

Committee/Date:	Council – 13 July 2023
Report Title:	Changes to the General Scheme of Delegation
Directorate:	Resources
Contact Details	Ursula Gamble, Corporate Director of Financial Services Martin Cox, Corporate Director of People, OD and Business Support (Interim)
Wards affected:	None specifically
Public Access	Open
Appendices	Appendix 1 – Proposed changes to the General Scheme of Delegation

1. SUMMARY

- 1.1. Amendments to the General Scheme of Delegation (the Scheme) are proposed to reflect structural changes to the authority over time and to take advantage of options within the Council's new Enterprise Resource Planning systems (ERP), Oracle Fusion.
- 1.2. Proposed changes are suggested to:
 - a) the banding of officers within the Scheme to better reflect the current officer hierarchy.
 - b) the financial approval limits within the procurement and contracts (paragraph 7, Appendix 1) delegations to align with the revised bands.
 - c) the HR issues (paragraph 6, Appendix 1) delegations to align with HR policy and procedures.
 - d) all other paragraphs to reflect the revised band structure without changing the level of delegation and some minor job title changes. Such changes are administrative only.

2. RECOMMENDATION

- 2.1. Audit & Governance Committee recommended that Council:
 - 2.1.1 Agree the proposed changes to the General Scheme of Delegation with effect from 4th September 2023, and
 - 2.1.2 Delegate authority to the Corporate Director Governance and Law to change the date on which changes come into effect in consultation with the Chief Executive and the Leader of the Council to account for any unanticipated changes to the Oracle implementation timetable, and

2.1.3 Delegate authority to the Corporate Director Governance and Law to update other articles of the Constitution that reference the Authorised Officers band structure (paragraph 2 of the Scheme) as a result of this decision.

3. BACKGROUND

- 3.1. The General Scheme of Delegation sets out delegations to officers across core business functions of the authority including finance, human resources, procurement, asset management, reporting to Committees, partnerships, and legal matters. It is not part of the Council's Constitution but is published alongside it for ease of access.
- 3.2. Senior officers may further delegate their powers under the Scheme to officers within their directorate/service but must ensure that such delegations are in writing and incorporated into the Directorate's scheme of delegations as well as notified to the Monitoring Officer.
- 3.3. This report proposes amendments to the Scheme to reflect structural changes to the authority over time, and to take advantage of the Council's new ERP system as summarised in paragraph 1 above.

4. PROPOSAL

4.1. Finance, Procurement and Contracts and ERP Changes

- 4.2. The current procurement approval limits and volumes (June 2020-June 2022) are set out below, with all approvals under £250 being approved automatically:
- 4.3. Table 1

<u>EXISTING SoD</u>				
<i>Level</i>	<i>Lower limit</i>	<i>Upper limit</i>	<i>Count</i>	<i>%</i>
A CEO & Strategic Dir.	£100,000.00	N/A	564	2.60
B Corporate/Divisional Dir.	£50,000.00	£100,000.00	519	2.39
C Deputy/Assist. Dir & Heads of Service	£10,000.00	£50,000.00	2,018	9.30
D Team Manager	£250.00	£10,000.00	12,150	56.01
Auto	£0.00	£250.00	6,440	29.69
			21,691	100.00

- 4.4. The table shows that the majority of approvals fall within group D (56.01%) which is expected as it encompasses the largest number of managers.
- 4.5. The scheme does not currently reflect the auto-approval of spend under £250 which happens in practice.

- 4.6. With the introduction of Oracle Fusion, there is an opportunity to add levels to the Scheme which will allow more control over approval levels and, in line with the scheme aim that decisions be taken as close to the point of service delivery as possible, further delegate low spend approvals.
- 4.7. The table below sets out the proposed new band structure labelled in reverse numerically (to reflect the Oracle system structure) and including additional layers (highlighted), as well as the effect this would have had on approvals and raising of orders for the same period as table 1 above:
- 4.8. Table 2

CHANGE					
<i>New level No</i>	<i>Level</i>	<i>Lower limit</i>	<i>Upper limit</i>	<i>Count</i>	<i>%</i>
7	A+ CEO & S151 jointly	£2,000,000.00	N/A	42	0.18
6	A CEO/Deputy CEO/ Strategic Dir.	£1,000,000.00	£2,000,000.00	22	0.10
5	B Corporate/ Divisional Dir.	£250,000.00	£1,000,000.00	179	0.83
4	C Deputy/Assistant Dir.	£10,000.00	£250,000.00	2,859	13.18
3	C Heads of Service				
2	D Team/Service Manager	£1,000.00	£10,000.00	6,925	31.93
1	E Team Leader/Other posts with limited responsibility	£250.00	£1,000.00	5,225	24.09
0	Auto	£0.00	£250.00	6,440	29.69
				21,691	100.00

- 4.9. Key changes include:
- a new band (7) for joint decisions by the Chief Executive and Strategic Director Resources (S151 Officer) for spend over £2million
 - a new band (2) for team or service managers to approve spend between £1,000 and £10,000
 - a new band (3) for heads of service. Whilst not essential for this procurement hierarchy, this band will allow flexibility in delegations in larger departments within departmental schemes. This new band will also allow for better alignment with other dependencies within the Scheme and the ERP

- 4.10. These changes spread responsibility across approval levels with nearly 25% of activity in the new level 1/E, primarily comprised of team leaders.
- 4.11. There is a resulting overall reduction in approvals at the top end of the management structure, meeting the scheme of delegation aim that decisions are taken as close to the point of service delivery as possible.
- 4.12. The opportunity to change the number of levels can only be taken in advance of going live with the new ERP and there could be a cost associated with changes after the system goes live.
- 4.13. After go-live, the ability to change the values of these levels will exist, giving the Strategic Director Resources, (section 151 Officer) the flexibility to enforce higher or lower approval limits in accordance with any future changes to the Scheme.
- 4.14. In line with the current Scheme, budget holders may choose not to delegate to their officers in line with the approval levels set out above and may reserve decisions for themselves.
- 4.15. **HR Issues**
- 4.16. Amendments to the Scheme are proposed as follows in table 3 with the rationale for change:
- 4.17. Table 3

Sub-heading/ subject	Nature of change	Rationale for change
6.1 new introductory paragraph	Addition of paragraph to state that all delegations must be taken in line with HR policy and procedures	To facilitate the removal of excessively operational delegations referred to in the scheme and repetition of this issue in each delegation
6.6 Overtime	Removal of 35-hour cap on overtime claims	This is updated to reflect policy which can differ in exceptional circumstances
6.7 Honoraria/ Acting Up	Addition of extension periods and reference to consult HR	This reflects policy and directs managers to seek HR advice to ensure consistent application of the policy
6.8 & 9 Market Supplements/ retention bonuses	Addition of the issue to the Scheme with decisions to be taken at level 5/B (Corporate Directors) in consultation with HR	This ensures consistent application of such payments and mitigates against discrimination
6.10 Secondments	Addition of the issue to the Scheme with decisions to be taken at level 3&4/C (Heads of Service and Assistant/Deputy Directors) in consultation with HR	This ensures consistent application of opportunity and mitigates against discrimination

Sub-heading/ subject	Nature of change	Rationale for change
6.11 Approval of Special Allowances and Ex-Gratia Payments	Increases the approval level to Strategic Directors (6/A) in consultation with HR	This ensures consistent application of such payments and mitigates against discrimination
6.12 Compromise agreements	Addition of the issue to the Scheme to reflect the policy of approval by the Strategic Director Resources and the Director of Governance and Law jointly	This is an update to incorporate a significant policy into the scheme
Changes to salary levels	Removed as covered by the increment policy and overly operational	The increment policy determines changes to salary levels, with delegation dependent upon appraisal scoring and line manager level.
6.13 Early retirements	Amendments to titles	Administrative
Sickness and extension of sick pay	Removed as covered by policy and overly operational	Administrative
6.16 Leave – paid/unpaid	Realigns the approval level to team managers (2/D) to account for increases in boundaries, and removes reference to terms and conditions	Covered by new HR policy and Procedures introductory paragraph.

4.18. **Other Issues**

4.19. Paragraph 10.3.4.7 has been updated to reference changes to job titles.

5. **CONSULTATION**

5.1 Consultation has taken place with the Audit & Governance Committee, Strategic and Corporate Directors affected by the scheme, as well as with HR and the Oracle project team.

6. **IMPLICATIONS**

6.1 **Finance, Value for Money and Risk**

There are no financial implications as all approvals must be within the relevant approved service budget or approved scheme budget.

6.2 **Legal**

7.2.1 There are no direct legal implications arising from these proposals.

6.3 Equalities and Diversity

6.3.1 An equalities screening was undertaken and this analysis has not identified any additional equality impact as a result of these proposals.

6.4 Sustainability (including climate change, health, crime and disorder)

6.4.1 There are no direct sustainability implications as a result of these proposals.

6.5 Council Infrastructure (e.g. human resources, accommodation or IT issues)

7.5.1 There are no direct council infrastructure implications as a result of these proposals.

BACKGROUND INFORMATION (as defined by Local Government (Access to Information) Act 1985)

None