

Natural Resources Wales

Financial Scheme of Delegation

September 2013 Draft



1. Introducing the scheme

Introduction

- This document is one of a series setting out how we, Natural Resources Wales (NRW), will make sure that there is a sound financial governance framework in place that will underpin activities that are critical to the success of our business. The Financial Scheme of Delegation (FSoD) governs how we spend money. It details the mandatory rules we must follow when spending NRW money to make sure we do it prudently and maintain financial regularity.

Who is the document for?

- This document is for all NRW staff with authority, or with delegated authority to spend NRW money. Compliance with the FSoD is mandatory.

Background

- NRW, as a Welsh Government Sponsored Body (WGSB) and its support by public money places particular responsibilities on all its management and staff to ensure value for money and financial regularity at all times. The rules on financial regularity and propriety are contained in the Welsh Government Framework Document (WGFD) and FSoD.
- The WGFD sets out the broad framework within which NRW operates and details the terms and conditions under which the Welsh Ministers provide Grant-In-Aid to NRW. The FSoD, as approved by NRW Board, prescribes the limits to the powers and duties that have been delegated to the management and officers of NRW within the terms of the WGFD. Staff should observe the WGFD in parallel with the FSoD rules.
- The FSoD is an NRW Board approved document and therefore variations of the delegations require their approval.
- Managing Welsh Public Money (MWPM) is another key Welsh Government (WG) publication - a **must read** for all engaged within the finance function of WG departments and arm's length bodies. MWPM describes public sector funding together with the principles of regularity and propriety in expending resources.

What is this document about?

- The FSoD ensures that all financial activities of the NRW are delegated to an agreed level of authority or specific post holder. It allows the Board and Executive Team to delegate decision making responsibility for financial matters. It is based on risk profile and scaled appropriately and defines the circumstances where approval may be referred to WG. The FSoD has an important role in helping the public understand the way our decisions are made.
- In some parts of this scheme, prior authorisation of WG is required; FSoD authorisation must be in place before WG referral. WG approval must also be obtained before commitment to or incurring any expenditure with novel, unusual or contentious features.

2. How the FSoD will be used

Levels of delegation

- The FSoD deals with any matters that has a financial implication or spend to it. For the delegated authority relating to non-financial matters please refer to the [Non-Financial Scheme of Delegation](#).
- The delegated powers are broadly set across 4 Tiers
- Tier 1 - Chief Executive
- Tier 2 – Executive Team
- Tier 3 – Leadership Team
- Tier 4 – Direct Reports to Leadership Team

Clear segregation is required at three distinct levels:

- proposed expenditure must be justified in advance
- approval to spend must be separately authorised. This requires authorisation/confirmation that the budgeted is available.
- spend or making contractual commitments is achieved through the letting of contracts or placing of purchase orders. This activity represents commercial risk and contractual commitment is normally made by the procurement function unless specified delegations have been put in place.

Transfer of FSoD powers

- Powers delegated to an officer through post or grade in this FSoD cannot be delegated by that officer to another officer unless the FSoD or the accompanying notes expressly provides this can be done.
- The only circumstances where an officers' powers may be exercised by another officer (other than a line manager) is where the officer is absent and that other officer has been required to carry out the role (doing the officer's job on an 'acting' basis). Where an officer is appointed on an 'acting' basis, then this must be recorded.
- Where absence is unforeseen and no 'acting' arrangements are in place, the absent officers powers can only be exercised by their line manager(s).

FSoD cost

- In terms of obtaining approval it is the amount of expenditure controlled by NRW that is to be taken into account (gross undiscounted cost). For example, if we contribute £100,000 to another body to assist in a £600,000 research and development project then the relevant amount for considering the necessary level of approval is the £100,000. Conversely, if we are spending £300,000 on a research and development project, as well as £250,000 received as a contribution from another body, then the relevant amount for considering whom should approve is £550,000 (£300,000 plus £250,000).

Limits

- The amounts described in the column headed “Limits” refer to individual transactions unless otherwise stated. Where there is no upper limit, which is normally associated with Board approval only, it must be emphasised that there is an inherent overall limit as imposed by the Corporate Plan and appropriate authorised budgets.

VAT

- All monetary amounts stated in the FSoD are exclusive of VAT - the price given is that of goods or service before VAT is added to it.

Accountable Officer

- The FSoD makes reference to officers who are strictly accountable for the authorisation or approval process, as well as those officers from which advice should be gained prior to authorisation.

Project groups and Project Managers

- It is considered highly unlikely that special project or task groups will require delegation of the specific powers covered by the FSoD. Therefore in circumstances where such powers are required, special provisions will need to be made and Board approval obtained at the outset of the project/task.

Consideration by the Chief Executive/Board

- Officers should always consider if any matter they are engaged in is one on which the Chief Executive and/or the Board may wish to be consulted, particularly if it involves expenditure with novel, unusual or financially contentious features. If so, they should alert their line manager.
- The Board reserves the right to have delegated actions reported to it when they involve either significant sums of money or where they affect Board policy.
- The Board will be notified of all items referred to Welsh Government approval. Details will form part of an exception report to their next meeting.

Flood Risk Management Wales Committee

- Notwithstanding the provisions contained in this FSoD, the Flood Risk Management Wales Committee has executive powers as set out in the Water Resources Act 1991. These include the approval of programmes of work and the setting of levies. Such powers are implicit in the document whether mentioned or not and nothing contained in it is intended to remove the need to obtain the approval of the committee for such items.

3. Delivery

Financial guidance notes and forms

- FSoD should be used in conjunction with the Welsh Government Framework Document and with the forms on which it is necessary to obtain the appropriate authorisations. The FSoD has been cross-referenced to this and the relevant form.

Where there is no cross-reference to a standard form then the submission for authorisation should be in memo format.

Help desk

- Care should be taken in interpreting the FSoD. If in doubt you should seek clarification from your manager. The FSoD Co-ordinator should be able to clarify interpretation of the FSoD and how it works. Anything that cannot be resolved by your manager should be addressed to this officer: **Grace Acres - 03000680344**
- Links to key reference documents
- Welsh Government Framework Document (MSFM)
- Managing Welsh Public Money (WG doc)
- Non-Financial Scheme of Delegation
- Project Assurance Board's Terms of Responsibility
- FSoD Form A – Expenditure Justification (projects > £50k)
- FSoD Form A – Guidance notes for completion
- FSoD Form C – Single Tender Action
- FSoD Form G – Supplementary Expenditure
- FSoD Form H – Lettings and Rent Reviews
- FSoD Form I – Disposal of Assets
- FSoD Form L – Write Offs, Losses, Special Payments and Gifts
- FSoD Form S – Foreign Travel

Incur	Includes signing contracts, making purchase orders and authorising invoices for payment which are not previously subjected to the level of checks and controls set out in the contract or purchase order procedures
Or	Where authorising officers are connected by 'or' this means that either officer may authorise
Jointly	Joint delegation occurs when 2 officers are expected to authorise a transaction. This authorisation must be evidenced by both signatures appearing on the relevant form or memo.
Officer	An employee on the payroll. This does not include external contractors and temporary staff.
In consultation with	Used in circumstances where an officer must seek advice from another officer before authorising the transaction. The officer being consulted must: • be informed of the transaction to be authorised • be given an opportunity to comment on it; and • evidence acceptance

- **Project** Different to 'business as usual' activities (the day job), a project has a number of distinguishing features: an identified start and end date; a defined resource (effort, time and cash); seeks to deliver an output, product or outcome; is unique and will not (as yet) constitute an ongoing or repetitive activity – the day job.

A EXPENDITURE JUSTIFICATION

A.1

Justification for Commencing a Flood and Coastal Risk Management (FCRM) Project – (Form A Business Case)

Including

- FCRM Capital
- FCRM Revenue; and
- FCRM within and outside an agreed Strategy

Project Assurance Board (PAB) consultation/approval for all projects £50k or over. Recommendations from both groups are to be resolved prior to final FSoD sign off

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £5m	Chief Executive ,Welsh Government, in consultation with NRW Board
Between £2m and £5m	Summary Documents to Welsh Government – information only
Up to £5m	Executive Director National Service in consultation with Chief Executive
Up to £1m	Head of Flood and Operational Risk Management

A EXPENDITURE JUSTIFICATION

A.2 Justification for commencing a capital or revenue project – (Form A Business Case)

Excluding;

- FCRM Projects
- Consultancy Spend Projects

Including

- Partnership Projects

All projects that have ICT expenditure will need to be submitted to the Strategic Design Authority and signed off by the Chief Information Officer and comply with Welsh Government Spending Controls.

All other projects over £50k must be submitted to the Project Assurance Board (PAB). Recommendations from PAB are to be resolved prior to final FSoD sign off

All Partnership Projects below £50k to be completed on a Partnership Project Mandate and sent to FSoD co-ordinator – Link to form

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £500k	Chief Executive and Welsh Government
Up to £500k	Member of Executive Team in consultation with Chief Executive
Up to £300k	Tier 3
Up to £100k	Tier 4

A EXPENDITURE JUSTIFICATION

A.3 Justification for commencing a consultancy project – (Form A Business Case)

Subject to:

- All consultancy Spend requires approval by CE
- Consultants to cover a staff post on a temporary or permanent basis require Executive Team Approval
- Project Assurance Board (PAB)
consultation/approval for all projects £50k or over.
Recommendations from PAB are to be resolved
prior to final FSoD sign off.

**Please refer to Welsh Government Spending Controls –
See Annex A**

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £500k	Chief Executive, Welsh Government in consultation with NRW Board
Up to £500k	Member of the Executive Team
Up to £100k	Tier 3

A EXPENDITURE JUSTIFICATION
A.4 Justification for awarding a grant

Notes:

- Justifications to be provided
- Once approved the expenditure is subject to (C3)FSOD delegations
- Limit per grant/per annum
- If the grant is to assist in the acquisition of land and is greater than £250k then WG approval needed

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £500k	Chief Executive and Welsh Government
Up to £500k	Member of Executive Team in consultation with Chief Executive
Up to £ 300k	Tier 3
Up to £100k	Tier 4

A EXPENDITURE JUSTIFICATION

A.5 Justification for a Restoring Sustainable Abstraction (RSA) compensation negotiation of estimated value

Notes;

- Must Follow Agreed procedures set out by the RSA Steering group
- Must be part of the agreed affordable RSA Steering group programme
- Amounts paid may be determined through negotiation with Abstraction licence holders OR may be decided by a lands Tribunal
- Does not require Project Assessment Board PAB consultation
- Justification to be provided on a template agreed by the steering group
- Once approved the expenditure is subject to C1 FSoD delegations

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £5m	Chief Executive in consultation with Executive Director Knowledge Strategy and Planning, Executive Director for Finance and Corporate Assets and Welsh Government
Up to £5m	Executive Director for Finance and Corporate Assets in consultation with the Chief Executive and Executive Director Knowledge Strategy and Planning
Up to £1m	Head of Flood Risk and Operational Risk Management in consultation with Head of Business Finance

A EXPENDITURE JUSTIFICATION

A.6.1 Justification for authorising expenditure on solicitors or barristers, from outside Legal Services

Notes;

- Justification to be provided
- Once approved the expenditure is subject to C1 FSoD delegations.

A.6.2

Engagement for professional Services in respect of Employment Law

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £100k	Member of Executive Team
Up to £100k	Tier 3
Up to £25k	Head of Legal Services and Territorial Surveyor
Over £50k	Executive Director for OD and People Management
Up £50k	Head of People Services

B BUDGETS

B.1 Authorisation of the overall Natural Resources Wales budget for submission to the Board.

B.2 The quarterly review process co-ordinated by Finance enables Directors Team to review and approve changes (virements) between Directorate budgets (excluding Flood and Coastal Risk Management Capital Projects) to the upper value of £10k.

B.3 Authorising transfers of sums within Directorate budgets (virements) following agreement between relevant budget managers.

B.4 Authorising Flood Coastal Risk Management programme changes for projects with current budget allocation

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
–	Chief Executive
Up to £10k	Chief Executive
Up to £25k	Member of Executive Team
Over £500k	Executive Director of National Services & Executive Director of Finance and Corporate Assets in consultation with Head of Flood and Operational Risk Management
Up to £500k	Head of Flood and Operational Risk Management

B BUDGETS

B.5 Authorising Flood Coastal Risk Management programme changes for projects with no current budget allocation

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £250k	Executive Director of National Services & Executive Director of Finance and Corporate Assets
Up to £250k	Head of Flood and Operational Risk Management in consultation with Head of Business Finance

C – Approval to spend and Contractual Commitment

C.1 Approval to;

- Approve justified expenditure from budgeted funds
- Approve payment

Excluding:

- Project Delivery Enterprise managed projects – C2

And subject to:

- Any contract being awarded on a competitive basis, or with prior single tender action approval – Section C.5
- Consultation with procurement staff over £10k FSoD delegations on Contractual Commitment in C8

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £10m	Chief Executive and Executive Director of Finance and Corporate Assets
Up to £10m	Member of Executive Team
Up to £2m	Tier 3
Up to £500k	Tier 4
Up to £50k	Tier 5
Up to £25k	Nominated Woodland Managers/Recreation Rangers, PB5
Up to £5k	Nominated Team Member

C – Approval to spend and Contractual Commitment

C.2.1 Approval to Spend – Project Delivery Enterprise Service;

- Approve justified consultancy and construction expenditure from budgeted funds
- Approve payment

And subject to:

- Any contract being awarded on a competitive basis, or with prior single tender action approval – Section C.5
- Consultation with procurement staff over £10k FSoD delegations on Contractual Commitment in C8

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £10m	Chief Executive jointly with Executive Director of Finance and Corporate Assets
Up to £10m	Executive Director of National Services
Up to £2m	Tier 3
Up to £1m	Project Delivery Operations Manager
Up to £500k	Project Delivery Project Managers 1
Up to £250k	Project Delivery Project Managers 2
Up to £5k	Nominated Team Members

C Forestry Operations (Harvesting, Restocking and Roads)

C.2.2

- Approve justified expenditure from budgeted funds
- Approve payment

And subject to:

- Any contract being awarded on a competitive basis, or with prior single tender action approval – Section C.5
- Consultation with procurement staff over £10k FSoD delegations on Contractual Commitment in C8

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £10m	Chief Executive, Executive Director of Finance and Corporate Assets
Up to £10m	Member of Executive Team
Up to £2m	Member of Leadership group
Up to £1m	Head of Forest Operations
Up to £500k	Forestry PB2&3
Up to £150k	Forestry PB4
Up to £50k	Forestry PB5
Up to £20k	Forest Operations Supervisors
Up to £5k	Nominated Forestry Supervisors

C Approval to spend and Contractual Commitment

Grants

C.3.1 Payment of Interim and Final Account Claims for Capital grant from Local Authorities and Internal Drainage Boards for a Local Authority or Internal Drainage Board Flood and Coastal Risk Management Project

And subject to:

- All claim submissions are for approved projects or accepted emergency works

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £10m	Chief Executive in consultation with Executive Director of Finance and Corporate Assets and Executive Director of National Services
Up to £10m	Executive Director of National Service & Executive Director of Finance and Corporate Assets
Up to £2m	Head of Flood and Operational Risk Management

C Approval to spend and Contractual Commitment

Grants

C.3.2 Payment of interim and Final Account claims for capital grant under section 31 of Local Government Act 2003 for Local Authority Contaminated Land Projects

And subject to;

- All claim submissions are for approved projects or accepted emergency works.

C.3.3 Payment of interim and Final Account Claims for all other grants

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Up to £2m	Head of Flood and Operational Risk Management
Over £5m	Chief Executive in consultation with Executive Director of Finance and Corporate Assets
Up to £5m Up to £2m Up to £500k	Executive Director of Finance and Corporate Assets Head of Business Finance or Head of Financial Services Tier 4

C Approval to spend and & Commit to a contract: Grants

C3.4 Approval of Woodland Grant contracts and approval of claims.

Please refer to the following documents:

Minute of Authority(appendix2)

Better Woodlands for Wales Case Approval Process (appendix 3)

C3.5 Payment of interim and Final Account Claims for Wood Energy Biomass Scheme Grants

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £5m	Chief Executive in consultation with Executive Director of Finance and Corporate Assets
Up to £5m	Executive Director of Finance and Corporate Assets
Up to £2m	Head of Business Finance or Head of Financial Assets
Up to £500k	Head of Technical Services and Customer Care, Head of Forest and Tree Health
Up to £250k	Operations Manager Forestry Grants and Regulation
Up to £50k	Tree Health Planning Manager, Forestry Regulatory & Legacy Grants Admin Team Leader
Up to £25k	Nominated Tier 5 Forestry Grants and Regulations
Over £5m	Chief Executive in consultation with Executive Director of Finance and Corporate Assets
Up to £5m	Executive Director Finance Corporate Assets
Up to £2m	Head of Business Finance or Head of Financial Services
Up to £500K	Wood Energy Biomass Scheme Project Board but ultimate sign off is by Senior User
Up to £250k	Project Manager

C Approval to spend and &Commit to a contract:

C.4 Approval to Spend – Purchasing cards

And subject to;

- Competition having taken place over £5k or with prior single tender action approval (Section C.5)
- Consultation with procurement staff over £10k
- Existing controls over set up and variations to purchasing card transaction limits
- Additional FSoD authorisation for individual transactions above generic £5k
- Exception above £20k limit as approved

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Up to £5k	Default all nominated Staff

C Approval to spend and Contractual Commitment

C.5 Single Tender Action – **Form C**

To authorise justified expenditure above £5k on a single tender action basis – Unless the spend is a statutory requirement

And subject to;

- Projects that have IS expenditure require additional CIS signature as appropriate
- Ops delivery contracts over £250k awarded by single tender action require reporting to the next meeting of the NRW board
- See HR policy if engaging with an ex-employee

Note: Once approved the single tender action is subject to FSoD delegations in C8 on Contractual Commitment

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £250k	Executive Director of Finance and Corporate Assets in consultation with Chief Executive
Up to £250k	Head of Procurement in consultation with Executive Director of Finance and Corporate Assets
Up to £100k	Member of Executive Team in consultation with Head of Procurement
Up to £50k	Member of Leadership Team in consultation with Head of Procurement
Up to £10k	Tier 4

C Approval to spend and Contractual Commitment

Flood & Coastal Risk Management Projects Only

C.6 – Supplementary Expenditure – Pre and Post
Contract let – **Form G**

And subject to;

- Project Assurance Board (PAB) Consultation prior to approval where appropriate
- Approval for the revised total costs of the project – not supplementary expenditure in isolation
- WG re-authorisation, if they originally approved it and the original costs are exceeded by 20%

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £5m	Chief Executive , Welsh Government in consultation with NRW Board
Up to £5m	Executive Director of Finance and Corporate Assets in consultation with Chief Executive
Between 2m and £5m	Summary Documents to Welsh Government
Up to £2m	Executive Director of National Service in consultation with Head of Procurement
Up to £1m	Head of Finance and Operational Risk Management in consultation with Head of Procurement
Up to £250k	Tier 4

C Approval to spend and Contractual Commitment

Non FCRM Projects

C.7– Supplementary Expenditure – Pre and Post
Contract let – **Form G**

And subject to;

- Project Assessment Board consultation prior to approval where appropriate
- Approval for the revised total costs of the project – not supplementary expenditure in isolation
- WG re-authorisation, if they originally approved it and the original costs are exceeded by 20%

**All projects that have ICT expenditure require
Strategic Design Authority Approval**

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £500k	Chief Executive in consultation with Head of Procurement and Welsh Government ,
Up to £500k	Member of Executive Team in consultation with Head of Procurement
Up to £300k	Tier 3 in consultation with Head of Procurement

C Approval to spend and Contractual Commitment

Contractual Commitment

C.8a

To award contracts for all justified expenditure approved from budgeted funds by signing;

- All standard forms of contract, including award letters to suppliers and contractors and Official purchase orders

And subject to;

- Any contract being awarded on a competitive basis, otherwise single tender action (C5). Unless awarded under the terms of an existing framework agreement established for the purpose

Memorandum of Agreements

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £10m	Executive Director of Finance and Corporate Assets in consultation with Head of Procurement
Over £5m	Head of Procurement
Up to £2m	Head of Procurement and nominated procurement officers
Over £25k	Procurement Officers nominated by Head of Procurement
Up to £25k	Tier 4

C Approval to spend and Contractual Commitment

Contractual Commitment

C.8b

To award contracts for all justified expenditure approved from budgeted funds by signing;

- Non – standard contracts drawn up by non NRW sources (e.g. Suppliers) and NRW contractors which are bespoke or contain variations from approved NRW conditions

And subject to;

- Variations to standard contracts for receipt of Flood Coastal Risk Management partnership contributions will also be in consultation with the Head of Flood and operational Risk Management
- Any contract being awarded on a competitive basis, otherwise single tender action – (C5)

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £5m	Executive Director of Finance and Corporate Assets in consultation with Head of Procurement and Executive Director of National Service/Head of Enterprise (For Legal Review)
Up to £5m	Head of Procurement in consultation with Executive Director of National Service/Head of Enterprise (For Legal Review)
Up to £1m	Procurement Officers nominated by the Head of Procurement in consultation with Executive Director of National Service/Head of Enterprise (For Legal Review)

C Approval to spend and Contractual Commitment

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
	Line Manager
-	Head of People Services

C Approval to spend and Contractual Commitment

C.10 Financial Service

Authorisation of payments due to third parties for:

10.1 – Funds deducted from payroll:

- Tax
- National insurance
- Pensions
- Union deductions
- Voluntary deductions (Social clubs/Charities etc.)
- Statutory deductions (CSA, Attachments of Earnings etc.)

10.2

- Income collected under Radio Active Substance (RAS) regulations for Food Standard Agency.
- Income refunds (e.g. charge adjustments & duplicate payment refunds)

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £2m	Executive Director of Finance and Corporate Assets
Up to £2m	Head Of Financial Services
Up to £200k	Tier 4
Up to £750k	Head of Financial Services
Up to £25k	Tier 4

PART D – Disposals – (Form I)

(Land/property disposal please refer to section P)

D.1 – Disposal of;

- Unwanted Stores
- Plant
- Equipment
- Vehicles and other assets

Subject to;

- Informing other areas of the business of the availability of unwanted articles and consulting with procurement on method of disposal
- Any disposal with an expected value in excess of £1.0m; or
- Where the assets are disposed of at less than market value where there is a receipt over £50k

The limits are stated in net book value (NBV) amounts or market value if known to be higher

Form I's to be completed before disposal of assets.

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £1m	Welsh Government
Over £500k	Chief Executive in consultation with Executive Director of Finance and Corporate Assets
Up to £500k	Member of Executive Team in consultation with Executive Director of Finance and Corporate Assets
Up to £100k	Head of Financial Services and Head of Business Finance

PART E – Income

E.1 Determining NRW's charging policies and agreeing charges for other than local services, subject to the prior approval of WG for all non-flood defence charging schemes

E.2 Determining charges for local services

E.3 Authorising flood defence levies and other charges recommended by relevant Flood Defence Committees

E.4 Authorising variations of income invoices and instalment arrangements on outstanding debts

E.5 Approval of agreements for exception from or reduction in water abstraction charges (S126WA)

E.6 Agree third Party contributions to NRW projects

- For FCRM third party contributions, authorisation must be obtained from the relevant authorised body or officer refer to A2 or A3 as appropriate

E.7 Agreement with Local Authority and Internal Drainage Boards for repayment of Capital Grants

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
-	NRW Board & Welsh Government
-	Member of Executive Team in consultation with Executive Director of Finance and Corporate Services
-	Chief Executive in consultation with NRW Board
-	Head of Financial Services
-	Executive Director for Knowledge, Strategy and Planning in consultation with Executive Director of Finance and Corporate Services
-	Member of Leadership Team in consultation with Head of Business Finance
-	Head of Flood Operational Risk Management

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PART E – Income

E.8 Sales Contracts – Forest Operations Harvesting and Marketing only

Please note the delegation limit is the value of the contractual commitment

E.9. Variations to the terms of a forest operations sales contract

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Above £1m	Head of Enterprise
Up to £1m	Head of Forest Operations
Up to £500k	PB3
Up to £150k	PB4
Up to £50k	Market Development Officers
Above £1m	Head of Enterprise
Up to £1m	Head of Forest Operations
Up to £500k	PB3

PART F – Bank Accounts

F.1 General

F.1.1 Opening and Closing bank accounts

F.1.2 New payment DD

F.2 Financial Provisions

F.2.1 Authorising the quantum and mechanism for making financial provision (adequate to discharge the obligations arising from the Permit or Licence), required by the holder of an Environmental Permit, Waste Management Licence, or PPC Permit in respect of a Landfill: or for demonstrating an applicant's ability to be in a position to make, financial provision, in the case of a Specified Waste Management Activity.

F.2.2 Authorising the quantum and mechanism for demonstrating financial competence, required by the holder of an Environmental Permit, in respect of a Non-Landfill, adequate to discharge the obligations arising from the Permit.

F.2.3 The opening, closing and maintenance of Escrow bank accounts solely in connection with Environmental Permit, Waste Management Licence, and PPC permit Financial provisions in respect of Landfills

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
-	Head of Financial Services or Head of Business Finance
-	Head of Financial Services or Head of Business Finance
Over £1m	Head of Financial Services and Executive Director Finance and Corporate Assets
Up to £1m	Permitting Centre Manager and Head of Financial Services
Over £1m	Head of Financial Services and EDFCS
Up to £1m	Permitting Centre Manager and Head of Financial Services
-	Head of Financial Services

PART F – Bank Accounts

F.2 Financial Provisions

F.2.4 Approval of agreements for the provision of financial provision by the operator of a landfill site or mining waste facility or holder of a High Activity Sealed Source (Paragraph 5 (1)(d) of schedule 10 and paragraph 7(j) of schedule 20 EPR) and Part 5 Schedule 23 EPR)

F.2.5 Approval of Certificate of Default and accessing financial provision

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
-	Permitting Centre Manager
-	Head of Financial Services and Tier 4

G – Cheque Signing

G.1 Signing financial instruments e.g. cheques; foreign drafts, CHAPS; BACS payment, international payments

*Signatories must not sign for cheques raised for their areas of specialism e.g. Payroll Manager (Specified officer) must not sign payroll related cheques

G.2 Cheques issued from designated bank account for Court injunction applications

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £50k	Any 1 signatories from Tier 4 Finance and 1 specified signatory as per Bank Mandate
Up to £50k	2 of the authorised bank signatories list as per Bank Mandate
Up to £1k	Any one bank signatory as per Bank Mandate

H – Investment of Surplus Funds

H.1 Investment of Surplus funds

Part I – Borrowing Powers

1.1 Exercising NRW's borrowing powers subject to the prior approval of WG in line with the Welsh Government Framework Document

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
-	Executive Director of Finance and Corporate Assets
-	Executive Director of Finance and Corporate Assets

Part J - Insurances

J.1 Arranging insurances

J.2 Authorising settlements on claims against NRW's motor insurance arrangements

J.3 Settling self-insured liability claims

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
-	Executive Director for Finance and Corporate Services
Over £1m	NRW Board
Over £100k	Executive Director for Finance and Corporate Assets
Up to £100k	Head of Corporate Assets
Up to £50k	Tier 4
Over £1m	NRW Broad
Up to £1m	Chief Executive in consultation with Head of Enterprise
Up to £250k	Executive Director of Finance and Corporate Assets in consultation with the Head of Corporate Assets
Up to £150k	Head of Financial Services or Head of Business Finance in consultation with Head of Corporate Assets

Part K – Financial Irregularity (Form M)

K.1 Reporting cases of financial irregularity – proven or suspected

- Identifier to report irregularity immediately via the local FSoD Co-ordinator
- All cases will be reported to the Audit and Risk Assurance Committee

K.2 Instigation of investigations into the cases of financial irregularity – proven or suspected

Operation instruction for FSoD
Use form M ‘ Notification of fraud and irregularities’ to notify of all cases of financial irregularity, proven or suspected

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
All cases	Executive Director of Finance and Corporate Assets and Head of Governance & Compliance The FSoD coordinator will make sure the Executive Team Members are aware of anything happening in their Directorate
All cases	Executive Director of Finance and Corporate Assets and Head of Governance & Compliance in consultation with Executive Director for Operational Development and People Management

Part L – Write offs and Special Payments (Form L)

L.1 Individual write offs of debts, stock and other Assets (including equipment, plant and motor vehicles) subject to obtaining the prior approval of WG for:

Write off of losses exceeding £100k from theft, vandal damage of vehicles or their destruction by road accident or fire

Write off of other losses from fire, theft or vandal damage

Write off of other causes exceeding £100k

L.2 Making Special payments in accordance with NRW policy and subject to prior authorisation for WG for payments over £100k

L.3 All special payments in respect of early retirement or severance of staff require prior written approval from WG Sponsor team via Director of Resources. Proposals on severance must comply with the rules set out in Chapter 4 of Managing Welsh Public Money.

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £100k	Chief Executive and Welsh Government , notifying NRW Board
Up to £100k	Chief Executive in consultation with Executive Director of Finance and Corporate Assets
Up to £50k	Executive Director of Finance and Corporate Assets
Up to £20k	Head of Financial Services or Head of Business Finance
Over £100k	Chief Executive and Welsh Government notify NRW Board
Up to £100k	Chief Executive in consultation with Executive Director of Finance and Corporate Assets

Part M – Gifts & Sponsorship (Form L)

M.1 Individual gifts subject to obtaining the prior authorisation of WG for Gifts exceeding £2.5k

Gifts are transactions of a type which are subject to a greater degree of control since the giving of gifts by a public body at taxpayers' expense is a very sensitive issue. This includes hospitality and prizes

M.2 Sponsoring Events – Money out

Please refer to Welsh Government Spending Controls – See Annex A

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £2.5k	Welsh Government
Up to £2.5k	Chief Executive
Up to £200	Executive Director of Finance and Corporate Assets
Over £10k	Welsh Government
Up to £10k	Chief Executive and Executive Director of Finance and Corporate Assets

Part N – Emergencies

N.1 Approval to spend and contractual commitment to deal with emergencies

Subject to:

- Retrospective authorisation in line with FSoD limits including single tender action basis as per limits specified in section C5 if applicable
- Instances over £250k being brought to the attention of the next NRW board meeting and WG as soon as possible after the event
- All local authority and internal drainage Board Emergency funding must be in consultation with the Head of Flood Operational Risk Management

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
As necessary	Member of Executive Team

Part O – Business Visits outside and within the UK

O.1 – Approving visits overseas Within and outside of the UK, for officers engaged on the activities of NRW (Form S)

Under normal operating circumstances:

- All requests for air travel must have a good business justification
- Flights to and from Scotland should be appropriately scrutinised and challenged by Directors as there are viable train options to many Scottish locations.

O.2 Approving travel outside of EU

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
As necessary	Chief Executive
	Chief Executive

**Part P – Land Properties and Estates
LAND ONLY**

P.1 – Freehold disposal (Form I)

Dispose of land, or of an interest therein subject to advance notification to WG for any disposal expected to realise proceeds in excess of £1m

P.2 Freehold acquisition (Form H)

Purchase land, or an interest therein subject to WG approval where applicable

Note: WG Approval needed if land purchase is £100k or more over and above district valuers valuation

Note: There will be an additional requirement for the acquisition and disposal of land under the Forestry Act where the land can only be owned by the Welsh Ministers and is at the disposal of NRW. an agreement under section 83 of the Government of Wales Act 2006, between the Welsh Ministers and the Natural Resources Body for Wales.

Please refer to Welsh Government Spending Controls – See Annex A

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £5m	Chief Executive in consultation with NRW Board and Welsh Government
Up to £5m	Executive Director of Finance and Corporate Assets, or Executive Director National Service
Up to £1m	Executive Director of Finance and Corporate Assets and Head of Enterprise
Up to £250k	Territorial Surveyor
Over £5m	Chief Executive in consultation with NRW Board and Welsh Government
Between £2m and £5m	Brought to Welsh Government attention
Up to £5m	Executive Director of Finance and Corporate Assets, or Executive Director National Service
Up to £1m	Executive Director of Finance and Corporate Assets and Head of Enterprise
Up to £250k	Territorial Surveyor

Part P – Land Properties and Estates LAND ONLY

P.3 – Leasing out (**Form H**) Grant, terminate and vary Leases (including rent reviews), waive lease break to third parties for land or an interest therein

The delegation limit is the value of contractual commitment; i.e. up to the expiry of the lease (Including any penalties)

Example:

- 10 year lease
- £5k per annum
- Commitment of £50k and therefore below the £100k limit
-

Leasing in this context includes all agreements such as tenancies, wayleaves, easements, licences and occupancy agreements

Note: There will be an additional requirement for the acquisition and disposal of land under the Forestry Act where the land can only be owned by the Welsh Ministers and is at the disposal of NRW. an agreement under section 83 of the Government of Wales Act 2006, between the Welsh Ministers and the Natural Resources Body for Wales.

Please refer to Welsh Government Spending Controls – See Annex A

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £5m	Chief Executive, NRW Board
Up to £5m	Executive Director of Finance and Corporate Assets, or Executive Director of National Services
Up to £1m	Executive Director of Finance and Corporate Assets and Head of Enterprise
Up to £250k	Territorial Surveyor
Up to £10k	Land Agents only for Licences, wayleaves, permissions and management agreements.

Part P – Land Properties and Estates LAND ONLY

P.4 – Leasing in (Form H) Acquire, terminate and vary leases (including rent reviews), or waive lease break, of land, buildings and interest therein

The delegation limit is the value of the contractual commitment; i.e. up to expiry of the lease and with regard to any breaks

Example

- 15 year lease
- £110k per annum

Lease break in year 9

Commitment less than £1m limit

However, if the above lease break includes a penalty of £100k then commitment increases to above the £1m

Note: There will be an additional requirement for the acquisition and disposal of land under the Forestry Act where the land can only be owned by the Welsh Ministers and is at the disposal of NRW. an agreement under section 83 of the Government of Wales Act 2006, between the Welsh Ministers and the Natural Resources Body for Wales.

Please refer to Welsh Government Spending Controls – See Annex A

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £5m	Chief Executive notify NRW Board
Up to £5m	Executive Director of Finance and Corporate Assets, or Executive Director of National Services
Between £2m and £5m	Brought to Welsh Government attention
Up to £1m	Executive Director of Finance and Corporate Assets and Head of Enterprise
Up to £250k	Territorial Surveyor

Part P – Land Properties and Estates BUILDINGS and STRUCTURES

P.5 – Freehold disposal (Form I)

Dispose of buildings and Structures, or of an interest therein subject to advance notification to WG for any disposal expected to realise proceeds in excess of £1m

P.6 Freehold acquisition (Form H)

Purchase buildings and Structures, or an interest therein subject to WG approval where applicable

Note: There will be an additional requirement for the acquisition and disposal of land under the Forestry Act where the land can only be owned by the Welsh Ministers and is at the disposal of NRW. an agreement under section 83 of the Government of Wales Act 2006, between the Welsh Ministers and the Natural Resources Body for Wales.

Please refer to Welsh Government Spending Controls – See Annex A

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £5m	Chief Executive, notify NRW Board
Up to £5m	Executive Director of Finance and Corporate Assets, or Executive Director National Service
Up to £1m	Executive Director of Finance and Corporate Assets and Head of Corporate Assets
Up to £250k	Head of Corporate Assets
Over £5m	Chief Executive, notify NRW Board
Between £2m and £5m	Brought to Welsh Government attention
Up to £5m	Executive Director of Finance and Corporate Assets, or Executive Director National Service
Up to £1m	Executive Director of Finance and Corporate Assets and Head of Corporate Assets
Up to £250k	Head of Corporate Assets or Territorial Surveyor

Part P – Land Properties and Estates BUILDINGS AND STRUCTURES ONLY

P.7 – Leasing out (**Form H**) Grant, terminate and vary Leases (including rent reviews), waive lease break to third parties for buildings and structures or an interest therein

The delegation limit is the value of contractual commitment; i.e. up to the expiry of the lease (Including any penalties)

Example:

- 10 year lease
- £5k per annum
- Commitment of £50k and therefore below the £100k limit

Leasing in this context includes all agreements such as tenancies, wayleaves, easements, licences and occupancy agreements

Note: There will be an additional requirement for the acquisition and disposal of land under the Forestry Act where the land can only be owned by the Welsh Ministers and is at the disposal of NRW. an agreement under section 83 of the Government of Wales Act 2006, between the Welsh Ministers and the Natural Resources Body for Wales.

Please refer to Welsh Government Spending Controls – See Annex A

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £5m	Chief Executive, notify NRW Board
Up to £5m	Executive Director of Finance and Corporate Assets, or Executive Director of National Services
Up to £1m	Executive Director of Finance and Corporate Assets and Head of Corporate Assets
Up to £250k	Head of Corporate Assets or Territorial Surveyor

Part P – Land Properties and Estates BUILDING AND STRUCTURES ONLY

P.8 – Leasing in (Form H) Acquire, terminate and vary leases (including rent reviews), or waive lease break, of buildings and interest therein

The delegation limit is the value of the contractual commitment; i.e. up to expiry of the lease and with regard to any breaks

Example

- 15 year lease
- £110k per annum

Lease break in year 9

- Commitment less than £1m limit

However, if the above lease break includes a penalty of £100k then commitment increases to above the £1m

Note: There will be an additional requirement for the acquisition and disposal of land under the Forestry Act where the land can only be owned by the Welsh Ministers and is at the disposal of NRW. an agreement under section 83 of the Government of Wales Act 2006, between the Welsh Ministers and the Natural Resources Body for Wales.

Please refer to Welsh Government Spending Controls – See Annex A

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £5m	Chief Executive, notify NRW Board
Up to £5m	Executive Director of Finance and Corporate Assets, or Executive Director of National Services
Between £2m and £5m	Brought to Welsh Government attention
Up to £1m	Executive Director of Finance and Corporate Assets and Head of Corporate Assets
Up to £250k	Head of Corporate Assets or Territorial Surveyor

Part P – Land Properties and Estates

P.9 – Compensation – (Form P) – Land Only

Settling Compensation claims and associated professional fees resulting from any operations

P.10 – Compensation – (Form P) – Building and Structures

Please refer to Welsh Government Spending Controls – See Annex A

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
Over £5m	Chief Executive, notify NRW Board
Up to £5m	Executive Director of Finance and Corporate Assets, or Executive Director of National Services
Between £2m and £5m	Brought to Welsh Government attention
Up to £1m	Executive Director of Finance and Corporate Assets and Head of Enterprise
Up to £250k	Territorial Surveyor
Over £5m	Chief Executive, notify NRW Board
Up to £5m	Executive Director of Finance and Corporate Assets, or Executive Director of National Services
Between £2m and £5m	Brought to Welsh Government attention
Up to £1m	Executive Director of Finance and Corporate Assets and Head of Enterprise
Up to £250k	Territorial Surveyor

Part Q – Membership of other bodies

Q.1 – Approving applications for NRW’s membership of other bodies

Part R – Approving other members of staff to exercise the powers of the authorised officers. These sub delegated powers are to cover absence either planned or unforeseen. The particular powers being sub delegated should be specified – **Attach memo**

REGIONAL DELEGATION	
LIMIT	AUTHORISED BODY OR OFFICER
National or local body applications	Chief Executive
	Any Authorised Officer

Annex A

4. Welsh Government Additional Spending Controls

- In addition to the FSoD there are additional controls imposed by Welsh Government which must be adhered to. These are listed below with additional guidance from WG.

Welsh Government has implemented additional control measures over certain categories of spend. They were careful to define the control measures, detailed below, with a strong presumption against further expenditure, though with a measure of discretion to define exceptions for business critical activity. The additional guidance outlines the approach to exceptions for business critical activities. The Expenditure controls are summarised below:

- 1) **A freeze on recruitment and increased controls on temporary and interim staff.** New posts should only be created by exception for business critical roles. External recruitment should only be considered if all other options have been explored and the post is business critical. The use of temporary and interim staff should be reviewed and included within your control regime;
- 2) **Pay remits.** A common pay remit is already in operation. We will work with the HR working group to explore whether the existing system can be improved in advance of the 2011 pay round;
- 3) **An immediate freeze on all new advertising and marketing spend.** All advertising, marketing and communication work, planned and/or proposed should be re-examined to consider whether it is appropriate to proceed. All work that is approved should be procured on any public service/ WAG contracts and print framework agreements available to you, to ensure best value, unless there is an compelling business reason to the contrary;
- 4) **An immediate freeze on all new consultancy spend.** The use of management consultants should only be considered for business critical requirements and only after every possibility of using Assembly Government or other public service resource has been exhausted;
- 5) **An immediate freeze on all new ICT spend over £250,000.** No new ICT contracts or contract extensions or modifications above a value of £250K should be entered into;
- 6) **Extending controls on new property including leases and lease extensions.** A national assets working group have been tasked with ensuring public property assets in Wales are fully utilised. Initiatives including the strategic estates programme are already moving forward. If you have any requirements for new leases or lease extensions you should contact ourselves and we will liaise with the Estates & Projects Division on your behalf;
- 7) **Approach to first class rail travel.** This is both an issue of the perception and the cost of public servants using first class rail travel. All staff regardless of grade should use standard class travel for all journeys and seek to obtain the best price available. This is already widespread practice. Policies relating to hospitality, the use of external meeting venues and overseas and domestic travel should also be considered to ensure they remain appropriate. We would expect costs in these areas to be kept to a minimum, whilst being appropriate for your organisation.

- If you need to incur expenditure in any of the above categories prior approval of Welsh Government is required. A Welsh Government Spending Approval Form is attached in Annex B and once completed the form should be sent to **Grace Acres – Finance Services Team - Rhodfa Padarn Aberystwyth** who will record it and send to Welsh Government. Once approved Officers will be notified.

A freeze on recruitment, including temporary, interim and agency

staff

Overview

External recruitment of permanent staff should be frozen and the creation of any new posts should be avoided to prevent an increase in overall headcount figures. The use of temporary and interim staff should also be reviewed.

Scope

The following situations are considered as exceptions and subject to your approval processes could proceed. They are:

- External recruitment to posts designated as business critical and/or requires specialist/professional qualifications that are not available within the current workforce;
- External recruitment to 'frontline' posts (for example customer interface roles). Individual frontline posts do not need to be agreed on an individual basis, you can agree in advance the types of role for which external recruitment may continue;
- Posts where a legally binding offer has been made to an individual but they have not yet taken up the post.

Existing staff may continue to compete for vacancies arising within your organisation either through lateral transfer or through promotion.

An immediate freeze on all new advertising and marketing spend

Overview

All advertising, marketing and communication work, planned and/or proposed should be re-examined to consider whether it is appropriate to proceed.

Scope

The definition of activity that falls into 'advertising', 'marketing' and 'communication' is:

"all 'paid for' activity (i.e. externally produced) in Wales and overseas which is not the subject of a binding contract, the breaking of which would incur a financial penalty. This covers –

- *All paid for advertising including, but not limited to TV. radio, digital, outdoor, print advertising; costs of media buying, planning, creative development and production*

- *All paid for marketing activity (inc design and branding, sponsorship marketing, audio-visual activity)*
- *All paid for communication strategy, planning, concept and proposition testing and development*
- *All paid for market research that informs marketing activity*
- *All paid for evaluation of marketing and advertising activity*
- *All paid for printing and publications*
- *All paid for events, conferences and exhibitions*
- *All paid for public relations (PR) activity*
- *All paid for digital activity (inc. website and application development, search engine marketing, Email marketing)”*

Areas of work that fall into the following categories are considered as exceptions and subject to your approval processes could proceed. They are:

- Appropriate, cost effective advertising and marketing by museums, libraries, galleries and historic monuments to promote visitor numbers or increase revenue;
- Activities where you have a legal duty to provide people with information, e.g. changes to legislation or public services;
- Activities to support immediate public health and safety issues;
- Activities where evidence can be provided that such campaigns deliver measurable benefits relating directly such as public health and safety, inward investment, revenue generation, the performance of the Welsh economy;
- Exceptions for essential campaigns may also be approved, on a case-by-case basis, where providing the information is critical to the effective running of your organisation;
- Activity which is essential to support a Welsh Assembly Government priority e.g. One Wales commitment;
- Campaigns which form part of agreed EU or Lottery fund programmes.

All work that is approved should be procured on any public service/ WAG contracts and print framework agreements available to you, to ensure best value, unless there is a compelling business reason to the contrary. This is proven to be the most efficient and effective way of procuring services.

Any work already contractually committed, prior to the date of this letter, is not affected.

An immediate freeze on all new consultancy spend

Overview: All consultancy work, planned and/or proposed, should be re-examined to consider whether it is appropriate to proceed.

Scope: The definition of 'consultancy' is:

"The provision to management of objective advice relating to strategy, structure, management or operations of an organisation in pursuit of its own purposes and objectives. Such advice will be provided outside the 'business-as-usual' environment when in-house skills are not available, and will be time-limited. Consultancy may include the identification of options with recommendations, or assistance with (but not delivery of) the implementation of solutions. This is, effectively, all advisory consultancy. Activities which fall into this category are:

- *Financial consultancy*
- *IT consultancy*
- *Strategy consultancy*
- *Property and Estates consultancy*
- *HR, Training and Education consultancy*
- *Technical consultancy*
- *Marketing & communications consultancy*
- *Organisational Development consultancy*
- *Procurement consultancy*
- *Programme and Project Management consultancy."*

To capture all consultancy spend, the same approvals process should be applied in cases where a consultant, consultancy firm, consultancy framework agreement, or existing consultancy contract is being used to provide interim services or other related types of service.

Areas of work that fall into the following categories are considered as exceptions and subject to your approval processes could proceed. They are:

- The Olympics
- Legal Counsel

Existing delegations remain unchanged and set the threshold over which your consultancy spend will need to be signed off by us. Over your delegated limit, essential consultancy spend that cannot feasibly be carried out by in-house staff should be agreed by your Board/Council before submitting to us for approval.

In all cases where spending is approved, processes should ensure that the rates charged provide value for money.

An immediate freeze on all new ICT spend above £250K

Overview

No new ICT contracts or contract extensions or modifications above a value of £250K should be entered into.

Scope

The freeze applies to all contracts and projects where ICT is a key element to deliver the service or outcome. It covers all new contracts, contract amendments and extensions, pilot projects, feasibility studies and proof of concept projects above £250K in value. No new OJEU notices should be issued to imply that new ICT based contracts will be started. Procurement rules regarding aggregation of spend will apply.

The following circumstances are considered as exceptions and subject to your approval processes could proceed. They are:

- the new spend/contract needs to be approved to achieve value for money as there will be a direct negative consequence of a delay;
- a delay would stop or directly impact delivery of a current citizen/business facing service that is consistent with the Assembly Government's priorities;
- the project/programme delivers a mandated legislative requirement where there is no flexibility on end date and the delay would significantly jeopardize the end delivery date;
- an SME ICT supplier might be put at risk of failure/collapse due to the delay in signing the contract and the contract represents good value for money.

Extending controls on new property including leases and lease extensions

Overview

The Welsh Assembly Government's Estates & Projects Division currently provides advice and support to Departments and AGSBs on property related matters. Extensions to existing leases (and new leases) will need to be exceptional and demonstrate good value for money. You should ensure you provide good notice of your intentions.

Scope

Included in the moratorium are new leases, lease extensions, breaks and expiries, property acquisitions and new builds, including in the non-office estate.

The following are considered as exceptions and subject to your approval processes could proceed. They are:

- the DE&T trading portfolio (subject to separate controls)
- Transport acquisitions for road scheme purposes
- Leases that demonstrate value for money

If you are seeking to sign leases or lease extensions you should write to us in the first instance.

Process

No new leases including extensions nor acquire freeholds should be signed, and all breaks and lease expiries should be exercised. Existing workspace should be fully

utilised and opportunities for co-locating and workspace sharing should be examined. As part of the “strategic estates programme” a database of public sector property holdings in Wales is being populated to help maximise property assets.

When considering new leases it is worth noting the Efficiency and Innovation Board’s remit to make the best future use of the public estate in Wales. Jane Hutt, has highlighted that we should

“seek to deliver a vision of sharing more, reducing carbon emissions and waste whilst improving resource efficiency and reducing running costs through joint occupancy and sharing of some key facilities”.

Within your delegated limit, your Board/Council can authorise business cases for lease extensions and new property acquisitions subject to the advice from the Estates & Projects Division, which we will facilitate on your behalf.

DRAFT

Annex B

Natural Resource Wales

Welsh Government Spending Controls

Business Unit:

Requisitioner Name:

Value:

Category of Spend

Brief description of service:

Benefits:

Completed by:

Authorisation Required:

Executive Director :