

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

CO – Chief Ombudsman (and Accounting Officer)

MT - The Management Team

FTL – Financial transaction limits delegated by
MoJ

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
2	Approving the annual Business Plan		✓			N/A
3	Approval of strategies affecting the long-term capability of LeO, including HR, finance and IT		✓			N/A
Budget setting and approval						
4	Approving the annual budget	✓				N/A
5	Approving the draft annual budget prior to requesting LSB and MoJ approval		✓			N/A
Risk Management						
6	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
7	To institute or defend significant legal proceedings – those where the risk of substantial reputational damage or financial loss is high			✓		OLC Chair
8	Determining responses to formal and informal threats of legal action. (not including employment matters – see below)				Legal Manager	N/A
9	Determining response to manage the risk of legal challenges, and dealing with legal challenges on employment matters, and for keeping RemCo informed of significant developments.				Head of OD and People Strategy	N/A
10	To appoint or remove an independent complaints adjudicator		✓			N/A
11	To establish a process for reviewing and determining the response to complaints about our service from users of the service			✓		OLC
12	Agreeing and amending the OLC's Scheme of Delegation (the Legal Ombudsman's scheme of delegation is the responsibility of the Chief Ombudsman)		✓			Board
13	Agreeing and amending the Finance Regulations and spending authorities (subject to Schedule of Matters reserved to the OLC and FTLs)			✓		OLC

	Area of Responsibility	Level of Responsibility				Non-Executive Oversight & Advice by
		LSB	OLC	CO	Specific Role Holder	
14	Signing commercial contracts within MoJ Financial Transaction Limits or with prior MoJ approval.				Head of Finance	ARAC
Personnel pay structures						
15	Setting the terms and conditions of service the Chief Ombudsman,		✓		Head of OD and People Strategy	RemCo to approve
16	Agreeing pay structures for all staff except those listed in 15 above.			✓	Chief Ombudsman	RemCo
17	Approval of the annual pay remit for the Chief Ombudsman			✓	RemCo	Board
18	Approving instant recognition and quarterly recognition awards			✓	Quarterly awards – approved by CO instant recognition awards delegated to budget managers	RemCo
19	Presenting annual bonus proposals for RemCo comment and endorsement			✓	CO	RemCo
Recruitment, suspension, dismissal or termination of employees						
20	Decision about the redundancy of an individual employee within contractual terms (excludes Ombudsman and Senior Managers – see below).			✓	Chief Ombudsman	N/A
21	The suspension, dismissal or termination of an individual employee. (Excludes Senior Managers – see below.)			✓	Head of OD and People Strategy, Head Ombudsman (Operational Delivery) recommend for approval by CO	N/A
22	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
23	The appointment or dismissal of the Chief Ombudsman		✓		Appointments/dismissals of CO are a matter reserved to the OLC	Board
24	The appointment or dismissal of individual Senior Managers (Heads of Function or above).			✓	CO has authority to appoint / dismiss Heads of Function reporting to her. Chair has authority to appoint and dismiss of Heads of Function currently reporting to her (interim arrangement)	
25	Consent to appoint an Ombudsman following Board approval.			✓	Head of OD and People Strategy brings recommendation to the Board	Board
26	Approving the Chief Ombudsman's recommendation to dismiss an Ombudsman (Level 2, Senior or Head)		✓		OLC Board	Board

27	Recommending for RemCo approval of any payments made to staff as a result of termination of contract which go beyond contractual terms			✓	CO	N/A
External Communications & publications						
28	Agreeing LeO answers to Parliamentary Questions			✓	CO	OLC
29	Agreeing LeO formal correspondence etc to MoJ			✓	CO	N/A
30	Agreeing LeO formal correspondence etc to LSB			✓	CO	OLC
31	Recommending the Board approve publication of Category 1 Ombudsman Decision information		✓	✓	Board approval delegated to its Category 1 sub-committee	Category 1 Sub-Committee
32	Consideration and determination of a complaint about Category 2 publication of Ombudsman Decision Data			✓		N/A
33	Publication of Category 2 Ombudsman Decision data.			✓		N/A
34	Approving in principle the policy content of pre- post- and consultation documents and responses to external consultation		✓			N/A
35	Approving the OLC annual report and accounts		✓			ARAC

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
Non-Pay Revenue Expenditure:	
Approval of Purchase Orders:	
Up to £5,000	Junior Budget Holder
from £5,000 to £20,000	Head of OD and People Strategy /Head of IT
Executive team authorised to approve within their delegated budget to a total of £20,000 including second signature to junior budget holder where spend is over £5,000	Executive
£20,001 to £148,000	2 members of Executive team
Approving all proposed revenue expenditure above £148,000 for submission to the Ministry of Justice	OLC ¹

Delegated matter	Authority Delegated to
Approval of high value revenue expenditure:	
Approving all proposed revenue expenditure above £148,000 for submission to the Ministry of Justice	OLC ¹
Capital Expenditure:	
Approval of Purchase Orders:	
Up to £20,000	Head of Finance
Over £20,000	CO
Approval of high value Capital Expenditure:	
Approving all proposed capital expenditure above £148,000 for submission to the Ministry of Justice	OLC ¹
Authorisation of payments:	
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	2 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	2 persons from Head of OD and the Executive Team (default to Head of OD 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 £5,000	Budget Holder
from £5,000 to £20,000	Head of Finance
Over £20,000	CO
Over £148,000 for submission to the MoJ to approve	OLC ¹
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 ² – operational roles up to Pay band D	Head Ombudsman Operational Delivery
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 ² – all other roles	CO
Authority to amend departmental role structures within the department's overall payroll budget ² (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 or pay grade amendment (e.g. promotion)	CO
Authority to complete Payroll standing data forms affecting authorised starters, pay & benefit variations.	HR Team members
Leavers	
Authority to complete Payroll standing data forms affecting leavers.	HR Team Members
Holiday and absence:	
Change to Holiday or Absence Policies.	RemCo
Compensation ³	
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
Between £25,000 - £50,000	CO
Over £50,000	MoJ
Write offs of Bad debts and losses	
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

¹ Between meetings, the OLC has delegated approval to the Chair and Rebecca Hilsenrath. 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.

² 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.

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