations into a bi-monthly Strategic Programme Board (SPB), chaired by the DEFRA Chief Scientific Advisor. The purpose of the SPB is to ensure alignment with other core Defra dependencies including the Marine Natural Capital and Ecosystem Assessment (mNCEA) programme. It is also in place to provide assurance to Ministers and the SRO that the Programme is being run in line with expectations set out in HM Treasury rules on Managing Public Money. Further, it provides strategic oversight and direction for delivery of the programme by agreeing priorities and providing constructive challenge, assurance and support to the programme delivery team.

The programme follows internal assurance processes, received independent reviews, and gained approval for spending through spending review bids. The programme has engaged with HM Treasury officials and meets the criteria for Treasury Approval and inclusion in the Government Major Projects Portfolio. It is therefore subject to regular external Gateway reviews, coordinated by the Infrastructure and Projects Authority (IPA).

My assessment is that the propriety test is met.

### **Value for Money**

The programme justifies its economic rationale by providing comprehensive data on natural assets. It aims to inform efficient policy design and delivery to correct market failures and maximise positive effects to the environment. The programme is expected to deliver significant benefits, including improved decision-making capability and wider economic gains. The preferred option, a national and regional data program, is considered the most cost-effective and likely to provide value for money.

The programme has also initiated an evaluation workstream to track progress of the benefits case against plans.

My assessment is that the value for money test is met.

### **Feasibility**

The governance framework has been reset to ensure appropriate decision-making, and the programme embraces scrutiny and challenge. It collaborates with relevant government departments, arms' length bodies and other external stakeholders, and programme planning and controls are being developed with regular monitoring, reporting and review points.

My assessment is that the feasibility test is met.

### **Affordability**

The programme is now in its third year of delivery, which includes a pilot year, and has received approval for two more years of funding through to April 2025. Investment Committee required a clear commercial strategy and clarification of longer-term ambitions to inform the length of the required contracts and ensure good value for money. The Defra group Commercial Director has approved the procurement pipeline with accompanying procurement strategies. The tNCEA Programme therefore has the Business Case funding for 23 to 24 and 24 to 25 approved.

My assessment is that the affordability test is met.

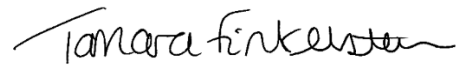
### **Conclusions**

As the Accounting Officer for DEFRA, I have considered this assessment of the tNCEA programme, and on balance the proposal is value for money and deliverable. I have approved it on 28<sup>th</sup> October 2024.

I have prepared this summary to set out the key points which informed my decision. If any of these factors change materially during the lifetime of this programme, I undertake to prepare a revised summary, setting out my assessment of them.

This summary will be published on the government's website (Gov.uk). Copies will be deposited in the Library of the House of Commons and sent to the Comptroller and Auditor General and Treasury Officer of Accounts.

Tamara Finklestein

A handwritten signature in black ink that reads "Tamara Finklestein". The signature is written in a cursive style with a long, sweeping underline.

Accounting Officer

28<sup>th</sup> October 2024