

**LSA** Legal Services Agency  
NORTHERN IRELAND

# Framework Document

July 2021

***This Framework Document sets out the arrangements for the governance, accountability, financing, staffing and operation of the Legal Services Agency Northern Ireland. These arrangements have been agreed between the Department of Justice and the Chief Executive of the Agency.***

***Please note that this Framework Document should be read in conjunction with the Governance Arrangements Document which sets out, in detail, the practical arrangements for the corporate governance of the Agency.***

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## **1. Introduction**

- 1.1 The Legal Services Agency Northern Ireland (the Agency or LSA) was created as an executive agency within the Department of Justice (DoJ) upon the dissolution of the Northern Ireland Legal Services Commission (NILSC), by virtue of the Legal Aid and Coroners' Courts Act (Northern Ireland) 2014 (the Act), on 1 April 2015.
- 1.2 The Agency is responsible for the governance, accountability and transparency in the administration of the legal aid system in Northern Ireland. The Agency is structured within the wider Northern Ireland Civil Service shared services model and core services such as personnel management, IT, financial management and accounting are drawn down.
- 1.3 The Agency contributes to the wider legal aid reform agenda. Responsibility for policy development continues to be vested in the Enabling Access to Justice Division (EAJD) within the DoJ but close co-operation between the Division and LSA ensures policy development in an optimal and organic manner.
- 1.4 The Act safeguards the independence of the decision-making in the granting of civil legal aid in individual cases and the Minister of Justice has a statutory duty to ensure that independence. At the core of the arrangements for the establishment of the Agency, is the independence of the Statutory Office Holder, the Director of Legal Aid Casework (DLAC). All applications for civil legal aid will be considered on the merits of the individual case and will not be influenced by political or budgetary considerations. The DLAC reports on these specific functions in an Annual Report.
- 1.5 The LSA has approximately 130 members of staff and the organisational structure is set out at Annex A. The Agency is located at:  
  
**2<sup>nd</sup> Floor, Waterfront Plaza, 8 Laganbank Road, Mays Meadow, Belfast, BT1 3BN.**
- 1.6 The Agency is committed to the DoJ's wider strategic objectives. It will work in close partnership with its users, stakeholders and the DoJ to enhance its customer service delivery ensuring that legal services are available to those who meet the statutory eligibility tests which support those in greatest need. It will also ensure that publicly-funded services reflect overall budgetary constraints and value for money.

- 1.7 The Agency will also comply with all Departmental policies and requests for information within departmental timescales.

## **2. Status, Aims and Functions**

### **Status**

- 2.1 LSA is an Executive Agency of the Department of Justice (DoJ) and was established on 1 April 2015. The Agency operates under the direction and control of the Minister of Justice except for applications for civil legal aid which will be considered on the merits of the individual case and will not be influenced by political or budgetary considerations. It provides publicly-funded legal aid services for those people in greatest need.

### **The Agency's Vision, Mission and Main Activities**

- 2.2 The LSANI's vision is to be a responsive provider of high quality, digitally enabled, services which support individuals seeking justice.
- 2.3 The Mission of the Agency is to facilitate access to justice by delivering timely and high quality decisions and payments which secure value for money.
- 2.4 The Agency's main aim is to support the justice system by administering publicly funded legal services impartially, effectively and efficiently within the governing legislation and policy framework set by the Minister of Justice. This will deliver a modern, digitally-enabled, high quality service which can respond to Agency, customer and practitioner needs.
- 2.5 In essence, the Agency applies statutory tests to determine whether an individual should receive civil legal services and, if eligible, makes payments to the legal profession for the legal services provided. The Agency is not responsible for granting criminal legal aid however it funds and makes payments to the legal profession for criminal legal aid services that are granted by the Judiciary.
- 2.6 The Agency's main activities include:
  - considering applications for civil legal services;

- assessing and making payments for bills received for civil legal services and criminal legal aid (including advice and assistance);
- supporting the DoJ Enabling Access to Justice Division (EAJD). EAJD is responsible for advising and supporting the Minister in relation to all legal aid matters and leads on the development and implementation of a legal aid reform programme with the aid of LSA;
- supporting an independent appeals function in respect of applications for representation before the higher civil courts;
- complying with directions and having regard to guidance issued by the DoJ; and
- maintaining and developing systems, procedures and relationships which support all of its key activities and the wider strategic aims of the DoJ.

2.7 The Agency's key target areas are documented in its business planning which is produced on an annual basis.

### **3. The Purpose of the Governance Framework**

3.1 This Governance Framework sets out the systems and processes, cultures and values, by which the Agency is directed and controlled, and the activities through which it accounts to and engages with stakeholders. It enables the Agency to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of timely and cost effective services. The Governance Framework is designed to pragmatically manage risk to a reasonable level, rather than to eliminate all risk of failure to achieve policies aims and objectives. It can therefore only provide reasonable, and not absolute, assurance.

3.2 This document also sets out details of the corporate governance arrangements established within LSA to ensure the proper and effective management of the Agency's affairs.

3.3 As is the case with Executive Agencies, the Corporate Governance Framework

represents the agreed position between the Agency and its sponsor department and reflects the specific nature of the Agency, its degree of operational autonomy/independence and its track record of governance and probity. The framework sets an appropriate balance between the operational strategies and the delegated decision making powers of the Agency on the one hand and, on the other hand, the needs of the Departmental Accounting Officer and the Minister to have an appropriate level of assurance as regards good governance, alignment to Departmental strategies, the proper functioning of government and the management of public money.

3.4 The Framework Document, as advised by HM Treasury, should be reviewed on a regular basis and/or when a significant change in legislation or policy or in the Agency's status, environment, structure or reputation occurs.

3.5 Organisations need systems of direction, control and management in order to operate effectively. Effective organisations have well developed and articulated structures which properly order their processes and attribute responsibility for the setting of the strategic direction, policy implementation, decision making and operational delivery. They also require internal monitoring arrangements to ensure compliance and propriety. The corporate governance framework is the system which ensures the effectiveness of direction and control of an organisation. It encompasses:

- **Governance:** how well an organisation plans, sets, communicates and monitors its corporate objectives;
- **Risk Management:** how the organisation identifies, considers and manages the risks to the achievement of corporate objectives; and
- **Business Controls:** how the organisation assures itself and its stakeholders that it is in control of its business and the risks to the achievement of its objectives.

## **4. Organisational Structures**

4.1 The key internal organisational structures which support the delivery of corporate governance in LSA are:

- The Agency Board;
- The Senior Management Team; and
- The Audit and Risk Assurance Committee.

### **Agency Board**

4.2 The Agency's Board is chaired by the Chief Executive who, as Accounting Officer, is not subject to the control of the Board but is supported and challenged by it. Its membership includes the LSA's two Executive Directors and the two independent Non-Executive Board Members (NEMs). Non-Executive Members will be selected for their particular knowledge, skills and expertise and will be expected to bring an independent perspective to the Agency.

4.3 The LSA Chief Executive carries out his/her responsibilities with the aid, support and appropriate challenge of the Agency Board, in providing: corporate leadership to the organisation as a whole, setting the Agency's strategic direction and driving the Agency's performance. A senior member of the DoJ attends the Board meetings, by invitation, in an advisory/observer capacity. Representatives from Northern Ireland Civil Service Human Resources and Financial Services Division, within DoJ, are standing attendees.

4.4 The Board operates as a collegiate forum under the leadership of the Chief Executive to manage the running of the Agency. It is not the principal policy-making body for the Agency, as policy is determined by the Minister of Justice with the support of the EAJD. This does not mean that the Board does not discuss policy, or contribute to its development, but it does so in the context of setting and directing the strategic planning that ensures the delivery of Ministerial policy decisions and the operational management of their implementation. The Board has no role in granting civil legal services as this is vested in the DLAC.



4.5 The quorum at all planned meetings will be the Chief Executive (or their nominee) plus 2 Directors (or a minimum of 1 Director and 1 Deputy) and 1 NEM. It may be necessary to call an Extraordinary Board Meetings in event of the need to address an urgent decision. The quoracy of such a meeting does not require an NEM to be present (although their views can if necessary be given in advance via correspondence). Decisions and minutes taken at an Extraordinary Meeting will be put to the next full Board Meeting for ratification/approval.

4.6 The Board is the senior tier of strategising and decision making and is responsible for the establishment and monitoring of the corporate governance arrangements of the Agency. The Terms of Reference of the Board, which set out its functions, aims, objectives and responsibilities are available at Annex B. The Board's role is to support the Chief Executive in taking collective ownership of the Agency's performance, strategic direction and corporate leadership to the organisation as a whole and advice to the Minister as required, by:

- developing and taking forward the Agency's agreed strategic aims and objectives;
- advising on the allocation of its financial and human resources to achieve those aims;
- managing Agency resources and monitoring the achievement of performance objectives;
- setting the Agency's standards and values;
- maintaining a transparent system of prudent and effective controls;
- identifying, assessing and managing risk; and,
- leading and overseeing the process of change, encouraging innovation to enhance the Agency's capacity to deliver.

4.7 In order to achieve these objectives, the Board reserves to itself (within the framework of accountability to the Minister) final decisions on:

- setting the strategic direction for the Agency through the Agency Corporate and Business Plans;
- financial planning and management in so far as it relates to the Agency;
- securing and allocating resources to match development and delivery requirements;
- monitoring Agency performance against targets and assessing the risks to delivery;
- oversight and management of Agency change programmes; and,
- risk management and corporate governance.

4.8 The Director of Corporate Services leads on formulating the Agenda of the Board with the approval of the Chief Executive. The Board is supported by a secretariat (located within the Business Support Unit), which is responsible for ensuring that the Chief Executive and Board members are provided with timely papers and information to support full discussion and decision making at each meeting.

### **LSA Senior Management Team**

4.9 The Senior Management Team (SMT) comprises the Chief Executive (Grade 5) and the Directors (Grade 6) of Operations and Corporate Services.

4.10 The purpose of the SMT is to support the Agency's operations to ensure that LSA delivers against all targets (from the outcome focused Business Plan or Key Performance Indicators) and to provide advice and support to the Board in implementing policy and strategy across the Agency.

4.11 The SMT meet monthly and two or more members will meet on an ad hoc basis as required.

### **LSA Audit and Risk Committee**

4.12 As Accounting Officer for the Agency (designated by the DoJ Permanent Secretary), the Chief Executive has a responsibility to assure him/herself that

appropriate arrangements are in place within the Agency to ensure effective corporate governance, risk management and systems of internal controls.

4.13 The Agency Board will establish an independent Audit and Risk Committee (ARC) which will be chaired by a NEM. The onus is on the Chief Executive, as AO, to ensure the ARC has the appropriate level of skills and relevant financial experience to provide them and the Board with the appropriate level of support and advice in relation to risk, control and governance issues. The LSA's ARC supports and appropriately challenges the Accounting Officer in monitoring the corporate governance and control systems (including financial reporting) in the Agency. The Terms of Reference for the ARC set out, in greater detail, the role of members and attendees (Annex C).

4.14 Accordingly, the primary function of the ARC is to test and challenge the assurances provided to and by the Accounting Officer, the way in which these assurances are developed and the systems and approaches on which the assurances are based. In order to enhance the objectivity of the advice, the ARC is chaired by one of the Agency's independent NEM. The ARC is constituted as a sub-committee of the Agency Board and acts in an advisory capacity, having no executive powers. Assessing the completeness and effectiveness of the Agency's corporate governance arrangements forms part of the Internal Audit work programme.

### **DoJ Internal Audit**

4.15 DoJ Internal Audit (IA) provides a shared service to the Department. IA resources are allocated based on the respective risk profiles of the organisations it is auditing. The main purpose of the DoJ IA is to provide the Accounting Officer, in an economical, efficient and timely manner, with an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. IA will provide the ARC with a proposed audit programme and plans for the year ahead, together with progress reports for each meeting and an annual end of year report in which the Head of Internal Audit provides their annual opinion. The ARC reviews reports and monitors the progress of the Agency against the Internal Audit recommendations.

4.16 The DoJ's Internal Auditor has a right of access to the LSA in order to provide independent assurance to the Permanent Secretary as Principal Accounting Officer. Their work will conform to the Public Sector Internal Audit Standards.

### **The Northern Ireland Audit Office**

4.17 The Northern Ireland Audit Office (NIAO) is headed by the Comptroller and Auditor General for Northern Ireland (C&AG) and is responsible for authorising the issue of money from central government funds to Northern Ireland Departments and financial and value for money audit of central government bodies in Northern Ireland, including Executive Agencies

4.18 As such the C&AG is required to examine, certify and report on the financial statements of the Agency. The NIAO has the right of access at all reasonable times to the books, accounts and records of the Agency. The Comptroller and Auditor General may also carry out examinations into the economy, efficiency and effectiveness with which the LSA has used its resources in discharging its functions. Its reports are presented to the Northern Ireland Assembly.

4.19 The NIAO is invited as a standing attendee at the Agency's ARC and provides the ARC with its proposed strategy for the year's audit and with interim updates on progress. Each year, it provides a final Report To Those Charged With Governance (RTTCWG) following the completion of the annual financial audit, highlighting priority areas for improvement. Progress with implementation of priority actions is monitored by the Agency and reported to the Department and to the ARC.

## **5. Roles, Responsibilities and Accountability**

### **The Minister of Justice**

5.1 The Agency is subject to the overall direction of the Minister as advised by Departmental officials but retains independence in relation to decisions in respect of civil legal services in individual cases under section 3 of the Act (see paragraphs 5.5 – 5.13 below).

- 5.2 The Minister determines the policy framework within which the Agency operates and the scope of its activities. The Department determines the resources to be made available to the Agency in respect of its functions, approve its Corporate and Business Plans, set key performance targets and monitor performance.
- 5.3 The Minister delegates the day-to-day operation of the Agency to the Chief Executive and will be advised by the Chief Executive on operational matters which could give rise to significant public or Assembly concern.
- 5.4 In addition to the above, the Minister also meets with the Chief Executive on an annual basis. These meetings provide an opportunity to discuss the Agency's aims, objectives, strategy, performance, financial management, risks and other issues pertinent to the DoJ and the Agency.

### **Independence in Civil Legal Services - Director of Legal Aid Casework (DLAC)**

- 5.5 Determinations in individual applications for civil legal services will be made by a Statutory Office Holder, a civil servant designated by the Minister of Justice as the Director of Legal Aid Casework (DLAC) under section 2 (1) of the Act. Under section 3 (1) of the Act the DLAC must comply with the directions given by the Department about carrying out the functions of the role and must have regard to guidance given by the Minister of Justice in carrying out their functions. However, under section 3 (2) of the Act the Department must not give a direction or guidance about the carrying out of the DLAC's functions in relation to an individual civil legal aid application. Additionally, the Department must ensure that the DLAC acts independently when applying a direction or guidance to an individual case.
- 5.6 The civil servant designated as DLAC may also be the Chief Executive of the Agency. However, if both roles are held by the same person, separate accountability and reporting arrangements exist. The Chief Executive and Accounting Officer reports through the Agency's Annual Report and Accounts, while as DLAC the reporting arrangements are through the DLAC Annual Report. Both Annual Reports are laid before the Assembly and are published.

- 5.7 The Minister of Justice will confirm the DLAC's designation by correspondence. The Minister will set out the requirements of the office, the date of commencement of the appointment and the DoJ's obligation to ensure that the DLAC acts independently when applying directions or having regard to guidance in relation to individual cases. The Minister's designation of the DLAC is in the context of the requirement to adhere to Civil Service values of: integrity, honesty, objectivity and impartiality.
- 5.8 The DLAC is responsible for determining if an individual qualifies for civil legal services. Individuals have a right of appeal to independent Civil Legal Services Appeal Panels if they are dissatisfied with the DLAC's decisions (see paragraphs 5.14 – 5.16 below re Civil Legal Services Appeal Panels).
- 5.9 The performance of the DLAC may be appraised on the delivery of the DLAC's functions (including compliance with guidance or directions issued by the Minister of Justice) but cannot be appraised on decisions made in respect of individual applications for civil legal services. The DLAC is responsible for carrying out annual performance assessments with the Presiding Members of the Appeal Panels.
- 5.10 The DLAC is required to produce a 'Director of Legal Aid Casework Annual Report', in accordance with the Departmental timetable for the production of the Annual Report and Accounts at the end of each financial year, stating how the functions of the office were carried out. The DLAC must send this report to the DoJ for submission to the Minister of Justice who is responsible for laying the Report in the Assembly. Agency staff will support the DLAC in the preparation of this Report.
- 5.11 Additionally, the DLAC will provide information to the Minister of Justice, as appropriate, on the performance of the role (including any themes, trends or lessons learnt that they have noted whilst carrying out the functions of the office). The DLAC will meet with the Minister on an annual basis to discuss the functions of the office.

### **Delegation of DLAC Duties**

- 5.12 The DLAC may delegate functions to other civil servants employed within the Agency. When civil servants are carrying out functions on behalf of the DLAC, their actions shall be treated as those of the DLAC. The performance management of civil

servants acting on behalf of the DLAC shall be undertaken in such a way as to ensure the DLAC's independence in decision-making is protected.

5.13 The DLAC, and civil servants performing functions delegated by the DLAC, shall ensure that appropriate information handling and assurance arrangements are in place and effectively and efficiently operated in relation to information provided to the Agency in connection with an individual applying for or receiving civil legal services. The DLAC will maintain a delegation framework for decisions in respect of civil legal services.

### **Civil Legal Services Appeal Panels**

5.14 In accordance with the Code of Practice issued by the Commissioner for Public Appointments in Northern Ireland, independent Civil Legal Services Appeal Panels members will be appointed by the DoJ to consider statutory appeals of decisions made by the DLAC. An Appeal Panel will consist of three members and will be chaired by a fully qualified lawyer who will be known as the Presiding Member.

5.15 A publicly-appointed Appeal Panel Member will be required to uphold the seven principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership and be fully alert to any possibility of a conflict of interest in the appeals they consider. Should there be any potential for a conflict of interest in considering any appeal, a Panel Member will be required to declare this conflict to the Agency and withdraw from taking part in any consideration of the appeal.

5.16 Decisions of the Civil Legal Services Appeal Panels will only be challengeable by Judicial Review. Detailed information on the LSANI's appeal procedure can be viewed on the Agency's website: [www.lsani.gov.uk](http://www.lsani.gov.uk).

### **Other Issues - The DoJ**

5.17 The DoJ will be the source of advice to the Minister of Justice and the CE on all legal aid matters. The DoJ will ensure that:

- the Minister is effectively advised on the strategic direction of the LSA in the context of the wider and cross-governmental objectives; and

- the Chief Executive has all the necessary information to direct the Agency's activities so that it effectively supports the delivery of government objectives.

5.18 The Chief Executive should alert the DoJ if there is a risk that the Agency may not deliver its key targets and seek advice on the most appropriate way to mitigate any potential issues.

5.19 The Minister may seek input from the DoJ when considering submissions from the Agency on any issues but particularly in respect of:

- the Corporate and Business Plans;
- strategic objectives;
- quality and rigour of the performance targets;
- performance, progress and results;
- policy advice (includes legal aid reform);
- audit reports and reviews;
- financial impacts of the Agency plans upon Departmental resource budgets and accounts;
- Annual Reports and Accounts;
- Director of Legal Aid Casework Annual Report;
- risk appetite and risk management;
- corporate governance; and
- the appointment of NEMs.

5.20 In its oversight role, the DoJ will have the right of access to all the relevant papers and Agency personnel. However, files in respect of individual cases will not be available outside the Agency to protect the independence of decision making. The DLAC may only agree to make files available outside the Agency for the purpose of informing defence of litigation or to support policy research, but only in so far as the



information collection will not be used to compromise the independence of decision making within the Agency.

5.21 The onus is on the DoJ to ensure the DLAC is informed of the Minister's guidance or directions and that these are clearly published. Where necessary, the DoJ may provide advice and guidance to the DLAC but cannot give directions or guidance to the DLAC in relation to individual civil legal aid cases.

### **Permanent Secretary (Principal Accounting Officer)**

5.22 The DoJ's Permanent Secretary advises the Minister on all matters relating to the Department (including its Agencies). They are also the Principal Accounting Officer and responsible for the overall organisation, management and staffing of the DoJ and its Agencies.

5.23 The Permanent Secretary is the sponsor for the Agency although in practice this role is discharged by the Director of Justice Delivery Directorate. The sponsorship role of the Department includes:

- providing support and advice to the Chief Executive;
- advising on policy issues governing the work of the Agency;
- providing advice to the Minister on the strategic direction of the Agency in the context of wider departmental or cross-governmental objectives;
- consult on the Agency's Corporate and Business Plans and the resources needed to achieve them;
- agreeing a framework for strategic performance management; and
- ensuring that the agency has the delegations and authorities necessary for effective delivery and continuous improvement.

### **The Chief Executive (Designated Agency Accounting Officer)**

5.24 The Principle Accounting Officer has designated the Agency's Chief Executive as Accounting Officer (AO). The roles and responsibilities of Accounting Officers are set

out, in detail, in the Department of Finance (DoF) guidance, Managing Public Money NI.

5.25 The Accounting Officer is responsible for the day-to-day management of LSA (performance, financial management and operations) in accordance with this Framework Document and Corporate and Business Plans. They will make regular reports to the Minister, via the DoJ, on the Agency's performance and progress.

5.26 As Accounting Officer, the Chief Executive is specifically responsible for:

- preparing the draft Corporate and Business Plans (including key targets), in consultation with DoJ, for submission to the Minister for approval;
- meeting the Agency's objectives and key targets within the resources allocated;
- managing resources efficiently, effectively, economically and in accordance with the principles of fairness and equality as outlined in Government policy;
- providing the Minister, in consultation with DoJ, such information that is required to enable performance and use of resources to be monitored;
- notifying DoJ of any novel or contentious issues or significant problems being experienced in meeting the LSA's delivery targets on a timely basis;
- reporting to DoJ on the performance of the Agency, as directed by the Minister, these reports should include the information required for the planning and control of public expenditure;
- drafting and preparing Annual Reports and Accounts in accordance with Departmental timescales;
- signing a Statement of Accounting Officer's responsibilities for inclusion in the Annual Reports and Accounts;
- signing the accounts and ensuring proper records are kept in relation to the accounts (accounts should be properly prepared and presented in accordance with any directions issued by the Minister, the DoJ and/or DoF);

- submitting Annual Reports and Accounts to be laid in the Assembly, in accordance with DoF guidance;
- keeping under review all aspects of the management and organisation of the Agency to ensure that they best suit its business needs;
- develop and maintain a comprehensive risk management strategy for the Agency which should be available to the DoJ and provide for escalation as required;
- ensuring that all public funds made available to the LSANI are used for the purpose intended by the Assembly;
- ensuring compliance with Northern Ireland Public Procurement Policy and provide an annual report on LSANI procurement activity including details of Direct Award Contracts granted;
- ensuring that proper internal management and financial controls are maintained by the Agency, including effective measures against fraud and theft;
- ensuring that all audit and review reports are available to the DoJ;
- ensuring the LSA adheres to best practice in its implementation of corporate governance;
- adherence to the relevant statutory and policy requirements in relation to Freedom of Information requests, data handling and information assurance; and
- completing six-monthly Stewardship Statements.

5.27 The Chief Executive will be supported in their day-to-day responsibilities by the Agency SMT and the Agency Board. They are also a member of DoJ's Justice Delivery Directorate senior team which contributes to the Department's overall management strategy. The Director of JDD is responsible for carrying out the Chief Executive's performance appraisals. The DoJ will consult with the Chief Executive on any proposals affecting the work of the Agency before submitting them to the Minister.

## **Delegation of Accounting Officer Duties**

5.28 The Chief Executive may delegate the day-to-day administration of their Accounting Officer responsibilities to Agency employees and/or other public or private sector organisations. However, they shall not absolutely assign any of the responsibilities set out in this Framework Document. Delegations in respect of financial decision making and DLAC operational delegations should be brought to the Board for review annually.

## **6. Public and Assembly Accountability**

6.1 The Agency has a statutory requirement to provide accountability and assurance to the Assembly and the public on its stewardship of the monies allocated to it and the associated delivery requirements.

### **Agency Annual Report and Resource Accounts**

6.2 At the end of each financial year, the Agency will publish its Annual Report and Accounts (ARA). It is laid before the Assembly and published on the Agency's website. The Accounts are a statement of the handling of the monies and include a record of the details of the breakdown of expenditure. As part of the Accounts, the Chief Executive, in the role of Accounting Officer, is required to sign a Governance Statement. This is supported by a robust risk management process involving a systematic approach to the evaluation and control of risk.

### **Reporting to the Assembly, Parliament and the Public**

6.3 The Minister is answerable to the Assembly for all matters concerning the Agency and will deal with questions of policy and enquiries from Members of the Assembly (MLAs), Members of Parliament (MPs), public representatives and the general public, who specifically seek a Ministerial response.

6.4 All parties will be encouraged to communicate directly with the Chief Executive on day-to-day operational matters which are the direct responsibility of the Agency. The Minister may ask the Chief Executive to draft responses to enquiries or Assembly

Questions about matters delegated to the Agency and the Minister's replies to AOs will be published in the Official Report.

- 6.5 Other Assembly business and enquiries on matters not delegated to the Agency will be dealt with by the Minister. The Chief Executive will advise the Minister on such issues on request.

### **Accounting Officer Responsibilities**

- 6.6 The Permanent Secretary is the Principle Accounting Officer for the DoJ (and its Agencies) and as such is responsible for ensuring a high standard of financial management. The Permanent Secretary has designated the Chief Executive as the Agency Accounting Officer.
- 6.7 As provided for in the Accounting Officer designation letter the Chief Executive, as the Agency's Accounting Officer, is accountable for the proper, effective, efficient and economic use of resources provided to the Agency. They are also responsible for the propriety and regularity of the Agency's expenditure and for ensuring the requirements of the Government Financial Reporting Manual are met.
- 6.8 Additionally, they are responsible for establishing and maintaining systems for this purpose, adhering to any relevant guidance issued by the DoJ, DoF and any Assembly Committee or Parliamentary authority accepted by the Minister.

### **Committees**

#### **Role of Justice Committee**

- 6.9 The Justice Committee was established to advise and assist the Minister of Justice on matters within his/her responsibility as a Minister. The Committee undertakes a scrutiny, policy development and consultation role with respect to the Department of Justice and its Agencies and plays a key role in the consideration and development of legislation.
- 6.10 The Minister will decide who shall attend Justice Committee hearings. Where a Committee's interest is in the day-to-day operations of the Agency, the Minister will normally regard the Chief Executive as the most appropriate person to attend.

## **Role of Public Accounts Committee (PAC)**

6.11 The role of the Public Accounts Committee is to consider accounts and reports on accounts laid before the Assembly. The Committee considers reports by the C&AG which are either attached to the Annual Report and Accounts during his certification of the year-end financial statements, or issued as a separate Value for Money report.

6.12 The results of the value for money work are reported to the Northern Ireland Assembly. The primary objectives of the value for money (VFM) audit are to:

- provide the Assembly with independent information and advice about how economically, efficiently and effectively departments, agencies and other central government public bodies have used their resources;
- encourage audited bodies to improve their performance in achieving value for money and implementing policy; and
- identify good practice and suggest ways in which public services could be improved.

6.13 The Assembly's Public Accounts Committee may hold an evidence session on the C&AG's reports and require senior officials to attend and, following consideration of evidence, reports its findings and recommendations to the Assembly. The Principle Accounting Officer and the Agency's Accounting Officer may be required to appear before the Public Accounts Committee at hearings relating to the Agency.

## **Complaints**

6.14 The LSA operates in accordance with its published Complaints Policy available online at [Legal aid complaints](#)

6.15 Complaints can also be made by the public to the Northern Ireland Ombudsman when an individual claims to have suffered an injustice through maladministration.

## **The Northern Ireland Ombudsman**

6.16 The administrative activity of the Agency is subject to the jurisdiction of the Northern Ireland Public Services Ombudsman. The Permanent Secretary remains the

Principal Officer of the sponsor Department for this purpose but has delegated to the Chief Executive responsibility for replying

- 6.17 The Ombudsman deals with complaints from people who believe they have suffered injustice as a result of maladministration by Government departments and public bodies in Northern Ireland.

### **Freedom of Information and Data Protection**

- 6.18 LSA will comply with its statutory obligations and Departmental policies when processing Freedom of Information/Data Protection requests. The DoJ's Freedom of Information Team will provide the Agency with specialist advice, guidance and support, as required.

### **Information Assurance**

- 6.19 The LSA must, as a minimum, apply and operate the Information Assurance and Security Standards policies of the Department. These policies and processes are applicable to all information including: paper records, computers, communication systems and the information stored/processed on them, in addition to, other information assets in the Agency. These standards will also apply to the Agency's suppliers and will be appropriately reflected in commercial contracts.

### **Partnership Working**

- 6.20 The Agency will work in partnership with its stakeholders and customers to deliver the Agency's services/programmes for which it has responsibility, to agreed standards. It will consult regularly with the Department to develop a clear understanding of citizen's needs and expectations of its service. Additionally, the Agency will actively seek feedback from both its stakeholders and customers and will work in partnership to deliver a modern and accessible service.

## **7. Finance, Planning and Control**

### **Financial Governance**

- 7.1 The Accounting Officer in accordance with their letter of appointment has responsibility for maintaining a sound system of governance that supports the achievement of the Agency's policies, aims and objectives, whilst safeguarding the public funds and Agency assets for which he/she is personally responsible, in accordance with the responsibilities assigned to him/her in "Managing Public Money Northern Ireland".
- 7.2 The Agency is subject to public expenditure controls. Its expenditure will form part of the Departmental Expenditure Limit (DEL) and Annually Managed Expenditure (AME). Decisions on allocations to the Agency rest with the DoJ (within the Executive's agreed allocations and controls). LSA's annual expenditure is subject to Assembly approval through the DoJ Estimate.
- 7.3 A range of policies and processes are in place to ensure that the Agency is in compliance with the principles for dealing with allocated resources in line with 'Managing Public Money Northern Ireland', and DoF policies, guidance and financial delegations granted. The Agency also complies with legislation and other rules, as required. Any difficulties or issues the Agency identifies will be raised initially to the DoJ who will liaise with DoF as required. A summary of expenditure and budgetary flexibilities is attached at Annex D.
- 7.4 Financial governance processes are also in place to ensure that the LSA Board and ARC are informed of progress against audit recommendations, all reported frauds (actual and suspected), and changes to the organisational structure of the Agency. All suspected fraud must be reported to the Comptroller & Auditor General Northern Ireland.

### **Financial Services**

- 7.5 LSA Finance Services are provided through a shared services arrangement by DOJ's Financial Services Division (FSD). A Service Level Agreement (SLA) sets out the basis on which FSD will deliver the service. It specifies the nature and quality of required outputs, monitoring arrangements for the service to be provided and the



basis of costs. It is reviewed and signed every three years however, the Agency or FSD may at any time propose amendments in light of operational experience or a change in circumstances. Any amendments are subject to the agreement of the LSA's Chief Executive and the DoJ Director of Finance.

7.6 Under this Agreement, FSD is required to provide the Agency with financial services in accordance with guidance issued by the DoF including Managing Public Money Northern Ireland and Government Financial Reporting Manual. This will be based on the use of the Account NI shared services for payments and accounting.

7.7 FSD has line management responsibility for all finance staff included within the scope of the SLA. However, the Accounting Officer retains ultimate responsibility and accountability for the financial management of budgets and financial resources within the Agency.

7.8 The responsibilities of LSA under this Agreement are as follows:

- to ensure that FSD is informed about any changes to its risk management, control and governance processes or the business environment which may impact on the financial services provided;
- to facilitate access to all records, assets, personnel and premises and the authority to obtain such information and explanations as are considered necessary to fulfil the responsibilities of FSD;
- to ensure the full and prompt disclosure to FSD of all material facts giving rise to any dispute or affecting the quality, quantity and level of service; and,
- to comply with financial policies and delegations.

7.9 The responsibilities outlined in the Accounting Officer's letter of appointment and Managing Public Money Northern Ireland remain unchanged and are not affected by the provisions contained within the SLA.

## Delegated Authority

7.10 DoF has responsibility for all expenditure from the Ni Block except to the extent that its authority has been delegated to Departments. The Department in turn will delegate some element of its authority to the Agency. The Agency is free to conduct its affairs within its approved Business Plans and budget provided it remains within the limits of its delegated authority. Issues outside delegated authority should be raised with DoJ in the first instance who will liaise as required with DoF in respect of approvals and/or actions to be taken.

7.11 The DoJ agrees delegated limits with DoF and advises Accounting Officers accordingly. A list of agreed delegations is contained in the most recent delegations letter from the DoJ Assistant Director of Finance, a copy of which can be found at Annex E. Delegated financial limits of LSA have been agreed in writing with the DoJ following DoF guidance and may be reviewed and updated without the need to amend this Framework Document.

7.12 The overriding guidance in relation to financial management is 'Managing Public Money NI (MPMNI)'. The agreed delegations are also subject to the general requirement that approval is always required for any proposal which:

- (a) could create pressures which could lead to a breach of:
- departmental expenditure limits;
  - administration cost limits, resource limits, capital limits and capital grant limits; or
  - estimates provision
- (b) would entail contractual commitments to significant levels of spending in future years for which plans have not been set;
- (c) could set a potentially expensive precedent;
- (d) could cause repercussions for others;
- (e) exceeds the general threshold for major capital expenditure projects currently in force (unless other delegations specifically allow); or,

(f) are novel or contentious.

7.13 Where any of the above conditions exist, they supersede the stated delegations of the Accounting Officer and approval must be sought from the DoF.

## **Business Planning**

7.14 Good Governance requires the delivery of the Agency's business is properly planned and co-ordinated so that progress can be monitored. The Departmental Board provides an annual strategic framework to underpin the work of the Department, including LSA and approves a Departmental Business Plan which then forms the central planning tool for the incoming business year. In developing and structuring its Business Plans, the Agency uses the Department's strategic framework to ensure that objectives set are aligned with the priorities and contribution to the achievement of the Department's objectives.

7.15 The LSA will prepare an annual Business Plan in consultation with the DoJ and will set out:

- the LSA's vision, mission, aims and strategies for delivery of the Agency's remit (linked to the DoJ's wider strategic priorities);
- the LSA's key performance targets;
- the operating assumptions upon which the strategies and objectives are based;
- a comprehensive risk management plan, explaining how risks might be best managed and mitigated;
- efficiency objectives, strategies and plans; and
- such additional information as may be required by the DoJ or as decided by the Agency.

7.16 Following consultation with the DoJ, within the agreed timescales, the Chief Executive will annually submit the Business Plan to the Minister for approval and, when approved, publish on the Agency's website. The corporate business plans will provide a structure within which branch planning will be conducted.

## **Risk Management**

7.17 Risk management incorporates all the activities required to identify and control exposure to risk, which may have an impact on the achievement of objectives. Risk management is an integral element of the Agency's good corporate governance and management, contributing to improved performance. The Chief Executive is responsible for developing and implementing comprehensive risk management for the Agency which will dovetail with the sponsoring Department's risk management process. The Agency Board are responsible for monitoring risk management and the Corporate Risk Register will be reviewed at each monthly meeting and updated accordingly.

7.18 The Agency has a Risk Management Strategy which is reviewed annually and reflects best practice. The Agency follows the Departmental Corporate Risk Register template and identified risks and the agency's appetite against each. Risk procedures are built into the Agency's business planning and reporting processes and registers are held at branch level. There is clear accountability and ownership to ensure that risk is managed at the appropriate level and there are arrangements in place to ensure that significant risks are escalated and reported to the appropriate Director and in turn the Chief Executive, Board and ARC. Where appropriate risks can be escalated to the Departmental Board for consideration.

## **Economic Appraisal and Business Cases**

7.19 It is vital that spending and investment decisions are based on a clear rational, property developed proposals and evidenced value for money (VFM). Economic appraisals and business cases are an important part of good financial management and will lead to better decisions and VFM.

7.20 The Agency has detailed Procurement and Business Case Guidance for staff, based on DoF [Better Business Cases NI](#) and [Managing Public Money \(NI\)](#), that sets out the requirements regarding the appraisal, evaluation and approval of expenditure in the Agency, to ensure:

- the resources of the Agency are kept under proper custody and not improperly applied, either by error or intent;

- expenditure is incurred only after proper appraisal and authorisation, within delegated levels of responsibility and that all expenditure is properly accounted for; and
- the appraisal and evaluation of the Agency's expenditure complies with all relevant DoF and HM Treasury guidance.

7.21 Business case guidance is based on 'The Five Case Model' approach recommended by HM Treasury and as below has five elements, each with the purpose to address specific questions and provide evidence to satisfy the approver or funder. The Model incorporates each of the ten steps within existing NIGEAE guidance:

<b>Five Case Model</b>	<b>Northern Ireland Guide to Expenditure and Evaluation</b>
Strategic Case	Step 1 Explain Strategic Context
	Step 2 Establish the Need
	Step 3 Define the Objectives and Constraints
Economic Case	Step 4 Identify and Describe Options
	Step 5 Identify and Quantify the Monetary Costs and Benefits of Options
	Step 6 Appraise Risks and Adjust for Optimum Bias
	Step 7 Weigh up Non-Monetary Costs and Benefits
	Step 8 Calculate Net Present Values (NPVs) and Assess Uncertainties
	Step 9 Recommended / Preferred Option
Commercial Case	Step 10 Procurement
Financial Case	Step 10 Financing
Management Case	Step 10 Management, Benefits and Evaluation

7.22 The resources to be devoted to preparing a business case should be in proportion to the scale or importance of the objectives, costs and risks. Decisions on small expenditure need relatively little appraisal, while those with major spending implications require more resources to be devoted to appraisal. Judging appropriate and proportionate effort is a matter of experience and the DoJ Economics Unit is available to assist with this judgement where there is any doubt.

- 7.23 The procurement of goods or services cannot proceed unless an appropriate authorised business case is in place. Responsibility for preparation of the business case rests with the business area who have the need, however responsibility for obtaining the proper business case authorisations rests with the Director of Corporate Services, delegated to BSU.
- 7.24 A Business Case Register is in place to track the approval process of all business cases, manage the need for Post Project Evaluations and ensure the timely destruction of all relevant records in compliance with the DoJ's Retention and Disposal Schedule. Test drilling will be conducted against the register at interval during the year by DoJ, and in turn DoF, to sample compliance with business case approval requirements.
- 7.25 The Agency retain, maintain and renew only the assets it needs for its business hence the CE will ensure appraisals will be conducted for all major investments required in line with Departmental and DoF guidance. The protection of LSA intellectual property rights within appraisals is considered a priority in order to protect the Agency's ability to maintain the quality of its systems and invest for the future.

## **Programme and Project Management**

- 7.26 Programmes and projects taken forward by the Agency, as part of the Corporate and Business Plan, will be managed within the appropriate Northern Ireland Civil Service guidance. Each project will have a project initiation document (PID) setting out the purpose and deliverables, a Senior Responsible Owner and Project Board and approval mechanisms.
- 7.27 The Project, Programmes and Portfolios Office (P3O) within the DoJ Standards unit is responsible for monitoring and maintaining a register of the DoJ Portfolio of programmes/projects with whole life costs of £1 million or greater.
- 7.28 When the initial Business case has been approved a Risk Potential Assessment (RPA) will be undertaken to determine the level of oversight required. All programmes and projects will be considered for Gateway Reviews in line with DoJ policy and procedures but lesser scrutiny such as an Internal Peer Review may be judged more suitable.

- 7.29 The portfolio details the current status of every DoJ programme/project as well as the Delivery Confidence Assessment that is an output of an Integrated Assurance Review (i.e. a Gateway or Internal Peer Review).
- 7.30 The Agency will be required to update progress quarterly against the portfolio, which will be presentation to the Departmental Board and ARC to ensure appropriate action is being taken and DoJ have oversight.
- 7.31 The LSA will undertake post-project evaluations to determine whether its programmes and projects have achieved their objectives. A Post Project Evaluation will generally be required 12 months after the completion of a project and will be submitted to the same level of review as the original business case approval. This will demonstrate the realisation of benefits from the project.

## **Procurement**

- 7.32 Public procurement is the process of acquisition for end users of the goods, services, works and other supplies that they need, usually by means of a contractual arrangement after public competition. All purchases should be in line with rules on public procurement and based on value for money which is the most advantageous combination of cost, quality and sustainability to meet customer requirements. Procurement rules are not applicable in respect of expenditure from the fund.
- 7.33 The Agency's strategy in relation to procurement can be summarised as follows:
- The Agency's goods and services will be acquired through open competition where possible, and always in line with relevant legislation, NI Public Procurement Policy and DoJ's Procurement Policy.
  - The Agency is committed to ensuring transparency and equality of opportunity in all procurement activity and in all dealings with potential suppliers.
  - Where necessary, the Agency will use the services of the DoJ Procurement Support Team and CPD to provide expert advice and guidance.
  - The Agency will utilise NICS or Criminal Justice Sector collaborative contracts on a 'comply or explain' basis.

7.34 Currently, European rules are reflected in the local legislation. Whilst the UK has left the EU, those EU rules, which have been transposed into UK law, will still be in force until the government decides to change them.

7.35 Local rules are defined by the Department of Finance (DoF) in the [Northern Ireland Public Procurement Policy](#) which was approved by the Executive of the NI Assembly in 2002. This is subsequently updated by way of DoF [Procurement Guidance Notes](#) (PGNs). This guidance encompasses the 12 governing principles of procurement around integrity, transparency, legality etc. The Executive considered that compliance could be achieved by administrative rather than legislative means and hence made compliance with PGNs mandatory.

7.36 The Agency is party to a Service Level Agreement (SLA) between Construction and Procurement Delivery (CPD) in DoF and the Department of Justice (DoJ); for procurements over £30,000, CPD will provide the lead and expertise in line with these guidelines. It is the role of CPD to ensure the regulations which encapsulate European rules and local legislation are disseminated for public procurement in Northern Ireland

7.37 The Agency's procurement oversight role is provided by the Business Support Unit (BSU) and includes:

- maintenance of procurement guidance;
- maintenance of a central register of contracts and procurement planning;
- contract management services;
- promoting procurement awareness;
- providing advice on procurement strategies, legislation, Government requirements and good practice; and
- acting as the main liaison point between the Agency, the DoJ Procurement Support Team and CPD.

All contact with the DoJ Procurement Support Team and CPD should be co-ordinated by BSU.



7.38 Under certain circumstances open competition may not be appropriate or possible such as when there is only one supplier, and the Agency may make the case for a Direct Award Contract (DAC). This must be done in consultation with CPD and with the approval of the PS of the Department.

## **Annual Report and Accounts**

7.39 At the end of each financial year, the Chief Executive will submit an Annual Report and Accounts, detailing income and expenditure for the Agency, to be laid before the Assembly. These Accounts will be prepared in accordance with the Accounts Direction issued by DoF, shall comply with the Financial Reporting Manual and will be subject to audit by the Comptroller and Auditor General for Northern Ireland (C&AG).

7.40 Additionally, the Annual Report and Accounts (which reviews the operations of the LSA and provides information on future strategy) will show how the Agency performed against its targets. It will be published as a single document to be laid before the Assembly prior to the Summer Recess, and in accordance with the Departmental timetable. It will not present any information that is sensitive, confidential or the disclosure of which may be commercially prejudicial to the Agency or its partners.

7.41 The Chief Executive is also required to provide the relevant information to the Principal Accounting Officer for the preparation to the Department's Resource Accounts.

7.42 The Agency's performance targets will be reviewed and agreed each year by the Minister. At the highest level the Annual Report and Accounts will be the public reporting vehicle to demonstrate to stakeholders that the Agency is providing value for money and is delivering efficient, effective services in line with customer requirements.

## **Counter Fraud Measures**

7.43 The Agency designs all systems with a view to minimising the risk of fraud and error and will investigate all notifications of potential fraud received from external sources or highlighted by internal processes. Should initial investigation by LSA indicate

attempted, suspected or proven fraud then the Agency will apply escalation processes which lead to DoF, the NIAO, DoJ FSD and EAJD being notified, irrespective of the amount involved.

7.44 In instances where an allegation of fraud is deemed to be of special significance it will be escalated and reported immediately. LSA will also report quarterly to the DoJ Departmental ARC on all cases currently being investigated.

## **Support Services**

7.45 As below a range of support services currently performed by the DoJ, or DoF, on behalf of the Agency. Any changes in these arrangements will be made in consultation with the other party. These arrangements will generally be supported by Service Level Agreements which will include charges for the services provided as appropriate.

7.46 The DoJ/DoF provide the following support services:

- Information Services Division
- HRConnect (Personnel Services including pay determination);
- Financial Services Division
- Account NI; and
- Digital Shared Services (IT Assist, Digital Transformation, Digital Toolkit and Digital NI Enabling Programme)

## **Stewardship Statements**

7.47 The Chief Executive is required to complete a Stewardship Statement to the Department on a six monthly basis providing assurance over the stewardship of funds and the action taken to address priority Internal and External Audit or Committee recommendations. The Statements identify specific responsibilities and provide assurance that these have been exercised with reasonable care, skill and diligence. They are both retrospective and forward looking and provide evidence of compliance and, where issues are raised, assurance that steps are being taken to ensure future compliance.

7.48 Stewardship Statements are also provided half yearly by each branch to their Director and a collated Directorate Statement then prepared and provided to the Chief Executive.

## **8. People**

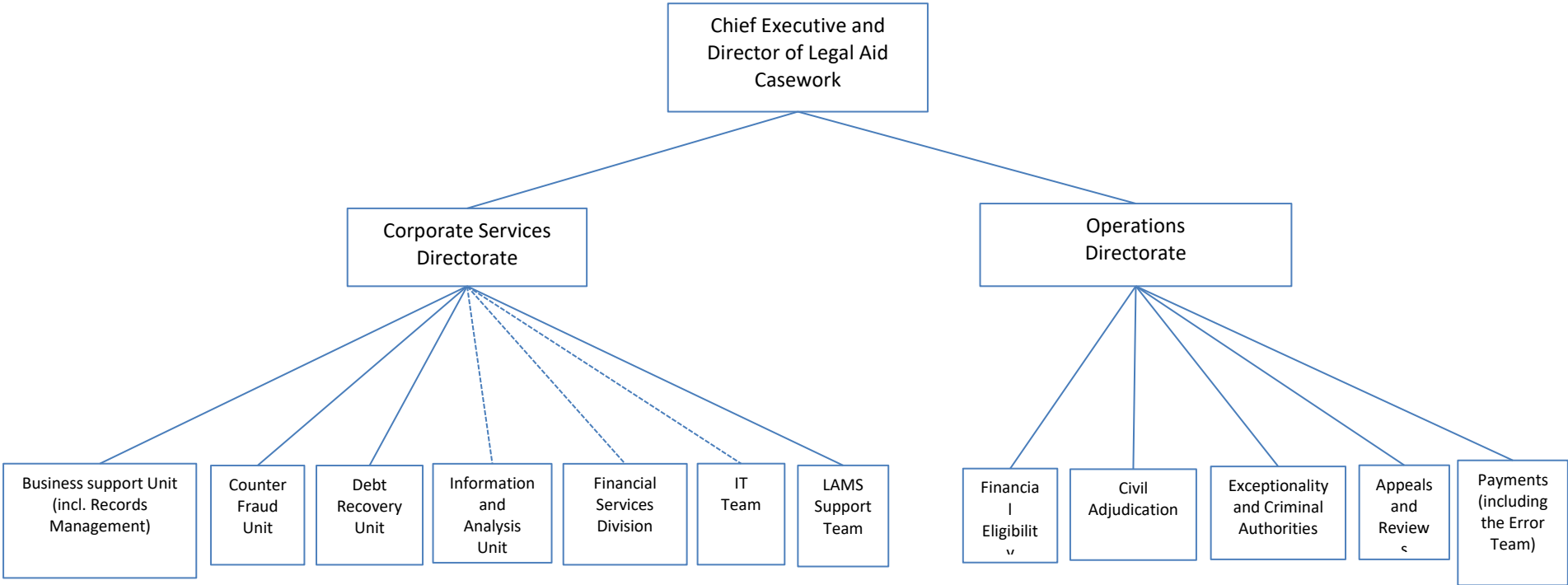
- 8.1 The Agency's staff are employees of the DoJ and Northern Ireland Civil Servants (NICS) with NICS terms and conditions of service, as set out in the NICS Staff Handbook. Staff working in the Agency may be transferred to other posts within the Department or elsewhere in the NI Civil Service, subject to relevant NICS terms and conditions of service. Pay and grading arrangements for staff in the Agency are determined by the DoF in line with its responsibility for the general management and control of the NICS.
- 8.2 The full range of NICS HR policies and procedures apply to Agency staff. The Agency will operate within these with the aim of achieving a well-motivated, properly trained and developed workforce committed to customer service and with the appropriate skills to meet business needs. The LSA will encourage and facilitate a two-way flow of information/ideas between management and staff.
- 8.3 HR services will be provided by NICS HR, the shared HR service provider for the NICS, in the DoF. The HR and pay records of FSNI staff are held on the NICS HR and payroll system (HRConnect).
- 8.3 The Agency recognises the importance of good relations to the achievement of Agency objectives and is committed to effective communication and consultation with all staff and their recognised trade union representatives in line with established Whitley arrangements.

## **9. The Framework Document – Review and Variation**

- 9.1 This Framework Document has been agreed between the DoJ and the Agency to ensure the effective governance and management of the Agency's affairs. It has been drafted in accordance with DoF's guidance Managing Public Money NI guidance on Framework Documents.

- 9.2 Copies of this Document, and any subsequent amendments, will be placed in the Assembly Library. Copies are also available on the Agency's website at [www.lsan.gov.uk](http://www.lsan.gov.uk).
- 9.3 This Framework Document will be reviewed at regular intervals by the Chief Executive, in consultation with the DoJ. However, the Agency's Chief Executive and/or the DoJ may at any time propose changes in light of operational experience or a change in circumstances. Any amendments are subject to the agreement of the LSA's Chief Executive and the DoJ.

# Annex A Organisational Structure



## **Annex B Board Terms of Reference**

### **Board of the Legal Services Agency Northern Ireland**

#### **Terms of Reference**

#### **1. Objectives of the Board**

- 1.1 The primary responsibility of the Board is to review strategic options, set Agency corporate policy and monitor performance to ensure the LSA meets its strategic objectives, and key targets (set by the Minister of Justice), in addition to ensuring the Agency conducts its business with propriety.
- 1.2 The Agency's Board provides high level oversight and support for the LSA. It develops strategy, monitors progress and provides assurance to the Chief Executive (as Accounting Officer) that the Agency is properly managed in accordance with the provisions of the Framework Document.

#### **2. Chairperson and Membership**

- 2.1 The Chief Executive is responsible for establishing and chairing the LSA's Board. The Board will consist of:
  - The Chief Executive (Chairperson);
  - Executive Directors (2);
  - Non Executive Members (2)

The Deputy Director of Enabling Access to Justice Division (EAJD) or her/his nominated representative will also be invited to attend Board meetings.

The arrangements for the agendas and minutes for the Board are set out in [Annex B-1](#).

### **3. Independent Board Members**

3.1 Non-Executive Members (NEMs) are appointed by the Department of Justice. The appointment process follows the spirit of the Code of Practice issued by the Commissioner for Public Appointments in Northern Ireland.

3.2 NEMs are selected for their particular knowledge, skills and expertise and bring an independent perspective to the Agency.

### **4. Terms of Reference**

4.1 The Agency Board is responsible for:

- establishing the overall strategic direction of the LSA within the policy and resources framework determined by the Minister of Justice and the Access to Justice Directorate;
- constructively challenging the Agency's Executive Team in its planning, target setting and delivery of performance;
- developing Corporate and Business plans, budgets and strategies to ensure the delivery of those Plans;
- monitoring progress in implementing strategy, challenging performance and providing leadership;
- developing the Annual Report and Accounts;
- providing corporate governance and assurance for the LSA (setting values and demonstrating integrity);
- providing assurance to the Accounting Officer that the Agency is properly managed by inputting into and monitoring: planning, budgeting and performance processes, corporate governance, audit and risk management systems; and
- identifying and monitoring corporate risks.

4.2 Additionally, it is the Board's responsibility to ensure the Access to Justice Directorate is kept informed of any changes which are likely to impact on the

Agency's strategic direction or on the attainability of its targets and decide on the steps to be taken to deal with such changes.

- 4.3 The Board will ensure that the Agency operates within the limits of its statutory and delegated authorities as agreed with the sponsoring directorate (including any other conditions relating to the use of public funds). It will also take account for all the relevant guidance issued by DoF and/or the Access to Justice Directorate when reaching decisions.

## **5. Meetings with the Minister of Justice**

- 5.1 The Minister of Justice will formally meet with the Chief Executive on an annual basis to discuss the Agency's performance, its current/future activities, financial management, policy developments and other issues pertinent to the DoJ and the Agency.

## **6. Authority**

- 6.1 The authority of the Board is derived from the Chief Executive who is responsible for the work of the Agency and, as Accounting Officer, its expenditure.

## **7. Budget**

- 7.1 The Board has no budget but budget holders attend, therefore corporately, it has responsibility for all Agency expenditure.

## **8. Quorum**

- 8.1 The quorum for the Board is three (to include at least one NEM).
- 8.2 The Chairperson or, in his absence, a Director nominated by the Chairperson, shall preside and manage the conduct of the meeting:
- 8.3 Where a Member of the Board is unable to attend a Board meeting, he or she should send an apology to the Secretary in advance of the meeting.
- 8.4 If, during a meeting of the Board, the Chairperson declares that there is not a quorum present, the meeting shall be adjourned, or, if the meeting continues, no decisions shall be taken.



## **9. Frequency of Meetings**

- 9.1 The Board shall meet on the basis of a calendar set at the beginning of each year. The frequency of meetings to be reviewed thereafter and subsequently reviewed on an annual basis. Additionally, there should be an annual strategic review held to steer the development of future operational strategy.
- 9.2 A special meeting may also be called at any time by the Chairperson.
- 9.3 Board meetings will be held in closed session and not open to the general public, unless the Board determines otherwise.

## **10. Evaluation**

- 10.1 By March each year, the Board will have reviewed its effectiveness and terms of reference. This will include a review of membership and relevant experience, skills and expertise.
- 10.2 The Chief Executive, as Chairperson of the Board, will annually appraise NEMs and s/he should make them aware of the appraisal process. The Director of the Access to Justice Directorate is responsible for the appraisal of the Chief Executive on an annual basis.

## **11. Declarations and Conflict of Interest**

- 11.1 Members of the Agency Board must be mindful of the potential for conflicts of interest to arise. NEMs must raise any conflict, or potential conflict of interest, at the earliest opportunity.
- 11.2 If a conflict, or potential conflict of interest, arises during a Board meeting, it will be for the Chairperson to consider if the member should refrain from partaking in a particular discussion or should excuse herself/himself for the relevant agenda item.
- 11.3 If the Chairperson should identify a conflict, s/he will consider if it is appropriate for a deputy to lead the Board meeting for a particular agenda item.

11.4 The Secretary will hold a register of interests. The register should be updated on a quarterly basis on the basis of declarations made and will be formally updated annually by correspondence.

## **12. Expenses, Gifts and Hospitality**

12.1 NEMs' expenses and fees will be published in the Agency's Annual Report and Accounts. The Agency will also maintain a register of Gifts and Hospitality for its staff and NEMs, who will be responsible for providing information, in line with the departmental policy requirement. [Annex B-2](#) sets out the Agency's policy on Hospitality, Gifts and Events.

12.2 All Board members will adhere to the DoJ's Policy in relation to Gifts and Hospitality. The Chief Executive will maintain a register of Gifts and Hospitality which will be updated on a quarterly basis and submitted to the Access to Justice Directorate.

## **Annex B-1**

### **Arrangements for the Agendas and Minutes of LSANI Board Meetings**

#### **Agenda**

- The Secretary will agree the Draft Agenda for each Board meeting with the Chief Executive.
- The agenda and papers shall be circulated to all Members one week in advance of the meeting, except in cases of demonstrable urgency and on the authority of the Chairperson.
- The Chief Executive is responsible for ensuring that all items of business shall be submitted to the Secretary, at least 2 days in advance of the date for circulation of the papers.
- When Special Meetings are called, every effort should be taken to notify Members and circulate papers one week in advance.

#### **Minutes**

- Minutes of each meeting of the Board signed by the Chairperson, shall be drawn up.
- The names of the Members present at meetings of the Board and any declarations of interest shall be recorded.
- Minutes of each meeting shall be sent to every Member as soon as possible after each meeting and, in any event, with the papers for the next meeting.
- The Secretary will issue draft minutes of the Board meeting within 10 working days of each meeting.
- Members should respond directly to the Secretary with suggested amendments within 10 working days of receiving the draft minutes.
- The Draft Final Minutes of each Board meeting will be presented to the following meeting for ratification and signing by the Chairperson.
- The Secretary will ensure that signed Board minutes are placed on the Agency's website within 10 working days of the final minutes being signed by the Chairperson.

**Annex B-2**

# **POLICY FOR OFFERS AND THE ACCEPTANCE OF GIFTS AND HOSPITALITY**

**This Agency policy reflects the over arching NICS guidance on acceptance of Gifts and Hospitality and the DOJ policy.**

## Section 1

- 1.1 The Legal Services Agency Northern Ireland (the “Agency”) recognises that contractors and other suppliers or stakeholders may occasionally extend offers of gifts and hospitality to staff. The Agency also recognises that its staff have a responsibility, in the interests of public confidence, to exhibit the highest standards of propriety and to carry out their role in line with the core values of integrity, honesty, objectivity and impartiality.
- 1.2 **Section 2** of this policy sets out the principles governing the acceptance of gifts and hospitality and provides some specific advice and guidance on how these principles should be interpreted across the Agency. The guidance is designed to remind staff of their responsibility to exercise careful judgement and propriety regarding offers of gifts and hospitality.
- 1.3 The NICS Staff Handbook indicates that civil servants should conduct themselves with honesty and impartiality in the exercise of their duties. This applies to all Agency staff, whether direct recruits or staff on secondment from the DOJ or other government departments. As a consequence, staff should never receive benefits of any kind from a third party which might reasonably be thought to compromise their personal judgement or integrity. In this field, **perception is as important as reality**.
- 1.4 The fundamental principle is that no staff member or government official should do anything which might give rise to the impression that he or she has been (or might be) influenced by a gift or hospitality (or other consideration), to show bias for or against any person or organisation while carrying out official duties.
- 1.5 **Section 3** of this guidance sets out the monitoring arrangements that the Agency has put in place to ensure that the arrangements are operating effectively and that they can be seen to be operating effectively.

## Section 2

- 2.1 This section sets out good practice and guidance concerning the acceptance or rejection of gifts or hospitality and details responsibilities and procedures for the authorisation and recording of such instances. Our standards of conduct are determined by what the NICS, the government and the public, as taxpayers, expect and not by what may be common practice in the private sector or other areas.
- 2.2 External individuals acting on behalf of the Agency (for example, consultants, contracted staff etc.) must also abide by the policy. This responsibility for compliance with the policy should be notified to external individuals by the relevant Director/Business Manager before they undertake any work on behalf of the Agency. If it is believed that an external individual may have breached the policy, the matter should be reported to the relevant Director, who will take the matter forward with the individual or his/her company.
- 2.3 This guidance should also be seen as applying to **spouses, partners or other associates**, if it can be argued or perceived that the gift or hospitality is in fact for the benefit of the staff member or official.
- 2.4 Any breach of the rules of conduct can lead to disciplinary action and in some circumstances can be a criminal offence.
- 2.5 The NICS guidance governing the acceptance of gifts, hospitality and awards by civil servants is set out in Section 10 of the **Standards of Conduct** Chapter (6.01) of the NICS Staff Handbook.

### Legal Obligations and Fundamental Principles

- 2.6 Under the Prevention of Corruption Acts of 1906 and 1916, it is an offence for an officer in his/her official capacity:
- to corruptly accept any gift or consideration as an inducement or reward for doing, or refraining from doing, anything in that capacity; or,
  - to show favour or disfavour to any person; or,

- to receive money, gifts or consideration from a person or organisation holding or seeking to obtain a Government contract.

All of these are deemed by the courts to have been received corruptly, unless it is proven otherwise.

### **Recording of Gifts, Hospitality, Invitations, etc.**

- 2.7 The Agency will maintain an electronic **Gifts and Hospitality Register** which will be administered by the Secretariat & Office Services Branch. The purpose of the Register will be to counter any possible accusations or suspicions of breach of the rules, or improper conduct by staff. The register is subject to Freedom of Information (FOI) queries and staff should bear this in mind when deciding on the acceptance of any gift or hospitality. An example template for the register is attached at [Annex 1](#). An illustrative entry has been made in the template to show the type of information required.
- 2.8 It will be the responsibility of the Senior Management Team (SMT) to ensure all staff are made aware of this policy and guidance. It will be the responsibility of the Director, Corporate Services, to ensure that the register is properly maintained and reporting procedures operate effectively.

### **Acceptance of Gifts**

- 2.9 The general principle is that **all gifts and offers of hospitality should be refused**. However seasonal, promotional or trivial gifts (such as calendars, mouse mats, diaries, pens etc.), which bear Company names and/or logos and have an estimated value of less than £10, may be accepted by individuals without the need for these to be reported or approved in advance. **Acceptance of any other gift must have been approved by management and must be declared by the member of staff in the Register.**
- 2.10 Items in the range of **£10 - £50** may only be accepted with the approval of the Chief Executive. More expensive or substantial items, valued at more than £50 and gifts of lottery tickets, cash, gift vouchers or gift cheques, cannot be accepted on any account. All gifts offered (apart from those

which are trivial or inexpensive); even if they are declined/returned need to be recorded in the register.

### **Trade, Loyalty or Discount Cards**

2.11 Trade, loyalty or discount cards, by which an official might **personally** benefit from the purchase of goods or services at a reduced price, are classified as gifts and should be refused or returned to sender.

2.12 Frequent flyer cards used by airlines can be used by staff to avail of special departure lounges and priority booking and check-in. They must not make private use of any flights/air miles, which derive from flights paid for from the public purse.

### **Staff involved in the procurement or monitoring of a contract**

2.13 Apart from trivial / inexpensive /seasonal gifts such as diaries etc., no gifts or hospitality of **ANY** kind from any source should be accepted by anyone involved in the procurement or monitoring of a contract. This should ensure that no criticism can be made regarding possible bias or favouritism to a particular company or supplier.

### **Gifts received in recognition of work done**

2.14 On no account should a gift or gratuity be solicited or requested.

Where gifts by way of gratuities, vouchers or book tokens etc. for lectures, broadcasts or similar events are offered, then acceptance should be based on how much of the preparatory work for the event was done in the officer's own time, how much in official time and the extent to which the Agency's resources, other than, for example, use of an officially issued mobile device at home, were used in the preparation. The following guidelines should be applied:

a) If the preparation was carried out entirely in the individual's own time and the event took place outside normal working hours at no expense to the Agency, it would be acceptable for the individual to retain the whole fee, token or other gift;



- b) If, however, the preparation was done wholly in the Agency's time, with use of the Agency's resources, no gifts or fee should be accepted unless the event is carried out outside of normal working hours, when a gift or token to the value of up to **£50** is acceptable; and
- c) If the preparation was carried out and the lecture etc., delivered in an official's own time but the Agency's facilities/equipment were used for typing, preparation of PowerPoint etc., then a gift or token to the value of not more than **£75** is acceptable.

2.15 In the case of either (b), or (c), the Agency can, if it so chooses, charge the organisation or body a fee based on the salary costs of the individual and/or the use of resources. If a series of gifts from the same source exceed the monetary limits set out above, the same rules apply.

### **Reporting Gifts and Approval Process to be followed**

2.16 If gifts (apart from those trivial or inexpensive gifts for which approval is not required under paragraph 2.9) are received, approval at Director level is required for staff up to and including Grade 7. Directors must seek approval from the Chief Executive before accepting gifts. The Chief Executive must seek approval from the Director, Corporate Services before accepting gifts. In all cases, the **Gifts & Hospitality form**, should be completed. Even if the recipient has or will reject the gift, the form still needs to be completed. In all cases, details should be included in the Gifts & Hospitality Register. An illustrative entry has been made in the template to show the type of information required.

2.17 In each case submitted to him/her, the approving officer will decide in writing or email, whether to:

- a) allow the recipient to keep the gift;
- b) return the gift to the donor with a suitably worded letter explaining why the gift cannot be accepted. This should be tailored to suit each individual circumstance;
- c) use or dispose of it, if possible, in or by the Agency; or

- d) donate the gift to a nominated charity.

The approving officer will ensure that the details of the case and his/her decision are recorded in the Gifts and Hospitality Register.

## **Hospitality**

- 2.18 The handling of offers of hospitality is recognised as being much more difficult to regulate, but it is an area in which staff must exercise careful judgement. In exercising this judgement, it is acknowledged that there can be difficulty in distinguishing between what is a “gift” and what is “hospitality”. It is also recognised that it can be as embarrassing to refuse hospitality, as it can be to refuse a gift.
- 2.19 The acceptance of, for example, working lunches, should in the main cause no problem, especially if there is some official means of reciprocity and provided that it is limited to isolated occasions and its acceptance is in the interests of the Agency. Hospitality, which would not be acceptable, would include invitations to frequent or more expensive social functions where there is no direct link to official business (e.g. major sporting events, the theatre, opera or ballet etc.), particularly where these come from the same source and those which might involve travel, hotel or other subsistence expenses.
- 2.20 It can be argued that if officials are to achieve the best value for money in dealings with suppliers or consultants, then they need to build up contacts and that it is quite legitimate for them to have a working relationship with organisations or individuals, which may involve a degree of hospitality. There may also be instances where staff receive invitations to events run by voluntary organisations or key stakeholders such as Annual Conferences, Awards Ceremonies or Annual Dinners. Attendance at such events is considered an integral element in building and maintaining relationships with these organisations and any hospitality received is likely to be reasonable and proportionate and therefore acceptable. Additionally, very occasional acceptance of meals or tickets to public, sporting, cultural or social events may be accepted if attendance is justified as being in the

Agency's particular business interest. It will be for the official and his/her approving officer to clearly demonstrate that acceptance is in the Agency's interest.

- 2.21 If/when accepting hospitality, staff need to be aware of and guard against, the potential dangers of misrepresentation, or any perception of bias or favouritism that might arise e.g. such as by a competitor of the host organization providing the hospitality.
- 2.22 To sum up, in deciding whether hospitality can be accepted, staff should consider if it:
- a) is likely to help business effectiveness;
  - b) places no obligation or perceived obligation on the recipient;
  - c) is not frequent, lavish or prolonged;
  - d) is unconnected with any decision affecting the organisation or the individual offering it;
  - e) can be justified; and
  - f) provides clear benefits to the Agency, which outweigh the risk of possible misrepresentation of the hospitality.

### **Reporting Hospitality and Approval Process to be followed**

- 2.23 When in doubt about accepting hospitality or an invitation, line management and/or the relevant Director should be consulted. In all instances other than, for example, where an infrequent working lunch is offered, the approval of the relevant Director for staff up to and including Grade 7, the Chief Executive for Directors, and the Director, Corporate Services for the Chief Executive, should be sought. This is done using the **Gifts & Hospitality form**. Even if the recipient has or will reject the offer of hospitality, they should still complete the form and ensure that details are included in the Gifts & Hospitality Register. It is also important to ensure that the Agency is not over-represented at an event or function and care should be taken to ensure that this does not happen, for example, by enquiring from the host as

to other staff who may have received similar invitations. To guard against the multiple acceptances of invitations to the same event, each Director should make arrangements to ensure that wider corporate consideration is given to all invitations.

### **Awards or Prizes**

2.24 Staff should consult with their line management if they are offered an award or prize in connection with their official duties. They will normally be allowed to keep it provided:

- a) there is no risk of public criticism;
- b) it is offered strictly in accordance with personal achievement;
- c) It is not in the nature of a gift nor can be construed as a gift, inducement or payment for a publication or invention to which other rules apply.

2.25 The process as outlined in Paragraph 2.16 should be followed.

### **2.26 Acceptance of Gifts and Hospitality by Independent Board Members**

The above requirements and reporting arrangements apply equally to Independent Board Members appointed to the Agency Board. The Chief Executive will act as approving officer for Independent Board Members.

## **Section 3**

### **Monitoring arrangements**

- 3.1 The Gifts and Hospitality Register will be subject to the following monitoring arrangements.
- a) The Secretariat & Office Services Branch will be responsible for maintaining the Agency's Register and will update it on submission of completed Gifts and Hospitality forms and the relevant supporting documentation.
  - b) Each Director will be responsible for ensuring that the Register is completed for staff within their Directorate.
  - c) The Director, Corporate Services will be responsible for periodic review of the Register and processes to ensure ongoing arrangements are in compliance with this guidance.
  - d) The Agency Board and/or the Audit & Risk Committee may periodically review the Register on request.
  - e) The Register will be available for Internal and External Audit review on request.

LSANI - GIFTS AND HOSPITALITY REGISTER

Date of Event or Gift Offered	Offered to	Ultimate recipient (if different)	Offered From	Description of Offer	Reason for Offer	Details of Contracts - current or potential	Est. / actual value of offer £	Action Taken i.e. Accepted / Declined / Returned	Entered by	Entered Date	Supporting documents/ references/ G&H Form
01/09/15	T Jones	Offer to LSANI	IT Associates	Rugby World Cup Tickets x 2	Developing business relationships? / Unknown?	Current – IT system software supplier	£200	Offer declined via letter	J. Smith	02/09/15	Completed G&H Form, offer e-mail and letter declining offer

# **Legal Services Agency**

## **Audit & Risk Committee**

### **Terms of Reference**

**29 April 2021**

## **1. Introduction**

The LSA Accounting Officer (AO) has established an Audit & Risk Committee (“the Committee”) as a Committee of the Board, to support the AO in his responsibilities for issues of risk, control and governance. It does so by reviewing the comprehensiveness of assurances to meet the AO’s and Board’s assurance needs and in reviewing the reliability and integrity of these assurances. These Terms of Reference and the functions of the Committee comply with accepted good practice for Audit & Risk Committees and the specific guidance set out in the Department of Finance Audit and Risk Assurance Committee Handbook (NI) April 2018.

## **2. Membership**

In order to allow it to carry out its overall function, the Committee should have a range of skills and experience relevant to the key areas of risk, governance and control. Given the importance of financial management and financial reporting, at least one member of the Committee should possess professionally recognised financial qualifications and recent experience, sufficient to allow them to engage with all aspects of financial management and reporting and the associated assurances.

The members of the Audit & Risk Committee are:

Daphne Johnston                      Appointed 01 August 2021

Peter Toogood                          Inter-Departmental Finance Representative  
Appointed 13 October 2021 / Appointment  
Extended to April 2022.

Paul Mageean                          Appointed 01 August 2021.

## **3. Reporting**

The Committee will update the AO/Board verbally after each meeting. In addition, the Committee will provide the AO/Board with an Annual Report, timed to support finalisation of the annual accounts and the Governance Statement, which sets out the Committee’s conclusions from the work it has undertaken during the year.



#### **4. Responsibilities**

The Committee will advise the AO and Board on the following:

- The strategic processes for risk, control and governance and the Governance Statement;
- The accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the External Auditors;
- The planned activity and results of both Internal and External Audit;
- The adequacy of management response to issues identified by audit activity, including External Audit's management letter/Report to Those Charged with Governance;
- The assurances relating to the management of risk and appropriate corporate governance requirements for the organisation;
- The adequacy of Counter-fraud and Bribery strategies and policies, the organisation's Whistle-blowing processes and arrangements for special investigations; and
- The Committee's periodic review of its own effectiveness and the report on the results of that review, which will be presented to the Board.

#### **5. Rights**

The Committee may:

- Co-opt additional members, for a period not exceeding a year, to provide specialist skills, knowledge and experience; and
- Procure specialist ad-hoc advice at the expense of the organisation, subject to budgets agreed by the AO/Board.

## **6. Access**

The Head of Internal Audit and the representatives of External Audit will have free and confidential access to the Chair of the Committee as necessary. The Chair will ensure additional access to the Committee where required.

## **7. Meetings**

The Committee will meet at least four times a year. The Chair of the Committee may convene additional meetings as deemed necessary. Two members of the Committee must be present for the meeting to be deemed quorate. Where a Member may declare a Conflict of Interest for a particular agenda item or items, the Committee will jointly decide if that business can be completed or must be adjourned to another meeting. The AO, or Board may ask the Audit and Risk Committee to convene additional meetings to discuss particular issues on which they want the Committee's advice. The aim will be to have the draft minutes of each meeting circulated to attendees within two weeks, with final agreement and ratification at the next meeting.

Attendance of non-members will be by specific, or standing invitation and will normally include; the LSA Chief Executive (in his role as AO), the Director of Corporate Services, the Business Support Unit Manager or other BSU staff member, the Internal Auditors, the External Auditors and representatives from the Department of Justice (DoJ); Enabling Access to Justice Directorate and Financial Services Division. Other officials may be invited to attend as required. The Committee may ask any or all of those who normally attend, but who are not members, to withdraw to facilitate open and frank discussion of particular matters.

## **8. Information requirements**

The Committee will be provided with a Secretariat function by the LSA Business Support Unit (BSU).

For each Committee meeting the Chair will agree the agenda, which should aim to include the following as appropriate:

- A periodic update on any significant changes to the organisation's strategic risks and where necessary, a copy of the Corporate Risk Register;

- A report summarising Counter-Fraud activities and external reporting data for the period to date;
- A progress report from the Head of Internal Audit summarising work performed against work planned, any resourcing issues or proposed changes to the agreed Internal Audit Plan and key issues emerging from the work of internal audit;
- Final reports on Internal Audit assignments, including management responses to audit recommendations;
- A progress report from External Audit summarising work done to date and emerging findings. This may include, where relevant to the organisation, aspects of the wider work carried out by the NIAO, for example, Value for Money reports and good practice findings;
- Any management assurance, Stewardship reports or recently issued public sector directions, reports or guidance relevant to the organisation; and

as and when appropriate, the Committee will also be provided with:

- Reports on the management of any significant security incidents, “near misses” and lessons learned;
- Proposals for the terms of reference of Internal Audit and/or the Internal Audit charter;
- The Internal Audit Strategy and annual Audit Plan;
- The Head of Internal Audit’s Annual Opinion and Report;
- Any quality assessment reports on the Internal Audit function;
- The draft accounts of the organisation;
- The draft Annual Report and Governance Statement;
- A report on any changes to accounting policies;
- External Audit’s management letter / Report to Those Charged with Governance;

- A report on co-operation between Internal and External Audit; and
- The organisation's Risk Management Strategy.

## **9. Training & Development**

Whilst it is understood that Committee appointees should have a range of skills and experience relevant to the key areas of risk, governance and control, Members may require additional or refresher training to ensure they keep abreast of ongoing developments in these fields. Opportunities for training and development will be made available to both newly appointed and existing Committee Members as appropriate and Members should request training they identify as beneficial.

## **Annex D Expenditure and Budgetary Flexibilities**

### **Expenditure**

The Agency expenditure is divided into the following expenditure categories:

- Resource DEL;
- Resource AME;
- Capital DEL;
- Cash requirement.

### **In-Year Budget Flexibility**

The in-year monitoring process provides a formal system for reviewing spending plans and priorities for each financial year in light of the most up-to-date position. It aids good financial management and ensures that resources are directed towards the highest priority areas.

The process is not intended to facilitate the re-opening of the agreed Budget position and Departments must treat all allocations set in the course of the Budget process as ceilings, and should seek to manage their activities to contain spending within those ceilings, unless and until any increase is agreed by the Executive.

An indicative timetable for monitoring rounds will usually be issued, by the Department of Finance (DoF), at the beginning of the financial year. However, it may be necessary, in light of emerging public expenditure issues throughout the year, to commission ad hoc monitoring rounds or to adjust the timing of planned monitoring rounds. FSD will commission monitoring round exercises, via the Enabling Access to Justice's Directorate finance team, in accordance with DoF timescales.

For additional guidance see link below – DoF's In-Year Monitoring of Public Expenditure 2020-2021:

<https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/2020-21%20In-Year%20Monitoring%20Guidelines.pdf>

## **Annex E Delegated Authority**

**FROM: LISA ROCKS  
DEPUTY DIRECTOR, FINANCE  
3 JULY 2020**

*See copy distribution below*

### **DoJ DIRECTORS**

#### **DELEGATED LIMITS - UPDATED POSITION 2020-21**

The Department of Justice (DoJ) operates within an agreed set of delegated expenditure limits from the Department of Finance (DoF). Financial Services Division (FSD) undertook a significant review in 2018 of the Department's delegated limits resulting in the Schedule of DoJ Delegated Limits, which can be found at [Annex E-1](#).

2. Since then FSD has continued to liaise with Directorates, Agencies and NDPBs to ensure that delegated limits are appropriate and the current Schedule of Delegation Changes is at [Annex E-2](#).

#### **Changes to delegation levels within Directorates**

3. Following a recent high level review of delegation levels by FSD, with the aim of managing workloads, risk, and providing continuity when key staff are unavailable, a paper issued to the March 2020 Strategic Resources Committee who approved the following with effect from 1 April 2020:

- within Directorates, a Grade 5 can sign-off approval requests up to £500k and a Grade 6/7 up to £100k before FSD submit the request to DoF. If the expenditure request is novel, contentious, repercussive or could set a potentially expensive precedent, Grade 5 approval would be required before FSD submit to DoF; and

- all lease delegations - the FSD Grade 5 Deputy Director will sign-off the approval with the agreement of the relevant Grade 5 Sponsor, on the basis that the Strategic Investment Board (SIB) has been consulted and is content.

4. These revised Directorate levels, as well as the removal of routine resource DEL delegations, should reduce the likelihood of high volumes of approvals requiring Grade 3 approval in the future.

5. For approval requests below delegation levels, that is within Directorates, Directors are still free to set any level (Grade and amount) of sign-off deemed suitable and appropriate by them to meet business needs. FSD business partners will continue to engage with Directors to support the roll out of any further changes to preferred levels of approval within their respective Directorates.

### **Review of delegations 2020**

6. Delegations are reviewed on an ongoing basis, including as part of test drilling undertaken by FSD and DoF. We will also be commencing a review of the overall delegations (including those for sponsored bodies) and would welcome suggestions for revisions if you consider that your current delegated limits are no longer appropriate. Further details regarding this upcoming review will be issued in due course. As part of the review, if business areas are able to provide details of the previous volumes of FSD and/or DoF approvals involved, that will help assess the benefit of changing a delegated limit and provide evidence to present to DoF if required. Delegations can be reviewed on an ongoing basis, and if at any stage there are further areas which develop that you would like reviewed, FSD is happy to facilitate.

## **Communications with NDPBs and Agencies**

7. It is my intention to shortly issue a note to business areas providing an update on the following areas:

- Pay remits;
- Five case model for business cases; and
- Review of delegations.

8. I will also ensure that FSD business partners continue to liaise with Sponsor Divisions in terms of the work being commissioned and the timescales involved.

## **Department of Finance guidance**

9. This note should be read in conjunction with relevant guidance issued by DoF, including:

- DAO (DFP) 06/12: Departmental Delegations/Requirements for DFP (Now DoF)  
Approval: [https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/daodfp0612\\_revised\\_220816\\_0.pdf](https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/daodfp0612_revised_220816_0.pdf);  
and
- Managing Public Money NI (MPMNI) for overriding guidance in relation to financial management: <https://www.finance-ni.gov.uk/publications/managing-public-money-ni-final-version>.

## **Next Steps**

10. Please share this note with the relevant staff in your Directorate and do not hesitate to contact your FSD business partner if you have any queries on delegated limits.

*Lisa Rocks*





Ref	Description of delegation	Guidance	Department of Justice																	
			Justice Delivery Directorate	Access to Justice Directorate	Tribunals Service	NI Courts and Tribunals Service	Legal Services Agency NI	Criminal Justice Inspection NI	Safer Communities Directorate	Forensic Science NI	NI Policing Board	Office of Police Ombudsman NI	NI Police Fund	RUC George Cross Foundation	Police Rehabilitation and Retraining Trust	Probation Board NI	NI Prison Service	Youth Justice Agency		
			a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	
DoJ 10	Grants - payments of grants to the Voluntary and Community Sector only		500,000	100,000	300,000	300,000	25,000	10,000	300,000	50,000	300,000	50,000	50,000	50,000	0	0	50,000	300,000	50,000	
43	Wider market projects where the full annual cost or aggregated annual income from such services exceeds, or is expected to exceed thresholds agreed by DoF	MPMNI A.7.6.6																		
44	Assets - transfer or disposal of assets at less than market value																			
45	Assets - to appropriate any sums realised as a result of selling an asset above the de minimis level in the DoF Budget / In-year Monitoring Guidance																			
46	Assets - to allow an organisation to retain receipts arising from the sale of assets funded by grant or grant-in-aid above the de minimis level in the DoF Budget / In-year Monitoring Guidance																			
47	Compensation payments without legal advice - individual compensation claims settled out of court		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	5,000	10,000	10,000	10,000	10,000	
48	Compensation payments following legal advice - individual compensation claims settled out of court where legal advice is that the department will not win the case if contested in court		100,000	100,000	100,000	10,000	10,000	10,000	100,000	10,000	100,000	10,000	10,000	10,000	5,000	10,000	10,000	50,000	50,000	
FSD 1	Compensation payments following legal advice relating to HIAI		n/a	n/a	50,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
DoJ 2	Compensation - individual compensation payments made as a result of court decision (excluding claims paid as part of Compensation Services' normal business)		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	5,000	100,000	100,000	100,000	100,000	
DoJ 12b	Compensation Agency tariffs for compensation claims - delegation relates to Compensation Services only																			
DoJ 13b	Compensation claims made as a result of court decision over £1,000,000 - delegation relates to Compensation Services only		1,000,000	1,000,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
DoJ 14	Compensation claims made under tariff arrangements approved by DoF over £1,000,000 - delegation relates to Compensation Services only		1,000,000	1,000,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
DoJ 15	Other compensation claims over £250,000 - delegation relates to Compensation Services only		250,000	250,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
49a	Consultants - expenditure on external consultancy projects over £75,000	FD(DFP) 06/12 Minute to Principal Finance Officers dated 19 April 2004	75,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	0	10,000	10,000	10,000	10,000	
			Note: Expenditure on external consultancy projects over £10,000 will require DoJ Accounting Officer approval following FSD approval																	
49b	Consultants - expenditure on external consultancy assignments co-funded by the Strategic Investment Board	FD(DFP) 06/12 Minute to Principal Finance Officers dated 19 April 2004	150,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	5,000	10,000	10,000	10,000	10,000	
50	Estimates - form and content of Main and Supplementary Estimates	Supply Estimates in Northern Ireland - A Guidance Manual																		
51	Virement	Supply Estimates in Northern Ireland - A Guidance Manual																		
52	Fraud - any departure from immediate reporting, not including National Fraud Initiative (NFI) for which separate arrangements have been agreed	FD(DFP) 02/13																		
53	IT projects		1,000,000	250,000	250,000	250,000	75,000	100,000	100,000	100,000	5,000,000	100,000	100,000	10,000	0	10,000	100,000	500,000	100,000	
54	Capital Projects - all other expenditure on Capital Projects involving Central Government expenditure unless other delegations specifically allow		2,000,000	250,000	250,000	250,000	75,000	100,000	500,000	100,000	5,000,000	100,000	100,000	10,000	0	30,000	100,000	5,000,000	100,000	
55	Projects - all PFI + 3PD projects at key stages as stipulated in NIGEAE	NI Guide to Expenditure Appraisal and Evaluation, MPMNI A.7.5.4, FD(DFP) 20/09, FD(DFP) 17/11																		
56	Receipts - repayment of CFERs from the Northern Ireland Consolidated Fund																			
57	Redundancy - all staff redundancy schemes not covered by existing regulations or which are more generous than existing NICS scheme																			
58	EU - all expenditure under the EU Programmes for which the Special EU Programmes Body is responsible	Letter to Finance Directors 11 July 2016	5,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100,000	0
59	Pay remits	FD Letter - Pay Remit Approval Process and Guidance																		
60	All leases for Office Accommodation (including supporting storage or warehousing) - both new and existing extension or renewal beyond break points, excluding offices outside Northern Ireland	Letter to Accounting Officers 28 July 2014																		
FSD 2	Resource projects greater than £20 million or more over the project's life																			
FSD 3	Resource expenditure on new policies, programme or projects if delegations 3, 4 or 5 apply																			
FSD 4	Contract variations not agreed by CPD																			
FSD 5	Legal fees not via DSO / CSO (if via DSO / CSO, can be approved within spending area)		n/a	10,000	30,000	30,000	30,000	30,000	10,000	10,000	10,000	10,000	50,000	10,000	0	10,000	10,000	10,000	10,000	
FSD 6	Establishing a confidentiality agreement																			

**Key to references**

References beginning 1, 2, 3 etc are general delegations from the Department of Finance to the Department of Justice  
References beginning DoJ 1, DoJ 2, DoJ 3 etc are specific delegations from the Department of Finance to the Department of Justice  
References beginning FSD 1, FSD 2, FSD 3 etc are delegations put in place by the Department of Justice

## Delegated limits for specific spending areas

Delegations specific to the Core Department		
DoJ 8	Remuneration and allowances of an assessor.	Schedule 12(7) of the Criminal Justice Act 1988
DoJ 9	Firearms: Make an order varying sum specified in Schedule 6.	Article 75, paragraph (3) of The Firearms (Northern Ireland) Order 2004
DoJ 53	Grants to the NI Policing Board.	Schedule 1, Para 15(2) of the Police (Northern Ireland) Act 2000
DoJ 54	Probation Board expenses.	Article 7, Para 1 of the Probation Board (Northern Ireland) Order 1982
Delegations specific to NI Courts and Tribunals Service		
DoJ 12a	Planning Appeals Commission: • The number of Commissioners additional to Chief and Deputy Chief Commissioners • The remuneration of Commissioners; their allowances; pensions and benefits • Staff remuneration, allowances, pensions and benefits.	Planning Act (Northern Ireland) 2011 Part 9: Para 203 (2)(b) Para 203 (4) Para 203 (5)
DoJ 13a	Water Appeals Commission: • The number of Commissioners additional to Chief Commissioner • The remuneration of Commissioners; their allowances; pensions and benefits • Staff remuneration, allowances, pensions and benefits.	The Water and Sewerage Services ( Northern Ireland) Order 2006 Part XII Para 292 (2) (b) Para 292 (6), Para 292 (8)
DoJ 18	DOJ with the consent of DoF shall determine the allowances payable to witnesses under the Coroners Act (NI) 1959.	Coroners Act (Northern Ireland) 1959 (c.15), s.36(2).
DoJ 19	A rule by The Rules Committee to increase expenditure out of public funds.	Judicature (Northern Ireland) Act 1978 (c.23), s.56(2).
DoJ 20	Fix the fees to be taken in any Court in NI.	Judicature (Northern Ireland) Act 1978 (c.23), s.116(1);
DoJ 21	Fix the fees to be taken by commissioners for oaths or notaries public.	Judicature (Northern Ireland) Act 1978 (c.23), s.116(2).
DoJ 22	Rules which may involve an increase in expenditure out of public funds.	Judgments Enforcement (NI) Order 1981 (SI 1981/226) (Northern Ireland 6), Art.141(4).
DoJ 23	An order under the Magistrates' Courts (NI) Order 1981.	The Magistrates' Courts (Northern Ireland) Order 1981 (SI 1981/1675) (NI 26), Art.86A(6).
DoJ 24	DOJ with the concurrence of the DoF, may make provision as to the payment of interest on funds in court and may make rules as to the administration and management of funds in court including the deposit, payment, delivery and transfer in and out of any court of funds in court and regulating the evidence of such deposit, payment delivery or transfer.	Administration of Justice Act 1982 (c.53), s.38(7).
DoJ 25	Sums paid to the DOJ with the concurrence of DoF in respect of the cost to the Department in that year of administering funds in court (subject to legal advice).	Administration of Justice Act 1982 (c.53), s.39(2).
DoJ 26	Remuneration of the investment manager of a fund established by a common investment scheme.	Administration of Justice Act 1982 (c.53), s 42(10).
DoJ 27	Remuneration, travelling and other allowances paid to the Lord Chief Justice's Visitors.	The Mental Health (Northern Ireland) Order 1986 (SI 1986/595) (NI 4), Art.104(5).
DoJ 28	Rates of allowance paid to a person who serves as a juror for travelling & subsistence and payments for financial loss.	The Juries (Northern Ireland) Order 1996 (SI 1996/1141) (NI 6), Art.28.
DoJ 29	Remuneration of assessors of the County Courts.	The Fair Employment and Treatment (Northern Ireland) Order 1998 (SI 1998/3162 (NI 21), Art. 40(7)(b).
DoJ 30	DoF to direct the manner in which fines imposed by any court are to be paid into or disposed of for the benefit of the Consolidated Fund.	Administration of Justice Act (Northern Ireland)1954 (c.9), s.20(1).
DoJ 31	DoF to determine amounts to be deducted from sums received from the National Debt Commissioners to be set aside to provide for depreciation of value of investments.	Administration of Justice Act 1982 (c.53), s.39(2)(a).
DoJ 32	DoF to provide from the Consolidated Fund sums due to the Accountant General which the National Debt Commissioners are unable to pay.	Administration of Justice Act 1982 (c.53), s.39(5).
DoJ 33	DoF to sanction payment from moneys provided by the Assembly of the salary of an investment fund manager and his officers and other expenses of executing his office.	Administration of Justice Act 1982 (c.53), s 42(11).
DoJ 34	DoJ with the concurrence of DoF may determine fees charged in connection with running an investment scheme.	Administration of Justice Act 1982 (c.53), s 42(12).
DoJ 35	DoJ after consulting DoF shall by order prescribe the rate of return on the investment of sums awarded as damages for future pecuniary loss in a personal injury action.	Damages Act 1996 (c.48), s.1(1) and s.1(4)
DoJ 36	DOJ with the concurrence of DoF may determine travel and subsistence allowances paid to justices of the peace.	The Magistrates' Courts Act (Northern Ireland) 1964 (c.21), s.12A(2).
DoJ 37	DOJ with the concurrence of DoF may determine the remuneration and allowances paid to the Official Solicitor (does not apply to current office holder).	Judicature (Northern Ireland) Act 1978 (c.23), s.75(7).
DoJ 38	DOJ with the concurrence of DoF may determine the remuneration and allowances paid to a temporary Official Solicitor.	Judicature (Northern Ireland) Act 1978 (c.23), s.75(9).
DoJ 39	DOJ with the concurrence of DoF may defray expenses of a District Judge (Magistrates' Courts) incurred in respect of proceedings brought as a result of the execution of office.	The Magistrates' Courts (Northern Ireland) Order 1981 (SI 1981/1675) (NI 26), Art.10(1).
FSD 7	Power to make rules regulating the practice of the Lands Tribunal and the fees chargeable in those proceedings.	Lands Tribunal Act NICTS (Northern Ireland) 1964 (c) s.9
DoJ 49	New or additional courthouse accommodation.	Section 2(1) of the Administration of Justice (Northern Ireland) Act 1954
DoJ 50	Disposal of Courthouse accommodation.	Section (4) of the Administration of Justice (Northern Ireland) Act 1954
DoJ 55	Remuneration and expenses for an interpreter or a short hand writer.	Article 53 of the County Courts (Northern Ireland) Order 1980

**Delegations specific to Legal Services Agency NI**

DoJ 40	DOJ with the approval of DoF may make rules which shall in particular prescribe (a) the form of criminal aid certificates; (b) the manner in which counsel and solicitors are assigned in pursuance of such certificates; (bb) the form for the purposes of Article 28A (2)(a); (c) the firm for the purposes of Article 32(1); and (d) the rates and scales of payment of any fees, costs or other expenses which are payable under this Part.	Legal Aid, Advice and Assistance (Northern Ireland) Order 1981 (SI 1981/228) (NI 8), Art.36(3).
DoJ 41	The Commission shall pay into the fund established under paragraph (1) – Civil Legal Services. (a) sums received by the DOJ under paragraph (2), (b) sums received by the Commission by virtue of regulations under Articles 17 and 20, (c) sums received by the Commission by virtue of an order by a court under Article 19(7), and (d) such other receipts of the Commission as DOJ may, with the concurrence of DoF, determine.	Access to Justice (Northern Ireland) Order 2003 (SI 2003/435) (NI 10), Art.11(6)(d).
DoJ 42	The Commission shall pay into the fund established under paragraph (1) – Criminal Defence Services. (a) sums received by the DOJ under paragraph (2), (b) sums received by the Commission by virtue of an order by a court under Article 31, (c) sums received by the Commission by virtue of an order by a court under section 4 or 6 of the Costs in Criminal Cases Act (Northern Ireland) 1968, and (d) such other receipts of the Commission as the DOJ may, with the concurrence of DoF, determine.	Access to Justice (Northern Ireland) Order 2003 (SI 2003/435) (NI 10), Art.21(5)(d).

**Delegations specific to Probation Board NI**

DoJ 45	Remuneration and allowances, pensions and gratuities to or in respect of the chairman, deputy chairman and other members of the Probation Board.	Schedule 1, paragraph 4 of the Probation Board (Northern Ireland) Order 1982
DoJ 46	Compensation to a board member on termination of the contract prior to expiry of term of office.	Schedule 1, paragraph 13 of the Probation Board (Northern Ireland) Order 1982
DoJ 47	Remuneration and other terms and conditions of service of members of the staff of the Board.	Schedule 1, paragraph 5 of the Probation Board (Northern Ireland) Order 1982
DoJ 48	Pension, allowances or gratuities to members of the staff of the Board and redundancy payments.	Schedule 1, paragraph 13 of the Probation Board (Northern Ireland) Order 1982

**Delegations specific to NI Prison Service**

DoJ 6	Numbers, remuneration and conditions of service of Prison Officers.	Section 2(3) of the Prison Act (Northern Ireland) 1953
DoJ 7	Remuneration paid to Ministers appointed to or permitted to visit prisons.	Section 9(6) of the Prison Act (Northern Ireland) 1953
DoJ 51	Enlarge, rebuild, repair or alter any prison; and build new prisons.	Section 2(4) & (5) of the Prisons Act (Northern Ireland) 1953
DoJ 52	Disposal of premises which have ceased to be used as a prison.	Section 2(6) of the Prisons Act (Northern Ireland) 1953

## Annex E-2



### FINANCIAL SERVICES DIVISION

#### SCHEDULE OF CHANGES TO THE DELEGATIONS EFFECTIVE FROM 1 DECEMBER 2018

	DELEGATION	ORGANISATION	CHANGE	REASON
1	<b>DoJ 10:</b> Grants - payments of grants to the Voluntary and Community Sector only	Probation Board NI	From £50,000 to £100,000	Reverted to previous delegation level
2	<b>48:</b> Compensation payments following legal advice - individual compensation claims settled out of court where legal advice is that the department will not win the case if contested in court	NI Prison Service	From £50,000 to £100,000	Reverted to previous delegation level
3	<b>FSD 2:</b> Resource projects greater than £20 million or more over the project's life	All DoJ Organisations	Delegation removed	A SOC is required for revenue projects which fall above the department's delegated limits and for which total central government costs will be £20 million or more over the project's life <b>if</b> another delegated limit is breached, for example if it is contentious or repercussive or consultancy.
4	<b>FSD 4:</b> Contract variations not agreed by CPD	All DoJ Organisations	From: Contract variations not agreed by CPD requiring DoJ Director (Grade 3) approval to: Variations of contracts less than £30k requiring approval by original approver or equivalent grade	All variations of contracts above £30k should be agreed by CPD. Variations of contracts less than £30k must be in line with Procurement principles and procedures: <a href="https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/PGN-01012-Contract-Management-Principles-Procedures-25-Sept-2017.PDF">https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/PGN-01012-Contract-Management-Principles-Procedures-25-Sept-2017.PDF</a>

	DELEGATION	ORGANISATION	CHANGE	REASON
5	<b>FSD 5:</b> Legal fees not via DSO / CSO (if via DSO / CSO, can be approved within spending area)	All DoJ Organisations	No change to organisations' delegated limits – clarification only	Legal fees not via DSO / CSO must be in line with Procurement principles and procedures: <a href="https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/PGN-01012-Contract-Management-Principles-Procedures-25-Sept-2017.PDF">https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/PGN-01012-Contract-Management-Principles-Procedures-25-Sept-2017.PDF</a>