



**Reservation of Powers to the
Executive and
Corporate Scheme of Delegation**

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1. Introduction

The purpose of this document is to define the powers and authorisation limits available to Members and Officers within Blackpool Council regarding the financial matters which the Council as an entity is held accountable by the Ministry of Housing, Communities and Local Government. The Executive, as the decision-making cabinet, remains accountable for all its functions including those delegated to the Leader of the Council, Cabinet Members and Officers. All members are notified on decisions made by the Leader of the Council and Cabinet Member and published Officer decisions. The relevant Cabinet Member should also receive updates in general terms of the use of delegated powers at the levels below these and would be expected to receive more detailed information on exemptions or where a service is near to its budget or is overspending.

1.1. Roles of the Chief Executive and the Director of Resources

All powers of the Council, which have not been retained as reserved by the Executive or delegated to a committee or sub-committee, shall be exercised on behalf of the Council by the Chief Executive who, as Head of the Paid Service, is accountable to the Leader of the Council. However, Section 151 of the Local Government Act 1972 requires that every Local Authority in England and Wales should *'make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs.'* At Blackpool Council the Director of Resources is charged with this role and shall prepare a Corporate Scheme of Delegation identifying which functions they shall perform personally and which functions shall be delegated to other Directors and Officers. All powers delegated by the Director of Resources can be re-assumed by the Director should the need arise. The Statutory Finance Officer is accountable directly to the Secretary of State.

1.2. Caution over the use of delegated powers

Powers are delegated to Directors and Officers on the understanding that they will not exercise delegated powers where they have a conflict of interest, have predetermined the issue or the decision is likely to be controversial. Where such issue exists or there may otherwise be cause for public concern, the decision should be referred to either an officer at a high level or to a higher level of decision making (Cabinet Member or Executive).

1.3. Directors' ability to delegate their own delegated powers

The Corporate Scheme of Delegation shows only the 'top level' of delegation within the Council. The Scheme is to be used in conjunction with the system of budgetary control and other established procedures within the Council besides providing the basis for local schemes of delegation.

1.4. Absence of Directors or Officers to whom the powers have been delegated

In the absence of a Director or Officer to whom powers have been delegated, those powers can be exercised by that Director or Officer's superior unless in the advance of the absence the Director or Officer has delegated an alternative officer (of any level) to exercise their powers. In

the event of an unexpected absence, the Director or Officer's superior can appoint an officer to make decisions instead of a Director or Officer on pro tem basis.

2. Reservations of Powers to the Executive

2.1. Medium- term Financial Strategy, Business Plans and Budgets

The definition of the strategic aims and objectives of the Council are as follows:

- Annual approval of plans in respect of the application of available financial resources for the Revenue Budget and Capital Programme
- Overall approval of treasury management, investment and capital strategies

2.2. Direct Operational Decisions

Direct operational decisions include:

- The acquisition, disposal or significant change of use of land and/or buildings.
- The introduction, discontinuation or substantial reduction of any significant activity or operation. An activity or operation shall be regarded as significant if it has a gross annual income or expenditure (before any set-off) of £250,000 and above.
- Approval of individual compensation payments £50,000 and above.
- To agree action on litigation against or on behalf of the Council.

2.3. Financial and Performance Arrangements

Continuous appraisal of the affairs of the Council by means of the receipt of reports as it sees fit from committees, Directors, heads of service and other officers of the Council as set out in management policy statements. All monitoring returns and performance indicators required by central government and auditors shall be available at least in summary to the Executive.

2.4. Key Decisions

All decisions must be taken in accordance with financial regulations, relevant codes of practice and the principles of decision making set out in the Council's Constitution. The Corporate Scheme of Delegation should be read in consultation with Part 3 (Responsibilities and Functions) of the Constitution and the Executive Decision Making Criteria, which sets out the definition of a key decision, non-key decisions and those delegated to take them.

3. Delegations to Committees

The Executive may determine that certain of its powers shall be exercised by standing committees. The composition and terms of reference of such committees shall be that determined by the Executive and shall determine the reporting requirements in respect of these committees. Committees may not delegate executive powers to sub-committees unless expressly authorised by the Executive.

3.1. Audit Arrangements

The Council has delegated responsibility of the following to the Audit Committee:

- To approve internal and external audit plans and arrangements.
- To consider and approve the authority's statement of accounts including the Annual Governance Statement in accordance with the Accounts and Audit Regulations 2015.
- To consider the annual letter from the external auditor in accordance with the Accounts and Audit Regulations 2015 and to monitor the Council's response to individual issues of concern identified.
- To consider the annual report received from the Head of Internal Audit and Risk and agreement of action on its recommendations where appropriate.

3.2. Scrutiny Function

The Council's Constitution sets out the relevant powers of its Scrutiny Committees, which include:

- The power to review or scrutinise decisions made, or actions taken in connection with the discharge of Executive functions.
- The power to make reports or recommendations to the Executive with respect to the discharge of any Executive functions.
- The power to make reports or recommendations to the Executive on matters which affect the Authority's area or inhabitants of the area.
- The power to assist the Council and the Executive in the development of the policy framework and budget, subject to limitations set out in the Budget and Policy Framework Procedure Rules within the Constitution.
- The power to require Members of the Executive to attend before the committee to answer questions.
- The power to exercise scrutiny functions in relation to financial matters, including requesting recovery plans where budgets are overspent.

4. Delegation to officers

The Constitution's Responsibility for Functions and the Council's Financial Regulations set out in summary the financial responsibilities of the Chief Executive, Director of Resources and other officers. The Scheme of Delegation covers financial matters in more detail, which are delegated by the Executive to Council Officers and certain other specific matters referred to in the Rules of Procedure and Financial Regulations.

Other matters that could be covered in a scheme of delegation but not referred to in the above or ones which do not specify the responsible officer, e.g. Major Emergency Plan, Health and Safety and Data Protection requirements, have been excluded from this document.

Each Director is responsible for the delegation within his/her Department and must produce a local scheme of delegation for matters within it if any of the directorates activities/delegated amounts fall outside of the limits in the corporate scheme of delegation. If that is not the case the Director can still choose to produce such a local scheme of delegation and this is recommended. In particular the local scheme of delegation shall include how the department's budgets and procedures for approval of expenditure are delegated.

5. Corporate Scheme of Delegation

All items concerning finance must be carried out in accordance with the Council's Constitution and Financial Regulations. The delegation shown below is the lowest level to which authority is delegated. **All values exclude VAT.**

5.1. Key Roles

- Chief Officers (Appendix 1)
- Head of Service – the head of section within a division
- Budget Manager or Unit Manager – an employee to whom a Head of Service has allocated responsibility and accountability within a locally agreed scheme of delegation.

Delegated Matter	Authority Delegated To	Reference Documents
1. Maintenance/Operation of Bank Accounts		
Opening and closing of any bank account and/or investment account.	Director of Resources on written request of Chief Accountant	Treasury Management Policy (to be updated)
2. Management of Budgets		
Responsibility for keeping expenditure within budget:		Finance Toolkit
<ul style="list-style-type: none"> At individual budget level (pay and non-pay) 	Budget Manager	
<ul style="list-style-type: none"> At service level 	Head of Service or Director	
<ul style="list-style-type: none"> For the totality of services covered by the Director 	Director	
<ul style="list-style-type: none"> For all other areas 	Director of Resources	
Reporting of monthly financial performance at months 3 -10 and outturn to Directors, CLT and Executive	Director of Resources/Directors	Budget Book
Required to produce a recovery plan of up to 3 years and to be formulated where budget overspends of £75,000 or 1.5% of budget where controllable budget over £5m (whichever is higher)	Director after consultation with Cabinet Member and copy of report to go to the relevant Scrutiny Committee	
Accumulated budget virements up to £150,000	Head of Service	
Budget virements above £150,000	Executive	
Carry forward of year-end under and overspends	Director of Resources	

Delegated Matter	Authority Delegated To	Reference Documents
3. Non-pay Revenue and Capital/Ordering/Commitment of Works, Goods and Services <u>(unless otherwise stated in local scheme of delegation approved by the Director of Resources – see appendices)</u>:		
• Commitments up to £25,000	Budget Manager	
• Commitments up to £50,000	Service Manager	
• Commitments up to £85,000	Head of Service	
• Commitments up to £150,000	Director	
• Commitments up to £250,000	Director of Resources or Chief Executive	
• Commitments over £250,000	Not delegated (Executive)	
• Placements/packages of care up to £100,000 gross p.a.	Budget Manager	
• Placements/packages of care up to £250,000 gross p.a.	Director	
• Placements/packages of care over £250,000 gross p.a.	Not delegated (Executive)	
• Capital works orders up to £500,000 or totality of payment if scheme approved by exec	Director of Resources, Director of Community and Environmental Services, Director of Communications and Regeneration	
• Works orders over £250,000 where capital/revenue expenditure not within approved budget.	Not delegated (Executive)	
• Exceptions to non-pay revenue and Capital/Ordering/Commitment of works, goods and services	Officer with written agreement from the Director of Resources	

Delegated Matter	Authority Delegated To	Reference Documents
Non-pay expenditure for which no specific budget has been set up and which is not subject to funding under delegated powers or virement (subject to the limits specified above)	Director of Resources subject to limit of £250,000 or 0.2% of authority's total net budget, whichever is the higher	
Use of corporate credit card	Director of Resources	Credit Card Guidance
Change of credit card limit	Director of Resources to provide written authorisation to Chief Accountant	
Use of corporate purchase cards	Head of Procurement and Projects	Purchasing Card User Manual
Change of purchase card limits	Chief Accountant on written request of Director or Head of Service	
Change of card restrictions e.g. blocking/unblocking suppliers	Head of Procurement and Projects	
4. Capital Schemes		
Selection architects, quantity surveyors, consultant engineers and other professional advisors within EU regulations.	Appropriate officer with delegated authority/ Director of Resources/ Chief Executive	Code of Practice for Engaging with Consultants 2018
Approval of capital schemes, irrespective of funding source	Director of Resources or Director of Communications and Regeneration	Asset Management Plan 2018
Financial monitoring and reporting on all capital scheme expenditure	Director of Resources or nominated deputy	

Delegated Matter	Authority Delegated To	Reference Documents
Acquisition of land and property assets by purchase or lease for investment or regeneration or Acquisition of land and property assets for service delivery	Executive if > £499,999 Cabinet Member if >£199,999 and <£499,999 Published Chief Officer decision if between £100,000 and £199,999 If <£100,000 Head of Service (All if can be contained within identified budget)	Investment and Disposal Strategy 2018
Granting and terminating of leases of annual rent <£85,000	Head of Service	
Disposal of land and property assets	Director of Resources or Director of Communications and Regeneration	
Termination Costs <£100,000	Director of Resources	
Termination Costs >£100,000	Non delegated (Executive)	
5. Prudential Borrowing		
Capital commitments of any value	Not delegated (Executive)	
6. Treasury Management		
Investments	Treasury Management Accountant with authority from the Treasury Management Panel	Treasury Management Strategy
Repayment of Borrowing	Treasury Management Accountant with authority from the Treasury Management Panel	Treasury Management Strategy
7. Quotation, Tendering and Contract Procedures		

Delegated Matter	Authority Delegated To	Reference Documents
Inviting a minimum of 3 written quotations for goods & services or approving an order for a quotation received:		Contract Procedure Rules
• Up to £25,000	Budget Manager/Unit Manager	
• Up to £85,000	Head of Service	
• Above £85,000	Head of Procurement and Projects	
Inviting formal tenders for works or approving and order for works:		
• Up to £250,000	Head of Service	
• Over £250,000	Director	
The waiving contract procedure rules	Head of Procurement and Projects and Director	
Exemption to contract procedure rules	Head of Procurement and Projects and Director	
Opening tenders (e-tendering portal)	Head of Procurement and Projects	
Signing Contracts	Director and either Head of Procurement and Projects or Head of Legal	
8. Income		
Setting service fees & charges (excl. statutorily-prescribed) and income generation initiatives	Non delegated (Cabinet Member)	
Setting charges for internal service level agreements	Head of Service after consultation with Director of Resources	
Income collection	Head of Service	Corporate Income and Debt Recovery Strategy

Delegated Matter	Authority Delegated To	Reference Documents
9. Engagement of External Staff and Consultants (not dealt with under capital schemes above)		
<ul style="list-style-type: none"> External consultants where aggregate commitment in any 1 year is less than £25,000 	Director	Code of Practice for Engaging with Consultants 2018
<ul style="list-style-type: none"> External consultants where aggregate commitment in any 1 year is £25,000 or more 	Director of Resources/ Chief Executive	
<ul style="list-style-type: none"> Bank/agency staff 	Budget Manager or Unit Manager or Headteacher	
10. Expenditure of Charitable and Endowment Funds		
<ul style="list-style-type: none"> Up to £5,000 per request 	Trustee signatory	
<ul style="list-style-type: none"> Over £5,000 per request 	Trustee signatory and Director of Resources and the Audit Committee for information	
11. Agreements/Licences		
Preparation and signature of all tenancy agreements/licences	Head of Legal or designated Deputy Head of Legal Services	
Actioning extensions to property leases on existing terms	Senior Estates Surveyors	
Negotiation of letting of premises to outside organisations	Senior Estate Surveyors	
Final approval of letting premises to outside organisations	Head of Property Service or Service Manager- Assets, Estates and Business Administration	
12. Condemning and Disposal		
Items that are obsolete, obsolescent, redundant, irreparable or cannot be repaired cost effectively:		Contract Procedure Rules

Delegated Matter	Authority Delegated To	Reference Documents
<ul style="list-style-type: none"> Current/estimated purchase price <£100 	Budget Manager/Unit Manager	
<ul style="list-style-type: none"> Current/estimated purchase price <£1000 	Head of Service	
<ul style="list-style-type: none"> Current/estimated purchase price >£1000 	Head of Procurement and Projects	
<ul style="list-style-type: none"> Disposal of mechanical and engineering plant (subject to estimated income of less than £1,000 per sale) 	Director of Resources or Director of Community and Environmental Services	
<ul style="list-style-type: none"> Disposal of mechanical and engineering plant (subject to estimated income of exceeding that £1,000 per sale) 	Head of Procurement and Projects	
<ul style="list-style-type: none"> Using auction sites (e.g. ebay) for disposal of goods 	Head of Service	
13. Losses, Write-offs and Compensation		Corporate Write-off Policy
Losses and cash due to theft, fraud, overpayment and others up to £50,000	Director of Resources	
Individual bad debts and claims abandoned:		
<ul style="list-style-type: none"> Individual debt up to £150 	Unit Manager	
<ul style="list-style-type: none"> Sundry debt <£5,000 	Director of Resources	
<ul style="list-style-type: none"> Council tax <£5,000 and NNDR <£10,000 	Head of Revenues & Exchequer Services	
<ul style="list-style-type: none"> Housing rents <£5,000 per rent account 	Head of Housing	
<ul style="list-style-type: none"> Non-residential Services (Adult Social Care) <£5,000 	Director of Adult Services, Head of Adult Services and Head of Care and Support or Director of Resources where client had died with no estate or funds.	
<ul style="list-style-type: none"> Housing benefits <£5,000 	Head of Benefits and Customer Services	

Delegated Matter	Authority Delegated To	Reference Documents
<ul style="list-style-type: none"> Any individual debt >£5,000 	Not delegated (Executive)	
Compensation payments made under legal obligation up to £50,000	Director of Resources	
Extra contractual payments to contractors up to 20% of scheme value	Director of Resources subject to not causing the total capital programme to exceed 105% of approved value	
Extra contractual payments to contractors over 20% of contract value	Not delegated	
Ex-gratia payments to customers and staff for loss of personal effects:		
<ul style="list-style-type: none"> Up to £150 	Head of Service	
<ul style="list-style-type: none"> Up to £500 	Director	
<ul style="list-style-type: none"> Over £500 	Director of Resources	
For personal injury claims involving negligence where legal advice has been obtained and guidance applied up to £1,000,000 (including plaintiff's costs)	Chief Executive and Director of Resources	
Other (except in cases of maladministration) where there was no financial loss by claimant, of up to £50,000	Director of Resources	
14. Reporting incidents to the Police		
Where fraud is involved	Head of Risk and Audit	Anti-Fraud and Corruption Statement
15. Petty Cash Disbursements (Not Applicable to Central Cahiers Office)		
Establishment/disestablishment of petty cash account	Director of Resources or Chief Accountant on written request of Head of Service	Petty Cash User Guidance

Delegated Matter	Authority Delegated To	Reference Documents
Expenditure up to £30 per item	Petty Cash Account Manager	
Expenditure over £30 per item	Chief Accountant	
Cash/cash in advance deemed necessary to meet care needs of client: <ul style="list-style-type: none"> Up to £1,000 Up to £200 	Service Director/Head of Service Service Manager	Children's & Adults Services Petty Cash Policy
Reimbursement of client's monies up to £1,000	Budget Manager or Unit Manager	
Reimbursement of client's monies over £1,000	Head of Service	
16. Receiving Hospitality and Gifts		
Applies to both individual and collective hospitality receipt items excess of £25	Individual Officer to declare in Council Hospitality Register	Code of Conduct
17. Anti- Money Laundering		
Reporting suspicions of Money Laundering activity to Head of Audit and Risk or Audit Manager	Individual Officer	Anti-Money Laundering Policy (link tbc)
18. Investment of Funds (including Charitable and Endowment Funds)	Director of Resources	
19. Authorisation of Sponsorship Deals	Director of Governance and Partnerships if within budget, within the Council's ethical framework and under £100,000 Otherwise Executive	
20. Maintenance and update of Council Financial Regulations	Director of Resources	Executive Decision 17/12/03
21. Insurance Policies and Risk Management	Director of Resources	Financial Regulations

Delegated Matter	Authority Delegated To	Reference Documents
22. Maintenance and update of Council Procedure Rules, Guidance Documents and Codes of Practice.	Head of Procurement and Projects after consultation with Cabinet Member So long as there's no fundamental amendments to these documents which would remain Executive decision.	Executive Decision 30/06/04

Appendix 1 – Senior Officers

