

## 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.

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### 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	
<b>Strategic and Financial planning</b>						
1	Approving the corporate strategy		✓		N/A	N/A
2	Approving the annual Business Plan		✓		N/A	N/A
3	Approval of strategies affecting the long-term capability of LeO, including HR, finance and IT		✓		N/A	N/A
4	Changes to Scheme Rules	✓			N/A	N/A
5	Setting KPIs		✓		N/A	N/A
6	Approving performance Targets		✓		N/A	N/A
7	Oversight of the executive management of the Legal Ombudsman		✓		N/A	N/A
8	Approving Memoranda of Understanding with other bodies		✓		N/A	N/A
<b>Budget setting and approval</b>						
9	Approving the annual budget	✓			N/A	N/A
10	Approving the draft annual budget prior to requesting LSB and MoJ approval		✓		N/A	ARAC
11	Approving in year request for budget variation	✓			N/A	N/A
12	Approving proposal for in year budget variation prior to requesting LSB approval		✓		N/A	ARAC
<b>Risk Management</b>						
13	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
14	To institute or defend significant legal proceedings – those where the risk of substantial reputational damage or financial loss is high			✓	Legal Manager	OLC Chair
15	Determining responses to formal and informal threats of legal action. (not including employment matters – see below)				Legal Manager	N/A
16	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.				Head of People Strategy and Services	N/A
17	Approval of organisational strategy towards the management of and the appetite for strategic risk		✓		N/A	ARAC
18	To appoint or remove an independent complaints adjudicator		✓		N/A	N/A

	Area of Responsibility	Level of Responsibility				Non-Executive Oversight & Advice by
		LSB	OLC	CO	Specific Role Holder	
19	To establish a process for reviewing and determining the response to complaints about our service from users of the service			✓	N/A	OLC
20	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	Board
21	Agreeing and amending the Finance Regulations and spending authorities (subject to Schedule of Matters reserved to the OLC and FTLs)			✓	N/A	OLC
22	Signing commercial contracts within MoJ Financial Transaction Limits or with prior MoJ approval.				Head of Finance	ARAC
<b>Personnel pay structures</b>						
23	Setting the terms and conditions of service the Chief Ombudsman		✓		Head of People Strategy and Services	RemCo to approve
24	Agreeing pay structures for all staff except those listed in 23 above.			✓	N/A	RemCo
25	Approval of the annual pay remit for the Chief Ombudsman			✓	RemCo	Board
26	Approving instant recognition and quarterly recognition awards			✓	Quarterly awards – approved by CO instant recognition awards delegated to budget managers	RemCo
27	Presenting annual payment awards proposals for RemCo comment and endorsement			✓	N/A	RemCo
28	Appointing and dismissing committees and sub-committees		✓		N/A	N/A
29	Approving the Terms of Reference of committees and sub-committees		✓		N/A	N/A
30	Approving committee and sub-committee performance objectives		✓		N/A	N/A
<b>Recruitment, suspension, dismissal or termination of employees</b>						
31	Decision about the redundancy of an individual employee within contractual terms (excludes Ombudsman and Senior Managers – see below).			✓	N/A	N/A
32	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
<b>Area of Responsibility</b>		<b>Level of Responsibility</b>				

		LSB	OLC	CO	Specific Role Holder	Non-Executive Oversight & Advice by
33	Decision to implement a redundancy scheme offered to all staff, for any MoJ or Cabinet Office approvals under delegations.		✓		Accounting Officer, subject to any MoJ and Cabinet Office approvals required by delegations	Board
34	The appointment or dismissal of the Chief Ombudsman		✓		Appointments/dismissals of Chief Ombudsman are a matter reserved to the OLC	Board
35	The appointment or dismissal of individual Senior Managers (Heads of Function or above).			✓	Chief Ombudsman has authority to appoint / dismiss Heads of Function.	OLC Chair
36	Consent to appoint an Ombudsman following Board approval.			✓	N/A	Board
37	Approving the Chief Ombudsman's recommendation to dismiss an Ombudsman (Level 2 and above)		✓		N/A	Board
38	Recommending for RemCo approval of any payments made to staff as a result of termination of contract which go beyond contractual terms			✓	N/A	N/A
39	Approving significant changes of organisational structure		✓		N/A	Board
<b>External Communications &amp; publications</b>						
40	Agreeing LeO answers to Parliamentary Questions		✓	✓	N/A	OLC
41	Agreeing LeO formal correspondence etc to MoJ		✓	✓	N/A	OLC
42	Agreeing LeO formal correspondence etc to LSB		✓	✓	N/A	OLC
43	Recommending the Board approve publication of Category 1 Ombudsman Decision information		✓	✓	Board approval delegated to its Category 1 sub-committee	Category 1 Sub-Committee
44	Consideration and determination of a complaint about Category 2 publication of Ombudsman Decision Data			✓	N/A	N/A
45	Publication of Category 2 Ombudsman Decision data.			✓	N/A	N/A
46	Approving policy statements		✓		N/A	N/A
47	Approving in principle the policy content of pre- post- and consultation documents and responses to external consultation		✓		N/A	N/A
48	Approving the OLC annual report and accounts		✓		N/A	ARAC
49	Approving the minutes of OLC meetings		✓		N/A	N/A

## Financial Delegations

Delegated matter	Authority Delegated to
<b>Management of costs within budgets</b>	
Individual Budget level	Budget Holder
Re-allocation of budget between departments during a financial year.	CO
Allocation of budget to Projects	CO
<b>Bank Accounts</b>	
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
<b>Non-Pay Revenue Expenditure:</b>	
<b>Approval of Purchase Orders:</b>	
Up to £5,000	Budget Holder
from £5,000 to £20,000 – including second signature to junior budget holder where spend is over £5,000	Head of Function / Executive member
£20,001 to £148,000	Two members of Executive team
Approving all proposed revenue expenditure above £148,000 for submission to the Ministry of Justice	OLC <sup>1</sup>
<b>Approval of high value revenue expenditure:</b>	
Approving all proposed revenue expenditure above £148,000 for submission to the Ministry of Justice	OLC <sup>1</sup>
<b>Capital Expenditure:</b>	
<b>Approval of Purchase Orders:</b>	
Up to £20,000	Head of Finance
Over £20,000	Two members of Executive Team
<b>Approval of high value Capital Expenditure:</b>	
Approving all proposed capital expenditure above £148,000 for submission to the Ministry of Justice	OLC <sup>1</sup>
<b>Authorisation of payments:</b>	
Payment to an individual Supplier of up to £50,000	Head of Finance
Payment to an individual Supplier in excess of £50,000	CO
Total Supplier payments totalling up to £150,000	Head of Finance
Total Supplier payments totalling in excess of £150,000	Two members of Executive Team
Transfers between OLC bank accounts	Head of Finance
Nominal payments to an individual of up to £10,000	Head of Finance
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)

<b>Delegated matter</b>	<b>Authority Delegated to</b>
	Strategy & Services and Head of Finance)
<b>Authorisation to release properly authorised payments:</b>	
Payment of up to £250,000	Any one bank signatory
Payment of over £250,000	Any two bank signatories
<b>Authorisation to award a new contract procured competitively (subject to delegated authority from MoJ):</b>	
<b>Subject to MoJ FTLs, authorisation of the award of a new contract with a total value:</b>	
Up to £5,000	Budget Holder
from £5,000 to £20,000	Head of Function / Executive member
£20,001 to £148,000	Two members of Executive Team
Over £148,000 for submission to the MoJ to approve	OLC <sup>1</sup>
<b>Authorisation to award a new contract procured through a single tender action or direct award (subject to delegated authority from MoJ):</b>	
Subject to MoJ FTLs, authorisation to award a contract through a single tender action or direct award	CO
<b>Travel &amp; subsistence</b>	
Authority to authorise travel & subsistence expenses claims	As per expenses policy and delegations
<b>Organisation structure &amp; remuneration</b>	
<b>Joiners &amp; changes to pay:</b>	
Authority to create an additional post or to increase a department's overall payroll budget <sup>2</sup> .	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 <sup>2</sup> .	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 <sup>2</sup> – operational roles up to Pay band D	Chief Operating Officer
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 <sup>2</sup> – all other roles	CO
Authority to amend departmental role structures within the department's overall payroll budget <sup>2</sup> (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
<b>Leavers</b>	
Authority to complete Payroll standing data forms affecting leavers.	HR Team Members
<b>Holiday and absence:</b>	
Change to Holiday or Absence Policies.	RemCo
<b>Compensation <sup>3</sup></b>	
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

<b>Delegated matter</b>	<b>Authority Delegated to</b>
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
<b>Sale or Disposals of equipment with proceeds or net book value</b>	
Up to £25,000	Head of Finance
Between £25,000 - £50,000	CO
Over £50,000	MoJ
<b>Write offs of Bad debts and losses</b>	
Invoices up to £400	Head of Finance
Invoices above £400	MoJ
Abandoned claims for the recovery of legal costs	CO

**NOTE:** All figures are inclusive of VAT

<sup>1</sup> Between meetings, the OLC has delegated approval to the Chair and nominated non-executive Board Member. This covers all new requests (although the nature of the request might require full Board approval irrespective of value) and changes to existing approvals above £148k of up to £50k.

<sup>2</sup> 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.

<sup>3</sup> The OLC does not have authority to make compensation payments other than as approved for remedy payments for service complaints.