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Financial Scheme of Delegation



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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 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 this 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 this 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 Natural Resources Wales Framework Document (NRWFD) from the Welsh Government and FSoD.

The NRWFD 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 NRWFD. Staff should observe the NRWFD 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 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.

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How the FSoD will be used

Levels of delegation

The FSoD deals with any matter 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.

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 budget 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.

The levels of authorisation are as follows:

- Level 1 - Chief Executive
- Level 2 - Executive Directors and Directors
- Level 3 - Leadership Team
- Level 4 - Direct Reports to Leadership Team

Delegated authority stops at Level 4. It is accepted that there will be delegation required below this level in certain areas of the business. If these sub-delegations are required these should be agreed formally with the relevant Executive Director. The FSoD Co-Ordinator should be notified and any requests for sub-delegated authority should be in consultation with the Head of Business Support Service. This will then provide a robust audit trail. It should be recognised that by having sub-delegation that this does not abdicate responsibility from the appropriate Executive Director and ultimately the Accounting Officer.

Transfer of FSoD powers

An officer's powers may be exercised by another officer (other than a line manager) if an 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 through the completion of a Nomination to Act Up During Absence Form. The completed form must be sent to the FSoD Coordinator before the absence.

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 services before VAT is added to it.

Accounting 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.

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 items referred to Welsh Government for approval as detailed in this document . 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 recommend levies to the NRW Board. 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.

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Delivery

Financial guidance notes and forms

The FSoD should be used in conjunction with the Natural Resources Wales 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 forms. 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. Anything that cannot be resolved by your manager should be addressed to the FSoD Co-ordinator: Grace Acres - 03000680344

Links to key reference documents

- Natural Resources Wales Framework Document (NRWFD)
- Managing Welsh Public Money (MWPM)
- 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
- Partnership Project Mandate
- Welsh Government Spending Controls Form
- Nomination to Act Up During Absence Form

Glossary

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 in writing by signing the consultation box on the relevant FSOD forms.
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.
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.
Or	Where authorising officers are connected by 'or' this means that either officer may authorise.
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.
Up to	Where a limit is preceded by 'up to' this means up to and including the figure stated.

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Section A - Budgets

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

Limit	Authorised Body or Officer
-	Chief Executive

A.2 The quarterly review process co-ordinated by Finance enables the Executive Team to review and approve changes (virements) between Directorate budgets (excluding Flood and Operational Risk Management Capital Projects).

Limit	Authorised Body or Officer
-	Executive Team

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

Limit	Authorised Body or Officer
-	Member of Executive Team

A.4 Authorising Flood and Operational Risk Management programme changes for projects with current budget allocation.

Limit	Authorised Body or Officer
Over £500k	Executive Director of National Services & Executive Director of Finance and Corporate Services.
Up to £500k	Head of Flood and Operational Risk Management.

A.5 Authorising Flood and Operational Risk Management programme changes for projects with no current budget allocation.

Limit	Authorised Body or Officer
Over £250k	Executive Director of National Services & Executive Director of Finance and Corporate services.
Up to £250k	Head of Flood and Operational Risk Management in consultation with the Head of Business Finance.

- Project Expenditure
- Flood & Coastal Risk Projects
- Capital or Revenue Projects
- Consultancy Projects
- Project Delivery Enterprise
- Supplementary Expenditure - FCRM
- Supplementary Expenditure
- Return to Main Menu

Section B - Project Expenditure

B.1 Justification for Commencing a Flood and Operational Risk Management (FORM) Project – (Form A Business Case)

Including

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

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 Additional Spending Controls – See Annex A

Limit	Authorised Body or Officer
Over £5m	Chief Executive, Welsh Government and NRW Board
Between £2m and £5m	Summary Documents to Welsh Government - information only
Up to £5m	Executive Director National Services in consultation with Chief Executive.
Up to £1m	Head of Flood and Operational Risk Management.

- Project Expenditure
- Flood & Coastal Risk Projects
- Capital or Revenue Projects
- Consultancy Projects
- Project Delivery Enterprise
- Supplementary Expenditure - FCRM
- Supplementary Expenditure
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Section B - Project Expenditure

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

Excluding;

- FORM Projects
- Consultancy Spend Projects

All 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 projects that have ICT expenditure will need to be submitted to the Solution Design Authority and signed off by the Chief Information Officer and comply with Welsh Government Spending Controls - No new ICT contracts or contract extensions or modifications above £250k should be entered into.

Please refer to Welsh Government Additional Spending Controls – See Annex A.

Limit	Authorised Body or Officer
Over £500k	Chief Executive and Welsh Government
Up to £500k	Executive Director in consultation with Chief Executive
Up to £300k	Level 3
Up to £100k	Level 4

Project Expenditure

Flood & Coastal Risk Projects

Capital or Revenue Projects

Consultancy Projects

Project Delivery Enterprise

Supplementary Expenditure - FCRM

Supplementary Expenditure

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Section B - Project Expenditure

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

Subject to:

- All management 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 Additional Spending Controls – See Annex A. Existing delegations apply but the use of Management Consultants should only be considered for business critical activity and only after every possibility of using Welsh Government or other public resources has been exhausted.

Limit	Authorised Body or Officer
Over £500k	Chief Executive and Welsh Government
Up to £500k	Executive Director

Project Expenditure

Flood & Coastal Risk Projects

Capital or Revenue Projects

Consultancy Projects

Project Delivery Enterprise

Supplementary Expenditure - FCRM

Supplementary Expenditure

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Section B - Project Expenditure

B.4 Approval to Spend – Project Delivery Enterprise Service;

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

And subject to:

- Welsh Government additional spending controls on Consultancy Spend.
- Any contract being awarded on a competitive basis, or with prior single tender action approval – Section D.4
- Consultation with procurement staff over £25k
- FSoD delegations on Contractual Commitment in E.1/E.2

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

Limit	Authorised Body or Officer
Over £5m	Chief Executive in consultation with Executive Director of Finance and Corporate Services.
Up to £5m	Executive Director of National Services.
Up to £2m	Level 3
Up to £1m	Project Delivery Operations Manager

- Project Expenditure
- Flood & Coastal Risk Projects
- Capital or Revenue Projects
- Consultancy Projects
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Section B - Project Expenditure

B.5 Flood & Operational Risk Management Projects Only

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%

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

Limit	Authorised Body or Officer
Over £5m	Chief Executive, Welsh Government and NRW Board.
Up to £5m	Chief Executive in consultation with Executive Director for Finance and Corporate Services.
Between £2m and £5m	Summary Documents to Welsh Government.
Up to £2m	Executive Director of National Services in consultation with Head of Procurement.
Up to £1m	Head of Flood and Operational Risk management in consultation with Head of Procurement
Up to £250k	Level 4

- Project Expenditure
- Flood & Coastal Risk Projects
- Capital or Revenue Projects
- Consultancy Projects
- Project Delivery Enterprise
- Supplementary Expenditure - FCRM
- Supplementary Expenditure
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Section B - Project Expenditure

B.6

Non FORM Projects

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 Solution Design Authority Approval.

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

Limit	Authorised Body or Officer
Over £500k	Chief Executive in consultation with Head of Procurement and Welsh Government.
Up to £500k	Executive Director in consultation with Head of Procurement.
Up to £300k	Level 3 in consultation with Head of Procurement.

Section C - Grants and Partnership Funding

C.1 Justification for awarding a grant

Notes:

- Justifications to be provided
- Once approved the expenditure is subject to (C2)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.

Limit	Authorised Body or Officer
Over £500k	Chief Executive and Welsh Government.
Up to £500k	Executive Director in consultation with Chief Executive
Up to £300k	Level 3
Up to £100k	Level 4

Section C - Grants and Partnership Funding

C.2.1 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 Operational Risk Management Project.

And subject to:

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

Limit	Authorised Body or Officer
Over £5m	Chief Executive in consultation with Executive Director for Finance and Corporate Services and Executive Director of National Services.
Up to £5m	Executive Director for Finance and Corporate Services and Executive Director of National Services.
Up to £2m	Head of Flood and Operational Risk Management

C.2.2 Payment of interim and final account claims for Woodland grants.

Please refer to the following documents:

- Minute of Authority
- Better Woodlands for Wales Case Approval Process

Limit	Authorised Body or Officer
Over £5m	Chief Executive in consultation with Executive Director for Finance and Corporate Services.
Up to £5m	Executive Director for Finance and Corporate Services.
Up to £2m	Head of Business Finance or Head of Business Support Service.
Up to £500k	Head of Technical Services and Customer Care or Head of Forest and Tree Health.

C.2.3 Payment of interim and Final Account Claims for Wood Energy Biomass Scheme Grants.

Limit	Authorised Body or Officer
Over £5m	Chief Executive in consultation with Executive Director for Finance and Corporate Services.
Up to £5m	Executive Director for Finance and Corporate Services.
Up to £2m	Head of Business Finance or Head of Business Support Service.
Up to £500k	Wood Energy Biomass Scheme Project Board but ultimate sign off is by Head of Energy Delivery.

C.2.4 Payment of interim and Final Account Claims for all other grants

Limit	Authorised Body or Officer
Over £5m	Chief Executive in consultation with Executive Director for Finance and Corporate Services.
Up to £5m	Executive Director for Finance and Corporate Services.
Up to £2m	Head of Business Finance or Head of Business Support Service.
Up to £500k	Level 4

Section C - Grants and Partnership Funding

C.3 Justification for Partnership Funding.

All 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.

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

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

Limit	Authorised Body or Officer
Over £500k	Chief Executive and Welsh Government
Up to £500k	Executive Director in consultation with Chief Executive
Up to £300k	Level 3
Up to £100k	Level 4

- Other Expenditure
- Legal Services
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Section D - Other Expenditure

D.1.1 Justification for authorising expenditure on solicitors or barristers, from outside Legal Services

Notes;

- Justification to be provided
- Once approved the expenditure is subject to D2 FSoD delegations.

Limit	Authorised Body or Officer
Over £100k	Executive Director
Up to £100k	Level 3
Up to £25k	Head of Legal Services and Principal Surveyor.

D.1.2 Engagement for professional Services in respect of Employment Law

Limit	Authorised Body or Officer
Over £50k	Executive Director for OD and People Management.
Up to £50k	Head of People Services

Other Expenditure

Legal Services

Approval to Spend

Purchasing Cards

Single Tender Action

Staff Expenditure

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Section D - Other Expenditure

D.2 Approval to Spend;

- Approve justified expenditure from budgeted funds
- Approve payment

Excluding:

- Project Delivery Enterprise managed projects – B.4

And subject to:

- Any contract being awarded on a competitive basis, or with prior single tender action approval – Section D.4
- Consultation with procurement staff over £25k
- FSoD delegated authority as in Contractual Commitment E1/E2

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

Limit	Authorised Body or Officer
Over £5m	Chief Executive and Executive Director for Finance and Corporate Services
Up to £5m	Executive Director
Up to £2m	Level 3
Up to £500k	Level 4

Other Expenditure

Legal Services

Approval to Spend

Purchasing Cards

Single Tender Action

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Section D - Other Expenditure

D.3 Incurring expenditure by Purchasing cards

And subject to;

- Competition having taken place over £5k or with prior single tender action approval (Section D.4)
- Consultation with procurement staff over £25k
- Existing controls for set up and variations to purchasing card transaction limits
- Additional FSoD authorisation for individual transactions above generic £5k

Limit	Authorised Body or Officer
Up to £5k	Default all nominated staff.

Other Expenditure

Legal Services

Approval to Spend

Purchasing Cards

Single Tender Action

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Section D - Other Expenditure

D.4 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;

- 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

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

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

Note: Once approved the single tender action is subject to FSoD delegations in E.1 on Contractual Commitment

Limit	Authorised Body or Officer
Over £250k	Chief Executive
Up to £250k	Executive Director for Finance and Corporate Services
Up to £100k	Executive Director in consultation with Head of Procurement.
Up to £50k	Member of Leadership Team in consultation with Head of Procurement.

Other Expenditure

Legal Services

Approval to Spend

Purchasing Cards

Single Tender Action

Staff Expenditure

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Section D - Other Expenditure

D.5.1 Approval of Staff Expenditure.

Including:

- Travel and subsistence claims
- Assignment, disturbance and posting claims
- Overtime, call out/standby claims
- Operations delivery payment claims

Subject to spend being within authorised budgets and in line with relevant policy.

Limit	Authorised Body or Officer
-	Line Manager

D.5.2 Relocation claims

Subject to spend being within authorised budgets and in line with relevant policy.

Limit	Authorised Body or Officer
-	Head of People Services

Other Expenditure

Legal Services

Approval to Spend

Purchasing Cards

Single Tender Action

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Section D - Other Expenditure

D.6.1 Financial Service

Authorisation of payments due to third parties for:

Funds deducted from payroll:

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

Limit	Authorised Body or Officer
Over £2m	Executive Director for Finance and Corporate Services
Up to £2m	Head of Business Support Services
Up to £200k	Level 4

D.6.2 Financial Service

Authorisation of payments due to third parties for:

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

Limit	Authorised Body or Officer
Up to £750k	Head of Business Support Services
Up to £25k	Level 4

Section E - Contractual Commitment

E.1 Approval to make a Contractual Commitment

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 in accordance with (D.4). Unless awarded under the terms of an existing framework agreement established for the purpose.

Limit	Authorised Body or Officer
Over £5m	Executive Director for Finance and Corporate Services and nominated Directors or officers
Up to £5m	Head of Procurement and nominated officers and/or budget holders.

Section E - Contractual Commitment

E.2 Approval to make a Contractual Commitment

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;

- Any contract being awarded on a competitive basis, otherwise in accordance with (D.4)

Limit	Authorised Body or Officer
Over £5m	Executive Director for Finance and Corporate Services in consultation with Head of Procurement and Executive Director of National Services/Director of Governance, Planning and Performance (For Legal Review)
Up to £5m	Head of Procurement and officers nominated with Executive Director of National Services/Director of Governance, Planning and Performance (For Legal Review)
Up to £1m	Officers nominated by the Head of Procurement in consultation with Executive Director of National Services/ Director of Governance, Planning and Performance Legal Review)

Contractual Commitment

Standard Forms of Contract

Non Standard Forms of Contract

Memorandum/Letters of Agreement

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Section E - Contractual Commitment

E.3 Approval of Memorandum of Agreements / Letters of Agreement

Subject to:

Consultation with Legal prior to approval.

Limit	Authorised Body or Officer
-	Procurement Officers nominated by Head of Procurement

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Section F - Disposals

F.1 Disposals – (Form I)

(For the disposal of Land/property please refer to sections R and S)

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

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.

Limit	Authorised Body or Officer
Over £1m	Welsh Government
Up to £1m	Chief Executive in consultation with Executive Director for Finance and Corporate Services
Up to £500k	Executive Director in consultation with Executive Director for Finance and Corporate Services
Up to £100k	Head of Business Support services or Head of Business Finance

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Section G - Income

G.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.

Limit	Authorised Body or Officer
-	Chief Executive, NRW Board and Welsh Government authorisation.

G.2 Determining charges for local services

Limit	Authorised Body or Officer
-	Executive Director in consultation with Executive Director of Finance and Corporate Services

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

Limit	Authorised Body or Officer
-	Chief Executive and NRW Board

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

Limit	Authorised Body or Officer
-	Head of Business Support Service

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

Limit	Authorised Body or Officer
-	Executive Director of Knowledge, Strategy and Planning in Consultation with Executive Director of Finance and Corporate Services

G.6 Agree third Party contributions to NRW projects

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

Limit	Authorised Body or Officer
-	Member of Leadership Team in Consultation with Head of Business Finance.

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

Limit	Authorised Body or Officer
-	Head of Flood and Operational Risk Management.

G.8 Sales Contracts - Forest Operations Harvesting and Marketing only

Limit	Authorised Body or Officer
Over £1m	Head of Enterprise
Up to £1m	Head of Forest Operations

G.9 Variations to the terms of a Forest Operations sales contract

Limit	Authorised Body or Officer
Over £1m	Head of Enterprise
Up to £1m	Head of Forest Operations

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Section H- Bank Accounts

H.1 General

H.1.1 Opening and Closing bank accounts

Limit	Authorised Body or Officer
-	Head of Business Support Service or Head of Business Finance

H.1.2 New payment DD

Limit	Authorised Body or Officer
-	Head of Business Support Service or Head of Business Finance

H.2 Financial Provisions

H.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.

Limit	Authorised Body or Officer
Over £1m	Executive Director for Finance and Corporate Services and Head of Business Support Service
Up to £1m	Permitting Centre Manager and Head of Business Support Service

H.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.

Limit	Authorised Body or Officer
Over £1m	Executive Director for Finance and Corporate Services and Head of Business Support Service
Up to £1m	Permitting Centre Manager and Head of Business Support Service

H.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.

Limit	Authorised Body or Officer
-	Head of Business Support Service

H.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)

Limit	Authorised Body or Officer
-	Permitting Centre Manager

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

Limit	Authorised Body or Officer
-	Head of Business Support Service.

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Section I - Cheque Signing

I.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.

Limit	Authorised Body or Officer
Over £50k	Any 1 from Level 3 Finance and 1 specified signatory as per Bank Mandate.
Up to £50k	2 of the authorised bank signatories as per Bank Mandate.

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

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

Limit	Authorised Body or Officer
-	Any one bank signatory as per Bank Mandate.

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Section J - Investment of Surplus Funds

J.1 Investment of Surplus Funds.

Limit	Authorised Body or Officer
-	Executive Director for Finance and Corporate Services.

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Section K - Borrowing Powers

K.1 Exercising NRW's borrowing powers subject to the prior approval of WG in line with the NRWFD.

Limit	Authorised Body or Officer
-	Executive Director for Finance and Corporate Services.

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Section L - Insurances

L.1 Arranging insurances

Limit	Authorised Body or Officer
-	Executive Director for Finance and Corporate Services and Director of Governance, Planning and Performance.

L.2 Authorising settlements on claims against NRW's motor and buildings insurance arrangements.

Limit	Authorised Body or Officer
Over £1m	Chief Executive
Up to £1m	Executive Director for Finance and Corporate Services
Up to £100k	Head of Corporate Assets
Up to £50k	Level 4

L.3 Settling self-insured liability claims

Limit	Authorised Body or Officer
Over £1m	Chief Executive and NRW Board
Up to £1m	Chief Executive in consultation with Head of Enterprise
Up to £250k	Executive Director for Finance and Corporate Services in consultation with the Head of Corporate Assets.
Up to £150k	Head of Business Support Service or Head of Business Finance in consultation with Head of Corporate Assets.

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Section M - Financial Irregularity

M.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

The FSoD coordinator will make sure the Executive Team Members are aware of anything happening in their Directorate.

Limit	Authorised Body or Officer
All cases	Executive Director for Finance and Corporate Services and Director of Governance, Planning and Performance.

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

Limit	Authorised Body or Officer
All cases	Executive Director for Finance and Corporate Services and Director of Governance, Planning and Performance in consultation with Executive Director for Operational Development and People Management.

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Section N - Write offs and Special Payments

N.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

Limit	Authorised Body or Officer
Over £100k	Chief Executive and Welsh Government
Up to £100k	Chief Executive in consultation with Executive Director for Finance and Corporate Services
Up to £50k	Executive Director for Finance and Corporate Services
Up to £20k	Head of Business Support Service or Head of Business Finance.

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

Limit	Authorised Body or Officer
Over £100k	Chief Executive and Welsh Government
Up to £100k	Chief Executive in consultation with Executive Director for Finance and Corporate Services.

N.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.

Limit	Authorised Body or Officer
Over £100k	Chief Executive and Welsh Government
Up to £100k	Chief Executive in consultation with Executive Director for Finance and Corporate Services.

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Section O - Gifts & Sponsorship

O.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.

Limit	Authorised Body or Officer
Over £2.5k	Welsh Government
Up to £2.5k	Chief Executive.
Up to £200	Executive Director for Finance and Corporate Services

O.2 Sponsoring Events - Money out

Limit	Authorised Body or Officer
Over £10k	Welsh Government
Up to £10k	Chief Executive and Executive Director for Finance and Corporate Services.

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Section P - Emergencies

P.1 Approval to spend to deal with emergencies

Subject to:

- Retrospective authorisation in line with FSoD limits including single tender action basis as per limits specified in section D.4 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.

Limit	Authorised Body or Officer
As necessary	Executive Director

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Section Q - Visits Outside and Within the UK

Q.1 – Approving all overseas visits 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
- All requests must be agreed by the appropriate Executive Team Member before being referred to the Chief Executive for approval.

Limit	Authorised Body or Officer
As necessary	Chief Executive

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Section R - Land

R.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

Note: There will be an additional requirement for the acquisition and disposal of The Estate 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 Additional Spending Controls – See Annex A

Limit	Authorised Body or Officer
Over £5m	Chief Executive, Welsh Government and NRW Board
Up to £5m	Executive Director for Finance and Corporate Services or Executive Director National Services.
Up to £1m	Executive Director for Finance and Corporate Services and Head of Enterprise.
Up to £250k	Principal Surveyor

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Section R - Land

R.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 The Estate 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

Limit	Authorised Body or Officer
Over £5m	Chief Executive, Welsh Government and NRW Board
Up to £5m	Executive Director for Finance and Corporate Services or Executive Director National Services
Between £2m and £5m	Brought to Welsh Government attention.
Up to £1m	Executive Director for Finance and Corporate Services and Head of Enterprise.
Up to £250k	Principal Surveyor

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Section R - Land

R.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 and occupancy agreements

Note: There will be an additional requirement for the acquisition and disposal The Estate 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

Limit	Authorised Body or Officer
Over £5m	Chief Executive and NRW Board
Up to £5m	Executive Director for Finance and Corporate Services or Executive Director National Services.
Up to £1m	Executive Director for Finance and Corporate Services and Head of Enterprise.
Up to £250k	Principal Surveyor

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Section R - Land

R.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 The Estate 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

Limit	Authorised Body or Officer
Over £5m	Chief Executive, Welsh Government and NRW Board
Up to £5m	Executive Director for Finance and Corporate Services or Executive Director National Services
Between £2m and £5m	Brought to Welsh Government attention.
Up to £1m	Executive Director for Finance and Corporate Services and Head of Enterprise.
Up to £250k	Principal Surveyor

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Section R - Land

R.5 Compensation – (Form P) – Land Only

Settling Compensation claims and associated professional fees resulting from any operations

Limit	Authorised Body or Officer
Over £5m	Chief Executive, Welsh Government and NRW Board
Up to £5m	Executive Director for Finance and Corporate Services or Executive Director National Services
Between £2m and £5m	Brought to Welsh Government attention.
Up to £1m	Executive Director for Finance and Corporate Services and Head of Enterprise.
Up to £250k	Principal Surveyor

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Section S - Buildings and Structures

S.1 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.

Note: There will be an additional requirement for the acquisition and disposal of The Estate 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 Additional Spending Controls – See Annex A

Limit	Authorised Body or Officer
Over £5m	Chief Executive and NRW Board
Up to £5m	Executive Director for Finance and Corporate Services or Executive Director National Services.
Up to £1m	Executive Director for Finance and Corporate Services and Head of Corporate Assets.
Up to £250k	Head of Corporate Assets or Principal Surveyor

Section S - Buildings and Structures

S.2 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 The Estate 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

Limit	Authorised Body or Officer
Over £5m	Chief Executive, Welsh Government and NRW Board
Up to £5m	Executive Director for Finance and Corporate Services or Executive Director National Services
Between £2m and £5m	Brought to Welsh Government attention.
Up to £1m	Executive Director for Finance and Corporate Services and Head of Corporate Assets.
Up to £250k	Head of Corporate Assets or Principal Surveyor

Section S - Buildings and Structures

S.3 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 and occupancy agreements.

Note: There will be an additional requirement for the acquisition and disposal of The Estate 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 Additional Spending Controls – See Annex A

Limit	Authorised Body or Officer
Over £5m	Chief Executive and NRW Board
Up to £5m	Executive Director for Finance and Corporate Services or Executive Director National Services.
Up to £1m	Executive Director for Finance and Corporate Services and Head of Corporate Assets.
Up to £250k	Head of Corporate Assets or Principal Surveyor

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Section S - Buildings and Structures

S.4 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 The Estate 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

Limit	Authorised Body or Officer
Over £5m	Chief Executive, Welsh Government and NRW Board
Up to £5m	Executive Director for Finance and Corporate Services or Executive Director National Services
Between £2m and £5m	Brought to Welsh Government attention.
Up to £1m	Executive Director for Finance and Corporate Services and Head of Corporate Assets.
Up to £250k	Head of Corporate Assets or Principal Surveyor

Section S - Buildings and Structures

S.5 Compensation – (Form P) – Building and Structures

Limit	Authorised Body or Officer
Over £5m	Chief Executive, Welsh Government and NRW Board
Up to £5m	Executive Director for Finance and Corporate Services or Executive Director National Services
Between £2m and £5m	Brought to Welsh Government attention.
Up to £1m	Executive Director for Finance and Corporate Services and Head of Corporate Assets.
Up to £250k	Head of Corporate Assets or Principal Surveyor

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Section T - Membership of other bodies

T.1 Approving applications for NRW's membership of other bodies. National or local body applications.

Limit	Authorised Body or Officer
-	Chief Executive

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.

Must be agreed Welsh Government.

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. There is a link to the Welsh Government Spending Approval Form in the forms section, once completed the form should be sent to Grace Acres - Rhodfa Padarn Aberystwyth who will record it and send to Welsh Government. Once approved Officers will be notified.

WG Additional Spending Controls

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Advertising and Marketing

Consultancy Spend

ICT spend

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Welsh Government Additional Spending Controls

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.

Welsh Government Additional Spending Controls

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 19th of July 2010, is not affected.

Welsh Government Additional Spending Controls

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 category are considered as exceptions and subject to your approval processes could proceed. It is:

- 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.

WG Additional Spending Controls

Summary

Recruitment

Advertising and Marketing

Consultancy Spend

ICT spend

Property

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Welsh Government Additional Spending Controls

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.

Welsh Government Additional Spending Controls

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.