**Appendix A**

**Scheme of delegation for the LGA and its associated companies** **IDeA, LGA Properties and LGMB.**

Date created: January 2015

Responsible Officer: Strategic Finance Manager

Date for next review: March 2018

Date of current revision: January 2017

This policy applies to all employees of the Local Government Association and Improvement & Development Agency.

**Scheme of delegation for the LGA and its associated companies IDeA, LGA Properties and LGMB.**

1. **Authorisation levels**
	1. The LGA’s officers are authorised to commit expenditure and enter into contracts for goods or services, where the officer has designated responsibility for delivering the work as set out in their job description and as reflected in the LGA’s cost centre structure. The following criteria must apply:
* The work is consistent with the LGA’s priorities and will deliver the objectives set out in the LGA’s annual business plan:
* There is sufficient budget available to meet the cost of the commitment
* The total value of the expenditure does not exceed the officer’s authorisation level.
	1. This is subject to the LGA’s agreed procurement policy and any legislative requirements.
	2. These principles also apply to decisions to enter into partnership agreements, contracts for the delivery of services and agreements with government to undertake grant-funded programmes.
	3. In addition designated employees within the Finance Team may also authorise expenditure in line with the above criteria in exceptional circumstances and where full background information has been provided.
1. **New commitments**
	1. Officers are authorised to commit expenditure on new work not contained within the current business plan as long as the above criteria are met and the work has been agreed by the Strategic Management Team.
	2. Revisions to the business plan, including alterations to the budget (virements) of £250,000 or over, are to be approved by the Leadership Board and relevant company board before any commitment is made.
2. **Authorisation levels**

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| **Level** | **Limit** |
| Chief Executive and Deputy Chief Executive | Over £150,000 |
| Strategic Management Team  | £150,000 |
| Senior Managers (Grades 8/9/10) | £50,000 |
| Managers/Programme Managers/Senior & Principal Advisers/ Heads of Group Offices (Grades 6 - 9) | £25,000 |
| Designated business support staff (Grades 4 and 5) | £5,000 |

* 1. The following limits apply to financial decisions for different grades of staff.
1. **Allocation of Corporate Payment Cards**
	1. Corporate payment cards are made available to deal with transactions that require immediate payment, including internet payments for services.

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| Category |  **Allocation of Corporate Payment Cards and Card Limits** |   |
| A | Chief Executive and Deputy Chief Executive | £3,000 |
| B | Strategic Management Team | £2,000 |
| C | Strategic Finance Manager and Conferences & Events Manager | £5,000 |
| D | Senior Managers (Grades 8/9/10) | £1,000 |
| E | Heads of Group Offices | £1,000 |
| F | European and International team advisers | £2,500 |
| G | Peer Support Programme Managers and Advisers | £2,000 |
| H | Corporate Services Managers (Property Asset, Facilities, ICT and Business) (Grades 5-7) | £1,000 |

* 1. Additional cards or revised limits can be agreed by exception, subject to completion of a business case and approval by the Deputy Chief Executive or appropriate Strategic Management Team (SMT) member.
1. **Regular or recurring payments**
	1. The Chief Executive is authorised to approve expenditure in respect of regular or recurring payments arising from statutory or contractual commitments (for example staff costs, loan repayments, rates, rents, mortgage payments) subject to budget provision being available for that purpose. This may be delegated to the Strategic Finance Manager and another member of the Strategic Management Team.
2. **Credit control**
	1. Subject to approval from the appropriate SMT member, the Strategic Finance Manager is authorised to take all necessary action, including legal proceedings to recover any outstanding debts, to write off irrecoverable debts of up to £5,000; and to make payments of up to £5,000 in settlement of small claims.
	2. The Chief Executive is authorised to write off debts exceeding £5,000 which, after the full process of credit control, including legal proceedings if appropriate, are deemed by the Strategic Finance Manager to be irrecoverable. The write-off of any individual debts in excess of £25,000 are to be reported to the Leadership Board. Lower amounts will be reported if likely to bring any reputational risk to the LGA.
3. **Litigation and legal proceedings**
	1. In order to protect the LGA’s rights or interests, the Chief Executive is authorised, in the light of legal advice, to issue instructions for legal proceedings and make settlements in relation to court and tribunal cases. All cases where costs and/or potential costs, liabilities or settlement are likely to exceed £25,000 shall be reported to the Leadership Board. Lower amounts will be reported if likely to bring any reputational risk to the LGA.