

Paper (12) 22 – ANNEX B - Scheme of Delegations

1. In accordance with LSB's Rules of Procedure ('Rules'):

'4.6 All powers of LSB that have not been:

- a) reserved by the Board under paragraph 4.2 of these Rules,
 - b) delegated to a Committee or Subcommittee, or
 - c) covered by these Rules,
 - d) given personally to the Chief Executive as Accounting Officer,
- shall be exercised on behalf of the Board by the Chief Executive.

4.7 The Chief Executive shall prepare and maintain a scheme of delegations identifying which functions he shall perform personally and which functions he has delegated. All powers delegated by the Chief Executive can be reassumed and the Chief Executive reserves the right to deal with any matters, whether generally or exceptionally, previously delegated. The Chief Executive may also vary or revoke such a delegation.

4.8 Powers are delegated to and from the Chief Executive on the understanding that:

- a) appropriate expert advice will be sought as necessary and that any costs involved can be met within the authorised budget; and
- b) the powers shall not be exercised in a manner that is likely to be a cause for public concern or that might have an effect on the reputation of LSB.

4.9 The Corporate Governance Manager shall keep a record of the powers, authorities and discretions delegated by the Board.

4.10 In the absence of the Chief Executive, the powers delegated to him may be exercised by a member of senior management - after taking advice as appropriate from the Chairman - nominated by the Chief Executive for such purposes.'

- 2. This scheme of delegations is prepared in accordance with paragraph 4.7 of the Rules.
- 3. Subject to paragraph 4.7 of the Rules, where the scheme of delegations requires the exercise of a power to be approved by two or more persons, the majority of those persons must approve the exercise of that power.
- 4. Any requirement to consult in advance of approving or exercising a specific power should be assessed on a case-by-case basis.

Key:

Committees:

ARC – Audit and Risk Committee (Board subcommittee)

RNC – Remuneration and Nomination Committee (Board subcommittee)

EG – Executive Group (executive group¹)

GG – Gateway Group (executive group²)

Individual posts:

CEO – Chief Executive

CD – Corporate Director

SD – Strategy Director

DRP – Director of Regulatory Practice

LD – Legal Director

DFS – Director of Finance and Services

HDR – Head of Development and Research

HSD – Head of Statutory Decisions

LA – Legal Adviser

CGM – Corporate Governance Manager

BPA – Business Planning Associate

¹ The Executive Group comprises: CEO, CD, SD

² The Gateway Group comprises: CEO, CD, SD, LD, DFS, DRP, HSD, HDR, CGM

Delegations from Board to Chief Executive

Human resources			
Power	Approver	Consultee	Notes
Agreeing and amending remuneration policies	CEO	RNC, EG, DFS and Consultative Forum	Subject to RNC ToR
Agreeing and amending HR contractual terms	CEO and CD	RNC, SD, LD and DFS	Subject to RNC ToR
Agreeing matters in respect of termination, retirement and redundancy	CEO, CD, relevant Director and line manager	RNC, SD, LD and DFS	Subject to RNC ToR
Convening and agreeing agenda for meetings of the Consultative Forum	CEO and CD	Colleagues	
Agreeing the senior executive succession plan	CEO	RNC and CD	
Agreeing the Remuneration strategy	CEO	RNC and CD	Subject to RNC ToR

Financial management			
Power	Approver	Consultee	Notes
Financial authority limits			See Finance Regulations
Agreeing Finance Manual	CEO	ARC, CD, DFS, LD, CGM	
Agreeing Finance Regulations	CEO	ARC, CD, DFS, LD, CGM	

Regulatory activity			
Power	Approver	Consultee	Notes
Agreeing project briefs, PIDs, etc.	CEO, SD, CD, DRP and LD	GG and Project Manager	
Agreeing to commence an investigation with a view to using enforcement powers	CEO	GG and Project Manager	Subject to Statement of Policy – Compliance and Enforcement

Agreeing to recommend the exercise of enforcement powers to the Board	CEO	SD, CD, LD, Project Manager	Subject to Statement of Policy – Compliance and Enforcement
Agreeing 'next steps' following Board approval of the exercise of enforcement powers	CEO	SD, CD, LD, DRP, Project Manager	Significant decisions to be referred to Board
Approving alterations to regulatory arrangements (including requests to be exempted from approval requirements)	CEO	SD, CD, LD, DRP, Project Manager	Board 30/11/09 – resolved 'to delegate authority to determine how to handle applications for rule changes on a case-by-case basis and following an assessment of significance, impact and risk to the Chief Executive, subject to new AR applications always being submitted for approval to the Board'
Approving AR practising fees	CEO	SD, LD, DFS	As above
Agreeing to recommend the approval of applications for designation as an AR/LA to the Board	CEO	GG, Project Manager	As above

Miscellaneous			
Power	Approver	Consultee	Notes
Leadership and operational management of LSB	CEO		
Serving as Accounting Officer	CEO		
Agreeing delegations from CEO	CEO		
Chairing Gateway Group	CEO		See senior executives' Succession Strategy
Agreeing and amending ToR for	CEO	RNC, SD, CD	

executive groups			
Agreeing and amending Scheme of Delegation	CEO	ARC, colleagues	
Changing management or control structure	CEO	Chairman and RNC	
Agreeing press releases, statements, speeches, articles, website changes and other media and PA activity	CEO	CD, Director and Project Manager	See Communications Process Notes
Agreeing answers to PQs	CEO or relevant Director (depending on subject)	CD, relevant Director and Project Manager	
Agreeing formal correspondence etc to MoJ	CEO or relevant Director (depending on subject)	CD, SD, relevant Director and Project Manager	
Agreeing formal correspondence etc to LeO	CEO or relevant Director (depending on subject)	CD, SD, relevant Director and Project Manager	
Agreeing formal correspondence to Consumer Panel	CEO or relevant Director (depending on subject)	CD, SD, relevant Director and Project Manager	
Agreeing publication etc of documents approved in principle by Board	CEO	CD / SD, relevant Director and Project Manager	
Agreeing responses to external consultations	CEO	CD / SD, relevant Director and Project Manager	
Determinations in respect of Fol (s36)	CEO	CD, CGM and LA	
Agreeing decisions in respect of matters subject to legal proceedings	CEO	LD, CD, SD, relevant Director and Project Manager	Significant decisions to be referred to Board
Preparing Board agenda and papers	CEO	GG	
Preparing Board Committee agenda and papers	CEO	ARC – CD and DFS RNC – CD and DFS	
Agreeing to tender and to sign	CEO	LD, DFS, and relevant Director	Subject to financial delegations

commercial contracts			
Agreeing and commissioning research projects	CEO and SD	Relevant Director, Research Manager and Project Manager	See Research Strategy
Commissioning and oversight of external audit activity	CEO	CD and DFS	
Commissioning and oversight of internal audit activity	CEO	CD, DFS and relevant Director	

Delegations from Chief Executive

Human resources			
Power	Approver	Consultee	Notes
Creating individual posts / determining individual pay grades and salaries	CD and relevant Director	DFS and Line manager	Subject to RNC ToR
Agreeing and amending individual role descriptions	Relevant Director and line manager	CD	Subject to RNC ToR
Agreeing recruitment advertising / use of external agencies	CD and relevant Director	Line manager	
Agreeing recruitment process / Agreeing completion of probation	Line manager	CD and relevant Director	
Short-listing / interview panels	Line manager and peer x2	CD	
Agreeing to appoint	Interview panel and relevant Director	CD	
Changing individual reporting lines	Relevant Director	CEO and CD	
Approving expenses	Line manager		
Agreeing and amending HR policies (not remuneration)	CD	RNC, Consultative Forum	Subject to RNC ToR
Health and Safety procedure changes	DFS	CEO, CD, Health and Safety Group and Colleagues	
Agreeing the Colleague	CD and SD	GG	

succession plan (below the level of senior executives)			
General line management activities (not covered above or in HR policies)	Line manager	Deminos and CD	
Maintaining HR records	CD	DFS	

Financial management			
Power	Approver	Consultee	Notes
Financial authority limits			See Finance Regulations
Budget management	Budget holder	ARC, CD, LD, DFS	
Preparing Annual Report	CD, SD and DFS	ARC, GG	
Preparing Business Plan (including budget)	CD, SD and DFS	ARC, GG	

Miscellaneous			
Power	Approver	Consultee	Notes
Overseeing core regulatory development and approval responsibilities of LSB	SD	DRP, HSD and Project Managers	As per CEO's note 09/02/10
Overseeing non-regulatory business (excluding provision of legal advice)	CD	DFS and relevant Managers	As per CEO's note 09/02/10
Providing legal advice to Board and colleagues	LD	LA	
Agreeing press releases, statements, speeches, articles, website changes and other media and PA activity	CD	Director and Project Manager	See Communications Process Notes
Agreeing answers to PQs	CD or relevant Director (depending on subject)	CD, relevant Director and Project Manager	
Agreeing formal correspondence	CD or relevant Director	CD, SD, relevant Director and	

etc to MoJ	(depending on subject)	Project Manager	
Agreeing formal correspondence etc to LeO	CD or relevant Director (depending on subject)	CD, SD, relevant Director and Project Manager	
Agreeing formal correspondence to Consumer Panel	CD or relevant Director (depending on subject)	CD, SD, relevant Director and Project Manager	
Determinations in respect of DPA and Fol (not s36)	CD	CGM and LD / LA	
Agreeing corporate policies – DPA, IT, business continuity, communications, etc.	CD	Colleagues	
Maintaining and reviewing Project Risk Registers	Project Manager	BPA	Subject to Risk Strategy
Maintaining and reviewing Programme Risk Register	CD	BPA, Programme Board and Project Managers	Subject to Risk Strategy
Maintaining and reviewing Corporate Risk Register	CD	ARC, GG	Subject to Risk Strategy
Agreeing and commissioning research projects	SD	GG, Relevant Director, Research Manager and Project Manager	See Research Strategy
Maintaining and reviewing a performance management framework	CD	GG	
Maintaining corporate registers (e.g. G&H, interests, minutes, papers, etc.)	CGM		

Approved by the Board on 28 March 2012