

SCOTTISH POLICE  
AUTHORITY

<b>Meeting</b>	<b>SPA Board</b>
<b>Date</b>	<b>29 March 2018</b>
<b>Location</b>	<b>John McIntyre Centre, Pollock Halls, University of Edinburgh</b>
<b>Title of Paper</b>	<b>Police Scotland Scheme of Delegation</b>
<b>Item Number</b>	<b>12.3</b>
<b>Reference Number</b>	<b>REP-B.12.20180329</b>
<b>Presented By</b>	<b>Chief Financial Officer</b>
<b>Recommendation to Members</b>	<b>For Approval</b>
<b>Appendix Attached</b>	<b>Yes</b> <b>Appendix A: Draft Police Scotland Internal Scheme of Delegation</b>

**PURPOSE**

This paper provides SPA Board Members with the revised draft Police Scotland Internal Scheme of Financial Delegation.

Members are asked to approve this paper.

## **1. BACKGROUND**

- 1.1 The existing Police Scotland Internal Scheme of Delegation (“the Scheme”) was initially developed in November 2014, and most recently reviewed in November 2016.
- 1.2 The SPA Board have requested that Police Scotland review the existing Scheme and present a proposal for an updated Internal Scheme of Delegation.
- 1.3 An initial draft was presented to the SPA Finance Committee on 07 February 2018. Committee Members requested that the PSoS Finance Service, in conjunction with the SPA Accountable Officer and representatives from the Scottish Government reconsider the proposed changes to the limits for Non-Competitive Actions; and that a specific section to detail the responsibilities of the Deputy Chief Officer be added. The requested amendments were made, and the paper re-presented to the SPA Finance Committee on 06 March 2018.
- 1.4 This paper and the attached appendices detail the updated draft of the revised Internal Scheme of Financial Delegation and is presented for approval.
- 1.5 It should be noted that the updated Scheme has been amended to be explicit in the fact that it is a Scheme of Financial Delegation. A Corporate Scheme of Delegation should be considered as a separate document to overarch this.

## **2. FURTHER INFORMATION ON REPORT TOPIC**

- 2.1 The existing Scheme does not clearly stipulate the Committee approvals required for specific decisions; nor does it stipulate the financial limits under which delegated authority can be exercised.
- 2.2 There are procedures to ensure that appropriate governance processes are followed, however due to the lack of clarity and streamlining of the various groups, committees and Boards, this process can be unduly time consuming.

- 2.3 For example, in order for a document to be presented to the Scottish Government, it must first go through a minimum of one internal Police Scotland group or committee, one SPA Committee, and the SPA Board. Based on the timeframes for which papers are required to be submitted in advance of each of these meetings, this process often takes three or more months following the completion of the initial piece of work.
- 2.4 The above outlined timescale can cause unnecessary delays to decision making, and can limit the ability of the Force to act proactively.
- 2.5 In addition to this, the lack of clarity over the required governance reduces the transparency of decision making and the accountability for decisions made.
- 2.6 The proposed updated Scheme has been developed following a review of the existing Scheme and other relevant documents as listed below:
- SPA Governance Framework;
  - Scheme of Administration between SPA and Police Scotland (Approve, Consult or Recommend);
  - The Scottish Police Authority Governance and Accountability Framework Document;
  - Scottish Police Authority and Police Service of Scotland Financial Regulations;
  - SPA Scheme of Delegation;
  - Police Scotland Investment Governance Framework
  - Standing Orders Relating to Contracts; and
  - Financial Protocol between the SPA Accountable Officer and Police Scotland.

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- 2.7 As a result of the review, it is proposed that the existing Scheme is modified to provide more detailed instruction as to the financial delegation limits and approvals required for specific processes and types of expenditure.
- 2.8 The proposed revised Internal Scheme of Financial Delegation is documented fully at Appendix A. The significant changes proposed include:
- 2.8.1 Amendments of specific clauses, and addition of specific clauses, to provide detail in relation to the ability of the Force Executive and Budget Holders to delegate their responsibilities.
  - 2.8.2 Addition of a specific clause (3.3 of proposed scheme) detailing the provisions in the event of a state of emergency being declared to ensure that any necessary expenditure can be processed in a timely manner.
  - 2.8.3 Addition of section 5 and Appendix A to document the responsibilities of the Deputy Chief Officer.
  - 2.8.4 Update of section 6 of the existing Scheme (section 7 of the revised scheme) to replace all references to the Director of Financial Services to the Chief Financial Officer.
  - 2.8.5 Update of section 6 of the existing Scheme (section 7 of the revised scheme) to add a clause detailing the proposed Scheme of Financial Delegation (Appendix B to the proposed Scheme).
  - 2.8.6 Delete the existing Scheme Appendix A: Financial Limits of the Scheme of Delegation and replace this with the proposed Appendix B: Scheme of Financial Delegation.
  - 2.8.7 Add in further proposed appendices C and D, the Budget Holder Delegated Authority Matrix and Committee Approval Matrix respectively.
  - 2.8.8 Increase the limit for PSoS to internally approve contract extensions. Previously, any contract extensions over £100,000 required approval by the Accountable Officer, however it is proposed that PSoS are given delegated authority for contract extensions in line with the award of

goods and services (up to £500,000). It is important to note that this relates solely to contracts which have been agreed with a fixed term and then extension periods (e.g. a 3 year + 1 year + 1 year contract) which were not originally anticipated to be exercised. The original contract will be approved through the appropriate route dependent on the level of spend, thus ensuring appropriate governance and transparency.

- 2.8.9 Remove any references to responsibilities which are not financial responsibilities or accountabilities. These should be considered in a corporate Scheme of Delegation which would overarch the proposed Scheme of Financial Delegation.
- 2.9 It should be noted that previously it was proposed that the limit for PSoS to internally award Non Competitive Actions (NCAs) be increased from £25,000 to £200,000, however following discussion with the Accountable Officer and with Scottish Government representatives, this proposal has been withdrawn, and the limits for the approval of NCAs are unchanged within the proposed Scheme of Delegation.
- 2.10 The proposed Scheme is intended to provide a greater level of clarity with regard to the approval route required for specific financial decisions or processes; and with regard to the level of expenditure that individuals can approve.
- 2.11 It is proposed that the revised Scheme of Financial Delegation, once approved, would be embedded across the Organisation through training provided by the Finance Service.
- 2.12 It is recognised that there are further unresolved weaknesses with the proposed Internal Scheme of Financial Delegation, which should be further considered. To this end, it is proposed that the Internal Scheme of Financial Delegation is revisited in one year, and then on a three-yearly basis.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 There are no financial implications in this report.

### **4. PERSONNEL IMPLICATIONS**

- 4.1 There are no personnel implications associated with this paper.

**5. LEGAL IMPLICATIONS**

5.1 There are no further legal implications in this paper.

**6. REPUTATIONAL IMPLICATIONS**

6.1 There are no further reputational implications in this paper.

**7. SOCIAL IMPLICATIONS**

7.1 There are no social implications associated with this paper.

**8. COMMUNITY IMPACT**

8.1 There are no community implications associated with this paper.

**9. EQUALITIES IMPLICATIONS**

9.1 There are no equality implications associated with this paper.

**10. ENVIRONMENT IMPLICATIONS**

10.1 There are no environmental implications associated with this paper.

**RECOMMENDATIONS**

Members are asked to approve the proposed Internal Scheme of Financial Delegation.

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# PROPOSED SCHEME OF FINANCIAL DELEGATION

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### 3 INTRODUCTION

- 1.1 This Scheme of Financial Delegation (the Scheme) sets out the delegation of functions by the Chief Constable to budget holders (Appendix C); and sets out the committee approvals required for financial transactions and processes (Appendix D).
- 1.2 This Scheme refreshes that which applied from 13 November 2014 and is made in furtherance of the Police and Fire Reform (Scotland) Act 2012.
- 1.3 The Scheme will complement the arrangements set out in the Scheme of Administration between the Scottish Police Authority (SPA) and Police Scotland.
- 1.4 The Scheme should also be read in conjunction with the Police & Fire Reform (Scotland) Act 2012.
- 1.5 The limits within the Scheme are subject to the limits set by the Scottish Government (SG) as part of the SG / SPA Governance and Accountability Framework.
- 1.6 The Scheme must be considered in conjunction with the core principles of Police Scotland, namely:
- Maintaining the highest possible standard of probity in all their commercial relationships, inside and outside the organisation(s);
  - Rejecting any business practice which might reasonably be deemed improper and never using the Organisation's position for personal gain;
  - Enhancing the proficiency and stature of the organisation(s) by ensuring the highest possible standards of professional competence and maintaining the highest standards of ethical behaviour;
  - Optimising the use of resources to provide the maximum benefit and Best Value to the organisation(s);
  - Complying both with the letter and the spirit of:
    - the law and all legislation governing financial and procurement activity and guidance and professional advice; and
    - contractual obligations

Staff must never allow themselves to be deflected from these principles.

- 1.7 Further to this, the Scheme must be read in conjunction with the following documents:
- Scottish Public Finance Manual
  - SG / SPA Governance and Accountability Framework;
  - Financial Regulations;
  - SPA Standing Orders;
  - SPA Standing Orders relating to Contracts; and
  - SPA Terms of Reference for any of its Committees or Sub-committees.
- 1.8 The scheme of delegation will not apply to any novel or contentious proposals. Should any such proposals be made, these must be presented to the Scottish Government for approval.

## **4 GENERAL**

- 4.1 A Scheme of Financial Delegation is required to be in place for Police Scotland as part of the processes which ensure efficient and effective governance of the Service in respect of financial matters.
- 4.2 The Scheme is intended to support the efficient conduct of Police Scotland business by clearly articulating the nature and extent of the powers and responsibilities of members of Police Scotland staff, including the Police Scotland Executive (the Force Executive) in respect of financial matters.
- 4.3 The Force Executive consists of the Chief Constable, supported by the Deputy Chief Constable Designate, Deputy Chief Constables, Deputy Chief Officer, Assistant Chief Constables, and Directors.
- 4.4 The Force Executive are supported by designated Budget Holders who have financial responsibility for individual areas. Budget Holders are responsible for the operational delivery in line with agreed objectives and within set budgets.
- 4.5 The strategic direction and policy decisions of Police Scotland are determined by the Scottish Police Authority (SPA).

## **5 DELEGATION**

- 5.1 The Chief Constable authorises and directs certain functions and financial responsibilities to be undertaken by the Police Scotland Force Executive as detailed in this Scheme.

- 5.2 In the event that a member of the Force Executive, with delegated authority or responsibility, is unavailable, his / her deputy will have and may exercise delegated financial authority in their absence for urgent matters.
- 5.3 In the event of either the threat level being increased to critical, or any other state of emergency occurs, the Scheme of Financial Delegation will be suspended in relation to expenditure incurred as a result of the threat / emergency. All such expenditure shall be recorded against a specific cost code as set by the Finance Section. This must be agreed in advance by the Chief Constable (PSoS) and the Accountable Officer (SPA).
- 5.4 Members of the Force Executive with delegated financial authority or responsibility may sub-delegate their delegated functions / responsibility to their Deputy / Head of Department as they may consider appropriate. Members of the Force Executive will remain accountable for decisions taken by their sub-delegates.
- 5.5 Members of the Force Executive with delegated financial authority or responsibility for financial transactions may further delegated this authority through the appointment of individual budget holders and in line with the provisions set out in this Scheme and the associated appendices.
- 5.6 These budget holders may then sub-delegate their delegated functions / responsibility as they consider appropriate, and within the provisions set out in the Budget Holders Delegated Authority Matrix (Appendix C).
- 5.7 Sub-delegation of functions or responsibility will not prevent the budget holder or member of the Force Executive from also discharging those functions.
- 5.8 Budget holders, and ultimately the Force Executive, will remain accountable for any decisions taken by their sub-delegates.
- 5.9 Notwithstanding the terms of any delegation or responsibility granted under this Scheme, all material decisions shall be taken in consultation with the Force Executive. It is the responsibility of each member or Deputy / Head of Department, with sub-delegated functions or responsibility, to consider whether a decision or action is a material decision.
- 5.10 The Scheme or any direction or authorisation issued in terms of Section 18 of the 2012 Act do not affect the Chief Constable's

statutory responsibility for carrying out delegated functions or ability to carry out delegated functions.

- 5.11 The functions delegated and the responsibilities authorised in terms of this Scheme will be undertaken in accordance with Statements of Policy and associated Standard Operating Procedures or similar guidance.

## **6 DELEGATION TO THE DEPUTY CHIEF CONSTABLE DESIGNATE**

- 6.1 The Deputy Chief Constable Designate (DCC Designate) is delegated to carry out all functions of the Chief Constable where the office of Chief Constable is vacant or where the Chief Constable is unable to carry out those functions by reason of being absent, on leave, etc.
- 6.2 The DCC Designate has control and oversight of allegations of misconduct, including financial misconduct, and provides direction in relation to such investigations in line with the statutory requirements of the Police (Conduct) (Scotland) Regulations (1996), the Police Service of Scotland (Conduct) Regulations 2013 and the Police Service of Scotland (Conduct) Regulations 2014.
- 6.3 The DCC Designate has responsibility for a number of corporate services and support functions within Police Scotland and is assisted with these responsibilities by relevant Senior Officer / Directors / Heads of Department.
- 6.4 The DCC Designate has responsibility for business continuity for which the DCC Designate is accountable to the SPA Board.

## **7 DELEGATION TO THE DEPUTY CHIEF OFFICER**

- 7.1 The Deputy Chief Officer (DCO) is delegated to carry out all functions of the Chief Constable with respect of Corporate Services Functions. The DCO will report directly to the Chief Constable and, notwithstanding the terms of any delegation or responsibility granted under this Scheme, all material decisions shall be taken in consultation with the Force Executive. It is the responsibility of each member or Deputy / Head of Department, with sub-delegated functions or responsibility, to consider whether a decision or action is a material decision. Appendix A details the responsibilities of the DCO.

- 7.2 The DCO may further delegate this responsibility to the Directors as they consider appropriate. The DCO will remain accountable for any decisions taken by their sub-delegates.

## **8 RESPONSIBILITIES OF DIRECTORS**

- 8.1 Subject to the provisions contained above in this Scheme, each Director shall have responsibility for managing the financial implications of the following activities, in line with delegated budgets, in respect of the business area for which he/she is responsible, including the activities detailed at the relevant appendices:
- Managing all people, financial, ICT, corporate and other resources within his/her business areas; and
  - Taking all decisions or actions, including the creation of procedures, necessary to implement a policy approved or a decision previously taken by the Police Scotland Senior Leadership Board or where relevant the Scottish Police Authority.

## **9 RESPONSIBILITIES OF CHIEF FINANCIAL OFFICER**

- 9.1 Subject to the provisions of this Scheme, the Chief Financial Officer shall be responsible for the direction, management and administration of all financial matters relating to Police Scotland; and for advising the Chief Constable and other members of the Senior Management Team on all financial matters relating to or affecting Police Scotland. Appendix E details the Responsibilities of the Chief Financial Officer.
- 9.2 The Chief Financial Officer will be responsible for maintaining Appendix B, the Scheme of Financial Delegation. This details the transactional approval levels required for specific processes and expenditure.

## **10 RESPONSIBILITIES OF DIRECTOR OF PEOPLE AND DEVELOPMENT**

- 10.1 Subject to the provisions of this Scheme, the Director of People and Development shall be responsible for the financial implications of the direction, management and administration of all human resources matters relating to Police Scotland, advising the Chief Constable and other members of the Force Executive on all human resource matters relating to Police Scotland. Appendix F details the Responsibilities of the Director of People and Development.

## **11 RESPONSIBILITIES OF HEAD OF COMMERCIAL SERVICES**

11.1 Subject to the provisions of this Scheme, the Head of Commercial Services shall be responsible for the financial implications of the direction, management and administration of property services, procurement, fleet and the management of associated physical resources within Police Scotland. Appendix G details the Responsibilities of the Head of Commercial Services.

## **12 RESPONSIBILITIES OF DIRECTOR OF INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)**

12.1 Subject to the provisions of this Scheme, the Director of ICT shall be responsible for the financial implications of the direction, management and administration of the provision of Information and Communications Technology within Police Scotland. Appendix H details the Responsibilities of the Director of ICT.

## **13 WORKING ARRANGEMENTS**

13.1 Police Scotland will take full cognisance of the contents of Part 4.0 of the Scheme of Administration between Police Scotland and the Scottish Police Authority, which states that the following requirements fall on Police Scotland:

- To ensure that the policing of Scotland is undertaken with due regard to the policing priorities, the strategic police plan and any recommendations or guidance issued by the SPA;
- To, where appropriate, seek approval for decision making from the SPA through the appropriate Committee, Sub-Committee or the full Authority meeting;
- To provide sufficient materials to Members of the SPA in order to make fully informed decisions;
- To ensure these materials are transparent, evidence based, have been subject to appropriate consultation, and align with and support the obligations placed on the SPA Accountable Officer;
- To provide these materials in sufficient time to allow them to be fully reviewed and assessed and processed for decision making;
- To ensure efficient and effective administrative arrangements are in place to facilitate decision making.

13.2 The Scheme of Administration further states that if there is a question or dispute on whether a decision taken or proposed to be taken by the Chief Constable contravenes the provisions of this scheme, the appropriate forum for the question or dispute to be resolved will be determined by the Chairing Member of the SPA, the relevant Committee Chair, and one further Member, in consultation with the Chief Constable and SPA Accountable Officer.

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## APPENDIX A: RESPONSIBILITIES OF THE DEPUTY CHIEF OFFICER

The following details the financial responsibilities of the Deputy Chief Officer (DCO) as referred to at Section 5 of the Scheme.

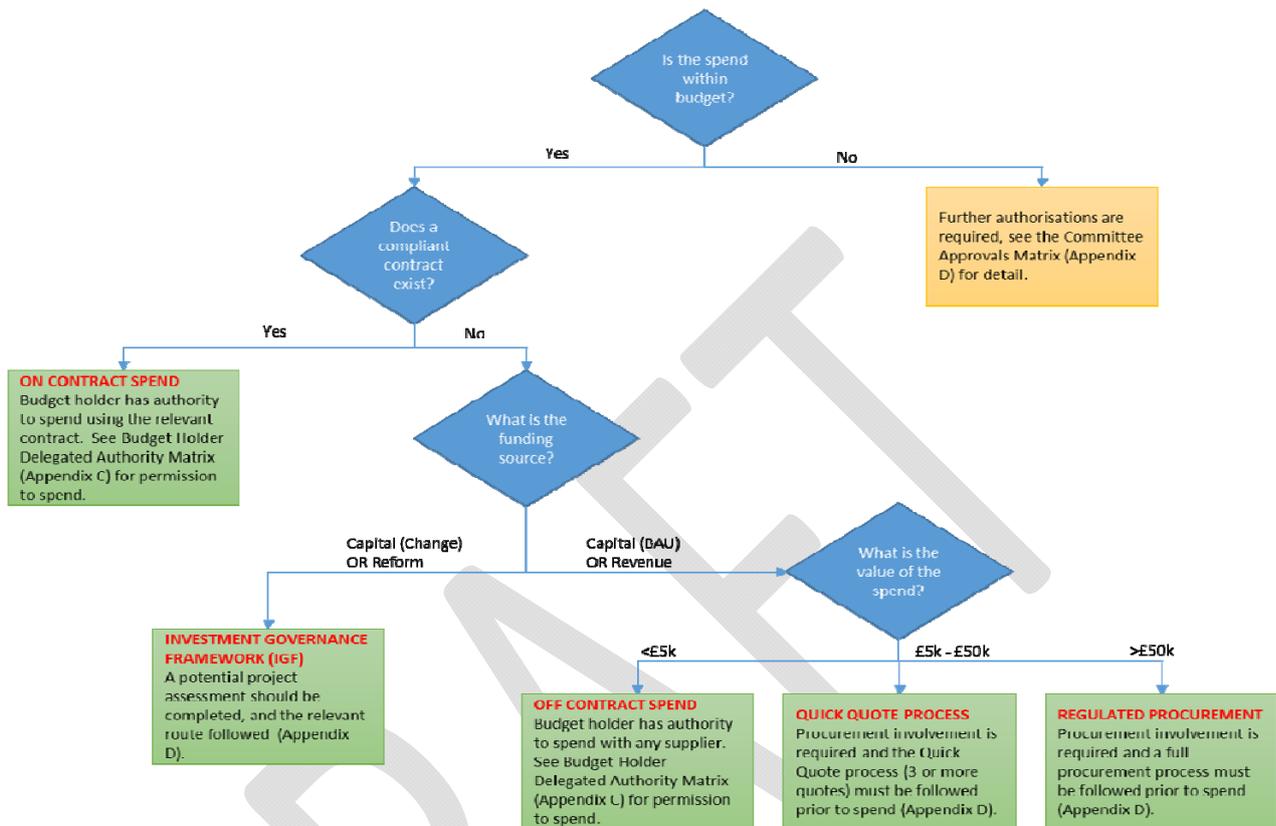
- 1.1 The DCO has overall responsibility for the corporate financial management of the Organisation and for the day to day exercise of its functions.
- 1.2 The DCO is authorised to seek to optimise income for the Organisation in relation to the provision of goods and services for such purposes as the Authority considers to be appropriate and consistent with the proper carrying out of police functions, and in accordance with section 87 of the 2012 Act and the Scottish Police Authority (Provision of Goods and Services) Order 2013. Novel or contentious proposals for income generation must be considered by the SPA Board before seeking approval from the Scottish Government.
- 1.3 The DCO has accountability for the financial implications of the appointment of Police staff (subject to agreed staffing limits) and for the organisational structure within budgetary limitations. Staffing limits may be supplemented, where required, by the addition of short-term secondments and contractors to meet identified business needs, within budget limitations and subject to any applicable procurement rules.
- 1.4 The DCO may instruct expenditure for which provision has been made within the appropriate budget the limits of which are set out in financial delegations within this document.

## APPENDIX B: SCHEME OF FINANCIAL DELEGATION

### 1 GENERAL

- 1.1 The Scheme of Financial Delegation should be used to assess the levels of authorisation required for individual processes and transactions, with particular reference to expenditure.
- 1.2 There are three key matters to be determined prior to concluding on the appropriate approval route for any given transaction:
  - 1.2.1 Is the expenditure within the annual budget agreed?
  - 1.2.2 What is the source of funding for the expenditure?
  - 1.2.3 Is there an overarching contract for expenditure on this category?
- 1.3 The Scheme of Financial Delegation sets out the type of expenditure being considered under the following sub-categories:
  - 1.3.1 On Contract Spend;
  - 1.3.2 Off Contract Spend;
  - 1.3.3 Quick Quote;
  - 1.3.4 Regulated Procurement; and
  - 1.3.5 Out of Budget Expenditure.
- 1.4 Figure 1 depicts the required consideration of each of the above matters and the impact on the remainder of the approval process.
- 1.5 Following on from an appropriate consideration of the type of spend, the approved route of authorisations based on Appendices C and D as applicable must be followed.

Figure 1: Assessment of Spend Type



## 2 IMPLICATIONS OF NON-COMPLIANCE

- 2.1 Failure to comply with the authorisation routes and limits as set out in the Scheme of Financial Delegation, and the associated appendices will result in disciplinary procedures in line with the Disciplinary SOP.
- 2.2 The result of the disciplinary process will depend upon the severity of the breach; the individual's prior history; and the level of knowledge of the breach. This will again be determined in line with the Disciplinary SOP.

## APPENDIX C: BUDGET HOLDER DELEGATED AUTHORITY MATRIX

* See Appendix D	Approval Required						
	Budget Approval	Manager (Grade G+)	Section Head (Grade J+)	Budget Holder	Procurement Officer	Head of Procurement	Committee Approvals *
<b><u>In Budget, On Contract Expenditure</u></b>							
Non-Staff Spend							
£0 - £10,000	✓	Approve	x	x	x	x	x
£10,000 - £25,000	✓	Recommend	Approve	x	x	x	x
>£25,000	✓	Recommend	Recommend	Approve	x	x	x
<b><u>In Budget Off Contract Expenditure</u></b>							
Non-Staff Spend Within Budget, Off-Contract							
£0 - £500	✓	Approve	x	x	x	x	x
£500 - £5,000	✓	Recommend	Approve	x	x	x	x
£5,000 - £50,000	✓	Recommend	Recommend	Recommend	Approve	x	x
£50,000 - £500,000	✓	Recommend	Recommend	Recommend	Recommend	Approve	x
>£500,000	✓	Recommend	Recommend	Recommend	Recommend	Recommend	Approve
<b><u>Spend outwith budget</u></b>	x	Recommend	Recommend	Recommend	Recommend	Recommend	Approve

APPENDIX D: COMMITTEE APPROVAL MATRIX

		Approval Required (Recommend, Note or Approve)													
		Budget Approval	Budget Holder <sup>1</sup>	Head of Business Area	PS Head of Procurement	PS CFO	PS CFIB	PS Change Board	PS SLB	PS ARB	Accountable Officer (SPA)	SPA Audit Committee	SPA Finance Committee	SPA Board	Scottish Government
<b>Processes</b>															
Strategic	Financial Strategy	x	x	x	x	Recommend	Recommend	x	Recommend	x	Recommend	x	Recommend	Approve	x
Policy	Financial Policies	x	x	x	x	Recommend	Recommend	x	Recommend	x	Recommend	Recommend	Recommend	Approve	x
Policy	PS Scheme of Delegation (changes)	x	x	x	x	Recommend	Recommend	x	Recommend	x	Consult	x	x	Approve	Consult
Budget	Approval of Annual Budget	x	Prepare	x	x	Recommend	Recommend	x	x	x	Recommend	x	Recommend	Recommend	Approve
Risk	Risk Management														
Risk	Departmental Risks	x	x	Approve	x	x	x	x	Note	x	x	x	x	x	x
Risk	DCC / DCO Level Risk	x	x	Recommend	x	x	x	x	Approve	x	x	Note	x	x	x
Risk	Strategic / Corporate Risks	x	x	Recommend	x	x	x	x	Recommend	x	x	Recommend	x	Approve	x
Accounts	Approval of Annual Accounts	x	x	x	x	Recommend	x	x	x	Recommend	x	Recommend	x	Approve	x
KPIs	Approval of KPIs	x	x	Recommend	x	x	Approve	x	Note	x	x	x	x	x	x
IA	Internal Audit Plan	x	x	x	x	x	x	x	x	Recommend	x	Recommend	x	Approve	x
<b>GUIDANCE:</b> The setting of income policy is the responsibility of the Scottish Government and the SPA, the application of the policy is a PSOS management decision.															
Income	Income Streams and Charges Levied														
Income	Policy for funding requests	N/A	x	x	x	x	x	x	x	x	x	x	x	Approve	x
Income	Application of funding policy	N/A	x	x	x	x	Approve	x	x	x	x	x	x	x	x
Income	New revenue generating initiatives	N/A	x	x	x	Recommend	Recommend	x	x	x	x	x	Recommend	Recommend	Approve
<b>GUIDANCE:</b> Debt write offs can be the total in relation to a single customer (see single debtor account), or from a combination of customers on a total basis (see cumulative). For further guidance see the Income and Debt Manager															
Debt w/o	Debt write off (on a single debtor account)														
Debt w/o	£0 - £250 <sup>2</sup>	x	Recommend	Recommend	x	Approve	x	x	x	x	x	x	Note	x	x
Debt w/o	£250 - £1,000 <sup>2</sup>	x	Recommend	Recommend	x	Approve	x	x	x	x	x	x	Note	x	x
Debt w/o	£1,000 - £25,000	x	Recommend	Recommend	x	Recommend	Recommend	x	x	x	Approve	x	x	x	x
Debt w/o	>£25,000	x	Recommend	Recommend	x	Recommend	Recommend	x	x	x	x	x	Recommend	Recommend	Approve
Debt w/o	Debt write off (cumulative)														
Debt w/o	£0 - £100,000	x	x	x	x	x	Note	x	x	x	x	x	x	x	x
Debt w/o	>£100,000	x	Recommend	Recommend	x	Recommend	Recommend	x	x	x	x	x	Recommend	Approve	x
<b>GUIDANCE:</b> Budgetary virements involve transferring budget balances from an area of actual or forecast underspend, to an area of actual or forecast overspend.															
Budget	Approval of Capital / Reform Budgetary Virements														
Budget	£0-£50,000	N/A	Recommend	Approve	x	Note	x	x	x	x	x	x	x	x	x
Budget	£50,000 - £200,000	N/A	Recommend	Recommend	x	Note	Approve	x	x	x	x	x	x	x	x
Budget	£200,000 - £500,000	N/A	Recommend	Recommend	x	Recommend	Recommend	x	Note	x	Recommend	x	Recommend	Approve	x
Budget	> £500,000	N/A	Recommend	Recommend	x	Recommend	Recommend	x	Note	x	Recommend	x	Recommend	Recommend	Approve
Budget	Approval of Revenue Budgetary Virements														
Budget	£0-£100,000	N/A	Recommend	Approve	x	Note	x	x	x	x	x	x	x	x	x
Budget	£100,000 - £1,000,000	N/A	Recommend	Recommend	x	Note	Approve	x	x	x	x	x	x	x	x
Budget	>£1,000,000	N/A	Recommend	Recommend	x	Recommend	Recommend	x	Note	x	Recommend	x	Recommend	Approve	x
<b>GUIDANCE:</b> Budgetary additions involve requesting additional budget for the Organisation as a whole.															
Budget	Approval of any Budgetary Additions	N/A	Prepare	Consult	x	x	Recommend	x	Recommend	x	Recommend	x	Recommend	Recommend	Approve
<b>GUIDANCE:</b> When PSoS is the lessee, the total cost and length of the lease should be considered in relation to the below limits															
Leases	Property / Accommodation leases (total cost)														
Leases	£0 - £1,000,000	N/A	Recommend	Consult	x	Consult	Approve	x	x	x	x	x	Note	x	x
Leases	£1,000,000 - £2,000,000	N/A	Recommend	Consult	x	Consult	Recommend	x	x	x	x	x	Recommend	Approve	x
Leases	>£2,000,000	N/A	Recommend	Consult	x	Consult	Recommend	x	x	x	x	x	Recommend	Recommend	Approve
Leases	Non-Property Leases (total cost)														
Leases	£0 - £50,000 AND <5 yrs	x	Recommend	Consult	x	Consult	Approve	x	x	x	x	x	Note	x	x
Leases	£50,000 - £1,000,000 OR >5 yrs	x	Recommend	Consult	x	Consult	Recommend	x	x	x	x	x	Recommend	Approve	x
Leases	>£1,000,000	x	Recommend	Consult	x	Consult	Recommend	x	x	x	x	x	Recommend	Recommend	Approve
<b>GUIDANCE:</b> This relates to non-competitive actions, or direct awards, where procurement involvement is mandatory															
Contract	NCA														
Contract	£0 - £25,000 <sup>3,4</sup>	N/A	Recommend	Recommend	Approve	Approve	Note	x	x	x	x	x	x	x	x
Contract	£25,000 - £500,000 <sup>3</sup>	N/A	Recommend	Recommend	Recommend	Recommend	Recommend	x	x	x	Recommend	x	Note	x	Approve
Contract	>£500,000 <sup>3</sup>	N/A	Recommend	Recommend	Recommend	Recommend	Recommend	x	x	x	Recommend	x	Recommend	Recommend	Approve

		Budget Approval	Budget Holder <sup>1</sup>	Head of Business Area	PS Head of Procurement	PS CFO	PS CFIB	PS Change Board	PS SLB	PS ARB	Accountable Officer (SPA)	SPA Audit Committee	SPA Finance Committee	SPA Board	Scottish Government
<b>GUIDANCE:</b> This relates to procurement tender exercises.															
Contract	Award of Goods & Services (total value)														
Contract	£0 - £500,000 <sup>3</sup>	N/A	Recommend	Recommend	Approve	Approve	Note		x	x	x	x	x	x	x
Contract	£500,000 - £1,000,000 <sup>3</sup>	N/A	Recommend	Recommend	Recommend	x	Recommend		x	x	x	Approve	x	x	x
Contract	£1,000,000 - £2,000,000 <sup>3</sup>	N/A	Recommend	Recommend	Recommend	x	Recommend		x	x	x	x	Recommend	Approve	x
Contract	>£2,000,000 <sup>3</sup>	N/A	Recommend	Recommend	Recommend	Recommend	Recommend		x	x	x	x	Recommend	Recommend	Approve
Contract	Award of works (construction)														
Contract	£0 - £500,000 <sup>3</sup>	N/A	Recommend	Recommend	Approve	x	Note		x	x	x	x	x	x	x
Contract	£500,000 - £2,000,000 <sup>3</sup>	N/A	Recommend	Recommend	x	x	Recommend		x	x	x	Approve	x	x	x
Contract	£2,000,000 - £4,000,000		Recommend	Recommend	x	x	Recommend		x	x	x	x	Recommend	Approve	x
Contract	>£4,000,000	N/A	Recommend	Recommend	x	Recommend	Recommend		x	x	x	x	Recommend	Recommend	Approve
<b>GUIDANCE:</b> Note that this relates only to those contract extensions which have been procured as part of the original contract (e.g. a 3 year contract with an option for a further year).															
Contract	Contract Extension														
Contract	£0 - £500,000 <sup>3</sup>	N/A	Recommend	Recommend	Approve	x	Note		x	x	x	x	x	x	x
Contract	£500,000 - £1,000,000 <sup>3</sup>	N/A	Recommend	Recommend	Recommend	x	Recommend		x	x	x	Approve	x	x	x
Contract	£1,000,000 - £2,000,000 <sup>3</sup>	N/A	Recommend	Recommend	Recommend	x	Recommend		x	x	x	x	Recommend	Approve	x
Contract	>£2,000,000 <sup>3</sup>	N/A	Recommend	Recommend	Recommend	Recommend	Recommend		x	x	x	x	Recommend	Recommend	Approve
Legal	Settling Legal Actions against SPA / CC														
Legal	£75,000 - £250,000	N/A	Recommend	Recommend	x	Note	Recommend		x	x	x	Approve	x	x	x
Legal	>£250,000	N/A	Recommend	Recommend	x	Note	Recommend		x	x	x	x	Recommend	Recommend	Approve
<b>GUIDANCE:</b> All business as usual expenditure will be captured through the budget setting process. Business Cases are required for any new initiatives. The limits below relate to annual expenditure; however any business case with an expected lifetime expenditure of £5m or more must also be approved by the Finance Committee.															
Capital	Initial Business Cases <sup>5</sup>														
Capital	£0 - £200,000	x	Recommend	Note	x	Approve	x	x	x	x	x	x	x	x	x
Capital	£200,000 - £500,000	x	Recommend	Note	x	x	Note	Approve	x	x	x	x	x	x	x
Capital	>£500,000	x	Recommend	Note	x	x	Note	Approve	x	x	x	x	Note	x	x
Capital	Full Business Cases <sup>5</sup>														
Capital	£0 - £200,000	x	Recommend	Note	x	Approve	x	x	x	x	x	x	x	x	x
Capital	£200,000 - £500,000	x	Recommend	Note	x	x	Note	Approve	x	x	x	x	x	x	x
Capital	£500,000 - £2,000,000	x	Recommend	Note	x	x	Note	Recommend	x	x	x	x	Recommend	Approve	x
Capital	>£2,000,000	x	Recommend	Note	x	x	Note	Recommend	x	x	x	x	Recommend	Recommend	Approve
Reform	Business Cases	x	Recommend	Note	x	x	Note	Recommend	x	x	x	x	Recommend	Recommend	Approve
<b>Notes</b>															
1 May be sub-delegated within limits set out in "BH Delegated Authority" tab															
2 In line with the Income and Debt Management Policy, the Financial Transactions Lead can approve individual proposed debt write-offs of up to £250, and the Financial Controller can approve individual proposed debt write-offs of up to £1,000.															
3 Procurement involvement in these contracts / transactions is mandatory															
4 Note that the joint approval here refers to the Head of Procurement signing off on the NCA route, and the CFO signing off on the use of the funds.															
5 Note that any new business initiatives will be approved by the Director of Change rather than the CFO. The CFO will approve any BAU business cases.															
<b>Terminology</b>															
Note	This group will be provided with the update / decision in relation to a process or project. This update may be retrospective.														
Consult	This group will be asked to input to the design or detail of a proposal / decision / project.														
Recommend	This group will be provided with the detailed paper and asked to propose that the decision / project / expenditure is progressed to the next level. This update must be in advance of the activity being undertaken. There may be several "Recommend" groups, and any one of these can stop the progress of an item.														
Approve	This group are ultimately responsible for the decision. This update must be in advance of the activity being undertaken. There should only ever be one single "Approve" decision made.														
<b>Limits</b>															
DRAFT Scheme of Delegation detailed, these relate to individual transactions (e.g. a single invoice).															

## **APPENDIX E: RESPONSIBILITIES OF THE CHIEF FINANCIAL OFFICER**

The following details the responsibilities of the Chief Financial Officer (CFO) as referred to at Section 7 of the Scheme.

The Chief Constable has overall responsibility for the allocation and deployment of resources (including financial resources) received from the SPA. In doing so the Chief Constable requires to make such arrangements for the proper administration of the financial affairs of Police Scotland and this responsibility is fulfilled on a day to day basis by the CFO.

The CFO can direct the discharge of the under-noted responsibilities to the Finance management team as required to ensure an efficient and effective service to Police Scotland and the SPA. In that context the CFO will retain executive level accountability for any action discharged.

The key responsibilities of this post are:

1. To maintain strong financial management underpinned by effective financial controls.
2. Support and provide appropriate advice to officers in their role.
3. Contribute to the corporate leadership and management of Police Scotland.
4. Preparation of Financial and Capital Plans within the Revenue and Capital Resource Limits subject to the approval process detailed within the Scheme of Administration.
5. The financial planning process will have a targeted approach to the allocation of resources against each function, operational area or business area and is fully integrated and part of the wider financial planning process of both SPA and Police Scotland.
6. Lead and manage an effective and responsive financial service.
7. Ensure compliance with relevant Police Scotland policies.

All financial transactions and commitments will be undertaken in accordance with the following documents:

- The Scottish Public Finance Manual;
- The Scottish Government Framework Document;
- Police Scotland Financial Regulations;
- SPA Internal Scheme of Delegation;
- SPA Standing Orders relating to Contracts;
- SPA Scheme of Administration;

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- SPA Terms of Reference for any of its Committees or Sub-committees;
- Police Scotland Internal Scheme of Delegation; and
- Procurement Guidance Manual.

There exists a significant degree of decentralisation of financial administration within Police Scotland. The direct budget holders for Police Scotland are the Deputy Chief Constables, the Deputy Chief Officer and the Directors / Heads of Service. Each of these individuals must control and be accountable for the spending of public money whilst managing the budget in order to support performance while providing a Best Value Service.

Notwithstanding the above, the CFO retains responsibility, on behalf of the Chief Constable, for the financial management and performance of Police Scotland.

## **APPENDIX F: RESPONSIBILITIES OF THE DIRECTOR OF PEOPLE AND DEVELOPMENT**

The following details the financial responsibilities of the Director of People and Development as referred to at Section 8 of the Scheme.

All activity as relates to police staff is informed through SPA Policy. The policies which apply will evolve over the first years of the service and will be developed by the Director of People and Development.

The Director of People and Development can direct the discharge of the under-noted responsibilities to the management team as required to ensure an efficient and effective People and Development service to Police Scotland and the SPA. In that context the Director of People and Development will retain executive level accountability for any action discharged.

### **RESOURCE MANAGEMENT**

1. Approve intakes of probationary officers in line with operational requirements and agreed budgetary limits.
2. Recommend the appointment of police staff in line with operational and organisational requirements and that this is progressed in line with SPA policy and agreed budgetary limits.
3. Placement of police staff on a point within relevant grade for the role based on SPA policy, and within agreed budgetary limits.
4. Cause to be implemented payment of removal expenses – for both Police Officers and Police Staff – in line with approved SPA policy.
5. Approval of the creation of temporary / fixed term police staff positions within Police Scotland if funded within Departmental / Divisional budget.
6. Procure the engagement of temporary agency staff as required to cover key short term roles under commercial terms approved by the SPA.
7. Implement the grading of police staff as informed via the SPA Job Evaluation policy and process.
8. Ensure adequate policy and process in place to facilitate the effective dismissal, resignation or retiral of police officers and police staff, and detailing the associated financial implications.

### **EMPLOYEE RELATIONS – PEOPLE MANAGEMENT**

9. The Director of People and Development or his/her nominated deputy will act as lead in any consultation and negotiation with the Trade Unions in relation to Police Staff Terms and Conditions of employment.

10. The Director of People and Development or his/her nominated deputy will act as lead in relation to HR strategy, policy and process that impact on the management of SPA/Police Scotland staff, and the financial implications of this.
11. The Director of People and Development or his/her nominated deputy will act as lead in engagement with the PNB and Scottish Standing Committee in relation to consultation and negotiation on matters pertaining to Police Officer Conditions of Service, and the financial implications of this.
12. Remedy inconsistencies in pay and conditions for members of staff and police officers in line with SPA.

### **TRAINING, EDUCATION & DEVELOPMENT**

13. Approve Training plans flowing from Training, Education and Development strategic or tactical reviews and also any ad hoc amendments to the Training Calendar and in line with budgetary limits.
14. Approve ad hoc Leadership & Professional Development activity emanating from any functional area of the organisation, in line with budgetary limits.

### **HEALTH & WELLBEING**

15. Recommend to the Chief Constable for release under regulation governing Ill Health Retiral, if appropriate, following review by the Selected Medical Practitioner and thereafter refer to SPA for approval for release.
16. Approve all cases of half pay and no pay protection for police staff and police officers within Police Scotland.
17. Approve any ad hoc spend on health & wellbeing services designed to expedite the recovery of a police officer or member of police staff.

### **POLICY**

18. Ensure compliance with all Police Scotland financial policies.

## **APPENDIX G: RESPONSIBILITIES OF THE HEAD OF COMMERCIAL SERVICES**

The following details the financial responsibilities of the Head of Commercial Services as referred to at Section 9 of the Scheme.

The Head of Commercial Services can direct the discharge of the under-noted responsibilities to the Commercial Services management team as required ensuring the efficient and effective management of all Police Scotland Commercial Services activities. Commercial services encapsulates the following core areas of business:

- Property Services
- Procurement
- Fleet Management

The key financial responsibilities in this role are:

1. Lead and shape the implementation of the strategic direction of corporate strategy across all commercial services areas of business to deliver an effective service with a focus on value for money.
2. Develop an effective commercial services provision, including procurement, offering support and advice to the Force Executive.
3. Develop and deliver a Physical Resources Service on behalf of Police Scotland and the Scottish Police Authority, being responsible for the physical security of such assets.
4. Deliver and direct organisational change focusing on the budgetary challenges of Police Scotland.
5. Assess and manage financial risk within all Police Scotland commercial services areas of policy, process and practice.
6. Ensure compliance with all Police Scotland financial policies.

## APPENDIX H: RESPONSIBILITIES OF THE DIRECTOR OF ICT

The following details the financial responsibilities of the Director of ICT as referred to at Section 10 of the scheme.

The Director of ICT can direct the discharge of the under-noted responsibilities to the ICT management team as required to ensure an efficient and effective ICT service to Police Scotland and the SPA.

The key responsibilities in this role are:

1. Support the long term financial planning of the organisation through the development and maintenance of an ICT vision and strategy which are aligned to organisational goals, support organisational values and conform to all relevant legislation.
2. Development and maintenance of ICT capital replacement cycles to ensure that there is a continued provision of effective and efficient ICT assets to Police Scotland and the SPA.
3. Work with internal stakeholders and other partners to define and deliver cost effective information and communications technology systems that allow for the appropriate levels of flexibility to support the strategic objectives of Police Scotland and the SPA.
4. Deliver the agreed portfolio of programmes and projects to the agreed timescales, budgets and quality, ensuring the application of agreed industry standard project structure and process, sponsorship and business involvement.
5. Manage the ICT technical infrastructure and assets to provide the most cost-effective and timely foundation of delivery of the agreed ICT systems.
6. Ensure compliance with all Police Scotland financial policies.