



GCU Delegated Authority Policy

Reviewed September 2014

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Appendix 1: Delegated Authority – Transfer Overview

1. Introduction

The financial procedures enable the transfer of delegated authority from the Principal to members of the Executive, Deans, Heads of Support or Research Departments, and other staff within the University. This enables the University to increase effectiveness through:

- Streamlining decision-making
- Allowing greater flexibility on the use of funds
- Motivating and incentivising staff to maximise the return from their funds whilst maintaining sound financial controls.

Delegated Authority is the financial limits that are assigned to individuals within the University regarding their ability to approve new projects, and to commit and approve expenditure.

By signing the [Delegated Authority Specimen Signature Form](#), members of staff are acknowledging that they have read and understood the [Financial Procedures](#) and [Financial Regulations](#), and that they will use their delegated authority both appropriately and responsibly.

The financial limits for approving new projects, and committing to, and approving expenditure, are contained within this policy.

An overview of the transfer of Delegated Authority from the University Court to University staff is contained in Appendix 1.

1.1 Responsibilities

The University Court oversees the University's financial affairs, provides governance and promotes the University's objectives. It has powers and duties conferred on it by statute that are discharged through delegation to the Principal who has responsibility for the management and administration of the whole of the revenue and property of the University.

It is the University's policy to devolve financial accountability by transferring budgetary control responsibilities to members of the Executive and then to Deans, Heads of Support or Research Departments, and other Budget Holders.

For Academic Departments within Schools, the respective Dean, supported by the School's Senior Management Group, is accountable to the Executive for University funds expended.

For Support & Research Departments, the respective Head of Department is accountable to the Executive for University funds expended.

It is the responsibility of School Deans and Heads of Support/Research Departments to ensure that their staff members are granted appropriate levels of delegated authority.

It is the responsibility of all staff to ensure the authority delegated to them is used responsibly, appropriately, and in line with this policy.

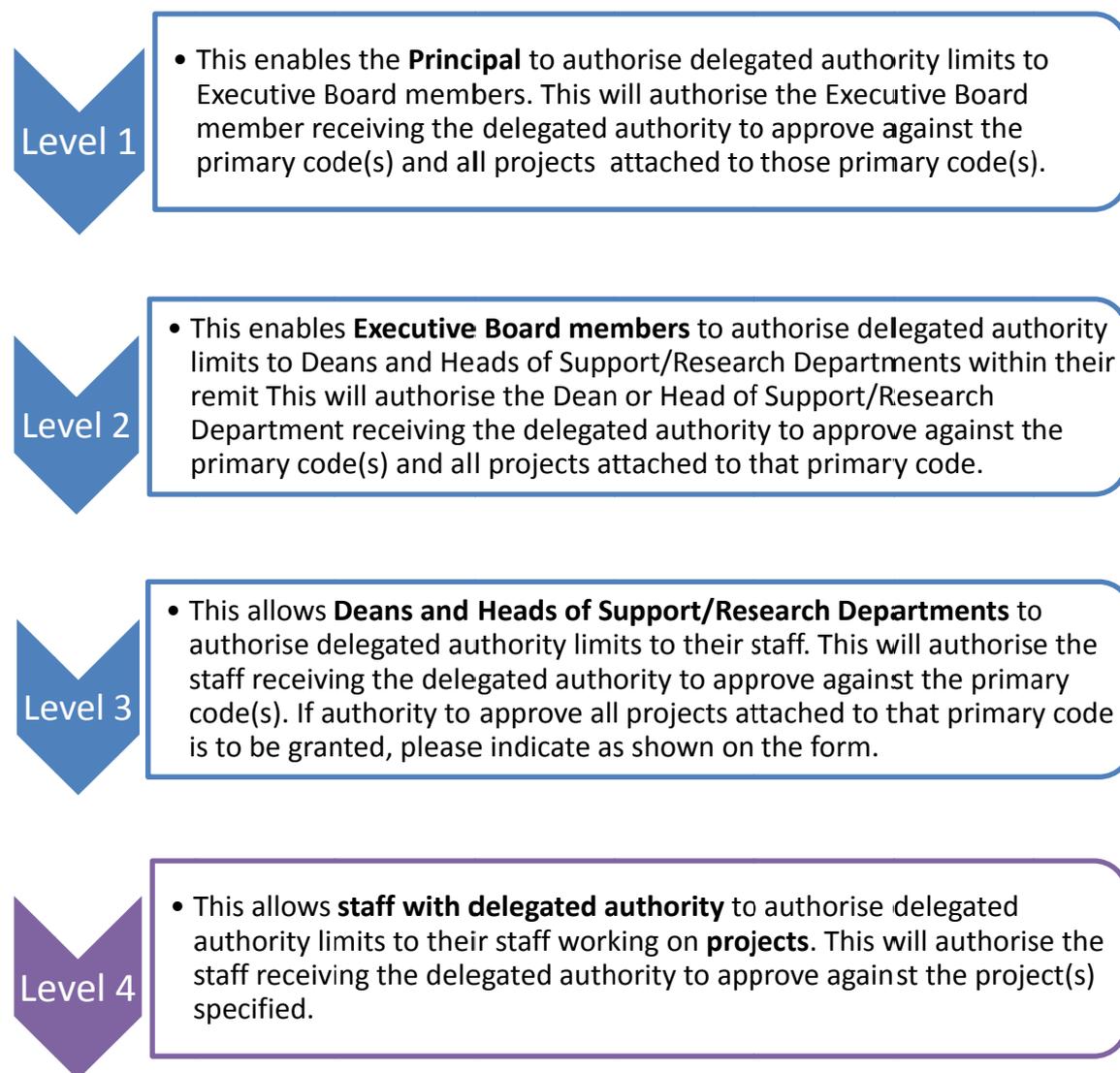
Embedded within budget responsibility is assuring that account activity is relevant to the intended purpose of accounts and that spend is within budget limits, unless authorised in writing by an appropriate individual/funding body.

The Disclosures of Interest and Principles of Conduct sections within the [Financial Procedures](#) must be adhered to when authorising delegated authority limits, approving new projects, and committing to, and approving expenditure.

1.2 Scheme of Delegation

The Scheme of Delegation sets out the levels for authorisation of Delegated Authority Limits.

There are 4 levels within the Scheme of Delegation: Levels 1 to 3 apply to Cost Centres and Projects and Level 4 applies only to Projects.



There are two occasions when changes to delegated authority levels are required –

- Permanent Changes (i.e. new appointments, new projects, etc.)
- Temporary Changes (i.e. to cover annual leave, sick leave, etc.)

The procedure for updating delegated authority levels (see [Section 4](#)) explains the process for notifying Finance of any changes.

1.3 Risk

Implicit in establishing delegated authorities and responsibilities is the requirement **to recognise and limit the potential risks and exposures** of contractual arrangements and the various financial transactions and proposals across the University. Therefore it is vital that consideration is given to the University's **risk appetite** relevant to the activity being undertaken. Even if the financial limits are within an individual's delegated authority, where the activity will result in a level of risk exposure greater than the University's risk appetite in that area, then delegated authority must be escalated to Executive Board.

Further guidance can be found in the [GCU Risk Management Website](#).

1.4 Specimen Signatures

The Operational Services team in Finance, maintain a list of specimen signatures of all staff permitted to approve new projects, and to commit and approve expenditure. Schools, Support and Research Departments must provide a scanned or hard copy [Delegated Authority Specimen Signature Form](#) to Finance when they require a new member of staff to be given delegated authority.

2. Standard Delegated Authority

This applies to all levels of delegated authority, with the only exceptions described within [section 3](#) of this policy.

Management Accounting maintains the official versions for all [Scheme of Delegation Forms](#) and must be informed of any amendments. If Management Accounting has not been informed of any amendments, the delegated authority levels will remain the same as those previously in place.

Please note that Schools, Support and Research Departments must be contacted in the first instance if an individual is enquiring to their level of delegated authority.

2.1 Limits

The policy contains two standard limits of delegated authority which are presented in the table below. Below these levels there are a number of standardised levels which can be chosen by the individual sub-delegating their responsibility.

Authorised Signatories	Authoriser Limits
Principal	No Limit
Executive Member	Up to £250,000

The Executive Member may then sub-delegate authority to Deans of School and Heads of Support & Research Departments by assigning one of the following limits;

- £100,000
 - £50,000
 - £25,000
 - £10,000
 - £5,000
- } No individual is to be allocated delegated authority out with these limits.

3. Exceptions & Special Rules Governing Delegated Authority Levels

3.1 Expense Claims

For staff below Executive level, the standard delegated authority limits (see [section 2](#)) should be referred to.

Expense claims must be approved as follows:

Claimant	Authoriser of Expenses Claim	Authoriser Limits
Executive	Any other member of the Executive	Up to £1,000
	Principal	Up to £15,000
Principal	If <£1,000, Executive Board Member	Up to £1,000
	If >£1,000, Chair of Court or Chair of Finance & General Purposes Committee	No Limit
Members of Court	University Secretary	Up to £1,000
	University Secretary countersigned by the Principal	No limit

Where a single overseas visit for a group costs in excess of £30,000, or an individual's expenses exceed £15,000, advance approval from the Chair of the Finance & General Purposes Committee must be obtained. Student visits are exempt from this requirement and are subject to normal authorisation controls.

3.2 Commercial Contract/Consultancy Agreements (excluding Research)

Project proposals can be authorised as follows:

Limits	Authoriser
Up to £250,000	Executive Member through RIE
Up to £750,000	Principal through RIE
£750,000 +	Finance & General Purposes Committee through RIE

The approval process for commercial and consultancy is owned [RIE](#).

3.3 Research Grants/Research Contracts

Project proposals can be authorised as follows:

Limits	Authoriser
Up to £1,000,000	Executive Member
Up to £2,000,000	Principal
£2,000,000 +	Finance & General Purposes Committee

The approval process for research grants and contracts is owned [RIE](#).

3.4 Claims/Damages from Staff

The following authorisations are required:

Limits	Authoriser
Up to £3,000	University Secretary
Up to £10,000	Principal
£10,000 +	Finance & General Purposes Committee

3.5 Collaborations between the University and Other Organisations

Conditions	Approved By	Approval Limits
If turnover exceeds £750,000 per annum Or If GCU investment exceeds £750,000 Or On the decision of the Principal, if there are clearly significant non-financial (e.g. reputational) risks to the University and the project is breaking new ground.	Court on recommendation of Finance & General Purposes Committee	Over £750,000 turnover p.a. and single investment

Collaborations under £750,000 must follow the standard limits set out in [section 2](#).

Projects going to Court on the grounds of reputation should normally include Senate advice.

3.6 Additions to Budget

This relates to the approval of overspends on the University Budget.

Addition to Budget	Approved By
Up to £750,000 cumulatively per annum	Principal
£750,000+	Finance & General Purposes Committee reserved power

3.7 Writing off Bad Debts

This relates to income due to the University which cannot be recovered.

Individual Debt	Cumulative Debt p.a.	Write Off Approved By
Up to £25,000	n/a	Chief Financial Officer
Individual Debts up to £100,000	Up to £750,000	Principal
Individual debts in excess of £100,000	No limit	Finance & General Purposes Committee

3.8 Financial Claims

This relates to the strategy to be followed in relation to financial claims against the University.

Claim	Approved By
Up to £750,000	Principal
£750,000+	Finance & General Purposes Committee reserved power

3.9 Major Reorganisations

Definition – The creation/dissolution of more than 30 posts.

The Principal, with advice from the Executive Board, is authorised to take executive action up to 30 posts.

The Finance & General Purposes Committee is authorised to consider recommendations from the Principal and, where appropriate, Senate, and to submit proposals to Court.

3.10 Major Capital Projects

The below limits apply to the lead Executive member for Estates on any Major Capital Projects. A Major Capital Project is defined as a project with a value in excess of £1m.

Expenditure	Approved By
Up to £750,000	Executive lead for Estates

4. Procedure for Updating Delegated Authority Levels

4.1 Temporary Changes to Delegated Authority

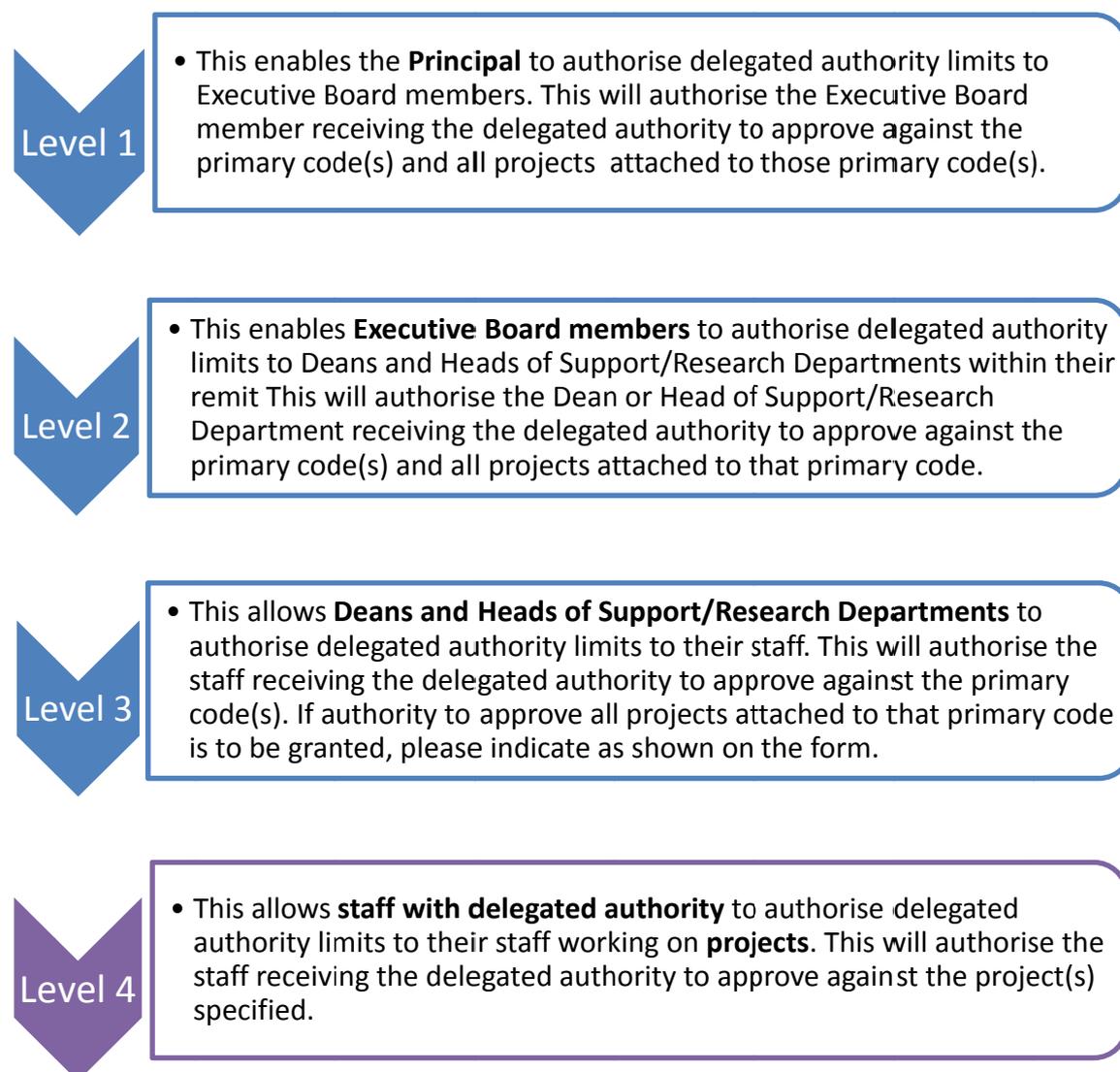
This applies to new appointments, new projects, staff moving from one School/Department to another, etc. It can also apply when, for example, a Dean or Head of Department would like to increase/decrease the level of delegated authority for an individual.

Every time there is a **permanent** change to a person's delegated authority, the [Scheme of Delegation Form](#) must be completed.

Scheme of Delegation Form

How to complete the form –

1. Choose the delegated authority level. There are 4 levels as follows;



Management Accounting maintains the Level 1 form on behalf of the Principal.

For Levels 1-3:

2. Enter the individual's name(s) whose delegated authority is to be updated.
3. Enter the Primary code(s) to which the delegated authority applies.
Multiple primary codes can be entered on the same form.
4. Enter the Delegated Authority limit that the individual is to be granted.
Please refer to [section 2](#) for the limits available.
5. For level 3 only, also state if delegated authority has to be given to all projects attached to the primary code(s) by indicating "Yes/No" or stating specific project codes.
6. The person authorising the change to the delegated authority must choose their position from the drop down list then print, sign and date the form.

For Level 4 delegation for Project Accounts:

To prevent the continuous completion and update of Level 4 forms a Dean/Head of Support or Research Department may opt to automatically allocate all Project Account Holders delegated authority by doing the following:

2. Enter 'All Project Account Holders' for the individual's name.
3. Enter 'All' for the project code to which the delegated authority applies.
4. Enter a Delegated Authority limit to apply to all Project Account Holders. Please refer to [section 2](#) for the limits available.
5. If the Dean/Head of Support or Research Department wishes to grant authority to a project holder which is different to that being automatically given to all project holders, the name of the individual, their delegated limit and the project codes must be indicated on a separate line on the same form.

If an individual has been granted Delegated Authority to projects via the Level 3 form their name should not appear on a Level 4 form.

6. The person authorising the change to the delegated authority must choose their position from the drop down list then print, sign and date the form.

For Level 4 delegation by Project Account Holder:

2. Enter the individual's name(s) whose delegated authority is to be updated.
3. Enter the Project code to which the delegated authority applies.
A separate form must be completed for each project code.
4. Enter the Delegated Authority limit that the individual is to be granted.
Please refer to [section 2](#) for the limits.
5. The person authorising the change to the delegated authority must choose their position from the drop down list then print, sign and date the form.

Once completed, an e-mail from the person authorising the [Scheme of Delegation Form](#), with a scanned signed copy of the form attached, must be sent to Management Accounting. Hard signed copies of the form are also acceptable. Where hard signed copies are received by Finance these will be scanned and the hard copy disposed.

4.2 Temporary Changes to Delegated Authority

Temporary changes will be required to cover holidays and leave (e.g. sick leave, maternity leave, etc.).

Temporary Change less than 1 month

If the temporary change is less than 1 month, an e-mail from the individual's line manager must be sent to Management Accounting. It must state the individual's names who are involved in the change, and the duration the change covers.

Temporary Change longer than 1 month

If the temporary change is for longer than 1 month, a [Scheme of Delegation Form](#) must be completed.

The same guidance as permanent changes should be followed, see [section 4.1](#). The only exception to this being that the duration of the temporary change to delegated authority should be detailed.

4.3 Ownership of Delegated Authority Forms

Management Accounting maintains the official versions for all [Scheme of Delegation Forms](#) and must be informed of any amendments. If Management Accounting has not been informed of any amendments, the delegated authority levels will remain the same as previous.

4.4 Ownership of the Delegated Authority Specimen Signature Forms

Operational Services maintains the official versions for all Delegated Authority Specimen Signature Forms and must be informed of any amendments (i.e. name changes). If Operational Services has not been informed of any amendments, the specimen signature will remain the same as previous.

Delegated Authority – Transfer Overview

