

**EAST OF ENGLAND DEVELOPMENT AGENCY
SCHEME OF DELEGATION July 2010
Approved at 13th July 2010 board meeting**

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INTRODUCTION

Scheme of Delegation

The Agency's authority to delegate is set out in the Regional Development Agencies Act 1998 ("the RDA Act") schedule 2 (7), and is subject to restrictions contained in the Accountability and Financial Framework between the Agency and its sponsoring department, the Department for Business, Innovation and Skills ("BIS") as amended by subsequent letters from the Permanent Secretary for BIS. Whilst the Agency's Board reserves some functions to itself and its Committees, execution of day-to-day functions is delegated to the Chief Executive, who in turn delegates to various staff or staff teams.

Extent of delegations

The Board, Chief Executive, Executive Directors and all other persons contracted to the Agency, either on a permanent or temporary basis, including secondees and contractors ("Staff") shall be bound by the Delegation Scheme. The Scheme sets out the highest levels of delegation; authority may be sub-delegated further in writing¹ unless specifically reserved to the management level stated in the Scheme. Where authority is delegated to a team (E.g. Chief Executive Team), decisions must be made in accordance with the normal decision making processes for that team, for example majority vote. Where more than one individual or team is authorised equally (for example if either the CEO or Deputy Accounting Officer has authority), then each individual or team so authorized has delegated authority independently.

Arrangements in absence of officers

In the absence of an officer, the delegation reverts to their line manager, unless formal acting up arrangements have been agreed. In the absence of the Chief Executive, the Deputy Accounting Officer may exercise the Chief Executive's authority in an emergency or where no formal acting up arrangement is yet in place.

Conflict of interests

The RDA Act prohibits the exercise of delegated powers in relation to a matter where the individual is in any way directly or indirectly interested in that matter. Where a member of staff has an interest in a delegated matter, for example as a director of a partner body, delegated authority will revert upwards or to a director who is independent. Staff are reminded that the RDA Act imposes a duty to disclose such interests.

Novel, contentious or repercussive issues

¹ Examples of "in writing" include emails, memoranda and formal letters. A copy of each sub-delegation must be submitted to the Chief Executive Team for information as soon as practicable after issue and shall be included in the monthly reports to the Audit Committee Chair and the quarterly reports to the Audit Committee.

Any proposed expenditure or guarantee that is in any way novel or contentious, regardless of its cost, or could cause repercussions elsewhere in the public sector, will require the specific approval of BIS and HM Treasury. The Chief Executive, as the Agency's Accounting Officer, has the duty to decide what s/he considers to be novel or contentious and to submit it for approval. It is essential that the Agency is able at all times to demonstrate that it handles public funds properly and effectively.

Delegation limits

Where no financial upper limit applies, delegation is indicated with a tick (✓). Staff are reminded that they are only able to exercise delegated authority consistent with their job description, letters of delegation and in accordance with this Scheme. Staff may only sub-delegate to the limit of their own financial authority.

Application date

The Head of Legal Services & HR is responsible for ensuring that the Scheme of Delegation is kept up to date. Amendments may only be made to the Scheme with Board approval. The Scheme will be reviewed at least annually and updated as required. This version was approved by the Chief Executive Team and Board on 13th July 2010.

Approved (signature):	Approved (signature):
Date:	Date:
Chairman	Chief Executive

1. General financial delegations including budgets

The Agency's resource budgets are formally allocated by BIS following approval of the Corporate Plan. Under the Single Programme, the Agency may undertake any activity consistent with its five purposes as set out in section 4 of the RDA Act. These must be set out in the Corporate Plan and are subject to the controls set out in the Accountability and Financial Framework. Within the overall limits set out for its expenditure, the Agency may not alter the balance between capital and current expenditure initially allocated to it without prior agreement of BIS. Formal allocation of the authority to incur expenditure shall be made to Executive Directors through delegation letters signed by the Accounting Officer / CEO or Deputy Accounting Officer. Directors can further delegate authority to appropriate officers within their directorate through formal written authorisation.

Area of delegation	Authority delegated to				
	Board	Performance & Resources Committee	CET (Chief Executive Team)	CEO	Other
Approval of virement <u>between</u> approved programme budgets	Above £2m current, £5m capital	Above £1m up to £2m current and above £2m up to £5m capital	Up to £1m current and £2m capital		
Virement <u>within</u> approved programme budgets			✓ CET will maintain an approved scheme of delegation to authorise sub-delegation of virements of various values.		
Variations between directorate admin budgets			✓		
Approval of losses and write offs Over £250k Secretary of State (BIS)	Above £50k below £250k	Above £5k to £50k		Up to £5K	

Section 1 cont'd

Area of delegation	Authority delegated to			
	Board	Performance & Resources Committee	CET (Chief Executive Team)	CEO
Approval of ex-gratia/special payments Over £5k Secretary of State (BIS)	Single case up to £5k			Single case up to £1k
Personal injury or industrial tribunal claims Over £25k Secretary of State (BIS)				Single case up to £25k
Approval of single gift. Over £1k BIS (The overall level of gifts should not exceed £20k in any one year)				Up to £1k

*Section 1 notes: each bank instruction requires sign off by two authorised signatories, at least one of which must be a CET member. Head of Legal Services & HR can sign as second signatory provided CET member also signs, and the number of instances where this occurs is reported quarterly to EEDA's audit committee (excluding routine payment run instructions). The bank mandates will reflect the delegations set out in this Scheme.

2. Grant expenditure.

The appraisal processes for grant applications vary depending on the funding stream(s) and programme(s) involved and are documented separately. Single Programme expenditure is also subject to the Accountability and Financial Framework requirements.

2.1 ERDF

ERDF Area of delegation	Authority delegated to		
	CEO or Deputy Accounting Officer	Director – International or Head of European Structural Fund programmes	Other
Approval of grant awards & execution of funding agreement under seal (deed) & amendment thereof under seal	£5m & above	Below £5m	
Approval of grant awards & execution of funding agreement under hand & amendment thereof	£5m & above	Below £5m	Variation only of funding agreements below £500k in value: ERDF project Appraisal Officer, ERDF Finance and Compliance Manager or ERDF Monitoring Manager
Certification of reimbursement claim to CLG	£20m & above	Below £20m	Below £12m: Manager, ERDF Programme Management Team. Below £8m: Assistant Manager, ERDF Programme Management Team.

Section 2.1 cont'd

ERDF Area of delegation	Authority delegated to		
	CEO or Deputy Accounting Officer	Director – International or Head of European Structural Fund programmes	Other
Authorisation of reimbursement claim to CLG	£20m & above	Below £20m	Below £8m: Manager, ERDF Programme Management Team
Certification of ERDF claim payments	£10m & above	Below £10m	Below £3m: ERDF Finance and Compliance Manager or ERDF Monitoring Manager. Below £1m: Monitoring Officer
Authorisation of ERDF claim payments	£10m and above	Below £10m	Below £1m: ERDF Finance and Compliance Manager or ERDF Monitoring Manager
Decision re: operation of claw back	£10m and above	Below £10m	Below £100k: ERDF Finance and Compliance Manager or ERDF Monitoring Manager
Certification of ERDF receipts (from claw back etc)	£10m & above	Below £10m	Below £3m: ERDF Finance and Compliance Manager or ERDF Monitoring Manager. Below £1m: Monitoring Officer
Authorisation of ERDF receipts	£10m and above	Below £10m	Below £1m: ERDF Finance and Compliance Manager or ERDF Monitoring Manager

Section 2.1 notes: ERDF Funds fall outside the scope of the Accountability and Financial Framework, unless EEDA is acting as beneficiary. All financial thresholds stated refer to ERDF funding only, for the lifetime costs of the project (total project spend may be higher). Project approval will be recommended to EEDA by the ERDF Competitiveness Delivery Group. Funding agreements may be executed under seal (deeds) or under hand (not sealed). Executing as a deed has a number of advantages (longer limitation period, no consideration required) but requires greater formality, and is therefore not always necessary, especially for lower value grants. **Certification and authorization must be undertaken by different individuals.**

2.2 European Social Fund (“ESF”), Economic Participation Sub Regional programme (“EPSRP”) Rural Development Programme for England (“RDPE”), Research & Development (R&D), Single Programme (“SP”), Grant for Business Investment (“GBI/SFIE”)

Area of delegation	Authority delegated to					
	Board	CET	CEO or Deputy Accounting Officer	Exec Director responsible for Programme	Head of Service	Other
Approval of Project Concept. NB this stage is not required where a project is included in an approved programme plan. Projects above £1m should be reported to CET for information.				Up to 50% of total costs or £250k (whichever is the lower) initial expenditure may be authorized.		
Approval of EPSRP Awards.* (see note (a) below) Above £5m must be referred to CPRG. £20m & above Treasury	Above £3m to £5m	Above £1m to £3m		Up to £1m		
Approval of R&D grant awards* (see note (a) below)				£250k and above		Below £250k R&D Case conference panel

2.2 cont'd

Area of delegation	Authority delegated to					
	Board	CET	CEO or Deputy Accounting Officer	Area Director	Head of Service	Other
Approval of RDPE grant awards*	Above £3m	Above £1m to £3m		Up to £1m		Up to £500k Head of Rural Policy
Approval of SP or ESF grant awards.* (see note (a) below) Above £5m must be referred to CPRG. £20m & above Treasury	Above £3m to £5m	Above £1m to £3m		Up to £1m		
Approval of GBI/SFIE grant awards £2m and above must be referred to BIS, over £7m Treasury						Below £100k Access to Finance Manager. Above £100k to below £2m Access to Finance Manager on the recommendation of the Industrial Development Board

2.2 cont'd

Area of delegation	Authority delegated to					
	Board	CET	CEO or Deputy Accounting Officer	Exec Director responsible for Programme	Head of Service	Other
Variation of award (see notes (a) (b) and (c) below)	Any variation within limit for board approval	For projects previously approved by the Board, up to an additional 10% provided total funding remains within Board's delegation limit. All other variations, up to the CET approval limit		For projects previously approved by CET, up to an additional 10% provided total funding remains within CET's delegation limit. All other variations, up to the ED approval limit		
Approval for EEDA to apply for grant funding				✓		
Acceptance of grant funding to EEDA (other than Single Programme, which is approved through corp planning process)				✓		

2.2 cont'd

Area of delegation	Authority delegated to					
	Board	CET	CEO or Deputy Accounting Officer	Exec Director responsible for Programme	Head of Service	Other
	Execution of funding agreement under seal (deed) and amendment thereof under seal			✓		
Execution of funding agreement under hand & amendment thereof			✓	✓		✓Head of Legal Services & HR, ✓Programme Monitoring Manager, ✓Contract Managers ✓Senior Solicitor, in house legal team
Authorisation of claim payments (see note (j) below)				✓		✓Programme Monitoring Manager ✓Contract Managers (following approval by named Project Sponsor)
Decision re: operation of claw back (see note (g) below)				✓		
Signing of match funding certificates						✓ Programme Monitoring Manager

Section 2.2 notes

- a) New financial commitments for funding streams other than ERDF and RDPE must also meet the conditions in annex A to the letter from BIS Permanent Secretary to EEDA Chief Executive dated 25th June 2010. **In addition, any commitments that would give rise to spend beyond March 2011 will need explicit prior Treasury approval.**
- b) where variation results in increase of over 10% in value, projects should normally be submitted for re-appraisal prior to approval.
- c) Before making any variation to ESF co-financed grants, the prior approval of EEDA's Co-Financing Manager must also be obtained.
- d) ESF and RDPE Funds fall outside the scope of the Accountability and Financial Framework.
- e) All financial thresholds stated refer to ESF or EPSRP or RDPE, or R&D, or SP or SFIE funding only (as relevant), for the lifetime costs of the project (total project spend may be higher).
- f) Where a project is funded through several funding streams the delegation limits for each stream must be applied separately for that stream.
- g) Single programme and R&D funds are subject to the Accountability and Financial Framework and this will need to be considered when making decisions re: claw back (write offs).
- h) **Where projects are high risk and/or high profile consideration should be given to referring them to the Board for approval even where they are below the usual financial thresholds for the Board.**
- i) Certification and authorization must be undertaken by different individuals.**
- j) Before authorizing claim payments in relation to ESF co-financed grants, the prior approval of EEDA's Co-Financing Manager must also be obtained.

3. Procurement Delegations.

All procurement activity is governed by the Procurement Code and associated guidance issued from time to time by the Legal & Procurement Team, and the requirements of the Accountability and Financial Framework. All procurement must be authorized by a budget holder within an agreed budget.

Area of delegation	Authority delegated to				
	Board	CET	Exec Director	Head of Legal Services & HR	Other
Approval of single tender action (see notes (a) & (b) below)	£100k and above	Below £100k	Below £50k		
Approval of contracts for goods and/or services and/or works which will commit EEDA to a single supplier for a period of more than 3 years or has the potential to do so (if options to extend exercised) with a value of £250k and above. *see note (b)	✓250K and above				
Approval of contract award – see note (b) below for restricted areas* NB see below for signing of contract documentation					✓Budget Holder (who may delegate authority)
Approval of contract variation (including variation of standard terms pre-issue) that does not affect contract value– see note (b) below for restricted areas, and note (c)				✓	✓Senior Solicitor, in house legal team

Section 3 cont'd

Area of delegation	Authority delegated to				
	Board	CET	Exec Director	Head of Legal Services & HR	Other
Approval of variation or extension of contract that affects contract value– see note (b) below for restricted areas, and note (c)	Any variation provided contract value remains at or below £5m	Any variation provided contract value remains at or below £3m For contracts previously approved by the Board up to 10% provided total value remains at or below £5m.	Any variation provided that contract value remains below £1m For contracts previously approved by CET team up to 10% provided total value remains at or below £3m.	✓Head of Legal to approve legal aspects of variations to standard terms, budget holder to approve increased expenditure	Budget holder – any variation provided that contract value remains at or below £100k For contracts previously approved by an exec director up to 10% provided total value remains at or below £1m
Issue of purchase orders – see note (b) below for restriction & reporting requirement on consultancy spend					Budget holder up to £20k provided Procurement Code complied with. Only to be used above this value with prior approval of Head of Legal Services & HR or Senior Solicitor, in house legal team
Signing of contracts and variations to contracts once approved				✓	✓Head of Governance or Senior Solicitor, in house legal team in absence of Head of Legal & HR. Up to £500k, Procurement Manager & Assistant PM

Section 3 cont'd

Area of delegation	Authority delegated to				
	Board	CET	Exec Director	Head of Legal Services & HR	Other
Certification of invoices					✓ Any member of staff who is able to confirm that the goods/services have been received and are in good order
Authorisation of payment of invoices					✓ Budget Holder (who may delegate signing authority)
Termination of contract (other than on natural expiry of term)			✓ ED in consultation with Head of Legal Services & HR.		

Section 3 Notes:

(a) All STAs must be reported to the Audit Committee. **Certification and authorization of invoices must be undertaken by different individuals.** Where a budget holder certifies payment of an invoice, their line manager should authorize payment. Section 3 only applies to procurement of contracts for goods and/or services and/or works. It does not apply to competitive processes for the award of grants, which may use similar processes but will result in the issue of a grant, not a contract and are therefore governed by section 2.

(b) Approval of contract award is subject to the following restrictions as set out in a letter from BIS Permanent Secretary to RDA Chief Executives and Finance Directors dated 14th June 2010, and further guidance issued by BIS on 2nd July 2010:

- ICT: No new contracts, contract extensions/modifications, pilots, feasibility studies above £100k without specific agreement from the Treasury Efficiency and Reform Group (ERG). No new OJEU notices to be issued implying new ICT based contracts.
- Advertising and marketing: no new spend over £25k without prior approval from BIS. Spend below £25k must comply with issued guidance
- Consultancy: all new consultancy contracts over £20k to be signed off by a BIS minister and notified to ERG (via BIS) and published on line by Treasury. Spend under £20k to be reported monthly to BIS ministers and Treasury.

In addition any commitments that would give rise to spend beyond March 2011 will need explicit prior Treasury approval.

(c) Before making any variation to ESF co-financed contracts, the prior approval of EEDA's Co-Financing Manager must also be obtained.

4. Property acquisitions and disposals.

Area of delegation	Authority delegated to				
	OGC/Treasury (via BIS)	CET	Exec Director	Head of Legal & HR or Senior Solicitor, In house legal team	Head of Development
Where a project has already been approved, execution of contracts for acquisition or disposal of property assets in connection with the development (If disposal is for less than best consideration Board and BIS is approval required)				✓	✓ (see note(a) below)
Approval of new property leases and lease extensions (see note (b) below)	✓				
Estate management: execution of tenancy or licence agreement, or variation of terms thereof				✓	
Approval of request to submit Greenfield consent application (Consent is also required from Go East, in advance, for all development projects on Greenfield Sites)		✓			

Section 4 notes:

a) Head of Development may execute following advice from in-house legal or external legal panel

b) New property leases and extensions are subject to restriction contained in a letter from BIS Permanent Secretary to RDA Chief Executives and Finance Director dated 14th June 2010 requiring approval by OGC/Treasury via BIS

5. HR delegations.

The exercise of the HR function is governed by the Accountability and Financial Framework, and EEDA's Staff Handbook and other guidance issued by the HR team from time to time.

Area of delegation	Authority delegated to					
	BIS Secretary of State	CEO	Exec Director	Head of Legal Services & HR	Line Manager	Other
Establishment						
Authority to vary posts within existing budget and headcount				✓		
Authority to appoint new staff, secondees, recruitment agency staff (see note (a) below)	✓					
Grant of temporary promotion or additional responsibility allowances in instances of business need or staff absence				✓		
Approval of regrading of posts following Agency's agreed job evaluation procedure				✓		✓ HR Executive
Appointment						
Signing of offer letter (see note (a) below)				✓		✓ Senior Solicitor, in house legal team, HR Executive

Section 5 cont'd

Area of delegation	Authority delegated to					
	BIS Secretary of State	CEO	Exec Director	Head of Legal Services & HR	Line Manager	Other
Signing of employment contract				✓		✓ Senior Solicitor in house legal team, HR Executive
Termination						
Approval to leave Agency on grounds of ill health early retirement				✓		
Decision to dismiss Directors All other staff		✓		✓		
Pay						
Authorisation of payroll				✓		✓ HR Executive
Authority to authorize travel and subsistence payments within UK					✓ Chief Exec's to be authorized by Chair of Board.	✓ Chair's to be authorised by Deputy Chief Exec in accordance with Travel & Subsistence Policy
Requests for overseas travel		✓ This may not be sub-delegated				✓ Deputy Chief Exec This may not be sub-delegated
Absence						
Approval of annual leave					✓	
Approval of special leave (e.g. compassionate leave)					✓	

Section 5 notes:

(a) Recruitment is subject to the restrictions set out in a letter from BIS Permanent Secretary to RDA Chief Executives and Finance Director dated 14th June 2010 – prior approval by BIS Secretary of State is required and will only be given for front-line staff for business critical posts. There should not be substitution of agency or contingency staff for posts.

6. Other decisions to apply for BIS consents

Area of delegation	Authority delegated to				
	Board				
Other decisions to apply for Secretary of State (BIS) consents required under the RDA Act and Accountability and Financial Framework	✓ This may not be sub-delegated				

Section 6 note: The full list of decisions requiring Secretary of State approval is set out in the Accountability and Financial Framework. These include those arising under section 5 of the RDA Act 1998:

- S5 (a) give financial assistance (for example by loan)
- S5 (b) dispose of land for less than the best consideration which can reasonably be obtained
- S5(c) form or acquire an interest in a body corporate

7. Miscellaneous

Area of delegation	Authority delegated to				
	Board	CEO	Executive Director	Head of Legal Services & HR	Other
Signing confidentiality or non-disclosure agreements on behalf of EEDA*			✓	✓	
Execution of any legal document either under hand or under seal required to (1) put into effect any decision by an authorised person or Group and/or (2) for the protection of EEDA's legal interests in any matter.				✓	Senior Solicitor, in house legal team

*Section 7 note: the advice of Head of Legal Services & HR should be obtained before signature of NDAs. Where agreements are not signed by the Head of Legal Services & HR a copy of the signed agreement must be sent to Head of Legal Services & HR within 5 working days for entry into a central register.