

By: Deputy Leader and Cabinet Member for Finance and Traded Services, Interim Corporate Director Finance

To: Governance and Audit Committee

Subject: Changes to scheme of delegation limits

Classification: Unrestricted

Summary: This report asks members to endorse the proposed changes in the levels of approval following go live of the Oracle Cloud Programme.

FOR COMMENT

1. INTRODUCTION/BACKGROUND

- 1.1 As part of the development and design of the Oracle Cloud Programme, the existing scheme of delegations have been reviewed in light of the premise that the system follows the “Adopt not Adapt” approach.
- 1.2 In designing the new system, we want to ensure there is alignment between the HR hierarchies and approvals within other systems
- 1.3 The new system does not allow for additional approvers and follows the strict hierarchies and responsibilities as set out. The new design has two more job levels than the current system and will require these roles to meet the approval hierarchy requirements based on cost centre and supervisor hierarchies.
- 1.4 The changes are shown in the 2 tables below:

Current Scheme of Delegation	
Requisition or budget expenditure approval	Approval Limit
Corporate Director	Unlimited
Director	£1m
Head of Service	£500k
Responsible Budget Manager	£50k

New Scheme of Delegation	
Requisition or budget expenditure approval	Approval Limit
Corporate Director	Unlimited
Director	£1m
Head of Service	£500k
Management Level 1	£250k
Management Level 2	£150k
Cost Centre Manager	£50k

- 1.5 The two new levels are “Management Team 1 and Management Team 2”. The system will move up the hierarchy automatically to require approval from the Manager with the appropriate limit. These changes will alter the line on the delegation matrix, shown below. The current full scheme of delegation matrix can be found on KNet, here [Delegation Matrix](#)

Stage or Transaction Approval	Members		Officers			
	The Leader or Cabinet	Cabinet Member	CMT Director	Service Director	Service Head	Budget Manager
Requisition or budget expenditure approval			Unlimited where previously approved as designated signatory and where relevant authority is in place	Up to £1m*	Up to £500k	Up to £50k

- 1.6 Practically, this will mean that approval for all expenditure greater than £250 (self-approval limit) within Oracle Cloud will align to Budget Manager responsibility for approving expenditure against budgets. This will then align to the RAS (Resource Accountability Statement) which all Budget Managers are required to sign.
- 1.7 This will provide more exposure and control to the two new levels, removing the current practice of delegating responsibility to staff who do not have authorised budget responsibility.
- 1.8 These changes are being used in the testing of Oracle Cloud, prior to going live and will not be used in real circumstances until they are signed off following testing and the system is live.

2. RECOMMENDATION

The Governance and Audit Committee is asked to:

- 2.1 Endorse the new scheme of delegation structure and limits in principle and note that these will be used in the design and testing of the Oracle Cloud Programme.

- 2.2 Agree that, following the trial, the proposed permanent changes to the matrix (and financial regulations) are recommended to County Council prior to the go live date of August.

Cath Head
Head of Finance Operations
Ext: 03000 416934