

<b>Meeting</b>	<b>Authority Meeting</b>
<b>Date</b>	<b>29 September 2022</b>
<b>Location</b>	<b>Video Conference</b>
<b>Title of Paper</b>	<b>Police Scotland Scheme of Financial Delegation</b>
<b>Presented By</b>	<b>James Gray, Chief Financial Officer</b>
<b>Recommendation to Members</b>	<b>For Approval</b>
<b>Appendix Attached</b>	<b>Yes Appendix A – Police Scotland Scheme of Financial Delegation</b>

**PURPOSE**

The purpose of this report is to ask the Authority to approve the proposed amendments to the Police Scotland Scheme of Financial Delegation (SFD).

The Authority approved revised (increased) delegations to PSoS on 25 August 2022. This revision of the Police Scotland SFD seeks to reflect those changes.

Members are asked to approve the updated Scheme of Financial Delegation.

## 1. BACKGROUND

- 1.1 The Authority recently approved changes to their financial regulations and SPA scheme of financial delegation. This change was a governance matter for the SPA in agreement with the Scottish Government.
- 1.2 Following that approval, Police Scotland has revised its Scheme of Financial Delegations (SFD) to reflect the SPA revisions. The SFD has only increased delegations where permitted by the SPA changes and does not seek to increase any other delegations.
- 1.3 The document has undergone a review with key stakeholders within Police Scotland. It has also been approved by PS Corporate Finance and People Board (CFPB) on 6 September 2022.
- 1.4 It was presented to SPA Resources Committee on 16 September. The Committee agreed to recommend to the Authority for approval and asked that this paper be brief.
- 1.5 Since Resources Committee approval a minor change to confirm the treatment of Consultancy has been included. This change has been agreed with the SPA Head of Finance Audit and Risk and the Police Scotland Strategic Procurement Manager. (Appendix A: Table at page 19, Consultancy lines)

## 2. SUMMARY OF PROPOSED CHANGES

- 2.1 The key changes simply reflect the increased delegations approved in the SPA's own scheme of delegation where pertaining to Police Scotland. These were summarised in the Resources Committee paper (16 September 2022) but omitted here, for brevity.
- 2.2 A minor change to the SFD has been made at the request of the Resources Committee, articulating that approval of business cases does not denote approval of expenditure *per se*.
- 2.3 There has been no change to the requirement for the SPA Board to approve revisions to the SFD document. Thus, any proposed changes in future, will still be referred back to the Authority.

### Next Steps

- 2.2 If approved, the SFD will be published and made fully operational. We intend to review this document at least every two years.

- 2.3 This paper was presented to the SPA Resources Committee on 16 September 2022 where members agreed to recommend the Authority approve its contents. Strategic Procurement Manager

### **3. FINANCIAL IMPLICATIONS**

- 3.1 The Police Scotland Scheme of Financial Delegation is a Key financial control but the changes proposed have no immediate spending or budgetary implications, as such.

### **4. PERSONNEL IMPLICATIONS**

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

### **5. LEGAL IMPLICATIONS**

- 5.1 There are no legal implications associated with this paper.

### **6. REPUTATIONAL IMPLICATIONS**

- 6.1 There are no reputational implications associated with this paper, however a good scheme of delegation ensures that decisions are made at the appropriate level and helps protect the Authority and Police Scotland from criticism.

### **7. SOCIAL IMPLICATIONS**

- 7.1 There are no social implications associated with this paper.

### **8. COMMUNITY IMPACT**

- 8.1 There is no community impact associated with this paper.

### **9. EQUALITIES IMPLICATIONS**

- 9.1 There are no equalities 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 updated Scheme of Financial Delegation.

# POLICE SCOTLAND SCHEME OF FINANCIAL DELEGATION

VERSION 5.1

**Version Control Table**

<b>Version</b>	<b>History of Amendments</b>	<b>Date</b>
1.00	Initial approved version	March 2018
2.00	Capital / reform virement limit amended to align to revenue virement limit	27/09/2018
3.00	Financial policies approval delegated to the Accountable Officer. Availability of funds for contract awards delegation to CFO amended to the relevant budget holder and Head of Procurement.	21/08/2019
4.4	Updated for changes in Governance and as approved by the SPA Board.	26/05/2021
5.1	Updated to incorporate changes to SPA Financial regulations. New and increased authorisation thresholds delegated to PS.	07/09/2022

This scheme will be reviewed at least every two years

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**Appendix A:** Committee approval matrix

**Appendix B:** Capital and reform authorisation framework

**Appendix C:** Non pay expenditure approver / signatory matrix

## 1 INTRODUCTION

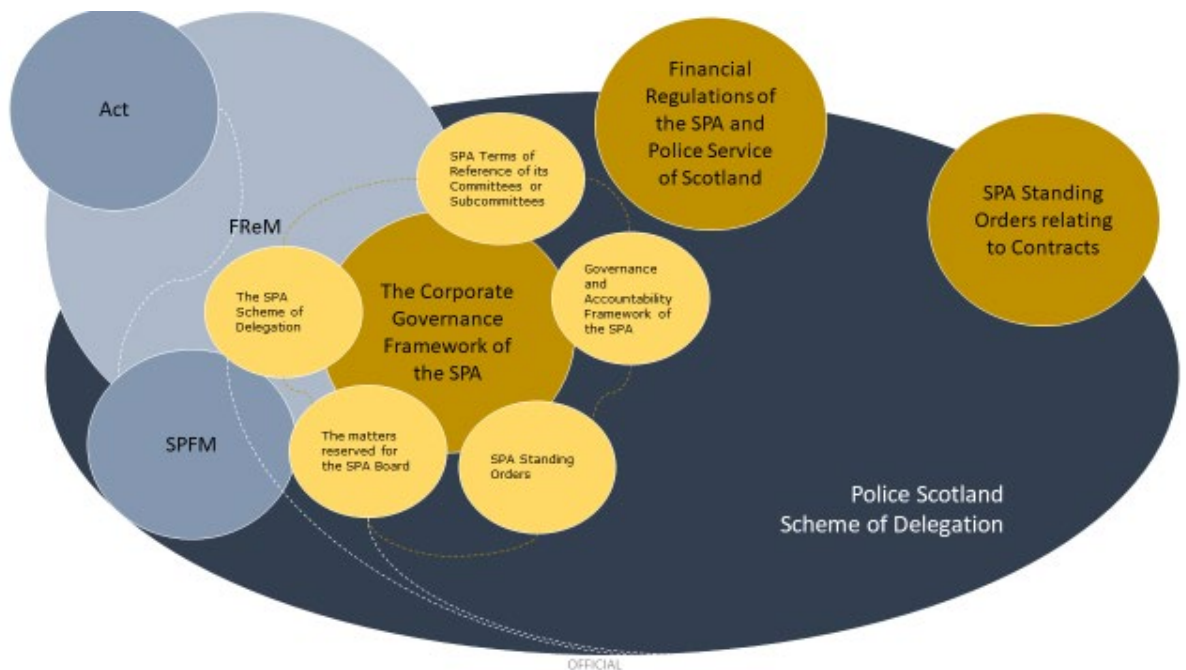
- 1.1 The Scheme of Financial Delegation (the Scheme) is required to be in place for Police Scotland as part of the processes which ensure efficient and effective governance of the Police service (the Service) in respect of financial matters.
- 1.2 The Scheme supports the efficient conduct of Police Scotland business by clearly articulating the nature and extent of the powers and responsibilities of staff and officers in respect of financial matters.
- 1.3 The Scheme sets out the delegation of functions by the Chief Constable to designated budget holders and sets out the Committee approvals required for financial transactions and processes (Appendices A and B).
- 1.4 The scheme is a strategic framework that documents delegation to specific roles and forums. It is not intended to detail tactical delegations to nominated individuals. However it is important that those arrangements are documented and comply with The Scheme.
- 1.5 The Scheme should be read in conjunction with **the Police & Fire Reform (Scotland) Act 2012**.
- 1.6 The Act sets out the governance arrangements and the statutory framework for the delivery of police, fire and rescue services and appropriate scrutiny and oversight arrangements.
- 1.7 Section 6 of the Act establishes the Police Service of Scotland. The Act makes detailed provision for the appointment and terms of office for constables of the Service, and for the jurisdiction, powers, duties and other functions of those constables.
- 1.8 The limits within the Scheme are subject to the limits set by **The Corporate Governance Framework of the SPA**, and the **Scottish Public Finance Manual (SPFM)**.
- 1.9 The Corporate Governance Framework of the SPA describes how the authority works to deliver good corporate governance. It sets out the roles, responsibilities and procedures for the effective and efficient conduct of the Authority's business and encompasses the following:

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- Governance and Accountability Framework of the SPA
- The matters reserved for the SPA Board
- The SPA Scheme of Delegation
- SPA Standing Orders and
- SPA Terms of Reference for its Committees or Subcommittees

1.10 Further to this, the Corporate Governance Framework of the SPA must be read in conjunction with the following documents:

- Financial Regulations of the SPA and Police Service of Scotland;
- SPA Standing Orders relating to Contracts



1.11 The Authority and the Service have no delegation in respect of novel or contentious matters, which are reserved for Scottish Government. The scheme of delegation will therefore not apply to any novel or contentious proposals. Should any such proposals be made, those must be presented to the Resources Committee, prior to Scottish Government, for approval. For further guidance see the Police Scotland Novel Contentious or Repercussive Transactions policy.



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- 1.12 Where PS or the SPA identify a financial transaction that is considered to be of **significant public interest** this should be discussed with the Chief Executive (CE) and a governance approval route agreed regardless of the value.
- 1.13 Police Scotland has no authority to make **Gifts** above the given threshold as per Appendix A. Prior approval from the SG Finance Business Partner is required.
- 1.14 A gift made is defined as something voluntarily given or donated without the expectation of receiving anything in return and generally without preconditions. Gifts received can be defined as the donation of cash or other resources with a current market value.
- 1.15 In exceptional circumstances, gifts may be made and should be reported in notes to the annual accounts. Individual gifts of more than £250,000 should be noted separately.
- 1.16 Gifts made include payments to individuals, assets sold or transferred (including the sale or assignment of leases) at less than market value, income foregone or concessionary rates, the loan of an asset for its expected useful life.
- 1.17 Offers received of gifts, whether accepted or declined, require notification and registration. For further guidance please see the Gifts, Gratuities, Hospitality and Sponsorship Standard Operating Procedure and the following link for the **Gifts, Gratuities, Hospitality and Sponsorship Register**.
- 1.18 Gifts received do not need to be noted in the accounts unless there is a particular reason for bringing them to the attention of the Parliament. For further guidance see the SPFM Gifts section.

## 2 POLICE SCOTLAND SCHEME OF FINANCIAL DELEGATION

- 2.1 This Scheme of Financial Delegation sets out the Committee approvals required for financial transactions and processes (Appendices A and B) and the delegation of the authority to approve financial transaction down from the Chief Constable to designated officers and staff (Appendix C).

2.2 Delegation covers three aspects:

<b>Delegation of:</b>	
Commitment to incur expenditure	This would generally involve a financial commitment (e.g. purchase (order for) goods / services, enter into a lease, underwrite/guarantee a contract, write off obsolete stock or assets). Expenditure, in most respects, is committed through the approved procurement protocols.
Approval of purchase invoices for payment	The approver must confirm that the commitment has been authorised by the budget holder and that all the necessary components are in place (eg goods received) to make a payment.
Sign off / authorisation of sales invoices	The authoriser should be aware of the contract details and that in accordance with the SPFM, the standard approach to setting charges for public services is full cost recovery.

2.3 In general, delegation for financial commitment will flow to budget holders and be confirmed each year in a Letter of Budget Delegation. The letter of Budget Delegation template can be found in the PS Finance section of the intranet.

2.4 However there are some types of commitment or undertaking for which the delegation to approve these is reserved for Scottish Government, the SPA Board or another key forum/role. This will include strategic policy and processes like budget approval and high value financial commitments. See Appendices A and B for a full table.

### 3 THE BUDGET

3.1 The strategic direction, including the budget, and policy decisions of Police Scotland are determined by the Scottish Police Authority (SPA).

3.2 The responsibility for developing the budget lies with the Accountable Officer, the Chief Constable and the Director of

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Forensic Services. Once the budget is approved, it is delegated to nominated budget holders to be managed. The overall financial performance (versus budget) must be reported on a regular basis to the SPA Board and to the Scottish Government.

- 3.3 Police Scotland develops its detailed budget proposals in advance of the start of the financial year. The Chief Financial Officer presents a final budget proposal to the SPA Board for consideration and further recommendation to the SG for approval.
- 3.4 Once approved, the budget is delegated to nominated budget holders by a letter of budget delegation, to manage the budget and monitor spend against it.
- 3.5 The approved budget as confirmed in the Letter of Budget Delegation, represents the maximum resource available in the financial year concerned.

## 4 ACCOUNTABILITY

- 4.1 The delegation of any functions does not affect the overall accountability. All decisions taken by way of delegated authority powers must be exercised in accordance with this Scheme of Financial Delegation.
- 4.2 The governance arrangements set out by the Police Scotland Scheme of Financial Delegation, ensure compliance with the law, aim to work to the highest standards of integrity and in the public interest.

## 5 BUDGET HOLDERS' RESPONSIBILITIES

- 5.1 Police Scotland operates devolved budget management which places responsibility for the management of resources on those who have control over spending decisions. This means that budget holders are the responsible owners of the budget.
- 5.2 The budget holders are responsible for the spending of public money whilst managing the budget in order to deliver services, support performance and deliver Best Value.
- 5.3 Subject to the provisions contained in this Scheme, each budget holder has responsibility for managing the financial implications of

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the following activities, in line with delegated budgets and in respect of the business area for which they are responsible.

- Managing all people, financial, ICT, corporate and other resources within his/her business areas;
- Taking all decisions or actions, including the creation of procedures, necessary to implement a policy or decision of the Police Scotland Senior Leadership Board, or where relevant, the Scottish Police Authority;
- Ensuring the division/department/unit delivers its activities within the budget allocated;
- Submit financial plan and regular forecasts; and
- Delegation of financial, budgetary and procurement responsibilities to appropriate levels within the division/department or unit.

5.4 The budget holder has authority to allocate, prioritise and make commitments to spend within a given budget. A tender exercise may be required if there is not an already agreed contract or designated supplier. In most instances, property transaction will be with a once only contracting party and a tender exercise will not be appropriate.

5.5 The budget holders may sub-delegate their delegated functions / responsibility. Responsibility to approve transactions may be further delegated to an approver / signatory for reasons of operational practicality. Budget holders will remain accountable for decisions taken by their sub-delegates and for the management of resources within budget.

## 6 APPROVERS/ SIGNATORIES

### 6.1 Non-Pay Expenditure (NPE) / Authorised Signatory Matrix

6.1.1 Delegation of the authority to approve financial transactions is rank/role based, it is embedded within the core financial systems and is consistent across operational areas and within support areas.

6.1.2 The Non-Pay Expenditure (NPE) / Authorised Signatory Matrix (the Matrix) is driven by values attributed to each rank/role. Users with delegated authority will only be able to approve spend up to that value.

- 6.1.3 The Matrix is embedded in the core Financial System to ensure the correct segregation of duties between the requisitioning and approval processes, and provides a clear audit trail to evidence this. Once a transaction is paid, the invoice and relevant authorisation information are stored within the system audit trail.
- 6.1.4 The approver roles in the system clearly differentiate between approver and requisitioner roles. As system users can only be assigned to one of these roles, this ensures the correct segregation of duties and the ongoing integrity of the system-driven matrix.
- 6.1.5 The detail of the roles and approver limits is contained in the NPE / Authorised Signatory Matrix and can be seen in Appendix C. The matrix is maintained and reviewed regularly by the Finance Quality and Assurance team.

## **6.2 Responsibilities of Individuals with Delegated Authority**

- 6.2.1 When authorising spend an individual with delegated authority (authoriser) is allocating and prioritising budget, and making a commitment to spend. As such, authorisers are responsible for ensuring:
- They only authorise spending within their limit
  - Any spend which they authorise has appropriate authorisation in line with the Scheme of Financial Delegation
  - There has been appropriate involvement of the Finance team in any decisions made, particularly where the proposals are novel, contentious or repercussive
  - An appropriate contract / framework is being used to purchase goods or services, following Police Scotland's standard procurement process
  - Best value is being obtained by the transaction
  - The propriety and regularity of the transaction which they authorise
  - If the goods or services have already been received that they are in satisfactory condition and the invoice is accurate in price, quantity and all other respects.
- 6.2.2 In the absence of an established contract, the authoriser must engage with Procurement to ensure procurement rules and

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regulations are followed. This excludes property transactions as those will each be a one-off contractual arrangement.

6.2.3 In the absence of a set budget, the authoriser should seek a budget virement and confirm with the appropriate authority, as set in the Committee Approval Matrix (Appendix A).

6.2.4 All authorisers have the requisite approval to sign off Purchase Orders (PO) and invoices for payment, on the basis the proposed expenditure is within budget and their agreed limit. The act of approving a PO is not that of allocating budget, it is the authorisation to pay the invoice given in advance, on the premise that the forthcoming invoice matches the PO raised.

6.2.5 Budget holders remain accountable for any decisions taken by their delegates.

6.2.6 The table below details the responsibilities of this process:

<b>Approvers / signatories</b>	<b>Segregation of duties</b>	<b>Accounts Payable</b>
Only "Chief Officers" DCC/ACC & DCO/Directors can delegate authority to approve to Administration and Business Support Managers  Nomination is done in writing (e-form / e-mail).	Approvers are to express their authority using the finance system (e-Financials).	All invoices paid by Accounts Payable will be the subject of an electronic payment signal.  This is an electronic goods receipt for PO transactions or in exceptional circumstances an electronic approval of an invoice.
There are consistent approval limits driven by the role/rank hierarchy across the non-operational and operational areas of the organisation.	Approvers are not allowed to initiate transactions by raising POs or marking orders as received. They can only approve.	The approval is electronic in e-Financials. The embedded NPE / Authorised Signatory Matrix providing the control
The matrix drives most low-value approvals to the designated Administration or Business Support Managers.	Other Administrators are not able to approve Purchase Orders or Invoices.	The management of the invoice approval process is paperless and done through the e-Financials system.

All transactions approved must have appropriate authorisation in line with the Scheme of Financial Delegation.	Authorisers, as systems users, are assigned to a role in e-Financials that enforces their authorisation limit and enforces segregation between the ability to raise and authorise orders.	Invoices are processed via a third-party vendor (Cloud Trade). This provides AP with an electronic file/invoice image that can be uploaded into the finance system.
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6.2.7 Where there is no a requirement for a purchase order, there is a provision for manual payments to be processed. Manual payments must follow the same approval financial thresholds and segregations of duties principles as above.

## **7 THE CHIEF EXECUTIVE AND ACCOUNTABLE OFFICER**

- 7.1 The Chief Executive is appointed by the SPA (The Authority). The Chief Executive has been designated by Scottish Government as Accountable Officer for the Authority.
- 7.2 In this role, the Chief Executive is answerable to the Scottish Parliament and must ensure the propriety and regularity of the Authority's finances and that the resources of the Authority are used economically, efficiently and effectively.
- 7.3 The Chief Executive is authorised to approve arrangements, in accordance with section 83 of the Police and Fire Reform (Scotland) 2012 Act, between the Authority and the Chief Constable (or other authorised Police Scotland personnel) for the provision of assistance and/or staff to and from Police Scotland.

## **8 THE CHIEF CONSTABLE**

- 8.1 The SPA appoints the Chief Constable, subject to approval by the Scottish Ministers. SPA also appoints the Deputy Chief Constable Designate and the Deputy and Assistant Chief Constables.
- 8.2 The Scheme or any direction or authorisation issued in terms of Section 18 of the 2012 Act (Delegation of Chief Constable's functions) do not affect the Chief Constable's statutory responsibility for carrying out delegated functions or their ability to carry out delegated functions.

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- 8.3 In particular, the Chief Constable is responsible for the direction and control of the Police Service and for the day to day administration, including the allocation and deployment of resources received from the Authority.
- 8.4 The Chief Constable is supported by the chief police officers and certain senior members of police staff, whom together, form the Force Executive. Individually they bring a wide range of professional expertise to strategy and policy-making.
- 8.5 The Chief Constable authorises and directs certain functions and financial responsibilities to be undertaken by Police Scotland Force Executive as detailed in this Scheme.
- 8.6 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. The current Deputy Chief Constable Designate is the DCC - Professionalism, Digital and Transformation.

## 9 DEPUTY CHIEF CONSTABLES

- 9.1 The DCCs report directly to the Chief Constable. They are delegated to carry out all functions of the Chief Constable within their respective portfolios.
- 9.2 The Authority must appoint the Chief Constable, one or more Deputy Chief Constables, and one or more Assistant Chief Constables. The Authority must consult the Chief Constable before appointing a Deputy or Assistant Chief Constable.
- 9.3 Police Scotland has three Deputy Chief Constables and one Deputy Chief Officer covering the following areas:
- Deputy Chief Constable - Professionalism, Digital and Transformation
  - Deputy Chief Constable - Local Policing
  - Deputy Chief Constable - Crime and Operational Support
  - Deputy Chief Officer - Corporate Services, People and Strategy



- 9.4 **The Deputy Chief Officer** (DCO) is delegated to carry out all functions of the Chief Constable with respect to Corporate Services Functions. The DCO reports directly to the Chief Constable.

## 10 THE CHIEF FINANCIAL OFFICER

- 10.1 Subject to the provisions of this Scheme, the Chief Financial Officer (CFO) 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 Force Executive on all financial matters relating to or affecting Police Scotland.
- 10.2 The CFO reports to the Deputy Chief Officer and has a separate reporting line to the SPA Chief Executive (as Accountable Officer), as well as to the Chief Constable. The CFO should consider whether a decision or action is material and/or exceptional.
- 10.3 The CFO is responsible for (inter alia) maintaining strong financial management, underpinned by effective financial controls. The CFO is responsible for maintaining the Scheme of Financial Delegation and to ensure the delegation operates effectively.

## 11 DELEGATION - absence and emergency

- 11.1 In the event that a budget holder or an authorised signatory with delegated authority or responsibility, is unavailable or is unable to carry out those functions by reason of being absent, on leave etc., he/she should nominate a deputy in writing (or e-mail). This should be for a specified finite period of time. The deputy will have and may exercise, delegated financial authority in their absence (during the period specified).
- 11.2 In the event of either the **threat level being increased to critical**, or if any other state of emergency occurs, the Scheme of Financial Delegation may be suspended in relation to expenditure incurred as a result of the threat / emergency. This must be agreed in advance by the Chief Constable and the Accountable Officer. All such expenditure shall be recorded against a specific cost code as set by Finance.
- 11.3 Police Scotland has no delegation for entering into novel, contentious or repercussive transactions and this cannot be assumed to change, in emergency circumstances, unless otherwise

specified on short term guidelines published by Scottish Government to deal with that specific emergency.

## **12 MATERIALITY**

- 12.1 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 actions is material and as a consequence, should be considered by the Force Executive.
- 12.2 A matter is "material" if there is a substantial likelihood that a reasonable person would consider it important. There is no absolute value threshold in Police Scotland for what is classed as a 'material' decision but rather materiality is an area-specific aspect of relevance based on the nature or magnitude, or both, of the items to which the information relates in the context of an individual cost centre's financial, economic, reputational, and operational circumstances. The presence of qualitative factors (related to the nature of spend) may lower the threshold for the quantitative assessment (magnitude) of spend to be considered. Consultation at Force executive level provides an opportunity to show that all relevant matters have been considered.

## **13 IMPLICATIONS OF NON COMPLIANCE**

- 13.1 Failure to comply with the authorisation routes and limits as set out in the Scheme of Financial Delegation, and the associated appendices may result in disciplinary procedures in line with the Police Scotland Disciplinary procedure.
- 13.2 Sub-delegation of functions or responsibility may be revoked by the budget holder. Sub delegation will not prevent the delegator from also discharging those functions.

## **14 WORKING ARRANGEMENTS AND DISPUTE RESOLUTION**

- 14.1 The Chief Constable will 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.

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- 14.2 Where appropriate, PS will seek approval for decision making from the SPA through the appropriate Committee, Subcommittee or the SPA Board and will provide sufficient materials to Members of the SPA in order to make fully informed decisions.
- 14.3 Materials will be transparent, evidence-based, will have been subject to appropriate consultation, and will align with and support the obligations placed on the SPA Accountable Officer.
- 14.4 Materials will be submitted in sufficient time to allow them to be fully reviewed and assessed and processed for decision making.
- 14.5 Police Scotland will ensure efficient and effective administrative arrangements are in place to facilitate decision making.
- 14.6 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 resolution will be determined by the Chair of the SPA, the relevant Committee Chair, and one further Member, in consultation with the Chief Constable and the SPA Accountable Officer.

## **15 AUTHORISATION ROUTE FOR THE COMMITMENT OF EXPENDITURE**

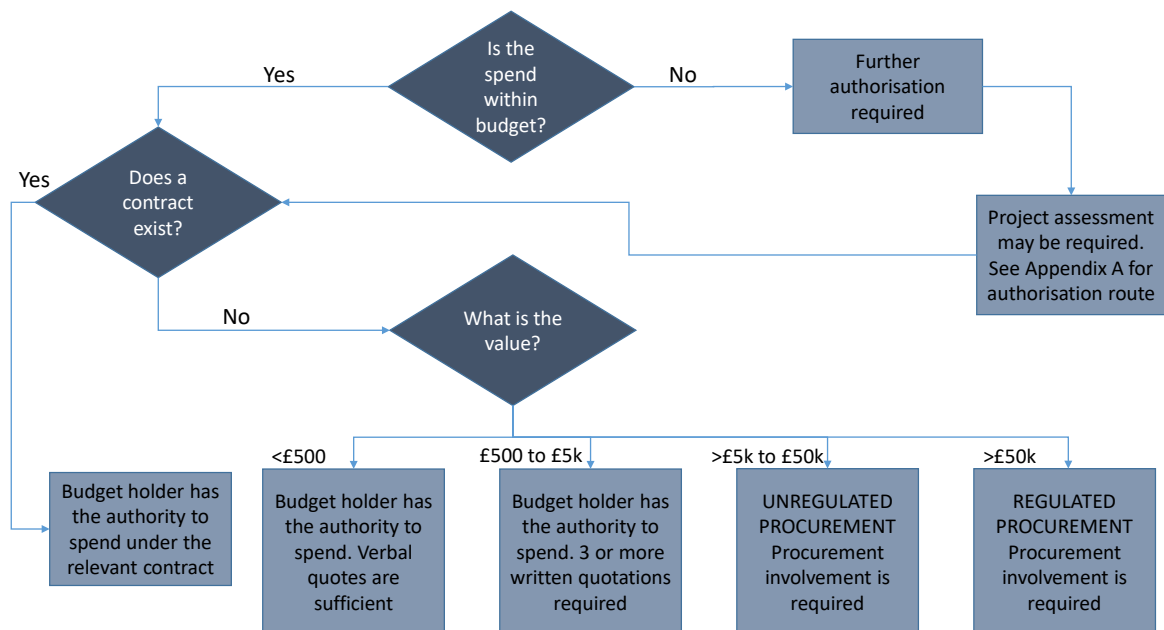
- 15.1 The Scheme of Financial Delegation should be used to assess the levels of authorisation required for individual processes and transactions, with particular reference to commitments to incur expenditure or with potential to incur expenditure.
- 15.2 There are three key matters to be determined prior to concluding on the appropriate approval route for any given transaction:
  - If the expenditure is not within budget, approval must be obtained following the Committee Approval Matrix. (Appendix A)
  - If the expenditure is within budget and there is a compliant contract in place, the budget holder and those with delegated authority can raise a PO or an invoice.

- If the expenditure is within budget but there is no compliant contract in place, different routes will be followed depending on the type of funding.
  - For Capital and Reform funding: The approval should follow the Capital and Reform Approval Framework prior to engaging with Procurement. (Appendix B)
  - For Revenue funding: The approver should engage with Procurement to ensure that Procurement rules and regulations are followed. This excludes property transactions.(Figure 1)

15.3 Figure 1 depicts the required consideration of each of the above matters and the impact on the remainder of the approval process.

15.4 Following on from an appropriate consideration of the type of spend, the approved route of authorisations based on Appendices A, B and C as applicable, must be followed.

Figure 1: Authorisation Route assessment



**APPENDIX A: COMMITTEE APPROVAL MATRIX**

Commitments or undertakings that are more fundamental to the business and the delegation to approve these is reserved for Scottish Government, the SPA Board or another key forum / role.

This document specifies the steps to approval within Police Scotland and provides information for the routes to follow within/through SPA to assist in planning but it is important to note that SPA may update/change approval routes and agree alternative delegation arrangements with Scottish Government. This table describes the route for approval but any further requirements like the obligation to obtain ministerial approval under certain circumstances are not reflected. To confirm arrangements within SPA / SG, the Scheme should be read in conjunction with the SPA Corporate Governance Framework and SPFM.

Any Novel or Contentious proposals require RC approval and SG advice and possible ministerial consent. These requirements are described in more detail in paragraph 1.10 of the main body of the scheme.

A report should be provided to the RC with detail of approvals or decision under the SPA section of the scheme of delegation. All decisions made by PS under preapproval will be reported to RC for noting every 6 months.

		Approval Required (Recommend, Note or Approve)														
		Budget Approval	Budget Holder <sup>1</sup>	Head of Business Area	PS Head of Function (Procurement/Estates/P&D)	PS CFO	PS CFPB	PS Change Board	PS SLB	PS ARB	Accountable Officer (SPA)	SPA Legal Committee	SPA Audit Risk and Assurance Committee	SPA Resources Committee	SPA Board	Scottish Government
<b>Policies and Processes</b>																
Strategic	Financial Strategy	x	x	x	x	Recommend	Recommend	x	Recommend	x	Recommend	x	x	Recommend	Approve	x
Policy	Financial Policies	x	x	x	x	Recommend	Recommend	x	Recommend	x	Recommend	x	Recommend	Recommend	Approve	x
Policy	PS Scheme of Financial Delegation	x	x	x	x	Recommend	Recommend	x	x	x	Consult	x	x	Recommend	Approve	x
Procedure	NPE Approver Matrix	x	x	x	x	Recommend	Approve	x	x	x	x	x	x	x	x	x
<b>Budget</b>																
Budget	Approval of Annual Budget	x	Prepare	x	x	Recommend	Recommend	x	x	x	Recommend	x	x	Recommend	Approve	x
Budget	Approval of Budgetary Additions	N/A	Prepare	Consult	x	Recommend	Recommend	x	Recommend	x	Recommend	x	x	Recommend	Recommend	Approve
<b>GUIDANCE:</b> Budgetary additions involve requesting additional budget for the SPA as a whole.																
Budget	<b>Approval of Budgetary Virements</b>															
Budget	£0-£100,000	N/A	Recommend	Approve	x	Note	x	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	x
Budget	>£1,000,000	N/A	Recommend	Recommend	x	Recommend	Recommend	x	Note	x	Recommend	x	x	Approve	x	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 within an individual budget holder's budget.																
<b>Risk Management and Audit</b>																
Risk	Departmental Risks	x	x	Approve	x	x	x	x	x	x	x	x	x	x	x	x
Risk	DCC / DCO Level Risk	x	x	Recommend	x	x	x	x	Approve	x	x	x	Note	x	x	x
Risk	Strategic / Corporate Risks	x	x	Recommend	x	x	x	x	Approve	Recommend	x	x	Note	x	x	x
Risk	Change Portfolio Risks	x	Note	Recommend	x	x	x	Approve	x	Recommend	x	x	x	x	x	x
Accounts	Approval of Annual Accounts	x	x	x	x	Recommend	x	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	x
Audit	Internal Audit Plan	x	x	x	x	x	x	x	x	Recommend	x	x	Approve	x	x	x
<b>Income Streams and Charges Levied</b>																
Income	Policy and funded officers/staff policy	N/A	x	x	x	Recommend	Recommend	x	x	x	x	x	x	Approve	x	x
Income	Income Charge Rates	N/A	x	x	x	Recommend	Recommend	x	x	x	x	x	x	Approve	x	x
Income	Application of funding policy	N/A	x	x	x	Recommend	Approve	x	x	x	x	x	x	x	Note	x
Income	Acceptance of grant funding covered by policy <£1m	N/A	x	x	x	Recommend	Approve	x	x	x	x	x	x	x	Note	x
Income	Acceptance of grant funding covered by policy >£1m	N/A	x	x	x	Recommend	Recommend	x	x	x	Approve	x	x	x	Note	x
Income	Revenue generating initiatives not covered by policy	N/A	x	x	x	Recommend	Recommend	x	x	x	x	x	x	Approve	x	x

		Approval Required (Recommend, Note or Approve)														
		Budget Approval	Budget Holder <sup>1</sup>	Head of Business Area	PS Head of Function (Procurement/Estates/P&D)	PS CFO	PS CFPB	PS Change Board	PS SLB	PS ARB	Accountable Officer (SPA)	SPA Legal Committee	SPA Audit Risk and Assurance Committee	SPA Resources Committee	SPA Board	Scottish Government
Provided	Third party Grants	N/A	x	x	x	Recommend	Recommend	x	x	x	Recommend	x	x	x	x	Approve
<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 <u>Charging for Goods and services Standard Operating Procedure (SOP)</u> . See also the Novel, Contentious or Repercussive Transactions Policy.																
<b>Losses, Write offs</b>																
<b>Debt w/o</b>	<b>Debt write off/back of bad debt and/or losses (on a single debtor/creditor account)</b>															
Debt w/o	£0 - £1,000 <sup>1</sup>	x	Recommend	Recommend	x	Approve	x	x	x	x	x	x	x	Note	x	x
Debt w/o	£1,000 - £25,000 <sup>1</sup>	x	Recommend	Recommend	x	Recommend	Recommend	x	x	x	Approve	x	x	Note	x	x
Debt w/o	>£25,000	x	Recommend	Recommend	x	Recommend	Recommend	x	x	x	x	x	x	Recommend	x	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 Management Policy																
<b>Stocks write off Total losses</b>																
Stocks w/o	£0-£300,000	x	Recommend	Recommend	x	Approve	Note	x	x	x	x	x	x	x	x	x
Stocks w/o	>£300,000 <sup>1</sup>	x	Recommend	Recommend	x	Recommend	Recommend	x	x	x	x	x	x	Approve	x	x
<b>Individual Claims waived or abandoned</b>																
Claims	£0 - £25,000		Recommend	Recommend	x	Approve	x	x	x	x	x	x	x	x	x	x
Claims	>£25,000		Recommend	Recommend	x	Recommend	Recommend				Recommend	x	x	x	x	Approved
<b>Losses</b>	<b>Cumulative Losses</b> - The cumulative value of the losses includes: cash losses (incl. bad debts), book keeping losses, losses of stock, fruitless, payments, claims waives or abandoned. Total within a financial year.															
Losses	£0 - £300,000	x	x	x	x	Approve	Note	x	x	x	x	x	x	x	x	x
Losses	>£300,000 <sup>1</sup>	x	Recommend	Recommend	x	Recommend	Recommend	x	x	x	x	x	x	Recommend	x	Approve
<b>Special Payments /VER</b>																
<b>Special Payments (individual)</b> compensation/ special severance / ex-gratia payments																
Sp. Payments	£0 - £1,000	x	x	x	x	Approve	x	x	x	x	x	x	x	x	x	x
Sp. Payments	>£1,000	x	x	x	x	Recommend	Recommend	x	x	x	Recommend	x	x	x	Approve	x
<b>Special payments (total within a financial year)</b>																
Sp. Payments	£0 - £300,000	x	x	x	x	Recommend	Approve	x	x	x	x	x	x	x	x	x
Sp. Payments	>£300,000	x	x	x	x	Recommend	Recommend	x	x	x	Recommend	x	x	Recommend	x	Approve
<b>Voluntary Redundancy / Voluntary Early Retirement</b>																
VR / VER	Voluntary Redundancy or voluntary early retirement (VR/VER) scheme					P&D Recommend	Recommend	Recommend	x	x	x	x	x	Recommend	Recommend	Approve
VR / VER	<b>Voluntary Redundancy or voluntary early retirement payments</b>															
	<£95,000 to an individual, in line with budget and VER scheme	x	x	x		P&D Recommend	Recommend	Approve	x	x	x	x	x	x	x	x
	>£95,000 to an individual or outside or scheme	x	x	x		P&D Recommend	Recommend	Recommend	x	x	x	Recommend	x	x	x	Approve
<b>GUIDANCE:</b> All applications for VR/VER must be submitted to the National Voluntary Release Panel (NVRP) – this is chaired by the Head of Human Resources (P&D), and other panel members include a representative from SPA, as well as, PS CFO.																
<b>Gifts or Donations</b>																
<b>Gifts or Donations provided by the service:</b> See novel, contentious or repercussive for further guidance																
Gifts/Donations	£0 - £1,000 (individually)	x	Approve	x	x	x	x	x	x	x	x	x	x	x	x	x
Gifts/Donations	>£1,000 (individually)	x	Recommends	x	x	Recommend	Recommend	x	x	x	Recommend	x	x	Recommend	x	Approve
Provided	Third party Grants	N/A	x	x	x	Recommend	Recommend	x	x	x	Recommend	x	x	x	x	Approve
<b>Leases</b>																
<b>Leases as a lessee or lessor- Property</b>																
Leases	£0 - £250,000 and up to 5 years	YES	Recommend	x	Estates Approve	x	Note	x	x	x	x	x	x	x	x	x
Leases	£250,000 - £2,000,000 and up to 15 years	YES	Recommend	Recommend	Recommend	Consult	Recommend	x	x	x	Approve	x	x	x	x	x
Leases	>£2,000,000 and 15 years	YES	Recommend	Recommend	Recommend	Consult	Recommend	x	x	x				Approved	x	x

		Approval Required (Recommend, Note or Approve)														
		Budget Approval	Budget Holder <sup>1</sup>	Head of Business Area	PS Head of Function (Procurement/ Estates/P&D)	PS CFO	PS CFPB	PS Change Board	PS SLB	PS ARB	Accountable Officer (SPA)	SPA Legal Committee	SPA Audit Risk and Assurance Committee	SPA Resources Committee	SPA Board	Scottish Government
<b>Leases</b>	<b>Leases as lessee or lessor - Non Property</b>															
Leases	£0 – 250,000 and up to 5 years	YES	Recommend	Recommend	Proc. Approve	x	Note	x	x	x	x	x	x	x	x	x
Leases	£250,000 - £2,000,000 and 15 years	YES	Recommend	Recommend	Recommend	Consult	Recommend	x	x	x	Approve	x	x	x	x	x
	>£2,000,000 and 15 years	YES	Recommend	Recommend	Recommend	Consult	Recommend	x	x	x	x	x	x	Approved	x	x
<b>GUIDANCE:</b> Values represent total costs/ income over the lease term. Costs are inclusive of rent and estimated operating costs. Values also relate to the full lease term at current prices. Approval of all leases should be notified to the head of statutory reporting.																
Wayleaves and radio masts leases	All	YES	Recommend	Recommend	Estates. Approve	x	x	x	x	x	x	x	x	Note	x	x
<b>GUIDANCE:</b> Police Scotland to negotiate wayleaves and radio mast leases on behalf of the SPA. An estates annual activity report is provided to Resources Committee for noting. This should cover historic and forward forecast view of purchases, disposals and leases including wayleaves / radio masts. Wayleave and radio masts leases are low value but an estates annual activity report is required for CE and RC to provide a level of oversight.																
	<b>Contracts</b>															
<b>Contract</b>	<b>Non Competitive Action (NCA)</b>															
Contract	£0 - £25,000 <sup>2,3</sup>	YES	Recommend	Recommend	Proc. Approve	x	Note	x	x	x	x	x	x	x	x	x
Contract	£25,000 - £1,000,000 <sup>2</sup>	YES	Recommend	Recommend	Recommend	Recommend	Recommend	x	x	x	Recommend	x	x	Note	x	Approve
Contract	>£1,000,000 <sup>3</sup>	YES	Recommend	Recommend	Recommend	Recommend	Recommend	x	x	x	Recommend	x	x	Recommend	x	Approve
<b>GUIDANCE:</b> This relates to non-competitive actions, where procurement involvement is mandatory																
	<b>External business &amp; management consultancy: Total value of individual contract</b>															
Consultancy	£0 - £100,000	YES	Recommend	Recommend	Proc. Approve	x	x	x	x	x	x	x	x	x	x	x
Consultancy	>£100,000	YES	Recommend	Recommend	Recommend	Recommend	Recommend	x	x	x	Recommend	x	x	x	x	Approve
<b>GUIDANCE:</b> This is subject to procurement guidance																
	<b>Contracts</b>															
<b>Contract</b>	<b>For Goods &amp; Services and Awards of Works (Total value)</b>															
Contract	£0-£5,000	YES	Approve	x	x	x	x	x	x	x	x	x	x	x	x	x
Contract	£5,000 - £1,000,000	YES	Recommend	Recommend	Proc. Approve	x	x	x	x	x	x	x	x	x	x	x
Contract	£1,000,000 - £3,000,000	YES	Recommend	Recommend	Recommend	Recommend	Recommend	x	x	x	Approve	x	x	x	x	x
Contract	>£3,000,000	YES	Recommend	Recommend	Recommend	Recommend	Recommend	x	x	x	x	x	x	Approve	x	x
<b>GUIDANCE:</b> This relates to procurement tender exercises. Total value of individual contract including extensions and exclusive of VAT																
<b>Contract</b>	<b>Contract Extension</b> Approved as part of the original contract.															
Contract	£0-up to the original contract value	N/A	Recommend	Recommend	Proc. Approve	x	x	x	x	x	x	x	x	x	x	x
<b>GUIDANCE:</b> Note that this relates only to those contract extensions which have been procured as part of the original contract and cannot exceed the original contract value (e.g. a 3 year contract with an option for a further year). Extensions that are not part of the original contract or exceed the original contract value, should be treated as contract modifications. Other variations please seek advice from Procurement and Legal Services.																
<b>Contract</b>	<b>Contract Modifications</b> Increase cost. For other variations advice should be seek from Procurement and Legal departments.															
Contract	<20% of contract value or don't change original contract award approval route	N/A	Recommend	Recommend	Proc. Approve	x	x	x	x	x	x	x	x	x	x	x
Contract	Increase costs >20% of contract value or would increase the original contract award approval route	N/A	Recommend	Recommend	Recommend	x	x	x	x	x	Approve	x	x	x	x	x
	<b>Legal</b>															
<b>Legal</b>	<b>Settling Legal Actions against the Chief Constable</b>															
Legal	£0 - £75,000		Approve	x	x	Note	x	x	x	x	x	x	x	x	x	x
Legal	>£75,000	N/A	Recommend	Recommend	x	Note	Recommend	x	x	x	x	Approve	x	x	x	x
	<b>Legal assistance claims</b>															
Legal	£0 - £75,000		Approve	x	x	Note	x	x	x	x	x	x	x	x	x	x
Legal	>£75,000	N/A	Recommend	Recommend	x	Note	x	x	Approve	x	x	x	x	x	x	x
<b>GUIDANCE:</b> Excluding related expenses. Legal fees subject to approved budget. All legal settlements against SPA and all settlements against the CC above £75,000 must be approved by the SPA Legal Committee. Consideration should be given to whether these transactions are Novel, Contentious or Repercussive and it is for the SPA Legal Committee to determine which further approvals are required.																
	<b>Heritable Property</b>															
<b>Property</b>	<b>Routine purchase of property</b>															

		<b>Approval Required (Recommend, Note or Approve)</b>														
		Budget Approval	Budget Holder <sup>1</sup>	Head of Business Area	PS Head of Function (Procurement/Estates/P&D)	PS CFO	PS CFPB	PS Change Board	PS SLB	PS ARB	Accountable Officer (SPA)	SPA Legal Committee	SPA Audit Risk and Assurance Committee	SPA Resources Committee	SPA Board	Scottish Government
	£0 - £250,000	x	Recommend	Recommend	Estes Approve	x	Note	x	x	x	x	x	x	x	x	x
	£250,000 - £1,000,000	x	Recommend	Recommend	Recommend	x	Recommend	x	x	x	Approve	x	x	x	x	x
	>£1,000,000	x	Recommend	Recommend	Recommend	Recommend	Recommend	x	x	x	x	x	x	Approve	x	x
<b>Property</b>	<b>Disposal - Declaration of surplus</b>															
	£0 - £250,000		Recommend	Recommend	Estes Approve	x	Note									
	£250,000 - £1,000,000	x	Recommend	Recommend	Recommend	x	Recommend	x	x	x	Approve	x	x	x	x	x
	>£1,000,000	x	Recommend	Recommend	Recommend	Recommend	Recommend	x	x	x	x	x	x	Approve	x	x
<b>Property</b>	<b>Disposal variations from approved declaration of surplus</b>															
	<5% (+/-)	x	Recommend	Recommend	Estes Approve	x	x	x	x	x	x	x	x	x	x	x
	>5% and <20% of estimated value (+/-)	x	Recommend	Recommend	Recommend	x	Recommend	x	x	x	Approve	x	x	x	x	x
	>20% of estimated value (+/-)	x	Recommend	Recommend	Recommend	Recommend	Recommend	x	x	x	x	x	x	Recommend	x	Approve
<b>GUIDANCE:</b> All property for disposals have to be declared surplus prior to disposal. PS must consult with stakeholders and communities when considering disposals. When a proposal is made to sell below market value the wider public benefit must be demonstrated (See SPFM Community Transfers) The purchase and sale of a property that provide regional/national coverage we require ministerial consent																
<b>Notes</b>																
	1 ]	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. Single balances >£25,000 included in a cumulative write off proposal, should also be reported separately to the accountable officer for approval.														
	2	Procurement involvement in these contracts / transactions is mandatory														
	3	Note that the relevant budget holder will be responsible for confirming the availability of budget in relation to the spend														
	4	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.														
	5	Construction only														
<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.															

**Banking Arrangements**

The Chief Financial Officer is responsible for ensuring that arrangements are made for the provision of banking services for the Organisation and that they comply with the Scottish Government requirements.

The Organisation’s Accountable Officer and CFO are permitted to open bank accounts in the name of the Organisation. They will advise the bankers in writing of the conditions under which each account will be operated, the limits to be applied to any overdraft and any limitation on single signatory payments. All funds will be held in accounts in the name of SPA.

The CFO will advise the bankers in writing of any alteration in the conditions of operation of bank account.

**Salary Policy and Establishment**

1. Salary Policy - Senior officers and all other officers

The Police Negotiating Body (PNB) negotiates the terms and conditions (pay policy) for police officers in Scotland and makes recommendations to Scottish Ministers. The PNB comprises two ‘sides’, the Staff Side and the Official Side, an Independent Chair and an Independent Secretariat. The Staff Side comprises representatives of the federated ranks, the superintending ranks and chief officers. The Official Side comprises representatives of the Scottish Police Authority (SPA) and Police Scotland and Scottish Ministers. The negotiating process involves negotiation, conciliation and arbitration. Any PNB agreement must be approved by Scottish Ministers.

2. Salary Policy - Police staff



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The Scottish Police Authority and Police Scotland negotiate pay settlements in line with public sector pay policy (PSPP). Negotiations take place with the relevant trade unions. All negotiated pay will depend on the funding envelope available and is primarily dependent on the level of grant-in-aid (GiA) provided by the Scottish Government and agreed as part of the annual budget.

**3. Establishment - Police Officers and Staff**

The Chief Constable requests a set number of officers and staff as part of the budget process. For SPA Corporate and Forensic Services, the SPA Chief Executive and the Director of Forensic services make a similar request for a set number of staff as part of their budget process.

This is presented to the Accountable Officer and SPA Board who recommend the budget for approval by the Scottish Government. The Budget is approved in late March every year.

No individual in the organisation has delegated authority to create new posts where there is insufficient budget within the organisation to do so, without first seeking approval in writing, from the Accountable Officer. Any temporary increases in establishment levels (eg as part of budgeted reform-funded activities), must set out the timescales and the plans to terminate those arrangements. It is important to consider and take account of, the recurring cost of all such arrangements and no commitment to recruit (temporary or permanent) may be undertaken without considering the implications for recurring funding.

**HMRC**

The Chief Financial officer has delegated authority for the management of matters in relation to taxation and VAT. The Chief Financial Officer has authority to sign formal agreements with HMRC (eg PAYE settlement agreement). This authority is delegated to the Financial Controller for operational reasons.

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**APPENDIX B: CAPITAL AND REFORM AUTHORISATION FRAMEWORK**

All business as usual expenditure will be captured through the budget setting process. Business Cases are required for any new initiatives. Business Justification Cases, Initial Business Cases and Full Business Cases are subject to the same approval route. The limits below relate to the total cost over a five year appraisal period. Revenue, Capital and Reform costs, excluding savings and including all existing cost and including officer and staff costs.

Where a reform funding request raises matters of policy which would be of interest to the Board, SPA SMT/Change Board will refer the business case to the Board for approval. If the Board duly formally approves the business case, the Authority will thereafter refer it to the Scottish Government for approval.

Also SG recognises that novel and contentious is subjective and request a periodic planner of business cases.

Closure reports (end of review reports) must be provided by the PMO to the PS Change Board and to the original SPA approver (CE or RC).

Approval of a business case does not imply approval of expenditure per se. Any expenditure (e.g. Leases, Contracts, ICT, consultancy, estates,) resulting from an approved business case must be approved in line with the relevant part of the above scheme of financial delegations.

	Capital and Reform governance	Budget Approval	Budget Holder <sup>1</sup>	Head of Business Area	CDIO Chief Digital Information Officer	PS CFO	PS CFPB	PS Change Board	PS SLB	PS ARB	Accountable Officer (SPA)	SPA Audit Risk and Assurance Committee	SPA Resources Committee	SPA Board	Scottish Government
	<b>Potential Project Assessment</b>														
C&R	£0 - £100,000	x	x	Note	Approve	x	Note	Note	x	x	x	x	x	x	x
C&R	>£100,000	x	x	Note	Recommend	Approve	x	Note	x	x	x	x	x	x	x
	<b>GUIDANCE:</b> Including Business Justification, Initial and Full BCs for the total cost as defined above. Following the approval of an Initial BC the Full BC should provide a clear summary of movements in costs and benefits from the approved Initial BC														
	<b>Business Cases (BJC, IBC, FBC)</b>														
C&R	£0 - £100,000	x	x	x	Approve	Approve <sup>1</sup>	Note	Note	x	x	x	x	x	x	x
Reform (Research & Development)	£100,000 - £1,000,000	x	x	x	Approve	Approve <sup>1</sup>	Note	Note	x	x	x	x	x	x	x
C&R	£100,000 - £1,000,000				x	Recommend	Note	Approve	x	x	x	x	x	x	x
C&R	£1,000,000 - £3,000,000	x	x	x	x	Recommend	Note	Recommend	x	x	Approve	x	x	x	x
C&R	£3,000,000 - £5,000,000	x	x	x	x	Recommend	Note	Recommend	x	x	Recommend	x	Approve	x	x
	<b>GUIDANCE:</b> The creation, acquisition, development or maintenance of an asset with a lifespan beyond the current financial year and total anticipated whole-life cost of £5 million or more (defined as per SPFM)														
	<b>Business Cases - Major Investments</b>														
C&R	>£5,000,000	x	x	x	x	Recommend	Note	Recommend	x	x	Recommend	x	Recommend	x	Approve
	<b>GUIDANCE:</b> PMO requirement to provide a clear summary of movements in cost and benefits for the approved initial BC.														
	<b>Business Cases – Change Control</b>														
BC	Non-financial benefits, scope, timeline deviations	x	x	x	x	x	x	Approve	x	x	x	Note	x	x	x
BC	<20% or £500,000 overspend/lower savings	x	x	x	x	x	x	Recommend	x	x	x	x	Approve	x	x
BC	>20% or £500,000 overspend/lower savings and Major investment	x	x	x	x	x	x	Recommend	x	x	x	x	Recommend	x	Approve
Notes	<sup>1</sup> Approval only required if Justification Case														
<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.														

**APPENDIX C: NON PAY EXPENDITURE (NPE) APPROVER / SIGNATORY MATRIX**

Only the budget holder can authorise the allocation or prioritisation of budget. Any transaction approved must have appropriate authorisation in line with the Scheme of Financial Delegation and as per the limits in Appendix A and B.

Approval must be within budget limits and relevant cost centres.

PURCHASE LEDGER NON-PAY EXPENDITURE (NPE) AUTHORISED SIGNATORIES MATRIX: POLICE SCOTLAND														
AUTHORISERS MUST ENSURE THAT ALL PURCHASE LEDGER NON PAY EXPENDITURE IS WITHIN BUDGET														
	ACCOUNTABLE OFFICER	PRIMARY "NPE APPROVING" OFFICER					SECONDARY "NPE APPROVING" OFFICER		DELEGATED "NPE APPROVING" AUTHORITY					
		SPA Chief Executive	Chief Constable	Deputy Chief Constable: Local Policing	Deputy Chief Constable: Crime & Operational Support	Deputy Chief Constable: Professionalism, Digital & Transformation	Deputy Chief Officer: Corporate Services, People & Strategy	Assistant Chief Constables	PSoS Directors:	Chief Superintendent	Superintendent	SMT of Directors	Direct Reports of SMT Member	Administration Managers (Designated by Secondary Accountable Officers)
		Delegate: ?	NPE Approving Delegate: Deputy Chief Officer	NPE Approving Delegate: Fellow DCC			NPE Approving Delegate: Chief Financial Officer	NPE Approving Delegate: Fellow ACC	NPE Approving Delegate: Fellow Director	NPE Approving Delegate: Fellow Chief Superintendent	NPE Approving Delegate: Fellow Superintendent	NPE Approving Delegate: Fellow SMT Member	NPE Approving Delegate: Fellow SMT Direct Report	N/A
	<b>Non Functionally Owned Expenses</b>	No Limit	4,000,000	1,000,000	1,000,000	1,000,000	2,000,000	250,000	250,000	50,000	30,000	50,000	30,000	5,000
<b>FUNCTIONALLY OWNED EXPENDITURE</b>	<b>Estates</b>	No Limit	4,000,000				2,000,000		Chief Financial Officer: 1,500,000			Head of Estates: 1,000,000	Estates Senior Managers/SMT: 500,000	Estates Managers: 50,000
	<b>IT</b>	No Limit	3,000,000			1,500,000			Chief Digital & Information Officer: 1,000,000			Heads of IT: 500,000	IT Senior Managers: 50,000	
	<b>Legal</b>	No Limit	2,000,000			1,000,000						Head of Legal Services: 250,000	Principal Solicitor: 50,000	
	<b>HR</b>	No Limit	2,000,000				1,000,000		Director of People & Development: 250,000			Heads of HR: 50,000	HR Senior Managers: 30,000	HR Managers: 30,000
	<b>Finance</b>	No Limit	3,000,000				1,500,000		Chief Financial Officer: 1,500,000			Heads of Finance: 500,000	Finance Senior Managers: 50,000	
	<b>Fleet</b>	No Limit	2,000,000				1,000,000		Chief Financial Officer: 1,500,000			Head of Fleet, Fleet Manager: 250,000	Vehicle Maintenance Manager, 10,000	Workshop Supervisor, Charge Hand: 1,000

As at August 2022 – The most up to date version of the NPE Matrix can be found in the Finance Policy Intranet Page [Policies, procedures, guidance and forms \(spnet.local\)](#)

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