

SCHEME OF DELEGATION

Version	3.0
Policy Owner	Head of Legal
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Date of DPIA (if applicable)	N/A - Screened on initial draft. No significant changes
Approved by (Board, ARC, SLT)	ARC
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Document Control

Version	Date actioned	Reason for change	Changed by
1.0	October 2023	Extra roles added to limits under function area to be in line with new organisational restructure.	EIR Manager

2.0	August 2024	<p>Review of roles and limits for function areas as not fit for purpose under the new organisational structure. The following key changes applied are:</p> <p>Non-Capital/Capital and Lease/SLA and approval of requisitions and invoice limits merged into 1A;</p> <p>1A delegation limits increased for each level, maximum limit increased from £200k to £500k for CEO;</p> <p>1A now includes delegated limits for Analysts;</p> <p>1C has been updated to include Finance Mgr approval up to £50k;</p> <p>1D has been updated to include approval from Mgr and above, rather than HoF and above;</p> <p>1E has been updated to state 'Legal HoF' rather than 'HoF' and Senior Legal Advisor approval added for up to £50k;</p> <p>1F 'Chair of procurement evaluation panels' delegated limits added;</p> <p>2 'Disposal of physical assets' – changes in delegated limits and added Director approval limits;</p> <p>5 'Authorisation of Gifts and Hospitality' has been updated to include approvals by Mgr;</p> <p>8 'Price Controls' – removal of item B 'Approval of additional allowance where a policy change is involved or it does not sit within the current</p>	Head of Finance and Project Management
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		<p>price control and the effect on the regulatory asset base is greater than the delegated limit'. This is now all covered under A: 'Approval of additional allowances over and above those provided for within the current, relevant price control (including additional costs being covered by a Dt term);</p> <p>13A and 13B – to reflect the creation and role of the Compliance and Enforcement Team; and</p> <p>Updates to DoF guidance.</p>	
3.0	November 2024	<p>1B updated limits for approvals of business cases for Single Tender Actions/Direct Awards to align with CPD approval processes. Only CEO/Authority to approve.</p> <p>Head of Legal with be the Policy owner going forward.</p>	Head of Finance and Project Management

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1. Introduction

- 1.1 As set out in paragraph 42 of its Rules of Procedure (the Rules), and as provided for under paragraph 9(1)(a) of Schedule 1 to the Energy Order, the Northern Ireland Authority for Utility Regulation (the Authority) may delegate any of its functions to any Member or employee of the Authority.
- 1.2 All functions of the Authority which are neither Reserved Functions nor Single Electricity Market Committee (SEMC) Functions, and which have not been delegated to any committee, shall be exercisable by the Chair on behalf of the Authority. The Chair may delegate the performance of those functions to any Member, Independent Member or to the Chief Executive (CEO) (who also holds the Accounting Officer (AO) delegation) as s/he determines to be appropriate including to a group of such individuals who carry out that function jointly. Any such delegation shall be deemed to be given by the Authority. Under paragraph 43 of the Rules, no function delegated to the CEO may be further delegated to one or more Senior Staff unless, and until, the consent of the Authority has been obtained.
- 1.3 This Scheme of Delegation (the Scheme) has been put in place by the Authority to set out these further delegations. The matters, which are classified as delegated functions under this Scheme, fall under the following headings:

Part	Function
1	Functions Relating to Capital and Non-Capital Expenditure
2	Functions Relating to Disposal of Assets
3	Approval of Expenditure in Relation to members, Independent Members and Staff (Note: No member of staff can give approval for their own claim)
4	Approval of Terms and Conditions (Including Appointment and Termination) of Staff Below Director Grade
5	Authorisation of Gifts and Hospitality
6	Regulatory Letters
7	Appeals, Complaints and Disputes
8	Price Controls (Limits Apply to Individual Allowances)
9	Northern Ireland Sustainability Programme (NISEP)
10	Northern Ireland Renewables Obligation (NIRO)
11	Levy Exemption Certificates (LECs)
12	Landbank
13	Enforcement Investigation under the UR enforcement procedure
14	Other Functions

1.4 As set out in paragraph 45 of the Rules, it shall at all times remain open to the Authority to decide to exercise itself any delegated function, or to direct the individual or group of individuals to whom a function has been delegated as to the manner in which each, or all of them, should exercise that delegated function.

1.5 The Authority may at any time:

- a) withdraw, extend or otherwise vary the delegated authority given to any individual or group of individuals; and/or
- b) add to or amend any of the terms and conditions to which the delegated authority is subject.

1.6 Any such variation shall result in a variation of the Scheme.

2. Limitations on delegation

- 2.1 Save as permitted under Parts 7 and 14, there is no delegated authority to further delegate functions set out in this Scheme. Any function delegation by the Chair or CEO made under Parts 7 and 14 may not be delegated further.
- 2.2 The total cost is defined as the expected cost (net of VAT) over the full life of the project or contract (including any extensions provided for within the terms of the contract) even if only part of the expenditure is budgeted in any given year.
- 2.3 Where the delegation is exercised in respect of a SEMC workstream, the delegation is in respect of the cost falling to the Authority and is subject to any joint authorisation/approval arrangement in place with the Commission for Regulation of Utilities (CRU) at the time. Where such arrangements apply, work cannot unilaterally be commissioned by either CRU or the Authority.
- 2.4 Functions delegated to an Executive Director (ED) can be exercised by either Executive Director regardless of the subject matter. This apart, unless otherwise stated, the following restrictions apply:

Director – the delegated function may only be exercised by the Director heading up the directorate which has the remit for the subject matter in respect of which the function is being exercised.

Head of Function (HoF) - the delegated function may only be exercised by the HoF heading up the sub-directorate which has the remit for the subject matter in respect of which the function is being exercised.

Manager (Mgr) – the delegated function may only be exercised by the manager heading up the branch/team which has the remit for the subject matter in respect of which the function is being exercised.

Analyst - the delegated function may only be exercised by the analyst within the relevant branch/team which has the remit for the subject matter in respect of which the function is being exercised.

- 2.5 However, the CEO may give a direction under Part 7 or Part 14, and the Chair may give a direction under Part 7, delegating a function to any Executive Director, Director or HoF (or a group of such individuals) whether or not that individual, or each individual in the group, has the

remit for the subject matter in respect of which the function is being exercised.

- 2.6 All delegations listed in the Scheme are subject to limitation set by the Department of Finance (DoF), most recently listed in DAO (DoF) 08/21 and DAO (DoF) 04/23.

3. Reserved management matters for the Authority (Summary)

- 3.1 A full list of Reserved Functions which are reserved for the Authority and not subject to delegation is set out in Schedule 1 to the Rules. These include the following matters:
- a) Any changes to the Authority's Rules of Procedure.
 - b) Approval of the Authority's strategy, any forward work programme or other business plan, and any annual report.
 - c) Any change to the name, status, structure of the Authority.
 - d) The appointment of the Chief Executive.
 - e) The approval of pay awards to senior staff which are referred to by the Remuneration Committee.
 - f) The terms of reference, any changes to, and the membership of any Authority Committee.
 - g) Undertaking of any major capital projects (costing in excess of £500,000).
 - h) Approval of decisions regarding major legal disputes (including decisions to commence, defend, or appeal litigation).
 - i) Approval of the Scheme of Delegation.
 - j) Approval of Licence Modifications.
 - k) References to the Competition and Markets Authority.
 - l) Prosecutions.
 - m) Disqualification of Directors.
 - n) Undertakings under Article 31 of the Water Order.
 - o) Financial Penalties.
 - p) Statutory Instruments.
 - q) External Cooperation Agreements.
 - r) Alteration of Licence Activities.

- s) Revocation or material amendment of arrangements with Ofgem in relation to NIRO, Gas Meters, Active Electrical Meters, or non-prescribed measuring instruments.
- t) Special Administration Orders in relation to Article 42 of the Water Order.

4. Functions delegated by the Authority

- 4.1 In the case of a short term (four week or less) absence of the CEO, either the Chair or CEO may nominate a named deputy for a defined duration to take any CEO or Accounting Officer level decisions which need to be considered prior to the CEO's return. In the event that the absence of the CEO lasts for more than 4 weeks, the Chair will raise the matter with the Board before appointing an acting CEO for the duration of the absence.

5. Functional Areas

Part 1: Functions relating to capital and non-capital expenditure

Ref	Description	Limit (maximum total liability or potential total liability, EXCLUDING VAT)	Level ¹
1A	<p>Approval of a business case (not including Single Tenders or Direct Award Contracts), requisitions (excluding 3B and 3C) and entering into a contract or framework for:</p> <p>Procurement/purchase of services or goods (including external consultancy¹, other professional services² i.e. Managed Services, Staff Substitution (specialists) and Research)</p> <p>Entering into renewing, amending or updating (as permitted by relevant terms and conditions) any Lease; or Contract/Service Level Agreement for a service provided by a government department, agency, NDPB, government established body or regulator.</p> <p>NOTE IN LINE WITH DAO (DoF) 08/21 OFFICE ACCOMMODATION LEASES WILL ALSO REQUIRE DoF BUSINESS CASE APPROVAL.</p> <p>These thresholds also apply to approving of all invoices* except for Training related invoices – please see 3B below.</p> <p>*Note Authority will not approve invoices, just business cases therefore CEO has full delegated authority for payments over £500k</p>	Over £500k	Authority
		Up to £500k	CEO
		Up to £350k	ED
		Up to £250k	Director
		Up to £100k	HoF
		Up to £50k	Mgr
		Up to £5k	Analyst
1B	Approval of a business case for the procurement of services or goods (including external consultancy, other professional services i.e. Managed Services, Staff Substitution (specialists) and Research) by Single Tender/Direct Award and entering into a contract or framework.	Over £500k	Authority
		Up to £500k	CEO

1C	Approval of payroll and other payments (not goods and services) due to government departments or public bodies.	Full Delegated Authority	CEO, ED, Head of Finance and Project Management
		Up to £50k	Finance Mgr
1D	Instructing UR in-house* lawyers to provide legal advice. *Internal - Legal Request Form	Full Delegated Authority	Mgr & above
1E	Instructing external lawyers, as appointed under any contract entered into in accordance with 1A, to provide legal advice.	Full Delegated Authority	CEO, ED, Head of Legal
		Up to £50k	Senior Legal Advisor
1F	Chair of procurement evaluation panels – note thresholds relate to expected total contract value in line with the approved business case.	Full Delegated Authority	CEO
		Up to £350k	ED
		Up to £250k	Director
		Up to £100k	HoF
		Up to £50k	Mgr

Part 2: Functions relating to disposal of assets

Ref	Description	Limit	Level
2	Disposal of any physical asset(s) in conjunction with Finance (on the asset register or inventory listing).	Full delegated authority	CEO
		Up to £350k (Book Value)	ED
		Up to £250k (Book Value)	Director

¹ [Departmental Delegations/Requirements for DoF Approval DAO \(DoF\) 08/21](#)

² [DoF Guidance – Use of Professional Services including Consultants FD \(DFP\) 07/12](#)

Part 3: Approval of expenditure in relation to members, independent members and staff (Note: no member of staff can give approval for their own claim).

Ref	Description	Limit	Level
3A	Approval of claims relating to travel and subsistence expenses (subject to policy and processes being applied).	CEO's expenses	Chair
		Full delegated authority for staff and Members (including SEMC)	ED and above
		Up to £2k and SEMC Members	Director
		Up to £1.5k	HoF
		Up to £750	Mgr
3B	Approval of expenditure in relation to the provision of a single training course (subject to policy and processes being applied) in line with training plan and budget*. *Consult HR regarding available budget	Full delegated authority	ED and above
		Up to £10k	Director
		Up to £5k	HoF
		Up to £2k	Mgr
3C	Approval of expenditure classified as hospitality for a single event as defined by The Gifts and Hospitality Policy.	Full delegated authority	CEO or ED
		Up to £250	Director
		Up to £100	HoF

Part 4: Approval of terms and conditions (including appointment and termination) of staff below Director grade

Ref	Description	Limit	Level
4A	Appointment of staff (subject to agreed Authority budget approval)	Full delegated authority	CEO
	Note: any change (temporary/permanent) in the agreed staffing structure which will result in a change in complement, grading or additional budget will require a business case to be completed by the relevant business area and approved in line with these delegated limits. For permanent changes the Authority must be informed of these changes in the HR update to Board.	Within agreed budget/ complement/ grading	ED
4B	Termination of staff (as per UR/NICS policy).	Full delegated authority	CEO
4C	Entering into arrangement for collective bargaining and consultative arrangements with staff representatives.	Full delegated authority	CEO
4D	HR and organisational policy, development, and approval for matters within the scope of collective bargaining arrangements and in line with decisions made at Remuneration Committee.	Full delegated authority	CEO
		Authority delegated by CEO	ED

Part 5: Authorisation of gifts and hospitality

Ref	Description	Limit	Level
5	Authorising/declining offers of gifts and hospitality as per the Gifts and Hospitality Policy - (subject to meeting policy requirements).	Full delegated authority	CEO
		Director & below	ED
		HoF & below (own Directorate)	Director
		Manager & below (own team)	HoF
		Analysts & below (own team)	Mgr

Part 6: Regulatory letters

Ref	Description	Limit	Level
6	Authorising (by way of signature) issue and publication of a regulatory letter.	Full delegated authority	CEO

Part 7: Appeals, complaints and disputes

Ref	Description	Limit	Level
7	Making and authorising issue (and publication) of a regulatory decision (no authority required to close a matter where the parties agree to resolve the matter without a formal regulatory decision).	Full delegated authority	CEO
		Authority as provided by CEO or Chair	ED or Director or HoF
		Authority as provided by CEO or Chair and where an ED or Director is involved in the process	Mgr

Part 8: Price Controls (limits apply to individual allowances)

Ref	Description	Limit	Level
8	Approval of additional allowances over and above those provided for within the current, relevant price control (including additional costs being covered by a Dt term).	Over £10m	Authority
		Up to £10m	CEO
		Up to £5m	ED
		Up to £2.5m	Director
		Up to £1m	HoF
		Up to £100k	Mgr

Part 9: Northern Ireland Sustainability Programmes (NISEP)

Ref	Description	Limit	Level
9	Authorising programme rules, accedence agreement, procedures, schemes, payment notices and associated processes for NISEP.	Full delegated authority	CEO or ED or Director
		Approval of schemes up to £1m and scheme payment notices as per framework document.	HoF or Mgr

Part 10: Northern Ireland Renewables Obligation (NIRO)

Ref	Description	Limit	Level
10	Decisions regarding NIRO accreditation and the issue of RO certificates to Northern Ireland generators. Agency role regarding day-to-day decisions and administration.	Full delegated authority under an Agency Services Agreement	Ofgem

Part 11: Levy exemption certificates (LECs)

Ref	Description	Limit	Level
11	Authorising issue of LECs.	Full delegated authority	CEO or ED or Director
		Full delegated authority to EF analysts	Mgr

Part 12: Landbank

Ref	Description	Limit	Level
12	Authorisation of matters arising from the management of Landbank sites by NIE (individual allowances).	£5m and over	Authority
		Up to £5m Full delegation of authority for new use of land licences	CEO
		Up to £2.5m Full delegation for amended use of land licences	ED
		Up to £1m Full delegation for amended use of land licences	Director
		Up to £500k Full delegation for amended use of land licences	HoF
		Up to £50k	Mgr

Part 13: Enforcement investigation under the UR enforcement procedure

Ref	Description	Limit	Level
13A	Initiate consideration of, and enquiries regarding, potential non-compliance with licence obligations and other relevant requirements to include: Any and all steps related to commencement and progression of all stages of any initial enquiry; and Issue of information notices under Article 51 of the Energy Order or Article 261 of the Water and Sewerage Services Order.	Full delegated authority	CEO or ED, or Director or HoF of Consumer Protection & Enforcement Directorate
13B	Opening or undertaking of a formal investigation in respect of potential non-compliance with licence obligations and other relevant requirements including issues of Information Notices under Article 51 of the Energy Order or Article 261 of the Water and Sewerage Order.	Full delegated authority	CEO or ED, or Director or HoF of Consumer Protection & Enforcement Directorate

Part 14: Other functions

Ref	Description	Limit	Level
14	Any other matter which arises and is not covered by any of the above specific delegations and:	Full delegated authority	CEO or ED
	Is not a Reserved Function (as set out above); and Does not have the potential to have material financial consequences for Authority in excess of £500k.	Authority as provided by Chair or CEO or ED	Director or HoF