

Responsibilities and delegated authorities for the general management of the Legal Ombudsman

This scheme of delegations relates to Schedule 15 paragraph 22 of the Legal Services Act 2007 regarding the general management of the Legal Ombudsman. It sets out those responsible for making general management decisions, the delegations of authority from the OLC to the CO and the further delegations from the CO to others. Delegations of authority under Section 134 of the Legal Services Act 2007 regarding delegations to Ombudsmen are set out separately. Unless otherwise indicated a delegate may further delegate authority.

Contents

Strategic and Financial planning	2
Budget setting and approval.....	2
Risk Management	2
Personnel pay structures.....	3
Recruitment, suspension, dismissal or termination of employees	4
External Communications & publications	5
Financial Delegations.....	6

Definitions

OLC - Office for Legal Complaints	RemCo - Remuneration and Nomination Committee	ARAC – Audit & Risk Assurance Committee
FTL – Financial transaction limits delegated by MoJ	CO – Chief Ombudsman (and Accounting Officer)	

Subject to overall affordability means that any expenditure increase is not expected to result in the OLC exceeding its annual budget. Matters which are likely to result in the OLC exceeding its annual budget must be approved by the OLC Board. Decisions will normally be made following consultation with colleagues, and individuals are expected to seek specialist professional advice from areas such as HR, Finance, Legal and IT to inform their decisions. However, such consultation will normally be undertaken informally rather than being

formally documented, and failure to consult does not invalidate any decision made by the responsible individual. In the absence of a responsible individual the CO is authorised.

	Area of Responsibility	Level of Responsibility				Non-Executive Oversight and Advice by
		LSB	OLC	CO	Specific Role Holder	
Strategic and Financial planning						
1.	Approving the corporate strategy		✓		N/A	OLC Board
2.	Approving the annual Business Plan		✓		N/A	OLC Board
3.	Approval of strategies affecting the long-term capability of LeO, including HR, finance and IT		✓		N/A	OLC Board
4.	Changes to Scheme Rules	✓			N/A	OLC Board
5.	Setting KPIs		✓		N/A	OLC Board
6.	Approving performance targets		✓			OLC Board
7.	Approving changes to the Governance Framework		✓		N/A	OLC Board
8.	Oversight of the executive management of the Legal Ombudsman		✓		N/A	OLC Board
9.	Approving Memoranda of Understanding with other bodies		✓		N/A	OLC Board
Budget setting and approval						
10.	Approving the annual budget	✓			N/A	N/A
11.	Approving the draft annual budget prior to requesting LSB and MoJ approval		✓		N/A	ARAC
12.	Approving in year request for budget variation	✓			N/A	N/A
13.	Approving proposal for in year budget variation prior to requesting LSB approval		✓		N/A	ARAC
Risk Management						
14.	To institute or defend routine legal proceedings – those where the risk of substantial reputational damage or financial loss is low, and to deal with matters arising from ongoing legal proceedings			✓	Legal Manager	N/A
15.	To institute or defend significant legal proceedings – those where the risk of substantial reputational damage or financial loss is high			✓	N/A	OLC Chair

16.	Determining responses to formal and informal threats of legal action. (not including employment matters – see below)			✓	Deputy Chief Ombudsman	N/A
17.	Determining response to manage the risk of legal challenges on employment matters, and dealing with legal challenges on employment matters, and for keeping RemCo informed of significant developments.			✓	N/A	N/A
18.	Approval of organisational strategy for the management of and the appetite for strategic risk		✓		N/A	ARAC
19.	To appoint or remove an independent complaints adjudicator		✓		N/A	N/A
20.	To establish a process for reviewing and determining the response to complaints about the Legal Ombudsman's service from users of the service			✓	Deputy Chief Ombudsman	OLC Board
21.	Agreeing and amending the OLC's Scheme of Delegation (the Legal Ombudsman's scheme of delegation is the responsibility of the Chief Ombudsman)		✓		N/A	OLC Board
22.	Agreeing and amending the Finance Regulations and spending authorities (subject to Schedule of Matters reserved to the OLC and FTLs)			✓	N/A	OLC Board
23.	Signing commercial contracts within MoJ Financial Transaction Limits or with prior MoJ approval.			✓	N/A	ARAC
Personnel pay structures						
24.	Setting the terms and conditions of service of the Chief Ombudsman		✓		N/A	RemCo
25.	Agreeing pay structures for all staff except the Chief Ombudsman.			✓	N/A	RemCo
26.	Approval of the annual pay remit for the Chief Ombudsman		✓		N/A	N/A
27.	Approving recognition awards			✓	Moderation panel made up of the Executive Team	RemCo
28.	Presenting annual payment awards proposals for RemCo comment and endorsement			✓	N/A	RemCo
29.	Appointing and dismissing committees, sub-committees and sub-groups		✓		N/A	OLC Chair
30.	Approving the Terms of Reference of committees, sub-committees and sub-groups		✓		N/A	OLC Board
31.	Approving committee and sub-committee performance objectives		✓		N/A	OLC Chair

Recruitment, suspension, dismissal or termination of employees						
32.	Decision about the redundancy of an individual employee within contractual terms (excludes Ombudsman and Senior Managers – see below).			✓	N/A	N/A
33.	The suspension, dismissal or termination of an individual employee. (Excludes Senior Managers – see below.)			✓	Head of People Strategy and Services, recommend for approval by Chief Ombudsman	N/A

	Area of Responsibility	Level of Responsibility				Non-Executive Oversight & Advice by
		LSB	OLC	CO	Specific Role Holder	
34.	Decision to implement a redundancy scheme offered to all staff, for any MoJ or Cabinet Office approvals under delegations.		✓		Chief Ombudsman, subject to any MoJ and Cabinet Office approvals required by delegations	OLC Board
35.	The appointment or dismissal of the Chief Ombudsman		✓			OLC Board
36.	The appointment, suspension, dismissal or termination of individual Senior Managers (Heads of Function or above).			✓		OLC Chair
37.	Consent to appoint an Ombudsman following Board approval.			✓	N/A	OLC Board
38.	Approving the Chief Ombudsman's recommendation to dismiss an Ombudsman		✓		N/A	OLC Board
39.	Approval of any payments made to staff as a result of termination of contract which go beyond contractual terms			✓	N/A	Remco
40.	Approving significant changes of organisational structure		✓		N/A	OLC Board
41.	Appointing, dismissing and approving the remuneration of the internal auditor		✓		N/A	OLC Board
External Communications & publications						
42.	Agreeing LeO answers to Parliamentary Questions		✓	✓	Chief Ombudsman	OLC Chair
43.	Agreeing LeO formal correspondence etc to MoJ		✓	✓	Chief Ombudsman	OLC Board
44.	Agreeing LeO formal correspondence etc to LSB		✓	✓	Chief Ombudsman	OLC Board
45.	Approve the publication of Public Interest Decisions		✓		N/A	Public Interest Decisions sub-committee
46.	Consideration and determination of a complaint / challenge about Category 2 publication of Ombudsman Decision Data			✓	N/A	N/A
47.	Publication of Category 2 Ombudsman Decision data.			✓	N/A	N/A
48.	Approving policy statements		✓		N/A	OLC Chair
49.	Approving in principle the policy content of pre- post- and consultation documents and responses to external consultation		✓		N/A	OLC Chair
50.	Approving the OLC annual report and accounts		✓		N/A	ARAC
51.	Approving the minutes of OLC meetings		✓		N/A	OLC Board

Financial Delegations

Delegated matter	Authority Delegated to
Management of costs within budgets	
Individual Budget level	Budget Holder
Re-allocation of budget between departments during a financial year.	CO
Allocation of budget to Projects	CO
Bank Accounts	
Authority to set up Bank accounts.	CO
Authority to grant and maintain access to and set appropriate payment limits for BACS and other bank payment mechanisms in respect of properly approved expenditure.	Head of Finance, Procurement and IT
Non-Pay Revenue Expenditure:	
Approval of Purchase Orders:	
Up to £20,000	Budget Holder
From £20,001 to £75,000	An additional Executive Team member
Approving all proposed revenue expenditure above £75,000	CO
Capital Expenditure:	
Approval of Purchase Orders:	
Up to £20,000	Budget Holder
From £20,001 to £75,000	An additional Executive Team member
Approving all proposed capital expenditure above £75,001	CO
Authorisation of payments:	
Payment to an individual Supplier of up to £50,000	Head of Finance, Procurement and IT
Payment to an individual Supplier in excess of £50,000	CO
Total Supplier payments totalling up to £150,000	Head of Finance, Procurement and IT
Total Supplier payments totalling in excess of £150,000	Two members of Executive Team

Delegated matter	Authority Delegated to
Transfers between OLC bank accounts	Head of Finance, Procurement and IT
Nominal payments to an individual of up to £10,000	Head of Finance, Procurement and IT
Nominal payments to an individual in excess of £10,000	CO
Payroll payments (to include net pay, HMRC, Pension) – payroll sign off form to authorise all of the payments and to require a minimum of two of the four authorities	Two members of the Executive Team (default to Head of People Strategy & Services and Head of Finance)
Authorisation to release properly authorised payments:	
Payment of up to £250,000	Any one bank signatory
Payment of over £250,000	Any two bank signatories
Authorisation to award a new contract procured competitively (subject to delegated authority from MoJ):	
Subject to MoJ FTLs, authorisation of the award of a new contract with a total value:	
Up to £20,000	Budget Holder
From £20,001 to £75,000	An additional Executive Team member
Approving all proposed capital expenditure above £75,001	CO
Authorisation to award a new contract procured through a single tender action or direct award (subject to delegated authority from MoJ):	
Subject to MoJ FTLs, authorisation to award a contract through a single tender action or direct award	CO
Travel & subsistence	
Authority to authorise travel & subsistence expenses claims	As per expenses policy and delegations
Organisation structure & remuneration	
Joiners & changes to pay:	
Authority to create an additional post or to increase a department's overall payroll budget ² .	CO
Authority to fill a post or to extend a fixed term role, at a cost that exceeds the amount included in the department's payroll budget ² .	CO
Authority to fill an existing post with permanent or fixed term staff at or within the cost for that post included in the department's payroll budget ¹	CO
Authority to fill an existing post with permanent or fixed term staff at or within the cost for that post included in the department's payroll budget ¹ – all other roles	CO
Authority to amend departmental role structures within the department's overall payroll budget ¹ (and without redundancies which are subject to separate delegations)	CO
Amendments to Organisation Pay structure (Roles, Grading of roles, Salary Banding of roles, pay remit)	CO
Change to an individual's pay &/or pay grade amendment (e.g. promotion)	CO
Authority to complete Payroll standing data forms affecting authorised starters, pay & benefit variations.	HR Team members

Delegated matter	Authority Delegated to
Leavers	
Authority to complete Payroll standing data forms affecting leavers.	HR Team Members
Holiday and absence:	
Change to Holiday or Absence Policies.	RemCo
Compensation²	
Individual remedy payments in respect of service complaints up to £999 up to cumulative delegation to make total payments in any one financial year of up to £6,000	CO
Individual remedy payments in respect of service complaints up to between £1,000 and £1,500 and up to cumulative delegation to make total payments in any one financial year of up to £6,000	OLC Chair
Individual remedy payments in respect of service complaints over £1,500 or cumulative annual value of £6,000	MoJ
All Severance payments or special payments	MoJ
Sale or Disposals of equipment with proceeds or net book value	
Up to £25,000	Head of Finance, Procurement and IT
From £20,001 to £50,000	CO
Over £50,000	MoJ
Write offs of Bad debts and losses	
Invoices up to £400	Head of Finance, Procurement and IT
Invoices above £400	MoJ
Abandoned claims for the recovery of legal costs	CO

NOTE: All figures are inclusive of VAT

¹ A department's payroll budget comprises the FTE headcount and pay costs that have been included in the department's budget for that financial year.

² The OLC does not have authority to make compensation payments other than as approved for remedy payments for service complaints.