

## Financial Scheme of Delegation (FSoD) Schedules

Operational instruction 178\_03

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**Audience:** All staff who need approval for actions falling under the FSoD, and those who approve them. These include:

- spending our money;
- justifying the use of our money for projects;
- making a contractual commitment;
- approving spend made by those reporting to them;
- approving write-offs, disposals and aborted expenditure;
- justifying additional spend on approved projects;
- purchasing from sole source suppliers;
- approving special payments and gifts;
- recognising and reporting losses;
- authorising foreign travel and associate spend; and
- checking approval levels needed for planned financial transactions.

## Introduction

The Agency's position as a Non-Departmental Public Body (NDPB) and its support by public money places particular responsibilities on all its management and staff to ensure value for money and financial regularity at all times. The rules to ensure financial regularity are contained in the Delegated Powers letter and [Defra Framework](#) document (DFD). Compliance with these and the FSoD is mandatory.

The DFD contains the rules on which Defra, as lead sponsor, administers control over the Environment Agency. Annual delegations issued from the Principal Accounting Officer in Delegated Authority Documents provide the detail of specific delegations to our Chief Accounting Officer.

The FSoD, as approved by the Environment Agency Board (the Board), prescribes the limits to the powers and duties delegated to the Management and Officers of the Environment Agency within the terms of the DFD. Authority is delegated downwards from HM Treasury to our Government sponsor (Defra) and then throughout the Environment Agency to the Board (or Chair under Standing Order 4.1); Chief Executive and Executive Directors; Directors; Deputy Directors and other grades and specific posts.

The FSoD is an Environment Agency Board approved document and therefore variations of the delegations require the Board's approval. Please contact the [EA's FSoD team](#) if you wish to discuss a change.

# About FSoD

## Expenditure Authorisation

With regard to expenditure authorisation, clear segregation is required at three distinct levels. Firstly, proposed project expenditure must be justified in advance using the [Corporate Project Management](#) information. To initiate a project you will require the Business Case (5 case model). The forms, in both templates (short and long form), are found on the [Justifying a Project](#) page along with guidance and reference documents.

Secondly, once justified, approval to spend must be separately authorised. This in practice requires authorisation/confirmation that, for example, budgeted funds are available. Thirdly, incurrence of expenditure or making contractual commitments is achieved, for example, through the letting of contracts or placing of Purchase Orders. This activity represents commercial risk and the Commercial Function normally makes contractual commitment unless specified delegations are in place.

## National Office and Area delegations

The delegated authorities in the FSoD are usually set out in two columns, National Office and Area.

The schedule clearly shows the line of sight of responsibility for approving our actions, from Defra; through the Board; Chief Executive and Executive Directors; Directors; Deputy Directors and other grades or specific posts. Projects or other approvals are sought in line with the relevant National or Area delegations.

## Accountable Officer

The FSoD refers to officers who are strictly accountable for the authorisation or approval process, as well as those officers from which advice should be gained prior to authorisation.

## Defra

Prior authorisation from Defra is required in certain circumstances, noted in relevant sections of the FSoD.

FSoD authorisation should be in place before any formal referral to Defra.

## Delegation of Authority

Delegated powers are shown with reference to job titles or staff grades throughout the FSoD.

Powers delegated to an officer through post or grade in the FSoD cannot be delegated by that officer to another officer unless the FSoD or the accompanying notes expressly provides this can be done. (See [FSoD Section Z](#)).

The only circumstances where an officers' powers may be exercised by another officer (other than the officer's line manager) is where the officer is absent and that other officer has been required to carry out the role (doing the officer's job on an 'acting' basis).

Where absence is unforeseen and no 'acting' arrangements are in place the absent officers' powers can only be exercised by their line manager(s). Where an officer is appointed on an 'acting' basis, then this must be recorded using the [Delegating Authority form](#) and refer to the [guidance](#). A note should also accompany any document, etc. where a decision covered by the FSoD has been made by an officer in an 'acting' capacity.

## Novel, Unusual or Contentious

Prior authorisation of Defra is to be obtained before commitment or incurring any expenditure with novel, unusual or contentious features.

## **VAT**

All monetary amounts stated in the FSoD are exclusive of VAT - the price given is that of goods or service before VAT is added to it.

## **FSoD Cost**

In terms of obtaining approval, it is the amount of expenditure controlled by the Agency that is to be taken into account (gross undiscounted cost). For example, if the Agency contributes £100k to another body to assist in a £600k partnership project then the relevant amount for FSoD approval is £100k. Conversely, if the Agency is leading and is spending £300k on a partnership project, as well as £250k received as a contribution from another body, then the FSoD approval is £550k (£300k plus £250k).

## **Limits**

The amounts described in the column headed “Limits” refer to individual transactions unless otherwise stated. Where there is no upper limit, which is normally associated with Agency Board approval only, it must be emphasised that there is an inherent overall limit as imposed by the Corporate Plan and appropriate authorised budgets. If your approval is ‘Up to £50k’ this means you can approve up to £50k but not £50k itself. This will require the next level approver up.

## **Flood and Coastal Committees**

Notwithstanding the provisions contained in this FSoD, Flood and Coastal Committees have powers as set out in the Flood and Water Management Act 2010. These include consenting programmes of work and levy amounts. Such powers are implicit in the document whether mentioned or not and nothing contained in it is intended to remove the need to obtain the consent of the Committees for such items.

## **Project Groups and Project Managers**

It is considered highly unlikely that special project or task groups will require delegation of the specific powers covered by the FSoD. Therefore, in circumstances where such powers are required, special provisions will need to be made and Board approval obtained at the outset of the project/task.

## **Consideration by the Chief Executive / Board**

Officers should always consider if any matter they are engaged in is one on which the Chief Executive and/or the Board may wish to be consulted, particularly if it involves expenditure with novel, unusual or financially contentious features. If so, they should alert their line manager.

Any such consultation does not affect the need for formal approvals by the appropriate Executive Director, Director or Deputy Director or other officer.

The Board reserves the right to have delegated actions reported to it when they involve either significant sums of money or where they affect Board policy.

## **Approval by the Chair and Standing Order 4.1**

Our Chair requires a reasonable amount of time to review anything that requires approval under Standing Order 4.1 (in place of the Board). Complete and send in the pro-forma to the [EA FSoD](#) team at least two weeks before the final document is presented for approval to allow for briefings as requested. Anything approved by the Chair under Standing Order 4.1 will be noted to the Board at the next available meeting by the [EA FSoD](#) team. Please contact the team as soon as you are aware that Board approval will be required.

## **Chief of Staff**

Please note that not all Functions have an Executive Director. In these cases, the Chief of Staff can approve spend. The Chief of Staff is not an alternative approver to your Executive Director.

## Financial Guidance Notes and Forms

The FSoD should be used in conjunction with [the associated forms](#) on which it is necessary to obtain the appropriate authorisations. The FSoD has been cross-referenced to the relevant form. Where there is no cross-reference to a standard form then the submission for authorisation should be in memo format.

## Operations Field Teams

Staff employed to work directly on completing works contracts, maintaining plant, machinery and existing flood defences and to provide a rapid response in emergency situations.

## Consultation approvals by Defra Corporate Staff

Please note that Environment Agency spend can only be authorised by an employee or officer of the EA.

Defra consultation approvals within this Schedule hold equal weight, however cannot stand alone.

Defra Corporate Services will continue to offer the same excellent level of support and guidance via their Operational Instructions, Guides, Schedules, Forms and other documentation. Major changes to such documentation will require agreement by the relevant Environment Agency function/staff prior to making such changes.

For Commercial, HR and Finance decisions requiring SOP approval, the Environment Agency member will approve the activities, and such approval will be passed onto Defra Corporate Services to complete the action on SOP. Corporate Services functions will assist Environment Agency staff throughout the process as required. The authorised document will be retained as evidence of Environment Agency approval.

See 'In consultation with' in our Glossary below.

## HM Treasury

Please note that expenditure requiring Defra approval may also require HM Treasury approval. We can arrange briefings to expedite approvals. Make sure you contact the [EA FSoD](#) team if you require approval over Defra's delegated limit.

## Project assurance

The [National Project Assurance Service](#) (NPAS) coordinate project assurance and provide advice to improve project outcomes.

The [Large Projects Review Group](#) (LPRG) is a comprehensive technical assurance group recommending approval where merited. Experts are co-opted from specialist areas as required for each project. The [EA FSoD](#) team (who sit on LPRG) will arrange subsequent FSoD approvals.

## Electronic Signatures

Please note that approvals should be supplied by email direct to the [EA FSoD](#) team with the subject header detailing what you are approving. Responding directly to the FSoD request for approval is the clearest route.

## Finance Director

This is the Finance Director for the Environment Agency, Senior Finance Business Partner for Environmental Quality, Floods and Water, Outcome Systems Group.

## Help Desk

Care should be taken in interpreting the FSoD. If in doubt, you should seek clarification from your manager. Please contact the [EA FSoD](#) team on enquiries that cannot be resolved by your manager.

# Glossary

## Authorisation / Approval

Authorisation is used for the exercising of delegated powers for financial transactions. Approval is used for the exercising of delegated powers for non-financial transactions (e.g. manpower budgets; documents; staff-related items).

## Authorised Original Cost

This is the cost of the project that is agreed and authorised on the Business Case. This cost can be established once the project has been appraised, and the preferred option chosen. The cost is definitely ascertained before tenders are obtained.

It is also important to note that if a Business Case Update Report (BCUR) has been authorised, and a subsequent BCUR is required, then the Authorised Cost will now be as per the previous BCUR 'last authorised cost' as detailed on the FSoD Coversheet. This provides a clear audit trail of authorisations.

## In consultation with

The phrase "in consultation with" is used in the FSoD in circumstances where an officer seeks the advice of another officer before authorising the transaction. The phrase therefore means the officer being consulted must:

- be informed of the transaction to be authorised;
- be given an opportunity to comment on it;
- evidence any acceptance by email directly to the FSoD Co-ordinators

## RMA – Risk Management Authorities

Examples of these are Local Authorities, IDBs, Highways Authorities, and water and sewerage companies.

## IDB – Internal Drainage Board

Each Internal Drainage Board is a local public authority established in areas of special drainage need in England. They have permissive powers to manage water levels within their respective drainage districts. IDBs undertake works to reduce flood risk to people and property and manage water levels to meet local needs.

## Incur

Includes signing contracts, making purchase orders and authorising invoices for payment that are not previously subjected to the levels of detailed checks and controls set out in the contract or purchase order procedures.

## Jointly

Joint delegation occurs when two officers are expected to authorise a transaction. This authorisation must be evidenced by both emailed approvals appearing on the relevant Form or Memo.

## MOTO

Memorandum of Terms of Occupation (Estates).

## Officer

An employee or officer of the Environment Agency. This does not include external contractors or temporary staff.

## Commercial

Replacement term for the Procurement team (please note that the team are also known as Category managers).

## FSoD Spending Restrictions

A1.1	Restrictions on all new ICT Spend	Limit	Authorised officer or body
A1.1	<p>No new IT spend, including extensions, is allowed to proceed without specific agreement by Treasury and Cabinet Office.</p> <p>Approval will only be given for specific exceptions that Treasury have set out in its detailed guidance. These are:</p> <ul style="list-style-type: none"> <li>• Required to achieve value for money as there will be a negative consequence of a delay;</li> <li>• Delay would stop or directly impact delivery of a current customer facing service that is consistent with the Government's priorities;</li> <li>• It delivers a mandated legislative requirement where there is no flexibility on the end date and delay would significantly jeopardise delivery.</li> </ul> <p>This will apply to all planned IT development work, including that already agreed through IT TAB, as well as any ICT related contracts.</p> <p>Business cases for planned projects/contracts expected to cost more than the restricted levels must be approved by the relevant business area Director.</p> <p>Recommended that Director of DDTS discuss these with Chief of Staff who can inform Chief Executive as appropriate IT projects that are underway will be reviewed on an individual case basis and will require Director approval to continue.</p> <p>Additional guidance can be found <a href="#">here</a>.</p>	Over £5m for all other ICT spend (exceptions below)	Treasury and Cabinet Office.
		Over £1m on systems that support administration including finance, HR or Commercial activities or upgrades and hosting contracts for such systems.	Treasury and Cabinet Office.
		Over £25k	Appropriate Director will approve spend but then will require additional approval in line with Cabinet Office imposed spend control by a Director within Defra Digital Data and Technology Services (DDTS)

## FSoD Spending Restrictions

A5.1	Restrictions on Consultancy Spend	Limit	Authorised Officer or Body
A5.1	<p><b>Approval for consultancy spend - excludes consultancy for FCRM capital projects and Legal Counsel</b></p> <p>Use the Consultancy Form (<a href="#">internal</a>) for spend under £1million and contact the <a href="#">EA FSoD</a> team. This approval is required for any consultancy spend where the consultant supports a project (under A1) or is required outside a project.</p> <p>Consultancy is defined as the provision to management of <b>advice</b> relating to strategy or structural management of an organisation. Such advice will not be 'business-as-usual' services. Consultancy may include the identification of options with recommendations, or assistance with (but not the delivery of) the implementation of solutions.</p> <p>A5.1 approval must be in place before any referral of projects to Defra under A1 or A5 and before any spend takes place.</p> <p>Where Defra is involved in the original approval, re-approval is required every 3 months from the date the contract commences.</p> <p>You will need to quote the FSoD reference when raising the consultancy purchase order.</p> <p>Consultancy contracts are noted to Defra Commercial. Defra follow up to check the contracts have ended at the specified times.</p> <p>If the value of the contract increases to over £1m, then the contract will need to be submitted to Defra Commercial and the others for approval.</p> <p>Where Cabinet Office approval is required, please note that the approval for the Commercial of a consultant will require a further Cabinet Office approval for the consultant selected.</p> <p>To seek approval to recruit 'business-as-usual' contractors, refer to <a href="#">Temporary workers - agency workers, specialists and IT contractors</a>.</p> <p>Cont...</p>	<p>Over £1m</p> <p>Over £100k less than £1m</p> <p>Over £20k and less than £100k</p> <p>Under £20k</p>	<p>Ministers, Secretary of State and Cabinet Office.</p> <p>Chief Executive and then noted to Defra Commercial.</p> <p>Appropriate Executive Director or Chief of Staff and then noted to Defra Commercial.</p> <p>Appropriate Director and then noted to Defra Commercial.</p>

## FSoD Spending Restrictions

A5.1 cont...	<p>Use of expert witnesses:</p> <ul style="list-style-type: none"><li>• If legal advice is received recommending that an expert witness is required to properly prepare for or conduct a civil or criminal case - this does not need Consultancy approval as it is an integral part of the legal process. It does need Commercial approval (Form C or quotes).</li><li>• If an expert witness is required in other circumstances, for example during complex discussion relating to operational compensation, a Consultancy approval is required.</li></ul> <p>Refer to <a href="#">FSoD and consultancy</a> for additional information on consultancy spend under the government spending restrictions.</p>									
A5.2	<p><b>Consultancy related to Learning and Development spend covers design and development</b></p> <p>Forms can be sent to the <a href="#">EA FSoD</a> team to arrange an FSoD reference.</p>	<table><tr><th>Limit</th><th>Authorised Officer or Body</th></tr><tr><td>Over £100k</td><td>Appropriate Director then Defra Deputy Director of Human Resources</td></tr><tr><td>Between £50k and £100k</td><td>Appropriate Deputy Director then Defra Deputy Director of Human Resources</td></tr><tr><td>Up to £50k</td><td>Appropriate Grade 7 Manager then Defra Learning and Development Manager</td></tr></table>	Limit	Authorised Officer or Body	Over £100k	Appropriate Director then Defra Deputy Director of Human Resources	Between £50k and £100k	Appropriate Deputy Director then Defra Deputy Director of Human Resources	Up to £50k	Appropriate Grade 7 Manager then Defra Learning and Development Manager
Limit	Authorised Officer or Body									
Over £100k	Appropriate Director then Defra Deputy Director of Human Resources									
Between £50k and £100k	Appropriate Deputy Director then Defra Deputy Director of Human Resources									
Up to £50k	Appropriate Grade 7 Manager then Defra Learning and Development Manager									

## FSoD Spending Restrictions

A8	Advertising and Marketing	Limit	Authorised officer or body
A8	<p>All purchased advertising and marketing work is frozen due to the Treasury Spending Restrictions. Details of the activities affected are given <a href="#">here</a>.</p> <p>Only expenditure on essential activity is allowed. This includes:</p> <ul style="list-style-type: none"> <li>Where government has a legal duty to provide people with information, such as changes to legislation or public services.</li> <li>Where marketing and advertising is critical to the effective running of the government.</li> <li>Where it is required as part of the NPS application fee process.</li> <li>Where there is robust evidence that marketing and advertising delivers measurable outcomes that meet government objectives.</li> </ul> <p>All external spend on communications must be reported to Defra group Communications.</p> <p>Your Defra Commercial Manager can provide details.</p> <p>Over £100k will require Cabinet Office approval as well.</p>	Over £20k	Appropriate Deputy Director, Deputy Director Change and Corporate Management in consultation with Defra group Communications, then Defra Spending Controls.
		Between £5k and £20k	Grade 7 manager, then appropriate Deputy Director in consultation with Defra group Communications.
		Up to £5k	Grade 7 manager in consultation with Defra group Communications.

## FSoD Spending Restrictions

A10	External recruitment	Limit	Authorised officer or body	
			National	Area
A10	<p>No external recruitment, including temporary posts, or use of contingent labour contractors or agency staff, without appropriate Director approval. All recruitment in progress must stop unless a formal, written offer has been made. If an offer hasn't been made you must follow the approval process <a href="#">here</a>.</p> <p>Please submit any recruitment requests via the <a href="#">RAAS form</a> in the first instance. The Defra Deputy Director of Human Resources will collate these for approval. Extending temporary staff/contractors must be treated as a new contract and must go through the approval process.</p>	All external posts	Appropriate Director, in consultation with the Defra Deputy Director of Human Resources.	Director of Operations, in consultation with the Defra Deputy Director of Human Resources.

## FSoD Spending Restrictions

T6	Sections affected T1, T2 and T4 (Estates only)	Limit	Authorised officer or body	
			National	Area
T6	<p>You must seek authorisation before you:</p> <ul style="list-style-type: none"> <li>Commit to the acquisition of any new property</li> <li>Waive any lease breaks</li> <li>Extend or renew any lease</li> </ul> <p>Scope</p> <p>These controls apply to:</p> <ul style="list-style-type: none"> <li>All real property, i.e. land and buildings</li> <li>All leases</li> <li>All acquisitions including leasehold, freehold, licences, easements and wayleaves</li> <li>Any property (offices/depots) disposals and any acquisitions we have to secure Cabinet office (Government Property Unit) approval. You must still refer to <a href="#">Section T1</a> for rules on disposals.</li> </ul> <p>The following are excluded from the restrictions:</p> <ul style="list-style-type: none"> <li>Acquisition of property already part of the civil estate</li> <li>Overseas leases</li> <li>The MoD military estate</li> <li>Transactions needed to support the delivery and management of Flood Alleviation Schemes</li> </ul> <p>Transactions needed to support the provision of our hydrometry/telemetry and related infrastructure: this covers the numerous leases/licences etc. that we need for our infrastructure such as rain gauges, flow meters etc.</p>	Over £100k	Office of Government Commerce	Office of Government Commerce

## FSoD Business Cases (Projects) & Expenditure Justification

Use the Business Case templates found on the [Justifying a Project](#) page.

A1	Justification for FCRM revenue, Environment & Business, Water Resources, Navigation, Fisheries, Partnerships (non-FCRM), DDTS and Multifunctional projects	Limit	Authorised officer or body	
			National	Area
A1	<p>This section <b>excludes justification</b> for the following project types:</p> <ul style="list-style-type: none"> <li>i) FCRM capital – Section <a href="#">A2/A3/A4</a></li> <li>ii) Consultancy Projects – <a href="#">Section A5</a>. If the consultancy element in your project is over £500k the whole project will be classed as a Consultancy Project</li> <li>iii) Accommodation Projects – <a href="#">Section T2</a></li> <li>iv) Restoring Sustainable Abstraction (RSA) Compensation <a href="#">Section A6</a></li> <li>iv) Legal Services – <a href="#">Section A7</a></li> </ul> <p>Projects are subject to the following:</p> <ul style="list-style-type: none"> <li>• All projects must complete the appropriate assurance before approval – see the new <a href="#">Integrated Assurance and Approval Strategy (IAAS)</a> for details. All projects assured by LPRG or NPAS will have their FSoD approvals arranged by the relevant FSoD Co-ordinator once assurance is complete.</li> <li>• All projects likely to affect an internationally designated site must be submitted to Defra for approval.</li> <li>• Provide summary documents to Defra for any project that involves expenditure with novel, unusual or financially contentious features.</li> <li>• If your project has any IT (also known as IS) expenditure, you require an additional DDTS approval as appropriate.</li> <li>• If your project contains consultancy spend you will need to identify the consultancy type and get this element authorised under A5.1.</li> <li>• You cannot self-approve a project.</li> </ul> <p>If your project includes income from an external partner this income needs to be approved under E8 using <a href="#">Form E</a>.</p>	Over £5m	Appropriate Executive Director or Chief of Staff, in consultation with the Finance Director, then Agency Board	Appropriate Executive Director or Chief of Staff, in consultation with the Finance Director, then Agency Board
		Up to £5m	Appropriate Director	Director of Operations
		Up to £1m	Appropriate Deputy Director	Area Director
		Up to £500k	Appropriate Grade 7 Manager	Appropriate Grade 7 Manager

## FSoD Business Cases (Projects) & Expenditure Justification

A2	Justification for commencing an FCRM capital project within an approved strategy	Limit	Authorised officer or body	
			National	Area
A2	<p>This section excludes justification for the following project types:</p> <ul style="list-style-type: none"> <li>i) Consultancy Projects – <a href="#">Section A5</a></li> <li>ii) RMA FCRM Capital Projects – <a href="#">Section A4</a></li> </ul> <p>Projects are subject to the following:</p> <ul style="list-style-type: none"> <li>All projects must complete the appropriate assurance before approval – see the new <a href="#">Integrated Assurance and Approval Strategy (IAAS)</a> for details.</li> <li>All projects assured by LPRG or NPAS will have their FSoD approvals arranged by the relevant FSoD Co-ordinator once assurance is complete.</li> <li>All projects likely to affect an internationally designated site must be submitted to Defra for approval.</li> <li>Provide summary documents to Defra for any project which involves expenditure with novel, unusual or financially contentious features</li> <li>If your project has any IT (also known as IS) expenditure, you require an additional DDTS approval as appropriate.</li> <li>If your project contains consultancy spend you will need to identify the consultancy type and get this element authorised under A5.1.</li> <li>Prior strategy approval by the Executive Director of Operations under NFSoD. <b>Please note that you will be asked to supply the FSoD reference of the approved strategy.</b></li> <li>You cannot self-approve a project.</li> </ul> <p>The EA Board have the opportunity to call-in projects between £5m-£100m in whole life cost (WLC) terms and for approval exceeding £100m.</p> <p>If your project includes income from an external partner this income needs to be approved under E8 using <a href="#">Form E</a>.</p>	Over £20m	Executive Director of FCRM	Executive Director of Operations
		Up to £20m	Executive Director of FCRM in consultation with the Director of FCRM	Executive Director of Operations in consultation with the Director of Operations
		Up to £10m	Director of FCRM	Director of Operations
		Up to £2m	Deputy Director of FCRM	Area Director or Area FCRM Manager
		Up to £500k	Appropriate Grade 7 Manager	Appropriate Grade 7 Manager

## FSoD Business Cases (Projects) & Expenditure Justification

A3	Justification for commencing an FCRM capital project outside an approved strategy	Limit	Authorised officer or body	
			National	Area
A3	<p>This section excludes justification for the following project types:</p> <ul style="list-style-type: none"> <li>i) Consultancy Projects - <a href="#">Section A5</a></li> <li>ii) RMA FCRM Capital Projects – <a href="#">Section A4</a></li> </ul> <p>Projects are subject to the following:</p> <ul style="list-style-type: none"> <li>All projects must complete the appropriate assurance before approval – see the new <a href="#">Integrated Assurance and Approval Strategy (IAAS)</a> for details.</li> <li>All projects assured by LPRG or NPAS will have their FSoD approvals arranged by the relevant FSoD Co-ordinator once assurance is complete.</li> <li>All projects likely to affect an internationally designated site must be submitted to Defra for approval.</li> <li>Provide summary documents to Defra for any project which involves expenditure with novel, unusual or financially contentious features</li> <li>If your project has any IT (also known as IS) expenditure, you require an additional DDTS approval as appropriate.</li> <li>You cannot self-approve a project.</li> </ul> <p>If your project includes income from an external partner this income needs to be approved under E8 using <a href="#">Form E</a>.</p>	Over £20m	Executive Director of FCRM, in consultation with the Finance Director, then Agency Board.	Executive Director of Operations, in consultation with the Finance Director, then Agency Board.
		Up to £20m	Executive Director of FCRM.	Executive Director of Operations.
		Up to £10m	Executive Director of FCRM in consultation with the Director of FCRM.	Executive Director of Operations in consultation with the Director of Operations.
		Up to £5m	Director of FCRM	Director of Operations
		Up to £1m	Deputy Director of FCRM	Area Director
		Up to £500k	Appropriate Grade 7 Manager	Appropriate Grade 7 Manager

## FSoD Business Cases (Projects) & Expenditure Justification

A4	Justification for commencing an LA, IDB and other RMA FCERM capital projects	Limit	Authorised officer or body Area
A4	<p>FSoD approval is required for the total value of the project including the contribution to the project that the Environment Agency is administering/funding, that is the grant in aid and/or local levy.</p> <p>Projects are subject to the following:</p> <ul style="list-style-type: none"> <li>• All projects must complete the appropriate assurance before approval – see the new <a href="#">Integrated Assurance and Approval Strategy (IAAS)</a> for details.</li> <li>• All projects assured by LPRG or NPAS will have their FSoD approvals arranged by the relevant FSoD Co-ordinator once assurance is complete.</li> <li>• All approval limits, other than the lowest level, are for total project value.</li> <li>• All projects likely to affect an internationally designated site must be submitted to Defra for approval.</li> <li>• Prior Defra authorisation as appropriate for projects which involve expenditure with novel, unusual or financially contentious features.</li> <li>• If your project has any IT (also known as IS) expenditure, you require an additional DDTS approval as appropriate.</li> <li>• The Board have the opportunity to call-in any projects between £5m-£100m in whole life cost (WLC) terms and for approval exceeding £100m.</li> </ul> <p>If your project includes income from an external partner this income needs to be approved under E8 using <a href="#">Form E</a>.</p>	Over £20m	Executive Director of Operations and Executive Director of FCERM in consultation with Finance Director.
		Up to £20m	Executive Director of Operations in consultation with Finance Director.
		Up to £10m	Director of Operations in consultation with Deputy Director of Finance.
		Up to £1m	Area Director in consultation with Senior Finance Business Partner External Funding & Grants.
		Up to £100k of combined FCERM GiA and Local Levy expenditure (and with a total project value below £1m)	Area FCERM Manager even if the project value is greater than £100k (but less than £1m) including contributions from other parties.

## FSoD Business Cases (Projects) & Expenditure Justification

A5	Business Case justification for commencing a Consultancy project	Limit	Authorised officer or body	
			National	Area
A5	<p>This approval is required for consultancy spend as defined below:</p> <p>Consultancy is defined as the provision to management of <b>advice</b> relating to strategy or structural management of an organisation. Such advice will not be 'business-as-usual' services. Consultancy may include the identification of options with recommendations, or assistance with (but not the delivery of) the implementation of solutions.</p> <p>Consultancy projects are subject to the following:</p> <ul style="list-style-type: none"> <li>• <b>All projects must complete the appropriate assurance before approval</b> – see the new <a href="#">Integrated Assurance and Approval Strategy (IAAS)</a> for details.</li> <li>• All projects assured by LPRG or NPAS will have their FSoD approvals arranged by the relevant FSoD Co-ordinator once assurance is complete.</li> <li>• All projects likely to affect an internationally designated site must be submitted to Defra for approval.</li> <li>• Prior Defra authorisation as appropriate for projects in excess of £500k or which involve expenditure with novel, unusual or financially contentious features.</li> <li>• If your project has any IT (also known as IS) expenditure, you require an additional DDTS approval as appropriate.</li> <li>• You cannot self-approve a project.</li> <li>• To seek approval to recruit contingent workers or contractors who will cover an existing or new, temporary post on the structure, refer to <a href="#">Temporary workers - agency workers, specialists and IT contractors</a>.</li> </ul> <p>Note:</p> <ul style="list-style-type: none"> <li>• Reference to Defra applies to non grant aided flood defence projects only (as appropriate). Grant aided flood defence projects are subject to the grant conditions laid down by Defra.</li> <li>• Where the consultancy forms part of a project, then the delegations in A.1 apply, unless the consultancy element is over £500k of the overall project cost where the delegations under A5 will apply.</li> </ul> <p>If your project includes income from an external partner this income needs to be approved under E8 using <a href="#">Form E</a>.</p>	Over £500k	Appropriate Executive Director or Chief of Staff, in consultation with the Finance Director, then Agency Board.	Appropriate Executive Director, in consultation with the Finance Director, then Agency Board.
		Between £300k and £500k	Appropriate Executive Director or Chief of Staff	Executive Director of Operations
		Up to £300k	Appropriate Director	Director of Operations
		Up to £100k and part of Directorate or Area business plan	Appropriate Deputy Director	Area Director

## FSoD Business Cases (Projects) & Expenditure Justification

E8	Agree third party contributions to Agency Projects.
E8	<ul style="list-style-type: none"> <li>For third party contributions, authorisation must be obtained from the relevant Authorised Body or Officer referred to in A.1, A.2 or A.3 as appropriate (in line with the value of the contribution).</li> <li><a href="#">Partnership Funding</a> (Easinet)</li> <li>Agree third party contributions to FCRM projects (<a href="#">Form E</a>) 'Project Income Approval'. You must obtain this authorisation before you negotiate with the third party.</li> </ul> <p>Please refer to <a href="#">Section C.8B</a> Contractual Commitment relating to Partnership contributions</p>

A9	
A9	Figtree (FSoD Co-ordinator) database use only - Non-expenditure approvals including Strategy Approvals and Approvals to bid for External Funding.

## FSoD Business Cases (Supplementary Spend)

C6	Supplementary expenditure – FCRM capital projects	Limit	Authorised officer or body	
			National	Area
C6	<p>Authorisation of supplementary expenditure for FCRM authorised projects, subject to the project being submitted to Defra:</p> <ul style="list-style-type: none"> <li>For re-authorisation if Defra authorised it originally, and the original cost is likely to be exceeded by 20% or more; or</li> <li>If an increase above the original authorised cost brings the new total cost above the Defra authorisation thresholds as stated in Sections <a href="#">A2</a> and <a href="#">A3</a></li> <li>Supplementary expenditure on Local Authority and Internal Drainage Board projects must be approved under <a href="#">Section C11</a>.</li> </ul> <p>Note:</p> <p><b>All projects must complete the appropriate assurance before approval</b> – see the new <a href="#">Integrated Assurance and Approval Strategy (IAAS)</a> for details.</p> <p>All projects assured by LPRG or NPAS will have their FSoD approvals arranged by the relevant FSoD Co-ordinator once assurance is complete. Once approved the supplementary expenditure is subject to FSoD delegations in <a href="#">C8 on Contractual Commitment</a>.</p>	Over £5m	<p>Agency Board and Executive Director of FCRM in consultation with Finance Director and Defra Deputy Director Commercial.</p> <p>In addition:</p> <p><b>All</b> BCUR G1s greater than 15% of original approval also require Chief Executive approval.</p> <p>BCUR G2s and all subsequent BCUR Gs also require Chief Executive approval (irrespective of value).</p>	<p>Agency Board and Executive Director of Operations in consultation with Finance Director and Defra Deputy Director Commercial</p> <p>In addition:</p> <p><b>All</b> BCUR G1s greater than 15% of original approval also require Chief Executive approval.</p> <p>BCUR G2s and all subsequent BCUR Gs also require Chief Executive approval (irrespective of value).</p>
		Up to £5m	Executive Director of FCRM in consultation with Finance Director and Defra Deputy Director Commercial.	Executive Director of Operations in consultation Finance Director and Defra Deputy Director Commercial
		Up to £2m	Executive Director of FCRM in consultation with Defra Commercial Manager.	Executive Director of Operations in consultation with Defra Commercial Manager.
		Up to £1m	Director of FCRM or Deputy Director of FCRM in consultation with Defra Commercial Manager.	Director of Operations or Area Director in consultation with Defra Commercial Manager.
		Up to £250k	Appropriate Grade 7 FCRM Manager	Area FCRM Manager or Operations Manager

## FSoD Business Cases (Supplementary Spend)

C7	Supplementary expenditure – all projects excluding FCRM capital	Limit	Authorised officer or body	
			National	Area
C7	<p>Authorisation of supplementary expenditure for authorised projects, subject to the project being submitted to Defra:</p> <ul style="list-style-type: none"> <li>For re-authorisation if Defra authorised it originally, and the original cost is likely to be exceeded by 20% or more; or</li> <li>If an increase above the original authorised cost brings the new total cost above the Defra authorisation thresholds as stated in Sections <a href="#">A1</a> to <a href="#">A5</a> and <a href="#">T2</a>.</li> </ul> <p>Note:</p> <ul style="list-style-type: none"> <li>All projects (National Office and Area) that have IT (also known as IS) expenditure require an additional DDTS approval as appropriate.</li> <li>If the increase takes the total project spend to the next level, it will need re-approval.</li> <li><b>All projects must complete the appropriate assurance before approval</b> – see the new <a href="#">Integrated Assurance and Approval Strategy (IAAS)</a> for details</li> <li>All projects assured by LPRG or NPAS will have their FSoD approvals arranged by the relevant FSoD Co-ordinator once assurance is complete.</li> <li>Once approved, the supplementary expenditure is subject to FSoD delegations in <a href="#">C8 on Contractual Commitment</a>.</li> </ul>	Over £2m	As 'Up to £2m', then Agency Board	As 'Up to £2m', then Agency Board
		Up to £2m	<p>Executive Director or Chief of Staff as appropriate in consultation with Finance Director and Defra Deputy Director Commercial.</p> <p>In addition:</p> <p>All BCUR G1s greater than 15% of original approval also require Chief Executive approval.</p> <p>BCUR G2s and all subsequent BCUR Gs also require Chief Executive approval (irrespective of value).</p>	<p>Executive Director of Operations in consultation with Finance Director and Defra Deputy Director Commercial.</p> <p>In addition:</p> <p>All BCUR G1s greater than 15% of original approval also require Chief Executive approval.</p> <p>BCUR G2s and all subsequent BCUR Gs also require Chief Executive approval (irrespective of value).</p>
		Up to £500k	Appropriate Director in consultation with Defra Commercial Manager	Director of Operations in consultation with Defra Commercial Manager
		Up to £100k	Deputy Director in consultation with Defra Commercial Manager	Area Director in consultation with Defra Commercial Manager

## FSoD Business Cases (Supplementary Spend)

C11	Supplementary expenditure on LA, IDB and other RMA Flood Risk Management Projects	National Office and national services	
		Limit	Authorised officer or body
C11	<p><b>All FCERM 4 forms for changes or variations should be submitted to the Finance Grants Team.</b></p> <p>For schemes that has not yet completed (i.e. FCRM8 has not been submitted) the <a href="#">Grants team</a> will advise if assurance is required and the relevant documents required.</p> <p>All required approvals for Capital grant can be found under Section C3.</p> <p>Subject to:</p> <ul style="list-style-type: none"> <li>Re-authorisation by Defra if Defra authorised it originally, and the original cost is likely to be exceeded by 20% or more; or</li> <li>If an increase above the original authorised cost brings the new total cost above the Defra authorisation thresholds as stated in section A4.</li> </ul>	Over £5m	Chief Executive in consultation with Finance Director.
		Up to £5m	Director of Allocation and National Programme Management in consultation with Finance Director.
		Up to £2m	Deputy Director of Allocation and National Programme Management in consultation with Deputy Director of Finance.
		Up to £1m	Deputy Director of Allocation and National Programme Management in consultation with Defra Grants Finance Manager.

## FSoD RSA Compensation

A6	Justification for a Restoring Sustainable Abstraction (RSA) compensation negotiation of estimated value	Limit	Authorised officer or body
A6	<p>Notes:</p> <ul style="list-style-type: none"> <li>• Must follow agreed procedures set out by the Environment and Business Water Resources, Interventions team.</li> <li>• Must be part of the agreed affordable Area programme.</li> <li>• Amounts paid may be determined through negotiation with Abstraction licence holders OR may be decided by a Lands Tribunal.</li> <li>• Does not require Assurance consultation.</li> <li>• Justification to be provided on a template agreed by the Environment and Business Water Resources Interventions team.</li> <li>• Once approved the expenditure is subject to C1 FSoD delegations.</li> </ul> <p>Use <a href="#">Form L “Special Payments”</a> to obtain the required authorisations.</p>	Over £1m	Executive Director of Environment and Business in consultation with Finance Director.
		Up to £1m	Director of Operations and Deputy Director of Water Resources in consultation with Finance Director.

## FSoD Budgets

B	Budgets	Limit	Authorised officer or body	
			National	Area
B1	Authorisation of Environment Agency budget for submission to the Agency Board.	-	Chief Executive	-
B2	The quarterly review process co-ordinated by Finance enables the Executive Directors Team to review and approve changes (virements) between Directorate budgets (excluding FCRM Capital Projects). A de-minimis of £25k is established and virements will not be approved beneath this level.	Over £100k	Executive Directors Team	-
		Up to £100k	Function Deputy Director in consultation with Deputy Director of Finance	-
B3	Authorising transfers of sums within Directorate budgets (virements) following agreement between relevant budget managers.  Virement de-minimis £25k	Over £25k	Deputy Director	Area Director
B4	Authorising expenditure from the Central Litigation Funding.	Over £25k	Director of Legal Services and Finance Director.	-
		Up to £25k	Director of Legal Services	-

## FSoD Budgets

B	FCRM programme changes	Limit	Authorised officer or body	
			National	Area
B5	Authorising FCRM programme changes for projects with current budget allocation.	Over £10m	Executive Director of Operations and Executive Director of FCRM in consultation with Finance Director.	Executive Director of Operations and Executive Director of FCRM in consultation with Finance Director.
	Note: for other RMA projects please consult Director of Allocation and National Programme Management.	Up to £10m	Director of FCRM	Director of Operations in consultation with Director FCRM Allocation and Asset Management.
		Whichever is the lowest: 50% of programme budget or up to £3m.	Deputy Director of FCRM	Area FCRM Manager or Area Director in consultation with Deputy Director Allocation and National Programme Management if there is a likely negative impact on the 6 year household's target.
B6	Authorising FCRM programme changes for projects with no current budget allocation or not consented in the 6 year programme.	Over £2m	Executive Director of Operations or Executive Director of FCRM in consultation with Finance Director.	Executive Director of Operations or Executive Director of FCRM in consultation with Finance Director.
	Note: for other RMA projects please consult Director of Allocation and National Programme Management.	Up to £2m	Director of FCRM	Director of Operations in consultation with Director Allocation and Asset Management
		Whichever is the lowest: 50% of programme budget or up to £500k	Deputy Director of FCRM	Area Director in consultation with Deputy Director Allocation and National Programme Management to consider competing priorities elsewhere and any impacts on the 6 year targets.

## FSoD Approval to spend

A7	Justification for authorising expenditure on solicitors or barristers from outside Legal Services	Limit	Authorised officer or body								
A7	<p>Notes:</p> <ul style="list-style-type: none"><li>• Provide justification using the Legal Services external legal spend form.</li><li>• Once approved the expenditure is subject to C1 FSoD delegations.</li><li>• All Purchase Orders for external spend must be raised under the appropriate Costs Code:</li></ul> <table border="1"><tr><td>Category</td><td>SOP Natural Account Code</td></tr><tr><td>Barristers</td><td>5211201001</td></tr><tr><td>Solicitors</td><td>5211201002</td></tr><tr><td>Disbursements</td><td>5224101000</td></tr></table> <p>Use of expert witnesses:</p> <ul style="list-style-type: none"><li>• If an expert witness is required by legal counsel in prosecuting or defending a case – this does not need Consultancy approval as it is an integral part of the legal process.</li><li>• It does need Commercial approval – through a Form C or the provision of three quotes.</li></ul> <p>Code expert witness costs as for Disbursements.</p>	Category	SOP Natural Account Code	Barristers	5211201001	Solicitors	5211201002	Disbursements	5224101000	Over £20k	Director of Legal Services
		Category	SOP Natural Account Code								
Barristers	5211201001										
Solicitors	5211201002										
Disbursements	5224101000										
		Up to £20k	Deputy Directors of Legal Services.								

## FSoD Approval to spend – Non PCM

C1	This section covers the incurrence of project and non project expenditure unless covered by a separate delegation	Group	Approval limit	Representative positions assigned to Group
C1	<p>Authority to:</p> <ul style="list-style-type: none"> <li>• Approve justified expenditure from budgeted funds;</li> <li>• Approve requisition;</li> <li>• Payment request form.</li> </ul> <p>Excluding:</p> <ul style="list-style-type: none"> <li>• Programme and Contract Management (PCM) managed projects spend - see <a href="#">Section C13</a></li> </ul> <p>and subject to:</p> <ul style="list-style-type: none"> <li>• Any contract being awarded on a competitive basis, or with prior single tender action approval – <a href="#">Section C5</a></li> <li>• Consultation with Commercial staff over £50k.</li> <li>• FSoD delegations on <a href="#">Contractual Commitment in C8</a>.</li> </ul>	1	Over £20m	Appropriate Executive Director or Chief of Staff, then Chief Executive in consultation with Finance Director.
		2	£20m	Executive Directors or Chief of Staff
		3	£10m	Director
		4	£2m	Deputy Director
		5	£500k	Area Management Team or National Grade 7s
		6	£50k	Team Leaders
		7	£5k	Nominated Team Members

## FSoD Approval to spend

C3	Payment of Grant	Individual claim limit	Authorised body or officer
C3.1	<p>Payment of interim and final account claims for capital grant from Local Authorities and Internal Drainage Boards for a Local Authority or Internal Drainage Board Flood &amp; Coastal Risk Management project and subject to:</p> <p>All claim submissions are for approved projects or accepted emergency works. Please refer to guidance on <a href="https://www.gov.uk">gov.uk</a>.</p> <p>Projects that do not have a justified business case supported by a strategic approach may only be eligible to a reduced level of Grant in Aid funding. Currently this is 45% of the Partnership Funding Tariff as calculated (as described in the <a href="#">partnership funding policy</a>). Further information on the forms required and grant eligibility is contained within the <a href="#">Allocation guidance</a> and <a href="#">Grant Memorandum</a>.</p> <p>Such payments are to be administered by Defra Finance in accordance with 282_18 on <a href="#">Grant Payment Process</a>.</p> <p>Payment of grant claims on EA approved FCERM projects within approved programme, including consultation with the relevant Area Director for payments over £1m.</p> <p>The FCRM4 for cost or scope variations must go to the Finance Grants team and may require appropriate Assurance in line with guidance before submission to the Grants Team for payment. <a href="#">See section C11</a>.</p>	Over £10m	Chief Executive in consultation with Finance Director.
		Up to £10m	No separate authorisation is required for payments up to £10m providing approval has been received under FSoD A4 - Justification for commencing an LA, IDB and other RMA FCERM capital projects.

## FSoD Approval to spend

C3	Payment of Grant	Individual claim limit	Authorised body or officer
C3.2	Payment of interim and final account claims for grant under section 31 of Local Government Act 2003 for Local Authority Contaminated Land projects and subject to:  All claim submissions are for approved projects or accepted emergency works.	Over £10m	Chief Executive in consultation with Finance Director.
		Up to £10m	Director of Water Land and Biodiversity in consultation with Finance Director.
		Up to £2m	Appropriate Deputy Director in Water, Land and Biodiversity in consultation with Deputy Director of Finance.

## FSoD Approval to spend

C3	Payment of Grant	Individual claim limit	Authorised body or officer
C3.3	<p>Payment of interim and final account claims for <a href="#">partnership grants under the Charities Act 2006</a> and subject to:</p> <p>All claim submissions are for approved projects or accepted emergency works that comply with the conditions of the partnership grant. Please refer to guidance on <a href="#">gov.uk</a>.</p> <p>Eligible organisations must satisfy the following criteria:</p> <ol style="list-style-type: none"> <li>1. The organisation must be a charitable, benevolent or philanthropic institution within the meaning of the Charities Act 2006, and</li> <li>2. The institution's activities in respect of the project must directly or indirectly benefit the whole or any part of England.</li> </ol>	Over £10m	Chief Executive in consultation with Finance Director.
		Up to £10m	Director of Allocation and Asset Management or Director of Water, Land and Biodiversity in consultation with Finance Director.
		Up to £2m	Deputy Director of Allocation and National Programme Management or Deputy Director of Water, Land and Biodiversity in consultation with Deputy Director of Finance.
		Up to £500k	Deputy Director of Allocation and National Programme Management or Deputy Director of Water, Land and Biodiversity in consultation with Defra Senior Finance Business Partner.
		Up to £100k	Water, Land and Biodiversity Manager (WLB Portfolio & Investment Manager or Strategic Catchment Partnerships Manager) or FCRM Integrated Outcomes Manager in consultation with Defra Grants Senior Management Accountant.

## FSoD Approval to spend

C3	Payment of Grant	Individual Claim Limit	Authorised body or Officer
C3.4	<b>Rural Development Programme for England (RDPE) Water Environment Grant (WEG)</b>  <b>Applications and amendments</b>  Delegated Authority Levels for named individuals listed on the “delegated authority to commit funds letter” for approving WEG applications and amendments, subject to: <ul style="list-style-type: none"> <li>a) Applicant compliance with guidance set out on <a href="http://gov.uk">gov.uk</a></li> <li>b) Rural Development Programme for England (RDPE) Finance Instructions</li> </ul> * Individuals named in the “delegated authority to commit funds” letter, in which the Chief Executive’s authority is given to specific named individuals to commit funds and authorise payments under the Rural Development Programme for England 2014 – 2020 Water Environment Grant scheme. The Environment Agency delivers this scheme on behalf of the Rural Payments Agency (RPA).  For write offs see <a href="#">section L4</a>	Up to £2m	Deputy Director (named*)
		Up to £500k	Area Management Team or Head office Grade 7s (named*)
		Up to £50k	Team Leaders (named*)

## FSoD Approval to spend

C3	Payment of Grant	Individual Claim Limit	Authorised body or Officer
C3.5	<b>Rural Development Programme for England (RDPE) Water Environment Grant (WEG)</b>  <b>Claims</b>  Delegated Authority Levels for named individuals listed on the “delegated authority to commit funds letter” approving Water Environment Grant schemes claims, subject to: a) Applicant compliance with guidance set out on <a href="http://gov.uk">gov.uk</a>  b) RDPE Finance Instructions  * Individuals named in the “delegated authority to commit funds” letter, in which the Chief Executive's authority is given to specific named individuals to commit funds and authorise payments under the Rural Development Programme for England 2014 – 2020 Water Environment Grant scheme. The Environment Agency delivers this scheme on behalf of the Rural Payments Agency (RPA).	Up to £2m	Deputy Director (named*)
		Up to £500k	Area Management Team or Head office Grade 7s (named*)
		Up to £50k	Team Leaders (named*)

## FSoD Approval to spend

C4	Purchasing Cards	Limit	Authorised officer or body	
			National	Area
C4	<p>Approval to spend - Purchasing Cards</p> <p>Incur expenditure by Purchasing Cards subject to:</p> <ul style="list-style-type: none"> <li>• Competition having taken place over £5k or with prior single tender action approval (<a href="#">Section C5</a>);</li> <li>• Consultation with FSoD and Commercial staff over £10k;</li> <li>• National Office and Area controls over set up and variations to purchasing card transaction limits;</li> <li>• Additional FSoD authorisation for individual transactions above generic £5k;</li> <li>• Exception above £20k limit as approved.</li> </ul>	Up to £20k per transaction	Grade 7 Managers and other approved officers as appropriate.	Grade 7 Managers and other approved officers as appropriate.
		Up to £5k	Default all staff	Default all staff

## FSoD Approval to spend

C9	Employee claims	Limit	Authorised officer or body	
			National	Area
C9	<p>Authorisation by line manager of:</p> <ul style="list-style-type: none"> <li>• Travel and subsistence claims;</li> <li>• Assignment, disturbance and posting claims;</li> <li>• Overtime, call out/standby claims;</li> <li>• Operations Delivery payments claims;</li> <li>• Relocation claims;</li> <li>• Purchasing cards;</li> <li>• Fruitless payments incurred on purchasing cards under £500; and</li> <li>• Subject to spend being within authorised budgets.</li> </ul>	-	Line Manager	Line Manager

## FSoD Approval to spend

C10	Authorisation of payments due to third parties	National Office and national services	
		Limit	Authorised body or officer
C10.1	Funds deducted from payroll: Tax; National Insurance; Pensions; and Union deductions; Voluntary Deductions (Social Clubs, Charities etc); Statutory Deductions (CSA, Attachments of Earnings etc).	Up to £12m	EA line managers will approve all changes to payroll inputs but SSCL will process the payroll calculations under the management of the Service Management Team in Defra group Finance.
C10.2	Income collected under RAS regulations for Food Standards Agency. Income Refunds (e.g. Charge adjustments / duplicate payment refunds).  Note: Cheque signing for these items is covered under <a href="#">FSoD G1</a> .	Up to £750k	Environment & Business Deputy Director

## FSoD Single Tender Action Form C and Form CX

C5	Single Tender Actions – Form C and Form CX	Limit	Authorised officer or body	
			National	Area
C5	<p>SINGLE TENDER ACTIONS (<a href="#">Form C</a>)</p> <p>To authorise justified expenditure (above £5k), on a single tender action basis.</p> <p>Note:</p> <ul style="list-style-type: none"> <li>All projects (National Office and Area) that have IT (also known as IS) expenditure require an additional DOTS approval as appropriate.</li> <li>All Operations Field Team contracts over £250k awarded by single tender action require reporting to the next meeting of the Environment Agency Board. Please contact the <a href="#">EA FSoD</a> team to arrange.</li> <li>All Form Cs raised to engage ex-employees (please contact the <a href="#">Strategic Resourcing team</a>) whether through sole source or competition within 2 years of leaving the Agency require consultation with: Defra Deputy Director of Human Resources with Head of Category Management and approval by the appropriate Executive Director or Chief of Staff prior to commitment. The Form C will be required whether the employee has chosen to resign, retire or take <a href="#">VERS</a>.</li> </ul> <p>Note: Form Cs and CXs under £10k do not require an FSoD reference. Should the original Form C spend increase, please complete a <a href="#">Form CX</a>. If the increase takes the value over £10k, send it to the <a href="#">EA FSoD</a> team who will arrange approval and an FSoD reference. The <a href="#">approval route</a> is the same as the Form C and is cumulative.</p> <p>Note: once approved the single tender action is subject to FSoD delegations in <a href="#">C8 on Contractual Commitment</a>.</p>	Over £250k	Appropriate Executive Director or Chief of Staff in consultation with Head of Category Management	Executive Director of Operations in consultation with Head of Category Management
		Up to £250k	Appropriate Director in consultation with Defra Commercial Manager.  Director of National Services FCRM (for ncpms) in consultation with Defra Commercial Manager.	Director of Operations in consultation with Defra Commercial Manager.
		£10k to £50k	Deputy Director in consultation with Defra Commercial Manager.	Area Director in consultation with Defra Commercial Manager.
		Below £10k	Grade 7 Manager	Grade 7 Manager (AMT member)

## FSoD Emergency Spend

P1	Retrospective emergency spend approval	Limit	Authorised officer or body	
			National	Area
P1	<p>Approval to spend and Contractual Commitment on expenditure to deal with emergencies.</p> <p>Subject to:</p> <ul style="list-style-type: none"> <li>Retrospective authorisation of emergency expenditure incurred on a single tender action basis as per limits specified in <a href="#">Section C5</a> (using <a href="#">Form C</a>). The individual who authorised the spend may be asked to justify this afterwards on the Form C.</li> <li>All such instances over £250k being brought to the attention of the next meeting of the Board as soon as possible after the event.</li> <li>Local Authority and Internal Drainage Boards - Exchange of letters about imminent danger and value of works followed by retrospective business case. Emergency funding must be in consultation with the Finance Director.</li> </ul>	As necessary	Executive Director or Director or Deputy Director.	Executive Director of Operations or Director of Operations or Area Director or member of Area Management Team.

## FSoD Contractual Commitment – non PCM

C8A	Contractual Commitment – non PCM	Limit	Authorised officer or body	
			National	Area
C8A	<p>To award contracts for all justified expenditure approved from budgeted funds by signing the Contract Award Report (CAR).</p> <p>If there are no material changes to the Agreement following the signing of the CAR, Defra group Commercial then enact this decision by signing at the appropriate level:</p> <ul style="list-style-type: none"> <li>All standard forms of contract, including award letters to supplier and contractors.</li> <li>Standard partnership agreements</li> <li>Official purchase orders.</li> </ul> <p>Excluding:</p> <ul style="list-style-type: none"> <li>Programme and Contract Management (PCM) managed projects - see <a href="#">Section C12</a></li> <li>Execution, signing or sealing of Deeds subject to NFSoD and is reserved to authorised members of Legal Services.</li> </ul> <p>And subject to:</p> <ul style="list-style-type: none"> <li>Any contract being awarded on a competitive basis, otherwise single tender action – <a href="#">Section C5</a>.</li> <li>Unless awarded under the terms of an existing framework agreement established for the purpose.</li> </ul>	Over £10m	Appropriate Executive Director or Chief of Staff in consultation with Defra Commercial Director	Executive Director of Operations in consultation with Defra Commercial Director
		Up to £10m	Appropriate Director in consultation with Defra Deputy Director Commercial	Appropriate Director of Operations in consultation with Defra Deputy Director Commercial
		Up to £5m	Appropriate Deputy Director in consultation with Defra Senior Commercial Manager.	Area Director in consultation with Defra Senior Commercial Manager.
		Up to £2m	Appropriate Grade 7 Manager in consultation with Defra Commercial Manager.	Appropriate Grade 7 Manager in consultation with Defra Commercial Manager.
		Up to £500k	Appropriate Grade 7 Manager in consultation with Defra Commercial Officer.	Appropriate Grade 7 Manager in consultation with Defra Commercial Officer.
	<ul style="list-style-type: none"> <li>Must have necessary experience and training to manage commercial risk at this value. Please see <a href="#">How to let a contract</a>.</li> </ul>	Up to £50k	Team Leader	Team Leader

## FSoD Contractual Commitment

C8B	Contractual Commitment	Limit	Authorised officer or body	
			National	Area
C8B.1	To award contracts for all justified expenditure approved from budgeted funds by signing:  National Contracts and Framework Agreements.	Over £5m	Appropriate Executive Director or Chief of Staff in consultation with Defra Deputy Director Commercial.	Executive Director of Operations in consultation with Defra Deputy Director Commercial.
		Up to £5m	Appropriate Deputy Director in consultation with Defra Senior Commercial Manager.	Appropriate Deputy Director in consultation with Defra Senior Commercial Manager.
		Up to £1m	Appropriate Grade 7 Manager in consultation with Defra Commercial Manager.	Appropriate Grade 7 Manager in consultation with Defra Commercial Manager.

## FSoD Contractual Commitment

C8B	Contractual Commitment	Limit	Authorised officer or body	
			National	Area
C8B.2	Non-standard contracts drawn up by non-Agency sources (e.g. suppliers) and Agency contractors that are bespoke or contain variations from approved Agency conditions.	Over £5m	Director of Legal Services in consultation with the Defra Deputy Director Commercial.	Director of Legal Services in consultation with the Defra Deputy Director Commercial.
	And subject to:	Up to £5m	Director of Legal Services in consultation with Defra Senior Commercial Manager.	Director of Legal Services in consultation with Defra Senior Commercial Manager.
	<ul style="list-style-type: none"> <li>Variations to standard contracts for receipt of partnership contributions will also be in consultation with the relevant Executive Director. Where such variations have been agreed by Executive Directors in principle on a general basis, their use in an individual contract requires consultation with the Director of Operations and, for FCRM, the <a href="#">FCRM partnership funding policy advisor</a>.</li> </ul> <p>Any contract being awarded on a competitive basis, otherwise single tender action – <a href="#">Section C5</a>.</p> <p>Please refer to <a href="#">Section E8</a> re Third Party Contributions to Agency Projects.</p>	Up to £1m	Deputy Director of Legal Services in consultation with Defra Commercial Manager.	Deputy Director of Legal Services in consultation with Defra Commercial Manager.

## FSoD Contractual Commitment - PCM only

C12	Contractual Commitment – PCM only	Limit	Authorised officer
C12	<p>To award contracts for all justified expenditure approved from budgeted funds, of PCM managed projects.</p> <ul style="list-style-type: none"> <li>All standard forms of contract, including award letters to supplier and contractors.</li> <li>Standard partnership agreements.</li> <li>Official purchase orders.</li> <li>All framework agreements will be signed under Deed as Deeds of Agreement.</li> <li>Contract value excludes pain/gain costs.</li> </ul> <p>Excluding:</p> <ul style="list-style-type: none"> <li>Execution, signing or sealing of Deeds subject to NFSoD and is reserved to authorised members of Legal Services.</li> </ul> <p>And subject to:</p> <ul style="list-style-type: none"> <li>Any contract being awarded on a competitive basis, otherwise single tender action – <a href="#">Section C5</a>.</li> <li>All contracts must comply with the following:-</li> </ul> <p><b>Mandatory Condition 1:</b> For financial target contracts (such as NEC option C), it is recognised that a defined value is not necessarily the cost of the delivered works but an approximation. When Compensation Events (CEs) are agreed this is calculated by applying scaling related to the contract value, 10% for over £10m, 30% for over £5m and under £10m, and 40% for those contracts below £5m.</p> <p><b>Mandatory Condition 2:</b> To award contracts for all justified expenditure approved from budgeted funds by signing the Contract Award Report (CAR).</p> <p><b>Mandatory Condition 3:</b> All projects must comply with the EA's Integrated Assurance and Approval Strategy (IAAS).</p>	Over £10m	Appropriate Executive Director or Chief of Staff in consultation with Defra Director Commercial.
		Up to £10m	Appropriate Director in consultation with Defra Deputy Director Commercial.
		Up to £5m	Appropriate Grade 7 manager and above in consultation with Defra Senior Commercial Manager.
		Up to £2m	Appropriate Grade 6 manager and above in consultation with Defra Commercial Manager.
		Up to £500k	Appropriate Grade 5 manager and above consultation with Defra Commercial Officer.

## FSoD Approval to spend – PCM only

C13	This section covers the incurrence of project and non project expenditure for Programme and Contract Management (PCM) only	Approval limit	Authorised officer
C13	<p>Approval to spend – Programme and Contract Management (PCM) only</p> <p>Authority to approve:</p> <ul style="list-style-type: none"> <li>justified consultancy and construction expenditure from budgeted funds;</li> <li>requisitions;</li> <li>payment request forms.</li> </ul> <p>And subject to:</p> <ul style="list-style-type: none"> <li>Any contract being awarded on a competitive basis, or with prior single tender action approval – <a href="#">Section C5</a></li> <li>Consultation with Commercial staff over £50k.</li> <li>FSoD delegations on <a href="#">Contractual Commitment in C12</a>.</li> </ul>	Over £20m	Executive Director of Operations in consultation with Finance Director.
		£20m	Appropriate Director
		£10m	appropriate Deputy Director
		£5m	appropriate Grade 7 manager and above
		£2m	appropriate Grade 6 manager and above
		£1m	appropriate Grade 5 manager and above
		£250k	appropriate Grade 4 officer and above
		£5k	appropriate Grade 3 officer and above

## FSoD Disposals

D1	Disposal of EA assets – not Gifts	Limit	Authorised officer or body	
			National	Area
D1	<p>Disposal of unwanted stores, plant, equipment, vehicles and other assets after informing (if required) other Area units of the availability of unwanted articles and consulting with Commercial on method of disposal. Subject to approval by Defra for:</p> <ul style="list-style-type: none"> <li>Any disposal with an expected value in excess of £1m</li> <li>Where the assets are disposed of at less than market value and where there is a receipt over £50k</li> <li>Where 'other' assets have a market value of more than £50k, as assessed by an independent valuer, they must not be sold, other than by auction or competitive tender, without Defra's prior approval</li> <li>The limits are stated in net book value (NBV) amounts or market value if known to be higher</li> </ul> <p>Use <a href="#">Form I "Disposal of Assets"</a> to obtain the required authorisations to dispose of assets.</p>	Over £1m	Defra	Defra
		Up to £1m	Appropriate Director in consultation with Finance Director.	Appropriate Director in consultation with Finance Director.
		Up to £500k	Director	Director of Operations
		Up to £100k	Deputy Director	Area Director
		Up to £50k	Appropriate Grade 7 Manager in consultation with Defra Senior Finance Business Partner.	Appropriate Grade 7 Manager in consultation with Defra Senior Finance Business Partner.

## FSoD Income

E	Charging policies, variations and instalment payments	Limit	Authorised officer or body	
			National	Area
E1	Determining the Agency's charging policies and agreeing charges for other than local services, subject to the prior approval of Defra for all non-flood defence charging schemes.	-	Agency Board	-
E2	Determining charges for local services.	-	-	Area Director in consultation with Deputy Director of Finance.
E3	Authorising flood defence levies and other charges recommended by the relevant Flood Defence Committees.	-	Agency Board	-
E6.1	Authorising variations of income invoices.	-	Head of Charges, Environment & Business.	Head of Charges, Environment & Business.
E6.2	Authorisation of instalment arrangements on outstanding debts.	-	Appropriate Income Stream Director in consultation with SSCL.	Appropriate Income Stream Director in consultation with SSCL.

## FSoD Income

E	Abstraction charges and Capital Grant repayments	Limit	Authorised officer or body	
			National	Area
E7	Approval of agreements for exception from or reduction in water abstraction charges (S126 WRA)	-	Deputy Director of Water Resources in consultation with Finance Director.	Deputy Director of Water Resources in consultation with Finance Director.
E9	Agreement with Local Authority and Internal Drainage Boards for repayment of Capital Grants.	-	Deputy Director of FCRM in consultation with Deputy Director of Finance.	-

## FSoD Income

E	Commercial Enterprise	Total Annual Cost of Sales Limit	Authorised officer or body
E10.1	Trading in competitive markets, including but not restricted to the Wider Markets Initiative and re use of public sector data.  Subject to: <ul style="list-style-type: none"> <li>• A maximum portfolio limit of £15m.</li> <li>• Defra approval for expenditure involving novel or contentious features.</li> <li>• Submission to Defra of the portfolio on a six monthly basis.</li> </ul>	Over £1m	Defra and Agency Board and Chief Executive.
		Up to £1m	Chair of the Enterprise Governance Board.
		Up to £25k	Appropriate Executive Director in consultation with Defra Finance Manager.
E10.2.1	Authorisation levels for each contract for external sales requires appropriate signature.	Turnover Limit	
		Over £1m pa	Executive Director or Chief of Staff.
		Up to £1m pa	Director
		Up to £250k pa	Deputy Director
		Up to £50k pa	Grade 7 or Team Leader in consultation with Defra Commercial Manager.
E10.2.2	Variations to the terms of a contract for commercial income, including variances to billed amounts from that laid down in the contract.	Up to £10k pa	Appropriate Team Member
		Over £50k	Executive Director or Chief of Staff.
		Up to £50k	Director
		Up to £10k	Deputy Director
		Up to £5k	Grade 7

## FSoD Bank Accounts

F	Bank Accounts, authorisations, maintenance	Limit	Authorised officer or body
F1	Opening and closing bank accounts.	–	Director of Legal Services in consultation with Finance Director.
F2	Authorising the quantum and mechanism for making financial provision (adequate to discharge the obligations arising from the Permit or Licence), required by the holder of an Environmental Permit, Waste Management Licence or PPC Permit in respect of a Landfill: or for demonstrating an applicant's ability to be in a position to make, financial provision, in the case of a Specified Waste Management Activity.	Over £1m	Deputy Director Permitting Services
		Up to £1m	National Permitting Service Centre Manager
F3	Authorising the quantum and mechanism for demonstrating financial competence, required by the holder of an Environmental Permit, in respect of a Non-Landfill, adequate to discharge the obligations arising from the Permit.	Over £1m	Deputy Director Permitting Services
		Up to £1m	Deputy Director Permitting Services or National Permitting Service Centre Manager.
F4	The opening, closing and maintenance of Escrow bank accounts solely in connection with Environmental Permit, Waste Management Licence, and PPC Permit financial provisions in respect of Landfills.	-	National Permitting Service Centre Manager

## FSoD Cheque Signing

G	Cheques, CHAPS, BACS	Limit	Authorised officer or body	
			National	Area
G1	Cheques issued from designated bank account for Court fees.	Up to £1,000	Deputy Director of Legal Services or Senior Managing Lawyer	-

## FSoD Investments

H	Surplus funds	Limit	Authorised officer or body	
			National	Area
H1	Investment of surplus funds.	-	EA officer specified by the Finance Director.	-

## FSoD Insurances

J	Arranging insurance and authorising settlements	Limit	Authorised officer or body	
			National	Area
J1	Arranging insurances, subject to the prior authorisation of Defra.	–	Deputy Director of Legal Services in consultation with Deputy Director of Finance.	-
J2	<p>Authorising settlements on claims against the Agency's motor insurance arrangements.</p> <p>The Fleet Operations Contract Manager (FOCM) in consultation with the Defra National Finance Manager - Transaction Control is authorised to settle civil proceedings made against the Agency.</p> <p>The Fleet Operations Contract Manager will engage the services of a third party contractor under a contract authorised in <a href="#">Section C1</a> of the FSoD and be reported to monthly with this engagement. The Contract Manager remains the delegated authority.</p>	Over £1m	Chief of Staff in consultation with Finance Director.	Chief of Staff in consultation with Finance Director.
		Up to £1m	Director of Legal Services in consultation with Deputy Director of Finance.	Director of Legal Services in consultation with Deputy Director of Finance.
		Up to £100k	Deputy Director of Legal Services with consultation from Defra Finance Manager.	Area Director / Senior Managing Lawyer in consultation with Defra Finance Manager
		Up to £50k	Fleet Operations Contract Manager in consultation with Defra Finance Manager.	Fleet Operations Contract Manager in consultation with Defra Finance Manager.
		Up to £25k in respect of any one claim	Fleet Operations Contract Manager	Fleet Operations Contract Manager

## FSoD Insurances

J	Liability claims	Limit	Authorised officer or body	
			National	Area
J3	Settling self-insured liability claims.	Over £1m	Agency Board	Agency Board
	<p>Do not use this section for Operational Compensation claims. These are approved under <a href="#">Section T5</a>.</p> <p>The Deputy Director of Legal is authorised to settle civil proceedings made against the Agency in consultation with Head of Financial Compliance.</p>	Up to £1m	Chief of Staff in consultation with Director of Legal Services.	Chief of Staff in consultation with Director of Legal Services.
		Up to £250k	Appropriate Director in consultation with Finance Director.	Director of Operations in consultation with Finance Director.
		Up to £150k	Appropriate Deputy Director in consultation with Deputy Director of Finance.	Area Director in consultation with Deputy Director of Finance.
		Up to £50k in respect of any one claim	Appropriate Grade 7 Manager in consultation with Head of Financial Compliance	Appropriate Grade 7 Manager in consultation with Head of Financial Compliance

## FSoD Fraud and Irregularities

K	Fraud and Irregularities	Limit	Authorised officer or body	
			National	Area
K1	<p>Reporting suspected cases of fraud or financial irregularity.</p> <p>Identifier to report irregularity immediately via the <a href="#">Counter Fraud Co-ordinator</a>.</p> <p>Contact the Counter Fraud Co-ordinator who will complete a <a href="#">Form M “Notification of Fraud and Irregularities”</a> on your behalf.</p> <p>Do not undertake an investigation without discussion with your Defra HR Specialist or the Counter Fraud Co-ordinator.</p> <p>Once the suspicion is shown to be reliable and once an outcome is reached – the Counter Fraud Co-ordinator will notify Defra.</p>	All cases	Director of Legal Services in consultation with Defra Deputy Director of Human Resources and Finance Director.	Director of Legal Services in consultation with Defra Deputy Director of Human Resources and Finance Director.
K2	<p>Instigation of investigations into cases of fraud or financial irregularity, proven or suspected.</p> <p>Contact the <a href="#">Counter Fraud Co-ordinator</a> who will complete a <a href="#">Form M “Notification of Fraud and Irregularities”</a> on your behalf.</p> <p>Do not undertake an investigation without discussion with your Defra HR Specialist or the Counter Fraud Co-ordinator.</p> <p>Once the suspicion is shown to be reliable and once an outcome is reached – the Counter Fraud Co-ordinator will notify Defra.</p>	All cases	Director of Legal Services in consultation with Defra Deputy Director of Human Resources and Finance Director.	Director of Legal Services in consultation with Defra Deputy Director of Human Resources and Finance Director.

## FSoD Losses, Special Payments and Gifts

L1	Losses and Thefts – including loss of assets, fruitless payments (excluding debt write off)	Limit	Authorised officer or body	
			National	Area
L1	<p>Individual write-offs of stock and other assets (including equipment, plant and motor vehicles) subject to obtaining the prior approval of Defra for:</p> <ul style="list-style-type: none"> <li>Write-off of losses exceeding £1m from the theft or vandal damage of vehicles or their destruction or damage by road traffic accident or fire;</li> <li>Write-off of other losses from fire, theft or vandal damage exceeding £1m;</li> <li>Write-off of losses from other causes exceeding £1m.</li> </ul> <p>For L.1 use <a href="#">Form L “Losses”</a> to obtain the required authorisation for all losses, including waivers and variations on commercial developments and for notifying the National Office of any losses not passed up for authorisation.</p>	Over £1m	Chief of Staff in consultation with Finance Director, then Agency Board and then Defra. Chief Executive to be consulted as appropriate.	Chief of Staff in consultation with Finance Director, then Agency Board and then Defra. Chief Executive to be consulted as appropriate.
		Up to £1m	Chief of Staff in consultation with Finance Director and then Agency Board. Chief Executive to be consulted as appropriate.	Chief of Staff in consultation with Finance Director and then Agency Board. Chief Executive to be consulted as appropriate.
		Up to £100k	Appropriate Director in consultation with Finance Director.	Appropriate Director in consultation with Finance Director.
		Up to £50k	Appropriate Deputy Director in consultation with Deputy Director of Finance.	Area Director in consultation with Deputy Director of Finance.
		Up to £5k	Appropriate Grade 7 Manager in consultation with Defra Senior Finance Business Partner.	Appropriate Grade 7 Manager in consultation with Defra Senior Finance Business Partner.
	Note: Fruitless payments over £500 or incurred by other means than purchasing cards need to complete a <a href="#">Form L “Losses”</a> for approval as above. Please refer to the <a href="#">FSoD Easinet page</a> for further information.	For Fruitless Payments under £500 incurred on purchasing cards.	Line Manager via SOP.	Line Manager via SOP.

## FSoD Losses, Special Payments and Gifts

L1.1	Write off debts	Limit	Authorised officer or body	
			National	Area
L1.1	<p>Individual write-offs of charging scheme income and other debts, subject to obtaining the prior approval of Defra for:</p> <ul style="list-style-type: none"> <li>Write-off of losses exceeding £1m.</li> </ul> <p>This process does not include invoices cancelled through the Abatement process – which do not currently require FSoD approval.</p> <p>For L.1.1 use <a href="#">Form L “Debt Write off”</a> to obtain the required authorisation for all losses, including waivers and variations on commercial developments and for notifying the National Office of any losses not passed up for authorisation.</p> <p>The previous month’s approved debts written off will be noted on the <a href="#">FSoD Debt write off page</a>.</p>	Over £1m	Chief of Staff in consultation with Finance Director, then Agency Board and then Defra. Chief Executive to be consulted as appropriate.	Chief of Staff in consultation with Finance Director, then Agency Board and then Defra. Chief Executive to be consulted as appropriate.
		Up to £1m	Chief of Staff in consultation with Finance Director and then Agency Board. Chief Executive to be consulted as appropriate.	Chief of Staff in consultation with Finance Director and then Agency Board. Chief Executive to be consulted as appropriate.
		Up to £100k	Income Stream Deputy Director in consultation with Finance Director.	Income Stream Deputy Director in consultation with Finance Director.
		Up to £20k	Income Stream Deputy Director, including Deputy Director National Permitting Service for application income.	Area Director
		Up to £5k	Charge Scheme Manager, including National Permitting Service Managers, for application income.	Environment Manager
	This is for SOP Accounts Receivable – housekeeping only. Debt write offs under £5k, initiated by the EA staff, will require approval via the Form L process above.	Up to £200	Financial Controller	Financial Controller

## FSoD Losses, Special Payments and Gifts

L	Special payments and early retirement payments	Limit	Authorised officer or body	
			National	Area
L2	<p>Making of special payments in accordance with Agency policy and subject to prior authorisation of Defra for payments over £100k.</p> <p>If in doubt, special payments should be referred to Defra. They could involve important incidents of principle, contain lessons of wider interest or create a precedent for other Departments. They could be the following or similar types of transactions:</p> <ul style="list-style-type: none"> <li>• Personal Accident Scheme (work time cover). Defra approval required &gt;£100,000;</li> <li>• Extra-contractual payments e.g. contractual dispute settlements;</li> <li>• Ex-gratia payments beyond statutory cover or legal liability (e.g. goodwill gestures).</li> </ul> <p>Defra will seek approval from HM Treasury for payments over £1m.</p>	Over £100k	National Director, then Chief of Staff in consultation with Finance Director, then Agency Board, then Defra.	Area Director, then Chief of Staff in consultation with Finance Director, then Agency Board, then Defra.
		Between £10k and £100k	National Director, then Chief of Staff in consultation with Finance Director, then Agency Board.	Area Director, then Chief of Staff in consultation with Finance Director, then Agency Board
		Up to £10k	National Deputy Director in consultation with Deputy Director of Finance.	Area Director in consultation with Deputy Director of Finance.
L3	<p>All special payments in respect of early retirement or severance of staff require notification to HM Treasury via Defra Deputy Director of Human Resources.</p> <p>For L.2 use <a href="#">Form L “Special Payments &amp; Gifts”</a> to notify the National Office and to obtain the required authorisations.</p>	No limit	Appropriate Director in consultation with Defra Deputy Director of Human Resources.	Appropriate Director in consultation with Defra Deputy Director of Human Resources.

## FSoD Losses, Special Payments and Gifts

L4	Write off England Rural Development Program/England Rural Development Program (ERDP/RDPE) funds	Individual Claim Limit	Authorised body or Officer
L4	<p>Environment Agency staff do not have the authority to authorise write offs of England Rural Development Program/England Rural Development Program (ERDP/RDPE) funds.</p> <p>All write-off requests and ex gratia payments must be passed to the RPA's Pillar 2 Compliance team for consideration and authorisation. This arrangement is set out in the Division of Responsibilities annex of the Delegated Authority Agreement</p>	Not applicable	Not applicable

M1	Gifts	Limit	Authorised officer or body	
			National	Area
M1	<p>Individual gifts subject to obtaining the prior authorisation of Defra for gifts exceeding £100k per annum.</p> <p>Gifts are transactions of a type that are subject to a greater degree of control since the giving of gifts by a public body at taxpayers' expense is a very sensitive issue – see guidance for further clarification.</p> <p>Use <a href="#">Form L "Special Payments &amp; Gifts"</a> to notify the <a href="#">EA FSoD</a> team and to obtain the required authorisations for gifts.</p>	Over £100k p.a.	Defra	Defra
		Up to £100k	Chief of Staff	Chief of Staff
		Up to £200	Executive Director or Director.	Executive Director of Operations or Director of Operations.

## FSoD Travel

S	International travel	National Office		Area	
		Limit	Approval	Limit	Approval
S1	<p>Approval to spend public money outside the UK including visits overseas for officers engaged on the activities of the Agency.</p> <p>Under normal operating circumstances:</p> <ul style="list-style-type: none"> <li>Travel by air will not be permitted for journeys from England and Wales to Paris, Brussels or other Eurostar destinations.</li> <li>All requests for air travel must have a good business justification.</li> <li>No money is to be spent before approval is in place, e.g. conference bookings, accommodation.</li> </ul> <p>Complete a request for <a href="#">approval to travel overseas</a> on Environment Agency business (Form S). Please email the <a href="#">EU &amp; International Relations team</a> for a copy of the Form S.</p>	Overseas visits (outside UK) by Chair and/or Chief of Staff	Chief Executive	-	-
		Overseas visits (outside UK) by Chief Executive	Chair		
		Overseas visits (outside UK) by Executive Directors	Chief of Staff	-	-
		Overseas visits (outside UK) by Director	Relevant Line Executive Director or Chief of Staff	Overseas visits (outside UK) by Area Director	Executive Director of Operations
		Overseas visits (outside UK) by other staff	Director	Overseas visits (outside UK) by other staff	Director of Operations

## FSoD Travel

S	UK air travel	National Office		Area	
		Limit	Approval	Limit	Approval
S2	Approving air travel within the UK  Under normal operating circumstances: <ul style="list-style-type: none"> <li>travel by air will not be permitted for journeys within England and Wales;</li> <li>flights to and from Scotland should be appropriately scrutinised and challenged by Executive Directors as there are viable train options to many Scottish locations.</li> <li>All requests for air travel must have a good business justification.</li> </ul> <a href="#">Application form for air travel within the UK</a>	Visits by Chair and/or Chief of Staff	Chief Executive	-	-
		Visits by Chief Executive	Chair	-	-
		Visits by Executive Director	Chief of Staff	Visits by Area Director	Executive Director
		Visits by staff	Appropriate Executive Director or Chief of Staff	Visits by staff	Appropriate Executive Director

## FSoD Estates

T1	Freehold disposal	Limit	Authorised officer or body	
			National	Area
T1	<p>National Office and National Services' delegations apply to all transactions relating to 'corporate property' including all offices, depots and storage yards.</p> <p>Area delegations apply to transactions relating to 'functional property' e.g. land/property required for flood defence and operational purposes and transactions relating to residential properties.</p> <p>T.1 Freehold disposal. Dispose of land, buildings and structures or the granting of a permanent easement.</p> <p>Subject to:</p> <ul style="list-style-type: none"> <li>advance notification to Defra for any disposal expected to realise proceeds in excess of £1m.</li> <li>prior approval from Defra for disposal by method other than auction or competitive tender, except where an independent valuer confirms best value has been achieved.</li> </ul> <p>The Agency may dispose of land and buildings with a market value of less than £25,000, as assessed by an independent assessor, without seeking Defra's prior approval.</p> <p>Use <a href="#">Estates Form I</a> for disposal.</p> <p>Estates responsibility: All transactions to which area delegations apply and which are over £100k should be in consultation with the Grade 7 Estates Manager. All transactions to which national delegations apply and which are over £250k should be in consultation with the Deputy Director of Estates.</p> <p>T3, T4 and T5 Estates forms below £10k are not registered on the FSoD database and will not be allocated an FSoD reference. Approvals can be sought locally – details of the approvers are in Section T of the FSoD Schedule. All T1 and T2 forms must be sent to the FSoD.</p> <p>See <a href="#">Section T6</a> in Spending Restrictions for further information.</p>	Over £5m	Chief Executive	Chief Executive
		Up to £5m	Executive Director of Operations in consultation with Finance Director.	Executive Director of Operations in consultation with Finance Director.
		Up to £1m	Director of Operations National Services in consultation with Deputy Director of Finance.	Director of Operations National Services and Director of Operations in consultation with Deputy Director of Finance.
		Up to £250k	Deputy Director Estates	Area Director and Deputy Director Estates
		Up to £100k	-	Grade 7 Estates Manager

## FSoD Estates

T2	Freehold acquisition and corporate property projects	Limit	Authorised officer or body	
			National	Area
T2	<p>National Office and National Services' delegations apply to all transactions relating to 'corporate property' including all offices, depots and storage yards (the Corporate Estate). Area delegations apply to transactions relating to 'functional property' e.g. land/property required for flood defence and operational purposes and transactions relating to residential properties.</p> <p>T.2 Freehold acquisition. Purchase of land, buildings, structures, or of a permanent easement and also including refurbishments of the Corporate Estate.</p> <p>Subject to:</p> <ul style="list-style-type: none"> <li>Notification to Defra for each property that involves expenditure with novel, unusual or financially contentious features.</li> </ul> <p>Functional Land – Use <a href="#">Estates Form A Business Case</a> for Acquisitions</p> <p>Corporate Property Projects – Use the Business Case templates available on the <a href="#">Justifying a Project</a> page.</p> <p>Estates responsibility: All transactions to which area delegations apply and which are over £100k should be in consultation with the Grade 7 Estates Manager. All transactions to which national delegations apply and which are over £250k should be in consultation with the Deputy Director of Estates.</p> <p>T3, T4 and T5 Estates forms below £10k are not registered on the FSoD database and will not be allocated an FSoD reference. Approvals can be sought locally – details of the approvers are in Section T of the FSoD Schedule. All T1 and T2 forms must be sent to the FSoD.</p> <p>See <a href="#">Section T6</a> in Spending Restrictions for further information.</p>	Over £5m	Chief Executive then Agency Board, in consultation with the Finance Director.	Chief Executive then Agency Board, in consultation with the Finance Director.
		Up to £5m	Executive Director of Operations in consultation with Finance Director.	Executive Director of Operations in consultation with Finance Director.
		Up to £1m	Director of Operations National Services in consultation with Deputy Director of Finance.	Director of Operations National Services and Director of Operations in consultation with Deputy Director of Finance.
		Up to £250k	Deputy Director Estates	Area Director and Deputy Director Estates
		Up to £100k	-	Grade 7 Estates Manager

## FSoD Estates

T3	Leasing out	Limit	Authorised officer or body	
			National	Area
T3	<p>National Office and National Services' delegations apply to all transactions relating to 'corporate property' including all offices, depots and storage yards.</p> <p>Area delegations apply to transactions relating to 'functional property' e.g. land/property required for flood defence and operational purposes and transactions relating to residential properties.</p> <p>T.3 Leasing out. Grant, terminate and vary leases (including rent reviews), or waive lease breaks to third parties for land, buildings and structures or an interest therein.</p> <p>The delegation limit is the value of the contractual commitment; i.e. up to expiry of the lease (including any penalties).</p> <p>Example:</p> <ul style="list-style-type: none"> <li>• 10 year lease</li> <li>• £5k per annum</li> <li>• Commitment of £50k and therefore below the £100k limit.</li> </ul> <p>Leasing in this context includes all agreements such as tenancies, wayleaves, time-limited easements, licences, and <b>Memorandum of Terms of Occupation (MOTO)</b> and occupancy agreements.</p> <p>Estates responsibility: All transactions to which area delegations apply and which are over £100k should be in consultation with the Grade 7 Estates Manager. All transactions to which national delegations apply and which are over £250k should be in consultation with the Deputy Director of Estates.</p> <p>T3, T4 and T5 Estates forms below £10k are not registered on the FSoD database and will not be allocated an FSoD reference. Approvals can be sought locally – details of the approvers are in Section T of the FSoD Schedule. All T1 and T2 forms must be sent to the FSoD.</p> <p>Use <a href="#">Form H</a> "Authorisation of Lettings.</p>	Over £5m	Chief Executive	Chief Executive
		Up to £5m	Executive Director of Operations in consultation with Finance Director.	Executive Director of Operations in consultation with Finance Director
		Up to £1m	Director of Operations National Services in consultation with Deputy Director of Finance.	Director of Operations National Services and Director of Operations in consultation with Deputy Director of Finance.
		Up to £250k	Deputy Director Estates	Area Director and Deputy Director Estates
		Up to £100k	-	Grade 7 Estates Manager
		Up to £10k and up to 10 years commitment	-	Senior Estates Surveyor

## FSoD Estates

T4	Leasing in	Limit	Authorised officer or body	
			National	Area
T4	<p>National Office and National Services' delegations apply to all transactions relating to 'corporate property' including all offices, depots and storage yards.</p> <p>Area delegations apply to transactions relating to 'functional property' e.g. land/property required for flood defence and operational purposes and transactions relating to residential properties.</p> <p>Leasing in. Acquire, terminate and vary leases (including rent reviews), or waive lease breaks, of land, buildings, structures, or of an interest therein.</p> <p>The delegation limit is the value of the contractual commitment; i.e. up to expiry of the lease and with regard to any breaks.</p> <p>Example:</p> <ul style="list-style-type: none"> <li>• 15 year lease</li> <li>• £110k per annum</li> <li>• lease break in year 9</li> <li>• Commitment less than £1m limit.</li> </ul> <p>However, if the above lease break includes a penalty of £100k then commitment increases to above the £1m limit.</p> <p>Leasing in this context includes all agreements such as tenancy's, wayleaves, easements, licences, and Memorandum of Terms of Occupation (MOTO) and occupancy agreements.</p> <p>Estates responsibility: All transactions to which area delegations apply and which are over £100k should be in consultation with the Grade 7 Estates Manager. All transactions to which national delegations apply and which are over £250k should be in consultation with the Deputy Director of Estates.</p> <p>Use <a href="#">Form H</a> "Authorisation of Lettings".</p> <p>T3, T4 and T5 Estates forms below £10k are not registered on the FSoD database and will not be allocated an FSoD reference. Approvals can be sought locally – details of the approvers are in Section T of the FSoD Schedule. All T1 and T2 forms must be sent to the FSoD.</p> <p>See <a href="#">Section T6</a> in Spending Restrictions for further information.</p>	Over £5m	Chief Executive then Agency Board, in consultation with the Finance Director.	Chief Executive then Agency Board, in consultation with the Finance Director.
		Up to £5m	Executive Director of Operations in consultation with Finance Director.	Executive Director of Operations in consultation with Finance Director.
		Up to £1m	Director of Operations National Services in consultation with Deputy Director of Finance.	Director of Operations National Services and Director of Operations in consultation with Deputy Director of Finance.
		Up to £250k	Deputy Director Estates	Area Director and Deputy Director Estates
		Up to £100k	-	Grade 7 Estates Manager
		Up to £10k and up to 10 years commitment	-	Senior Estates Surveyor

## FSoD Estates

T5	Operational compensation	Limit	Authorised officer or body
T5	<p>Settling compensation claims and associated professional fees resulting from any operations  <a href="#">Operational Instruction for FSoD and operational compensation</a></p> <p>Use <a href="#">Form T5</a> "Authorisation for Compensation Payment".</p> <p>T3, T4 and T5 Estates forms below £10k are not registered on the FSoD database and will not be allocated an FSoD reference. Approvals can be sought locally – details of the approvers are in Section T of the FSoD Schedule. All T1 and T2 forms must be sent to the FSoD.</p> <p>Estates responsibility: All transactions that are over £100k should be in consultation with the Grade 7 Estates manager.</p>	Over £5m	Chief Executive
		Up to £5m	Executive Director of Operations in consultation with Finance Director.
		Up to £1m	Director of Operations National Services and Director of Operations in consultation with Deputy Director of Finance.
		Up to £250k	Area Director and Deputy Director Estates
		Up to £100k	Grade 7 Estates Manager
		Up to £10k	Senior Estates Surveyor

## FSoD Pensions only

U1	Pension Fund expenditure justification	Revenue Approval Limit	Representative positions assigned to Group
U1.1	Authorising and incurring Environment Agency Pension Fund expenditure on individual items, including projects and investment manager fees, which are consistent with the budget agreed by the Pensions Committee.	Over £2m	Pensions Committee and Chief of Staff.
		Up to £2m	Chief Pensions Officer
		Up to £500k	Strategic Investment Manager or Policy, Governance and Risk Manager or Finance Manager Pensions or Pensions Manager
U1.2	Authorising and incurring new Environment Agency Pension Fund expenditure on individual items, including projects and investment manager fees, which are outside of pre-agreed budget.	Over £500k	Pensions Committee and Chief of Staff.
		Up to £500k	Chief Pensions Officer
		Up to £50k	Strategic Investment Manager or Policy, Governance and Risk Manager or Finance Manager Pensions or Pensions Manager.

U2	Production and management of Pension Fund Budgets	Limit	Authorised officer or body
			National Office
U2	Producing and managing budgets for the Pension Fund.	-	Chief Pensions Officer

## FSoD Pensions only

U3	Single Tender Actions – Pension Fund expenditure	Limit	Authorised officer or body National Office
U3	<p>SINGLE TENDER ACTIONS (<a href="#">Form C</a>)</p> <ul style="list-style-type: none"> <li>To authorise justified expenditure (above £5k), on a single tender action basis.</li> </ul> <p>Note:</p> <ul style="list-style-type: none"> <li>All projects (National Office and Area) that have IT (also known as IS) expenditure require an additional DDTS signature as appropriate.</li> <li>All Operations Field Team contracts over £250k awarded by single tender action require reporting to the next meeting of the Environment Agency Board.</li> </ul> <p>Note: once approved the single tender action is subject to FSoD delegations in C8 on Contractual Commitment.</p>	Over £250k	Pension Committee and Chief of Staff in consultation with Head of Category Management
		Up to £250k	Chief Pensions Officer in consultation with Defra Senior Commercial Manager.
		Up to £50k	Chief Investment Officer or Chief Responsible Investment and Risk Officer or Pensions Manager in consultation with Defra Commercial Manager.

## FSoD Pensions only

U4	Compensation payments	Award to	Authorised officer or body
U4.1	The award of lump sum compensation on redundancy or business efficiency grounds.	Chief Executive	Environment Agency Chair and Remuneration Committee.
		Executive Directors	Chief Executive and Remuneration Committee.
		Directors and Deputy Directors	Chief of Staff in consultation with Finance Director and Defra Deputy Director Human Resources.
		Grades 1-7	Chief of Staff and Chief Pensions Officer (for early payment of pension cases only) in consultation with Finance Director and Defra Deputy Director Human Resources.
U4.2	Interim process requiring approval for all cases that are close to or exceed £95k. See <a href="#">Section C5</a> .	All employees	Chief Executive

## FSoD Pensions only

U5	Early retirement payments	Awarded to	Authorised officer or body
U5.1	Payment of monies due to the Pension Fund within one month of retirement. This is for cases where we make an award of additional pension or agree to pay pension benefits early.	-	Chief of Staff in consultation with Finance Director and Defra Deputy Director Human Resources.
U5.2	<p>The award of additional pension to active members of the fund on appointment or during employment, to count in the calculation of pension benefits for member (subject to EA budget availability).</p> <p>Under L.3, all special payments in respect of early retirement or severance of staff require notification to HM Treasury via Defra Deputy Director of Human Resources.</p>	Chief Executive	Environment Agency Chair and Remuneration Committee.
		Executive Directors	Chief Executive and Remuneration Committee.
		Directors and Deputy Directors	Chief of Staff in consultation with Finance Director and Defra Deputy Director Human Resources.
		Grades 1-7	Chief of Staff and Chief Pensions Officer in consultation with Finance Director and Defra Deputy Director Human Resources.

## FSoD Pensions only

U5	Early retirement payments cont...	Awarded to	Authorised officer or body
U5.3	<p>Approval of the retirement and release of pension benefits for a leaver aged between 55 &amp; normal pension age. This may include approval to waive any early retirement reduction and is subject to Environment Agency budget availability. We can use this in the following circumstances:</p> <ul style="list-style-type: none"> <li>to a voluntary leaver</li> <li>for a partial retirement case;</li> <li>for compulsory redundancy cases</li> <li>for efficiency cases including VERS</li> <li>to switch on the 85-year rule</li> </ul>	Chief Executive	Environment Agency Chair and Remuneration Committee.
		Executive Directors	Chief Executive and Remuneration Committee.
		Directors and Deputy Directors	Chief of Staff in consultation with Finance Director and Defra Deputy Director Human Resources.
		Grades 1-7	Chief of Staff and Chief Pensions Officer in consultation with Finance Director and Defra Deputy Director Human Resources.
U5.4	<p>Approval of the retirement and release of benefits for the early payment of retirement benefits to a deferred leaver, deferred member or member who was previously in receipt of tier 3 retirement benefits and is aged between 55 &amp; normal pension age. This may include approval to waive any early retirement reduction. We can use this in the following circumstances:</p> <ul style="list-style-type: none"> <li>to a voluntary leaver</li> <li>for a partial retirement case (including aged over 65)</li> <li>for a compulsory redundancy case</li> <li>for efficiency cases including VERS</li> <li>to switch on the 85-year rule</li> </ul>	Chief Executive	Environment Agency Chair and Remuneration Committee.
		Executive Directors	Chief Executive and Remuneration Committee.
		Directors and Deputy Directors	Chief of Staff in consultation with Finance Director and Defra Deputy Director Human Resources.
		Grades 1-7	Chief of Staff and Chief Pensions Officer in consultation with Finance Director and Defra Deputy Director Human Resources.

## FSoD Pensions only

U6	Authorising Environment Agency Pension Fund write offs	Limit	Authorised officer or body
U6.1	Relating to fraud and financial irregularity. This is on the understanding that we have followed the procedures note requirements and have taken initial action to reclaim the overpayment.	Over £50k	Pensions Committee or Chief of Staff
		Up to £50k	Chief Pensions Officer
U6.2	Authorising write off approval for overpayments in all other circumstances. This is on the understanding that we have followed the procedures note requirements and have taken initial action to reclaim the overpayment.	Over £50k	Pensions Committee or Chief of Staff
		Up to £50k	Chief Pensions Officer
		Up to £10k	Pensions Manager
		Up to £1k	The Funds' Third Party Administrator

## FSoD Memberships

W1	Membership of other bodies	National Office		Area	
		Limit	Approval	Limit	Approval
W1	Approving applications for the Agency's membership of other bodies.	National Application	Chief of Staff	Local Body Applications	Chief of Staff

## FSoD Delegation of FSoD powers

Z1	Delegation of FSoD powers	National Office		Area	
		Limit	Approval	Limit	Approval
Z1	Approving other members of staff to exercise the powers of the authorised officers. These sub delegated powers are to cover absence either planned or unforeseen. The particular powers being sub-delegated should be specified.	-	Any authorised officer	-	Any authorised officer