

## **Part 3 –**

# **Section 4 Scheme of Delegation and Financial Regulations**

## CONTENTS

<u>Topic</u>	<u>Page</u>
Introduction	111
Delegation of Powers to the Chief Executive and Executive Directors	113
Corporate Scheme of Delegation	121
Departmental Schemes of Delegation	
Delegation of Additional Powers to the Chief Executive	132
Delegation of Additional Powers to the Executive Director of Adults' and Community Services	134
Delegation of Additional Powers to the Executive Director of Children and Young People's Service	136
Delegation of Additional Powers to the Executive Director of Finance and Resources	138
Delegation of Additional Powers to the Executive Director of Housing, Regeneration and Environment	140

## Introduction

The Constitution of the London Borough of Lambeth sets out how the Council operates, how decisions are made and the procedures followed to ensure that these decisions are efficient, transparent and accountable to local people. The Constitution is made up of 16 Articles with detailed procedures and codes of practice included in supporting rules and protocols.

The Council has a statutory duty under s151 of the Local Government Act 1972 to “make arrangements for the proper administration of (our) financial affairs and... secure that one of (our) officers has responsibility for the administration of those affairs.” Accordingly, the Scheme of Delegation **Part 3, Section 4 Part A** provides information and guidance to Council officers and others on the various levels of delegated authorities that are exercised by the Council in carrying out its statutory functions. They are to be read in conjunction with such other Council wide procedures and related documentation as may be necessary and particular attention should be made to any financial requirements that are mentioned.

The Scheme of Delegation consists of three distinct categories: (a) the Introduction; (b) the Corporate Scheme of Delegation, which applies to the Chief Executive and all Executive Directors; and (c) additional powers which have been delegated individually to the Chief Executive and each Executive Director.

Financial Regulations **Part 3, Section 4 Part B** form a fundamental part of the working of the Council and can be found following the Scheme of Delegation.

## **Part 3 - Section 4,**

### **Part A: Scheme of Delegation**

# DELEGATION OF POWERS TO THE CHIEF EXECUTIVE AND EXECUTIVE DIRECTORS

## Introduction

### 1. General Principles

The Council is required under Section 100G of the Local Government Act 1972 and Section 15 of the Local Government Act 2000 to maintain its scheme of delegation for public inspection, and the scheme is maintained by the Governance and Democracy Division. Once approved by Council, the only amendments to the scheme of delegation that will be incorporated will be those approved by the Council and the Cabinet (in relation to the discharge of executive functions) or by the Council in relation to all other functions of the authority. Such amendments must be worded specifically (i.e. add to, delete from, amend specific paragraphs).

However, when a committee specifically instructs the Chief Executive, an Executive Director<sup>1</sup> or Divisional Director to undertake a task or when a delegated power is required for a period of less than six months, approval can be given by the relevant committee only (as the Council is not required to incorporate such powers in its scheme of delegation).

It is the responsibility and duty of chief officers and officers taking delegated decisions to ensure that matters of a potentially controversial or political nature, or involving significant changes in policy, are consulted upon with the relevant cabinet member and recorded or reported to the cabinet, council and/or committee as appropriate.

### 2. Operation of Delegated Powers within Departments

In addition to the powers delegated by the Council to the officers specified in this Scheme of Delegation, the Chief Executive, and Executive Directors are authorised to make further arrangements within their Departments to:

- Empower officers to implement specified decisions on their behalf. Schemes of delegation as approved by the Council are set out below under the Chief Executive and each Executive Director, and include specified delegations to Directors, Divisional Directors, Assistant Directors, Heads of Service and Business Unit Managers. The term "officer" in this context is not confined to a direct employee of the Council. The Council will occasionally need to appoint interim managers in senior positions via an agency or on a consultancy basis, who are likely to be required to exercise delegated powers as if they were a directly employed Council officer. Pursuant to the Scheme of Delegation

---

<sup>1</sup> Executive Directors of Adults' and Community Services, Children and Young People's Service, Finance and Resources and Housing, Regeneration and Environment.

detailed below, Executive Directors may specifically delegate powers to such persons to act as a Director, Divisional Director, Assistant Director, Head of Service or as a Business Unit Manager. This delegation must be made in writing and identify which elements of the Scheme of Delegation apply. The delegation must be time limited, therefore requires renewal and may not be for more than one year. However, any powers so delegated which remain unchanged following any revision to this Scheme of Delegation are deemed to be carried over for the purposes of acting under the revised scheme and the powers set out in any such delegation are deemed to remain operative if they are in substance unchanged, as is any delegation made under the previous version. For the avoidance of doubt, any such delegation will require renewal whenever there is a change in the post to which the delegation was granted. Where the delegated powers in question relate to financial transactions then the Executive Director of Finance and Resources must be consulted. Where the delegated powers relate to human resources issues then the Divisional Director of Human Resources must be consulted.

- Give written advice to those officers on any exceptions to general empowerment (i.e. decisions to only be taken in consultation with themselves or other officers, Cabinet Members or other nominated persons).
- Produce a tailored record-keeping system for decisions, including an audit trail.

### **3. Consultation**

Under the provisions of the Local Government Act 2000, the Council has included relevant consultation arrangements for decision-making. The Constitution and forward plan make clear the expectations placed on the executive (Cabinet Members and officers) to consult before policy and significant operational decisions (i.e. “key decisions”) are made.

### **4. Preamble**

The Chief Executive, all Executive Directors, Directors and Divisional Directors are designated Proper Officers of the Council pursuant to Section 234 of the Local Government Act 1972, and empowered to sign, pursuant to Section 270(3) of the Local Government Act, 1972, any notice, order or other document required to be made, given or issued to give effect to the powers delegated to them both generally and specifically as set out in this paragraph and below.

Pursuant to Section 101 of the Local Government Act 1972 the Chief Executive, all Executive Directors, Directors, Divisional Directors, Assistant Directors, Heads of Service and Business Unit Managers, so far as their respective departments / divisions / business units are

concerned, are empowered to deal with the matters set out below. A list of Divisional Directors, Assistant Directors and Business Managers is maintained by the Divisional Director of Human Resources.

The Local Government Act 1972 grants wide-ranging powers for local authorities to delegate the discharge of their functions. The Act of 2000 also contains provisions on the delegation of executive functions; it requires that the local authorities adopting executive arrangements must make arrangements for the discharge of their executive functions, and makes provisions accordingly.

In establishing a Scheme of Delegation for Officers – whether in respect of executive or non-executive functions, it is important to bear in mind that a number of principles exist in terms of delegations, all of which must be complied with in order to ensure that the authority's functions are lawfully discharged. These principles are set out below and are in addition to those set out in the Introduction above. It should be remembered that where functions that are the responsibility of the Cabinet are delegated to officers or other structures outside the Cabinet, the Cabinet should nevertheless remain accountable to the Council, through scrutiny committees for the discharge of those functions. It is a presumption that discretion conferred by a statute should be exercised by an authority or person on whom the statute is conferred and no other authority or person.

### **Notes to Scheme of Delegation**

1. The powers in this document are subject to the provisions set out in the Constitution and Financial Regulations and the delegations contained therein.
2. All delegated functions shall be deemed to be exercised on behalf of and in the name of the Council.
3. The exercise of a delegated power, duty or function shall:
  - (a) be subject to the Council's policies and criteria;
  - (b) not amount to a new policy or extension of or amendment to the existing and agreed policy framework of the Council<sup>2</sup> unless otherwise provided for in the Constitution;
  - (c) be subject to any Special Procedure and/or Protocol; and
  - (d) be subject to the requirements of the Constitution and Financial Regulations.
  - (e) where Cabinet has delegated a decision to be taken by an officer in consultation with one or more Cabinet Members, be

---

<sup>2</sup> Policy Framework means all those plans and strategies that are subject to full Council approval in accordance with Article 4 of the Constitution.

subject to the requirement that a formal report will be prepared and that the officer will ensure compliance with the requirements of the Access to Information Procedure Rules (Part 4, Section 2 of the Constitution).

4. An officer to whom a power, duty or function is delegated may nominate or authorise another officer to exercise that power, duty or function, provided that officer reports to or is responsible to the delegator.
5. References to any enactment, regulation, order or byelaw shall be construed as including any re-enactment or re-making of the same, whether or not with amendments.
6. Any references to any Act of Parliament includes references to regulations, subordinate and EU legislation upon which either UK legislation is based, or from which powers, duties and functions of the Council are derived.
7. Where the exercise of powers is subject to prior consultation with another officer or a Cabinet Member, that officer or Cabinet Member, may give his or her views in general terms in advance to apply to any particular circumstances, to remove the need for consultation for each proposal.
8. Subject to any express instructions to the contrary from the Council, the Cabinet, Committee or Sub-Committee, any power to approve also includes the power to refuse, and the power to impose appropriate conditions.
9. Delegations to officers are subject to-
  - (a) the rights of the Council, Cabinet, Committee or Sub-Committee to decide any matter in a particular case;
  - (b) the Chief Executive, and the Executive Director or other officer may in any case in lieu of exercising his/her delegated power refer to the Council, the Cabinet, Committee or Sub-Committee for a decision; and
  - (c) any restrictions, conditions or directions of the Council, the Cabinet, the delegating Committee or Sub-Committee.
10. In exercising delegated powers the Chief Executive, the Executive Director or other officer shall:
  - (a) take account of the requirements of the Constitution and Financial Regulations and shall address all legal, financial and other professional safeguards as if the matter were not delegated;

- (b) shall exercise the delegation so as to promote the efficient, effective and economic running of that Division, Department and the Council, and in the furtherance of the Council's visions and values; and
  - (c) shall, where and when appropriate, report back to the appropriate body (i.e. Council, Cabinet, Committee or Sub-Committee) as to the exercise of those delegated powers.
- 11. Except where otherwise expressly provided either within the Scheme of Delegation or by resolution of the Council, the Cabinet, a Committee or Sub-Committee, the exercise of any delegated power, duty or function is subject to having the appropriate and necessary budgetary provision in place to take the action in the name of and/or on behalf of the Council.
- 12. Any delegated power conferred to a subordinate officer shall be deemed to be exercised in the name of the Chief Executive, or the Executive Director as appropriate, unless expressly indicated otherwise.
- 13. The compilation of a Scheme of Delegated Powers is a statutory requirement. The Scheme of Delegation is maintained by the Director of Governance and Democracy and delegations are added to it as they are made by the Council, Cabinet, Committees and Sub-Committees. Officers should take care to inform themselves of any subsequent changes to the Scheme before solely relying on this document.
- 14. The Director of Governance and Democracy shall have the power, subject to prior notification to the party whips, to:
  - (a) amend this Scheme to reflect re-organisations, changes in job titles and vacancies, where said changes result in redistributing existing delegations and not the creation of new ones; and
  - (b) amend the Constitution, as adopted from time to time by the Council, to correct any typographical errors or inconsistencies subsequently identified.
- 15. Any post specifically referred to below shall be deemed to include any successor post, or a post which includes within the job description, elements relevant to any particular delegation, which were also present in the earlier post and shall include anyone acting up or seconded or discharging the functions of the post on an interim basis.
- 16. Any reference to a Committee or Sub-Committee shall be deemed to include reference to a successor Committee or Sub-Committee provided that the subject matter of a particular delegation can be

found within the terms of reference of both the earlier and the successor Committee or Sub-Committee.

17. Where a power or duty is delegated to an officer, and the exercise of that power or duty is contingent upon the opinion of the Cabinet or Council that particular conditions or factual circumstances exist, then the officer in question has the power to determine whether or not those circumstances exist or those conditions have been fulfilled in the name of and with the authority of the Cabinet or Council as appropriate.
18. With respect to any reference to a delegation being exercised following consultation with the appropriate Cabinet Member, the decision is vested with the delegatee who shall be responsible and accountable for the decision, the delegatee is required to bring independent judgement to bear on the decision, and the decision must not consist of the officer adding a sanction or approval to what a Councillor has decided.
19. If a matter is delegated to an officer, but that delegation cannot be implemented, that should be reported to the Council, the Cabinet or the delegating Committee or Sub-Committee.
20. Functions, matters, powers, authorisations, delegations, duties and responsibilities within this Scheme shall be construed in a broad and inclusive fashion and shall include the doing of anything which is calculated to facilitate or is conducive or incidental to the discharge of anything specified.
21. All matters of interpretation of the Scheme of Delegation will be determined by the Director of Governance and Democracy. In the event of a conflict between the provisions of this Scheme of Delegation and the requirements imposed by Financial Regulations, the latter will take precedence.
22. The definition of any contract term is to be clearly defined in accordance with Financial Regulations and legal interpretation.
23. Officers exercising delegated powers related to financial matters (such as raising invoices, writing-off debts, paying invoices or disposals of assets) shall be aware at all times of the statutory responsibility of the Executive Director of Finance and Resources under Section 151 of the Local Government Act 1972 and of the need to comply with all the instructions and guidance issued by him/her and to seek their advice as necessary.
24. Executive Directors exercising delegated powers in relation to major departmental re-organisations and substantial financial matters (such as write-offs, disposal of assets, increases in fees and charges) shall make such arrangements to consult with the relevant

Cabinet Member as may be agreed between them from time to time.

As well as the guidance notes above there are produced below safeguards for authorisation for discharging delegated functions:

**5. Safeguards for Authorisation of subordinate officers to discharge particular functions in any Scheme of Delegation**

1. The nature and statutory context of the function that is to be discharged by a subordinate officer is relevant. The greater the extent to which the discharge of the function affects individual rights or requires the exercise of discretion or professional judgement, the less likely it would be lawful to authorise the subordinate to act.
2. Administrative inconvenience is a very important rationale for the power to authorise subordinates to act. Therefore, authorisation should only be given where the administrative burden of personally discharging functions would be significant.
3. The degree of control maintained by the senior officer over the subordinate may be a material factor in determining the validity of the authorisation. In cases where significant discretion or judgement must be exercised, a high degree of control should be retained.
4. The subordinate may be authorised to make decisions in the name of the senior officer, if necessary by using a facsimile signature or requiring the senior officer simply to sign decisions without personally considering them. This system takes advantage of Section 234(2) of the Local Government Act 1972.
5. In the case of the simplest administrative task, involving a minimal exercise of discretion or judgement, there would be less need for formality.
6. A subordinate officer who is authorised to discharge a particular function should not subsequently authorise another officer or third party to discharge that function without the consent of the officer whose powers the subordinate officer is discharging. The responsibility of the Head of Service or other senior officer has formed a basis for the decisions that allow authorisations. Any kind of 'sub-authorisation' will undermine and lessen this responsibility and would greatly increase the likelihood that it will be found to be unlawful.
7. The ability and experience of the authorised officer should be taken into account, so that an officer with appropriate experience and skills is authorised to act.

8. The nature and extent of any further authorisation which is not specified in the Schedules to this Scheme of Delegation should be set down in writing.

### **Definition of Management**

'Management' in this document means carrying out, in consultation with the Chief Executive or Executive Director as appropriate, the tasks set out below (subject to the restrictions referred to) within the manager's field of responsibility.

1. To keep under constant review the needs of the Borough and its community in relation to all matters within the manager's area of responsibility and to take all such action which in his/her judgement is necessary to ensure that those needs are met within the framework of any policies agreed by the Council.
2. To take all action, within agreed performance criteria, to ensure that the Council's targets are met in the provision of efficient, effective and economically provided services.
3. The following matters are excluded from this scheme of delegation:
  - (a) Any matter that the Council or the Cabinet has resolved shall be determined by itself.
  - (b) Any matter which is a new policy or is a departure from the existing and agreed policy framework of the Council.
  - (c) Any matter which, in consultation with the Executive Director, the manager considers inappropriate to be dealt with under delegated powers.
  - (d) Any matter in which the manager has a personal interest.
  - (e) Any issue which is required by law to be considered by the Council or a Committee.
  - (f) Any matter which has been delegated to a Committee of the Council to determine.

## **CORPORATE SCHEME OF DELEGATION**

The following delegated powers are subject to the Chief Executive, or an Executive Director vesting, in addition to those powers delegated by the Council to the officers specified in this Scheme of Delegation, similar delegated authority to other appropriate officers. Any delegation of powers which is made by the Chief Executive, or an Executive Director in addition to those specified in the Schedule to the Scheme of Delegation must be made in writing.

1. Within the overall resources allocated by the Council, in direct support of the Council's objectives and subject to the exclusions referred to in paragraph 5 below, authority to act on behalf of the Council on all matters relating to the discharge of such functions of the Council as may be delegated from time to time to the Chief Executive or an Executive Director as appropriate, including those detailed in the Departmental Schemes of Delegation which follow.
2. To take all action, within agreed performance criteria, to ensure that the Council's targets are met in the provision of efficient, effective and economically provided services.
3. Within the overall financial resources allocated corporately to their departments, and subject to such consultation with the Divisional Director of Human Resources as is deemed necessary, to discharge the Council's employment functions in relation to all personnel in their departments.
4. To keep under constant review the needs of the Borough and its community in relation to all those services provided by the Council and to take all such action which in his/her judgement is necessary to ensure that those needs are met within the framework of any policies agreed by the Council.
5. The following matters are excluded from this scheme of delegation:
  - (a) Any matter that the Council or the Cabinet has resolved shall be determined by itself.
  - (b) Any matter which would lead to a Department failing to stay within its annual cash limit (as defined in Financial Regulations) or which would commit the Department to increase its cash limit in any subsequent financial year.
  - (c) Any matter which would lead to a Department failing to stay within its capital budget (as defined in Financial Regulations) or which would commit the Department to an increased capital budget in any subsequent financial year.

- (d) Any matter that is a new policy or is a departure from the existing agreed Policy Framework of the Council unless otherwise provided for in the Constitution.
  - (e) Any matter which the Chief Executive, or the Executive Director, in consultation with the Chief Executive considers inappropriate to be dealt with under delegated powers.
  - (f) Any matter in which the Chief Executive, or the Executive Director has declared an interest.
  - (g) Any issue which is required by law to be considered by the Council, the Cabinet collectively or by a Committee.
  - (h) Any matter which has been delegated to a Committee of the Council, or of the Cabinet to determine.
6. This Scheme of Delegation has been approved by the Council, the Cabinet, the Chief Executive, and the Executive Directors.
  7. Any power transferred under this scheme of delegation may not be further delegated without the express approval of the Chief Executive, or the Executive Director.
  8. Any power transferred under this scheme of delegation may be exercised by the Chief Executive, or the Executive Directors and, in the event of dispute only the Chief Executive, or the Executive Director's decision, as appropriate, is effective.
  9. Any power in addition to those powers delegated by the Council to the officers specified in the Schedule to the Scheme of Delegation transferred under this scheme of delegation may not be further delegated without the express approval of the Chief Executive, or the Executive Director.
  10. Financial expenditure and budgetary control (in compliance with the Constitution, Financial Regulations and Financial Procedures) is delegated to Business Unit Managers within the department. Management of capital expenditure and disposal transactions is delegated to named officers. The Chief Executive or Executive Director, as appropriate, may authorise Business Unit Managers to delegate one or more of their powers to other officers within the business unit.
  11. Contract variations (including order and invoice variation) will be the subject to the standard approval limits for the whole transaction. Where the new value exceeds the approval limit for the original approver, the transaction will require a higher level approval.
  12. The power to establish any departmental standards, procedures or guidance notes that he/she believes to be necessary to enable officers in the department to observe the Council's employment functions in consultation with the Divisional Director of Human Resources.

13. The power to establish any additional departmental financial standards, procedures or guidance notes that he/she believes to be necessary to enable officers in the Department to observe the Financial Regulations and associated guidance is delegated to the Divisional Director of Resources for the respective Department.
14. (a) To consider, in consultation with the relevant Cabinet Member(s), any report issued by the Local Government Ombudsman which includes a finding of maladministration relating to functions discharged by their department. Further, to notify the Local Government Ombudsman within three months of the receipt of the report of the action(s) taken, or proposed to be taken, in response.  
  
(b) To report to Corporate Committee the Local Government Ombudsman report with findings of maladministration, including the action(s) taken, or proposed to be taken, in response.
15. The Scheme explicitly refers to the following designations of officer: Chief Executive, Executive Director, Director, Divisional Director, Assistant Director, Head of Service, Business Unit Manager and Manager and delegates highly specific financial and non-financial powers to each one. Where the Chief Executive or an Executive Director delegates powers to other officers with different designations, the written confirmation must be sufficiently clear to identify which one of the above delegations it is equivalent to and how it relates to the council's financial system. The Chief Executive or Executive Director must maintain a schedule of all such delegations.

## **General**

16. All officers making decisions under delegated powers are required to keep a register of all such decisions.

## **Contracts**

17. The power to terminate contracts is delegated to Executive Directors.
18. The power to make additions to and deletions from the Approved Provider lists for contracts is delegated to the Chief Executive, Executive Directors, Divisional Directors and Assistant Directors.
19. The power to grant waivers for contracts of up to £25,000 in value is delegated to the BU Manager and the Divisional Director of Resources. The power to grant waivers for contracts of more than £25,000 in value is delegated to Executive Directors.
20. With the exception of the Chief Executive and Executive Director of Finance and Resources, the powers below may only be discharged in relation to the officer's respective area of responsibility.
21. Subject to any exceptions as provided elsewhere in the Scheme of Delegation, **all contracts over £100,000 must be made under seal**

(other than contracts for the sale or acquisition of land at auction).  
**Contracts up to and including £100,000 must be signed by two duly authorised officers** as set out below.

Value of contract, variation or extension	Authorising Officers
More than £50,000 up to and including £100,000	Head of Service and Assistant Director
Up to and including £50,000	Business Unit Manager and other Manager

22. In exercising the contract and payment powers delegated to them, officers are required to comply with the Contract Standing Orders which can be accessed here [Lambeth Procurement Guide - current version](#).
23. The following table sets out the powers delegated to officers in relation to the award of contracts and variations (including extensions).

Value of Contract, Contract Variation or Extension	Authorising Officers
Over £10 million	Executive Director of Finance and Resources
More than £1 million up to and including £10 million	Executive Director and Divisional Director of Resources
More than £100,000 up to and including £1 million	Divisional Director and Divisional Director of Resources
More than £50,000 up to and including £100,000	Head of Service or Assistant Director
Up to and including £50,000	Business Unit Manager or other Manager

24. The powers to enter into or vary contracts exclude property acquisitions or refurbishments for the core and non-core estates and all land transactions.

## Payments

### Requisitions

25. Any officer nominated by a Business Unit Manager is delegated the authority to raise requisitions of any value within their own business unit. The Business Unit Manager is required to maintain a schedule of all such staff.

### Purchase Orders

Value	Authorising Officer
Over £10 million	Executive Director of Finance and Resources
Up to £10 million	Executive Director
Up to £1 million	Divisional Director or Director
Up to £100,000	Head of Service or Assistant Director
Up to £50,000	Business Unit Manager
Up to £25,000	Deputy Business Unit Manager

## Authorisation of Payments

26. The council uses the Oracle financial system which allows payment to be made through one of two methods: two-way matching or three-way matching. In either method a financial authorisation will be required and its maximum value must be in accordance with the delegations set out in the table below:

Value	Authorising Officer
Over £10 million	Executive Director of Finance and Resources
Up to £10 million	Executive Director
Up to £5 million	Divisional Director or Director
Up to £1 million	Head of Service or Assistant Director
Up to £100,000	Business Unit Manager
Up to £50,000	Deputy Business Unit Manager
Up to £25,000	Any Manager
Up to £2,000	Other staff by delegation

27. The Divisional Director of Resources for each department is required to maintain a schedule of all staff authorised to use the Oracle financial system and to ensure that it is in accordance with the delegations set out above. Where it is not clear that an officer's role matches the delegations in this Scheme, the Executive Director is required to make a specific delegation in the Departmental Scheme of Delegation and maintain records of all such delegations.

## **Finance**

28. All officers are required to act in accordance with the Council's Financial Regulations, Financial Procedures and Contract Standing Orders.
29. Authorisation limits for revenue and capital expenditure are as set out in the contracts and payments section above.
30. Divisional Directors of Resources are responsible for ensuring that staff in their respective departments with financial responsibilities are familiar with Financial Procedures. Where Divisional Directors of Resources wish to deviate from this guidance they must first obtain the written agreement of the Executive Director of Finance and Resources.
31. Revenue budget virements are transfers of budgeted expenditure or income in the Oracle financial system that do not increase the council's overall cash limit. Revenue budget virements must be made in accordance with the following scheme of virement:

Revenue virements within a department (always within respective areas of responsibility)

Value of budget virement	Authorising Officer / body
Over £500,000	Council
More than £250,000 up to and including £500,000	Executive Director and Divisional Director of Resources in consultation with Lead Cabinet Member
Up to and including £250,000	Divisional Directors of affected divisions and Divisional Director of Resources in consultation with Lead Cabinet Member

Revenue virements between departments

Value of budget virement	Authorising Officer / body
Over £500,000	Council
Up to and including £500,000	Executive Directors of affected departments and Executive Director of Finance & Resources in consultation with Lead Cabinet Members for affected departments

32. Capital budget virements are transfers of budgeted expenditure and resources from one project to another project within the approved capital programme (as defined in Financial Regulations). They do not increase the council's overall capital budget. Capital budget virements must be made in accordance with the following scheme of virement:

Capital virements within a department (always within respective areas of responsibility)

Value of budget virement	Authorising Officer / body
Over £500,000	Council
More than £250,000 up to and including £500,000	Executive Director and Executive Director of Finance and Resources in consultation with the Lead Member for affected department and Cabinet Member for Finance and Resources.
Up to and including £250,000	Divisional Directors of affected divisions and Divisional Director of Resources in consultation with the Lead Cabinet Member for affected department and Cabinet Member for Finance and Resources.

### Capital virements between departments

Value of budget virement	Authorising Officer / body
Over £500,000	Council
Up to and including £500,000	Executive Directors of affected departments and Executive Director of Finance and Resources in consultation with Lead Cabinet Member for affected department and Cabinet Member for Finance and Resources.

33. Divisional Directors of Resources are required to maintain a schedule of all revenue virements within their respective departments. The Executive Director of Finance and Resources is required to maintain a schedule of all revenue virements between departments. The Executive Director of Finance and Resources is required to maintain a schedule of all capital virements.

### Fees and charges

34. Authority to approve variations to fees and charges for services is delegated to Executive Directors following consultation with the relevant Lead Cabinet Member and the Executive Director of Finance and Resources, unless otherwise reserved to the Cabinet.

### Assets

35. Authority to acquire or refurbish property in the core or non-core estate or any land is subject to the following scheme of delegation:

Value of property or land transaction	Authorising Officers
Over £10 million	Executive Director of Finance and Resources
More than £1 million up to and including £10 million	Executive Director of Finance and Resources and Divisional Director Corporate Finance
More than £200,000 up to and including £1 million	Head of Asset Strategy and Divisional Director Corporate Finance
Up to and including £200,000	Head of Asset Strategy

36. Authority to purchase all other assets (including land and property and whether acquired using compulsory purchase order powers or another power) from within existing revenue and capital budgets (where the scheme specifically includes the purchase of the asset(s)) is delegated to officers in accordance with the limits set out in the table for contracts and payments above.
37. Disposal of assets other than land and property (and unless otherwise reserved to the Cabinet) is delegated to officers in accordance with the

following scheme, which only applies to disposals with a value exceeding £1,000. All disposals must comply with any applicable Council standards and policies.

Value	Authorising Officer
Over £100,000	Executive Director and the Executive Director of Finance and Resources
£1,000 to £100,000	Executive Director and Divisional Director of Resources

38. Appropriations of land and property between general fund services and the Housing Revenue Account are only delegated to the Executive Directors of the respective departments where the value is nil. Where the value of the appropriation is not nil the agreement of the Executive Director of Finance and Resources must be obtained and the financial effects on the general fund and Housing Revenue Account must be met by compensating budget virements.

#### Debt write-offs

39. Authority to write off debts is delegated to officers in accordance with the following scheme:

Value of debt	Authorising Officer
Over £100,000	Executive Director and the Executive Director of Finance and Resources
More than £10,000 up to and including £100,000	Executive Director and Divisional Director of Resources
Up to and including £10,000	Divisional Director and Divisional Director of Resources

#### **Human resources**

40. Authority to appoint to posts within their respective areas of responsibility and in accordance with the Council's policies and procedures is delegated to all officers with managerial responsibility.

41. Authority for re-organisations is delegated to officers as set out in the table below:

Scale and impact of re-organisation	Authorising officer
All re-organisations involving less than 20 staff and no increase in ongoing staff costs not already budgeted for by Council.	Any manager acting within their area of responsibility Any reasonably predictable related redundancy, early retirement or other severance costs, including payments into the pension fund if required must be approved by the relevant Divisional Director of Resources prior to formal commencement of the reorganisation
All re-organisations involving less than 20 staff and an increase in direct staff costs that is within the relevant (i.e. cost centre, business unit, division or department) budget.	Any manager acting within their area of responsibility and the Divisional Director Any reasonably predictable related redundancy, early retirement or other severance costs, including payments into the pension fund if required must be approved by the relevant Divisional Director of Resources prior to formal commencement of the reorganisation
All re-organisations involving more than 20 staff	Any Divisional Director acting within their area of responsibility and the Executive Director and the concurrence of the Divisional Director of Human Resources and relevant Cabinet Member. Any reasonably predictable related redundancy, early retirement or other severance costs, including payments into the pension fund if required must be approved by the relevant Divisional Director of Resources prior to formal commencement of the reorganisation
Any re-organisation where the associated one-off (redundancy, early retirement or other severance or similar) costs cannot be met within a department's approved budget for that purpose	The approval of the Executive Director of Finance is also required, in addition to any approvals set out above.

42. Authority to take disciplinary action (other than dismissal and relating to posts within their business unit) in accordance with the Council's policies and procedures is delegated to Business Unit Managers.

43. The decision to dismiss officers below Deputy Chief Officer level following due disciplinary process and disciplinary action relating to such posts is delegated to Executive Directors and Divisional Directors.

44. Approval of Redundancy or premature retirement of officers below Deputy Chief Officer is delegated to Executive Directors, following consultation with the Divisional Director of Human Resources and the Divisional Director of Resources for the department prior to any offer and approval.
45. When an employee (below the grade of Deputy Chief Officer) is leaving the employment of the Council (whether by redundancy, retirement or any other reason) the agreement of the relevant Divisional Director of Resources following consultation with the Divisional Director of Human Resources is required before any monetary compensation is offered. (This does not include payments in lieu or notice or buy-out of annual leave entitlement of less than £2,000.) Payments to Deputy Chief Officers and above require the approval of the Executive Director of Finance and Resources.
46. Approval of retirement on grounds of ill health is delegated to Executive Directors on the recommendation of the relevant Divisional Director of Resources.
47. Approval of industrial injury settlements **up to £1,000** is delegated to Executive Directors. Settlements **above £1,000** require the prior concurrence of the relevant Divisional Director of Resources.
48. Implementation of Employment Tribunal decisions is delegated to Executive Directors, Directors and Divisional Directors.
49. Approval of transfer of employees on grounds of discipline or employee welfare subject to the agreement of the Divisional Director, Human Resources, is delegated to Executive Directors, Directors and Divisional Directors.
50. The award of honoraria/acting up allowances of up to £5,000 that can be contained within the relevant budget is delegated to Business Unit Managers, in consultation with the relevant HR Head of People Management.
51. The award of honoraria/acting up allowances in excess of £5,000 per annum, subject to affordability, is delegated to Executive Directors on the recommendation of the relevant Divisional Director of Resources.
52. The approval of payments of **up to and including £5,000** in cases where the Local Government Ombudsman has or is likely to find maladministration, or in accordance with the Corporate Complaints Policy is delegated to Divisional Directors. All such payments in excess of £1,000 must be reported to the Corporate Committee.
53. The approval of payments of **above £5,000** in cases where the Local Government Ombudsman has or is likely to find maladministration, or in accordance with the Corporate Complaints Policy is delegated to

Executive Directors. All such payments must be reported to the Corporate Committee.

### **Miscellaneous**

54. The authority to sign notices and to authorise officers in and for the department to carry out all enforcement duties, including the issuing of cautions, as required within relevant legislation is delegated to Executive Directors, Directors and Divisional Directors.
55. With the exception of meetings of the Council and its bodies, the authority to approve filming by television or bona fide organizations on Council land (other than school premises) is delegated to Executive Directors, Directors and Divisional Directors.
56. The authority to approve the Membership of representative and professional bodies on behalf of the Council is delegated to Executive Directors.
57. The implementation of the Council's health and safety policy and business continuity planning within their departments is delegated to Executive Directors, Divisional Directors and Directors.

## DEPARTMENTAL SCHEMES OF DELEGATION

### (a) CHIEF EXECUTIVE (CE)

The following delegated powers are subject to the Chief Executive vesting, in addition to those powers delegated by the Council to the officers specified in this Scheme of Delegation similar delegated authority to other appropriate officers. Any delegation of powers which is made by the Chief Executive in **addition** to those specified in this Scheme of Delegation must be made in writing.

1. Subject to the exclusions referred to in paragraph 5 of the Corporate Scheme of Delegation, the Chief Executive is authorised to act on behalf of the Council on all matters, including those which have been delegated to another officer, and the following specific functions: human resources, campaigns and communications, policy, equalities and performance, Community Strategy and the Local Strategic Partnership and strategic transformation.
2. To authorise, in consultation with and pursuant to the agreement of, the Leader of the Council, any changes to the membership of the Cabinet and/or to the portfolios of Cabinet Members as set out in the Cabinet Procedure Rules. All such changes are to be reported to the next scheduled Council meeting.
3. To authorise, in consultation with and pursuant to the agreement of the Leader, all necessary arrangements for the establishment of a committee, working group or panel of the Cabinet, including but not limited to the appointment of the membership and terms of reference thereof. All actions taken pursuant to this delegated authority must be reported to the next scheduled meeting of the Cabinet and Council.
4. The power to establish any corporate procedures or guidance notes that he/she believes to be necessary to enable officers in the Council to undertake and perform the Council's employment functions is delegated to the Divisional Director of Human Resources, having regard to any consultative mechanisms which may exist with the Council's recognised trade unions. Where, in the opinion of the Chief Executive, the establishment of or variation to any such corporate policy or procedure is likely to have significant financial or operational implications the approval of the Cabinet shall be required.
5. The power to negotiate and approve variations to the contracts of employment of Chief Officers, in consultation with the relevant Cabinet Member and the Divisional Director of Human Resources.
6. The power to negotiate and approve variations to the contract of employment of the Chief Executive is delegated to the Divisional Director of Human Resources, in consultation with the Leader, Deputy Leader and the Leaders of the Opposition Parties.

7. Appointment of Chief Officers and Deputy Chief Officers in accordance with the Officer Employment Procedure Rules.
8. The decision to dismiss officers at Deputy Chief Officer level and below following due disciplinary process and in accordance with the Officer Employment Procedure Rules.
9. Disciplinary action relating to posts at Deputy Chief Officer level and below not involving dismissal.
10. Approval of acting up allowance for Executive Directors.
11. Approval of the Council's employment policies and all changes thereto, in consultation with the Chief Executive, is delegated to the Divisional Director, Human Resources.

#### Designations

12. For the purposes of this Scheme of Delegation, the Head of Equalities and Diversity has the same delegated powers as Business Unit Managers.
13. For the purposes of this Scheme of Delegation, the Policy Manager has the same delegated powers as Business Unit Managers.
14. For the purposes of this Scheme of Delegation, the Lambeth First Manager has the same delegated powers as Business Unit Managers.

**(b) EXECUTIVE DIRECTOR OF ADULTS' AND COMMUNITY SERVICES (EDACS)**

The following delegated powers are subject to the Executive Director of Adults' and Community Services vesting, in addition to those powers delegated by the Council to the officers specified in this Scheme of Delegation, similar delegated authority to other appropriate officers. Any delegation of powers which is made by the Executive Director of Adults' and Community Services, **in addition** to those specified in this Scheme of Delegation, must be made in writing.

1. Subject to the exclusions referred to in paragraph 5 of the Corporate Scheme of Delegation, the Executive Director of Adults' and Community Services is authorised to act on behalf of the Council on all matters relating to the discharge of the Adults' and Community Services functions of the Council, which include but are not limited to community care services, residential homes, day care, sheltered housing, registration health-related issues, sports & recreation, parks, cemeteries, libraries, arts and community safety.
2. To grant consent on behalf of the Council and pursuant to Section 31(2) of the Anti-Social Behaviour Act 2003, to the giving of an authorisation by a police officer of or above the rank of superintendent, pursuant to section 30(2) of the Act (dispersal of groups and removal of persons under 16 to their place of residence).
3. In accordance with the Financial Regulations, the Executive Director of Adults' and Community Services delegates management of the income and expenditure of the Department to Unit managers and management of capital expenditure and disposal transactions to named officers.
4. Procurement of care placements – (i.e. individual placements that fall outside of any block contracting arrangements) are excluded from the requirement to go through the commissioning procedure detailed in the Commissioning Manual i.e. they do not have to be approved through the Departmental and Strategic Commissioning Boards
5. (a) A general waiver is granted for the need to tender such requirements acknowledging at all times that the Council has a duty to achieve "best value" in making such placements.  
  
(b) Adult and Community Services operate an internal mechanism that requires the approval of no less than a Divisional Director for all new placements where the aggregated value exceeds £250,000 over 48 months and that a periodic review procedure for all placements (existing and new) is in place in order to continue to demonstrate value for money and best value.
6. Approval of the Building Partnership in Health and Social Care plan.
7. Voluntary Sector Grant Approval and withdrawals.

8. To discharge on behalf of the Chief Executive the functions of the "responsible person" under The Local Authority Social Services and National Health Service Complaints (England) Regulations 2009 by being responsible for ensuring compliance with the arrangements made under the said Regulations for the handling and consideration of complaints in relation to the Council's Adult's Social Services functions and, in particular, ensuring that action is taken as necessary in the light of the outcome of a complaint.
9. To designate an officer as the Complaints Manager, to be responsible for managing the procedures for handling and considering complaints in relation to the Council's Adult's Social Services functions in accordance with the arrangements made under The Local Authority Social Services and National Health Service Complaints (England) Regulations 2009.

Decisions Delegated to Divisional Directors and Assistant Directors within their areas of managerial responsibility

10. To promote or authorise applications for anti-social behaviour orders and closure orders on behalf of the Council, including but not limited to the following:
  - (a) To promote on behalf of the Council and pursuant to Section 2(a) of the Anti-Social Behaviour Act 2003 ("the Act"), to the giving of an authorisation by a police officer of or above the rank of superintendent, pursuant to section 1(2) of the Act (the issue of a closure notice in relation to premises used in connection with the unlawful use, production or supply of a Class A controlled drug and associated with disorder and serious nuisance).
  - (b) To promote on behalf of the Council and pursuant to Section 11A(2) of the Act, to the giving of an authorisation by a police officer of or above the rank of superintendent, pursuant to section 11A(2) of the Act, or to authorise pursuant to section 11A(3) of the Act (the issue of a Part 1A closure notice in relation to premises used or associated with persistent disorder or nuisance).
  - (c) To promote on behalf of the Council and pursuant to Section 1 of the Crime and Disorder Act 1998 the application for anti-social behaviour orders.
11. The authority to act, with the agreement of the Chief Executive, during any declared civil emergency.

Decisions Delegated to Business Unit Managers within their areas of managerial responsibility

12. Decisions on Parks lettings (Head of Operations).

**(c) EXECUTIVE DIRECTOR OF CHILDREN AND YOUNG PEOPLE'S SERVICE (EDCYPS)**

The following delegated powers are subject to the Executive Director of Children and Young People's Service vesting, in addition to those powers delegated by the Council to the officers specified in this Scheme of Delegation similar delegated authority to other appropriate officers. Any delegation of powers that is made by the Executive Director of Children and Young People's Service **in addition** to those specified in this Scheme of Delegation must be made in writing.

1. Subject to the exclusions referred to in paragraph 5 of the Corporate Scheme of Delegation, the Executive Director of Children and Young People's Service is authorised to act on behalf of the Council on all matters relating to the discharge of the functions of the Council as a Local Education and Children's Services Authority.
2. In accordance with Financial Regulations, the Executive Director of Children and Young People's Service delegates management of the income and expenditure of the Department to managers of Service Units and management of capital expenditure and disposal transactions to named officers.
3. Due to the higher rates for the care placements for children, special dispensation is required to minimise potential disruption to care provision in a sensitive service area. The following revisions for officers in Children and Young Peoples Service have been approved:

Limit for Purchase Orders	Position
£156,000	Head of Service / Assistant Director
£100,000	BU Manager
£62,400	Practice Manager
£26,000	Deputy Practice Manager

4. Children and Young Peoples' Service operate an internal mechanism that requires the approval of no less than a Divisional Director for all new placements where the aggregate value exceeds £250,000 over 48 months and that a periodic review procedure for all placements (existing and new) is in place in order to continue to demonstrate value for money and best value.

**Delegations to Divisional Directors and Assistant Directors**

5. Secure Orders for Children over the age of 13 years.
6. Decisions of Adoption Panel.
7. Decisions of Fostering Panel.
8. Approval of grants from the Grants Development Fund.

9. Chair of the Children's & Young People's Service Commissioning Board.

**(d) EXECUTIVE DIRECTOR OF FINANCE AND RESOURCES (EDFR)**

The following delegated powers are subject to the Executive Director vesting, in addition to those powers delegated by the Council to the officers specified in this Scheme of Delegation, similar delegated authority to other appropriate officers. Any delegation of powers that is made by the Executive Director of Finance and Resources **in addition to** those specified in this Scheme of Delegation must be made in writing.

1. Subject to the exclusions referred to in paragraph 5 of the Corporate Scheme of Delegation, the Executive Director of Finance and Resources, as the officer responsible for the proper administration of the Council's financial affairs, pursuant to section 151, Local Government Act 1972 is authorised to act on behalf of the Council on all matters relating to the discharge of the Finance functions of the Council, which include but are not limited to the certification of the Council's statement of accounts, the collection and administration of rates, housing benefit and council tax, rent officers, insurance, pensions, long-term borrowing, Business Improvement Districts, audit and procurement functions. He/she is also authorised to act on behalf of the Council in relation to the discharge of certain other corporate functions which include but are not limited to the Council's Governance & Democracy, youth council, scrutiny, central support services, information technology, customer services and corporate complaints.
2. The authority to act on pensions matters includes the administration of actuarial valuations and the implementation of contribution rates as approved by Council. This power must be exercised in consultation with the Cabinet Member for Finance and Resources.
3. Approval of all changes to the Financial Procedures which supplement the Financial Regulations, subject to the requirement that any changes to the Financial Regulations themselves must be approved by full Council.
4. Subject to the approval of the Strategic Leadership Board to agree changes to financial limits in Part 3-Section 4 of the Constitution from time to time to reflect the effect of inflation or to ensure the efficient and effective delivery of service.
5. The authority to move projects from the Capital Investment Pipeline to the Capital Investment Programme as and when additional funding becomes available, in consultation with the Strategic Asset Management Group and the Asset Management Cabinet Advisory Panel.
6. The authority to increase the Capital Investment Programme by the value of any external resources the council receives in addition to those set out in the budget, in consultation with the Strategic Asset Management Group and the Asset Management Cabinet Advisory Panel.

7. Arranging for statutory payments to be made to Government Agencies and Departments including, but not limited to, GLA precepts, payments of Income Tax and National Insurance contributions, housing capital receipts to the DCLG etc.
8. The authority to conduct or defend any legal proceedings in any court or tribunal relating to any of the Council's functions, and to settle or discontinue such proceedings (including the compromise of matters where proceedings are, or may be, contemplated) where appropriate in the best interests of the Council is delegated to the Director of Governance and Democracy.
9. The Head of Legal Services and Principal and Senior Lawyers are authorised to sign documents on the Council's behalf (including attestation of the Council's Seal) and to institute and defend proceedings.
10. The authority to appoint members and other Council representatives to Council committees, sub-committees, and other bodies and on outside organisations in accordance with the allocation of seats to the party groups and on the nomination of the Whip of the party group concerned is delegated to the Director of Governance and Democracy and, in his/her absence, to the Head of Democratic Services & Scrutiny or Head of Legal Services.
11. The authority to make arrangements, in consultation with the Chair and Vice-Chair of Overview and Scrutiny Committee and Health Scrutiny Sub Committee, for establishing Joint Health Scrutiny Committees whenever such a committee needs to be established and a meeting needs to be arranged before the next scheduled meeting of Overview and Scrutiny Committee, is delegated to the Director of Governance and Democracy and, in his/her absence, to the Head of Democratic Services & Scrutiny or Head of Legal Services.
12. The power to approve the naming and numbering of streets and buildings in the borough in all cases where there are no unresolved objections is delegated to the Data Manager, ICT Services. Any case where an unresolved objection exists must be referred to Corporate Committee for decision.
13. The power to individually authorise borrowing arrangements for up to 3 days and up to a maximum value of £20m that are for the sole purpose of cash flow management is delegated to each of the following officers: the Divisional Director Corporate Finance and the Treasury Manager.

**(e) EXECUTIVE DIRECTOR OF HOUSING, REGENERATION AND ENVIRONMENT (EDHRE)**

The following delegated powers are subject to the Executive Director of Housing, Regeneration and Environment vesting, in addition to those powers delegated by the Council to the officers specified in this Scheme of Delegation, similar delegated authority to other appropriate officers. Any delegation of powers made by the Executive Director of Housing, Regeneration and Environment, **in addition** to those specified in this Scheme of Delegation, must be made in writing.

1. Subject to the exclusions referred to in paragraph 5 of the Corporate Scheme of Delegation, the Executive Director of Housing, Regeneration and Environment is authorised to act on behalf of the Council on all matters relating to the discharge of the Regeneration, Housing and Environmental functions of the Council, which include but are not limited to all functions under the provisions of housing legislation, public sector (HRA) and private sector housing, homelessness, the administration of grants for improvement and repair of properties, the functions of the Design and Property Services Division, housing strategy, regeneration, economic development, investment strategy, town planning and development control, management of corporate property, valuation services, adult education and Area services, building control, environmental health, noise pollution, street care, transport & highways, parking and consumer protection, waste collection and disposal and licensing.
2. Approval of garage rents and estate parking charges in consultation with the relevant Cabinet Member and with the agreement of the Executive Director of Finance and Resources.
3. The authority to determine town planning applications and to discharge all other functions concerning planning and development control (including but not limited to advertisement control, listed building and conservation area control and tree preservation orders) and related matters, including enforcement decisions and actions, as set out in paragraph 1 above, is delegated to the Divisional Director for Planning.
4. The authority to determine applications for consent under the Rush Common Act 1806 is delegated to the Divisional Director for Planning, subject to the proviso that applications that he or she considers should be approved will be determined by Corporate Committee. In addition, the power to take any related enforcement decisions and actions is delegated to the Divisional Director for Planning.
5. The following powers are delegated to the Head of Asset Strategy in consultation with the Strategic Asset Management Group:
  - (a) Other than properties which are subject to the right to buy, the authority to dispose of land and property, in accordance with the

Disposals Programme as agreed annually by the Cabinet, is delegated to the Head of Asset Strategy.

- (b) In the event that the Head of Asset Strategy proposes to dispose of any land or property which is not included in the Disposal Programme (other than those required by statute), prior approval to the disposals must be obtained from the Executive Director of Finance and Resources and the Executive Director for the department that is responsible for the land or property and the Cabinet Member for Finance and Resources.
  - (c) Ward Members must be given 5 working days to comment on all reports that relate to the exercise of these delegated powers (other than reports that are considered by Cabinet).
  - (d) A schedule of Decisions taken under these powers should be reported to Cabinet as part of the following year's disposal report.
  - (e) The authority to grant and acquire leases for terms of up to 20 years subject to a rental limit of £200,000 per annum and the cost being contained within existing budgets is delegated to the Head of Asset Strategy.
  - (f) The authority to dispose of properties to occupant voluntary sector organisations for the best consideration that can reasonably be obtained.
  - (g) The authority to grant and acquire wayleaves and easements for lease terms of up to 125 years, i.e. installations by utility companies, is granted to the Head of Asset Strategy where any cost can be contained within existing budgets.
6. To implement all decisions relating to the allocation of "ward purse" funding, subject to obtaining the prior concurrence of the relevant ward members.

#### **Decisions delegated to Divisional Directors and Assistant Directors**

- 7. To make grants for improvement and repair under the Housing Act (1985) Part XV and Local Government and Housing Act (1989) Part VIII and to exercise discretionary powers to waive repayment of renovation grants where there has been a breach of grant conditions.
- 8. The authority to consider objections received from statutory consultation as part of the Traffic Order Making Process. NB - Subject to a formal report setting out the objections, with clear recommendations being submitted for approval.
- 9. To consider and approve reports on proposed road safety schemes.
- 10. The power to make, amend or revoke a traffic order following consideration of such objections.

11. The authority to negotiate with Western Riverside Waste Authority.
12. The authority to enter into agreements with external authorities, agencies or organisations including the GLA, GOL and the Greater London Mayor's Office.
13. Any temporary or emergency building or service closure to last over one week.
14. Any planned building or service closure over one month.
15. Outside representation for Government (or similar body) in exercise of their statutory supervisory powers.
16. The authority to act, with the agreement of the Chief Executive, during any declared Civil Emergency

### **Decisions delegated to Heads of Service**

17. The authority to initiate formal statutory consultation on a scheme or any part of a scheme following informal non-statutory consultation. NB- Subject to a formal report being submitted for approval.
18. Following financial approval by the Cabinet, to consider and approve the detailed delivery of local traffic and highways schemes (including controlled parking zones) which have been included within the Councils overall programme.
19. The authority to approve any land exchange arising from highway or town and country planning powers for highways or traffic purposes. NB - Subject to submission of a formal report.
20. To approve discretionary payments for the equivalent of home loss and disturbance under the Land Compensation Act (1973).
21. To join representative and professional bodies on behalf of the Council.
22. To sign notices and to authorise officers in and for the department to carry out enforcement duties as required within relevant legislation.
23. To make grants for improvement and repair under the Housing Act (1985) Part XV and Local Government and Housing Act (1989) Part VIII **over £50,000.**
24. To determine appeals from homeless applicants wishing to refuse offers of permanent accommodation.
25. Legal action in relation to parking permit fraud.
26. The authority to enter into agreements for the collection of commercial waste (Head of Environmental Services and Highways).

27. Legal action in relation to Consumer Protection matters (Head of Consumer Protection and Sustainability).
28. Signing of short-term building and office accommodation leases.
29. The authority to authorise the drafting and sign the publication and making of temporary Traffic Regulation Orders (Head of Transportation).
30. The authority to make and sign permanent or experimental traffic orders where no objection has been received (Head of Transportation). NB – Requires a signed document to be kept declaring no objections received.
31. The authority to publish and sign Traffic Orders, following consideration of the objections and delegated decision by the Divisional Director of Public Realm (Head of Transportation).
32. The authority to negotiate and conclude highways agreements arising from planning consents or highways adoptions that do not involve land exchanges (Head of Transportation and Head of Environmental Services and Highways)

#### **Decisions delegated to Business Managers within their Business Unit**

33. To exercise the powers of the Council under Part IV of the Housing Act (1985), relating to securing possession of Council dwellings, eviction of secure tenants, non-secure tenants and licensees from Council accommodation in accordance with Council policy.
34. Initiation of distraint procedures against tenants with rent arrears.
35. To instruct bailiffs for the purpose of collecting parking and rent arrears and debts.
36. To exercise the Council's powers when acting on behalf of a protected intending occupier under Section 7 of the Criminal Law Act (1977) in respect of squatted and empty properties.
37. To approve advances for the improvement or repair of dwellings in accordance with the Council's policy.
38. To make grants for improvement and repair under the Housing Act (1985) Part XV and Local Government and Housing Act (1989) Part VIII **up to £50,000.**
39. To exercise the powers and duties of the Council relating to applications from homeless persons under Part VII of the Housing Act (1996), in accordance with Council policy.
40. To determine whether a person presenting as homeless under the Housing Acts is intentionally homeless and whether an offer of accommodation should be made.

41. To maintain and operate the Council's Housing Register and to allocate Council properties.
42. Any temporary or emergency building or service closure to last up to one week.
43. Any planned building or service closure up to one month.

# **Part 3 - Section 4, Part B: Financial Regulations**

## **Financial Control Framework**

A.1 The following framework of financial administration exists at Lambeth Council in accordance with Section 151 of the Local Government Act 1972, which 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.” The framework comprises:

- Scheme of Delegation: part of the Council’s rules governing its own financial procedures, including the delegation of authority to councillors and officers
- Financial Regulations: part of the Council’s rules made to provide a framework for its financial procedures and contract standing orders
- Financial Procedures: more detailed procedures for use at officer level, prescribed by the Executive Director of Finance and Resources
- Contract Standing Orders: prescribed by the Executive Director of Finance and Resources to provide a framework for its contract procedures

The four parts of the framework (the Scheme of Delegation, Financial Regulations, Financial Procedures and Contract Standing Orders) must be used together.

## **Devolution of Financial Management and Accounting**

A.2 The Council seeks to unite service operational responsibility with financial and budgetary responsibility. It aims to empower managers and give them the tools to deliver high quality services. Part of that empowerment is to give them control of the resources needed to deliver the service so that they can plan and use those resources to obtain the maximum benefit for the service. Equally the Council must balance responsibilities with protection for officers so that officers know what they are responsible for but there are clear limits to those responsibilities and officers are not overwhelmed. Where officers do not have the authority these Regulations aim to set out clear routes for approval that enable decisions to be made with proper review in the light of the resources involved.

A.3 From April 2002, there has been a single corporate accounting system in place. The Council is committed to improving the integration of its financial systems in order to improve finance control and management.

## **Status of Financial Regulations**

- B.1 Financial regulations provide the framework for managing the Authority's financial affairs. They apply to every Councillor and officer of the Authority and anyone acting on its behalf.
- B.2 The regulations identify the financial responsibilities of the full Council, Cabinet, Overview & Scrutiny members, the Chief Executive, the Monitoring Officer (the Director of Governance and Democracy), the Chief Finance Officer (the Executive Director of Finance and Resources), other Chief Officers and all staff of the Council. Chief Officers should ensure that they maintain records where decision making has been delegated to members of their staff, including seconded or temporary staff. Where decisions have been delegated or devolved to other responsible officers, such as school governors, references to the chief officer in the regulations should be read as referring to them. The Scheme of Delegation states which officers should maintain this decisions register.
- B.3 All Councillors and staff have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, is properly authorised, provides value for money and achieves best value.
- B.4 The Executive Director of Finance and Resources is responsible for maintaining a continuous review of the financial regulations and submitting any additions or changes necessary to the full Council for approval. The Executive Director of Finance and Resources is also responsible for reporting, where appropriate, breaches of the financial regulations to the Council and/or to the Cabinet members.
- B.5 The Council's detailed financial systems and processes, setting out how the regulations will be implemented, are contained in the Financial Procedures, appended to the Financial Regulations.
- B.6 Chief Officers are responsible for ensuring that all staff in their departments are aware of the existence and content of the Council's financial regulations and other internal regulatory documents and that they comply with them. They must also ensure that an adequate number of copies are available for reference within their departments.
- B.7 The Executive Director of Finance and Resources is responsible for issuing advice and guidance to underpin the financial regulations that members, officers and others acting on behalf of the Council are required to follow.

## **Financial Management**

### **Introduction**

- C.1 Financial management covers all financial accountabilities in relation to the running of the Authority, including the policy framework and budget.

### **The Full Council**

- C.2 The full Council is responsible for adopting the Authority's constitution and Councillors' code of conduct and for approving the policy framework and budget within which the Cabinet operates. It is also responsible for approving and monitoring compliance with the Authority's overall framework of accountability and control. The framework is set out in its constitution. The full Council is also responsible for monitoring compliance with the agreed policy and related Cabinet decisions.
- C.3 The full Council is responsible for approving procedures for recording and reporting decisions taken. This includes those key decisions delegated to officers by the Cabinet and decisions taken by the Council and its committees. These delegations and details of who has responsibility for which decisions are set out in the constitution.

### **The Executive**

- C.4 The Cabinet is responsible for proposing the policy framework and budget to the full Council, and for discharging Executive functions in accordance with the policy framework and budget.
- C.5 Executive decisions can be delegated to a committee of the Cabinet, or an officer, or a joint committee.

### **Committees of The Council With Financial Responsibility**

#### **Overview & Scrutiny Committee and Sub-Committees**

- C.6 The Overview & Scrutiny Committee and its sub-committees are responsible for scrutinising Executive decisions after they have been implemented and for holding the Executive to account. The Overview & Scrutiny Committee and its sub-committees are also responsible for making recommendations on future policy options and for reviewing the general policy and service delivery of the Authority.

#### **Corporate Committee**

- C.7 The Corporate Committee discharges various non-executive functions on behalf of the Council.

## Standards Committee

- C.8 The Standards Committee is established by the full Council and is responsible for promoting and maintaining high standards of conduct amongst Councillors. In particular, it is responsible for advising the Council on the adoption and revision of the members' code of conduct, and for monitoring the operation of the code.

## Statutory Officers

### Chief Executive

- C.9 The Chief Executive as Head of Paid Service is responsible for the corporate and overall strategic management of the Authority as a whole. He or she must report to and provide information for the Cabinet, the full Council, the Overview & Scrutiny Committee and other committees. He or she is responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation. The Chief Executive is also responsible, together with the Monitoring Officer, for the system of record keeping in relation to all the full Council's decisions (see below).

### Monitoring Officer (Director of Governance and Democracy)

- C.10 The Monitoring Officer is responsible for promoting and maintaining high standards of financial conduct and therefore provides support to the Standards Committee. The Monitoring Officer is also responsible for reporting any actual or potential breaches of the law or maladministration to the full Council and/or to the Cabinet, and for ensuring that procedures for recording and reporting key decisions are operating effectively.
- C.11 The Monitoring Officer must ensure that Cabinet decisions and the reasons for them are made public. He or she must also ensure that Council members are aware of decisions made by the Cabinet and of those made by officers who have delegated Executive responsibility.
- C.12 The Monitoring Officer is responsible for advising all Councillors and officers about who has authority to take a particular decision.
- C.13 The Monitoring Officer is responsible for advising the Cabinet or full Council about whether a decision is likely to be considered contrary or not wholly in accordance with the policy framework.
- C.14 The Monitoring Officer (together with the Executive Director of Finance and Resources) is responsible for advising the Cabinet or full Council about whether a decision is likely to be considered contrary or not wholly in accordance with the budget. Actions that may be 'contrary to the budget' include:
- initiating a new policy
  - committing expenditure in future years to above the budget level

- incurring interdepartmental transfers above virement limits causing the total expenditure financed from Council tax, grants and corporately held reserves to increase, or to increase by more than a specified amount.

C.15 The Monitoring Officer is responsible for maintaining an up-to-date constitution.

C.16 Pursuant to the above, the Monitoring Officer (in his role as Director of Governance and Democracy) is responsible for maintaining a system for providing legal advice to those bodies listed at C.2-C.9 inclusive, and such others as may from time to time be necessary. In summary, the objective of this system shall be that all reports to such formally constituted bodies contain specific advice on behalf of the Director of Governance and Democracy, approved by an officer of the Legal Services department, and that no reports to such bodies shall be submitted without advice and, where appropriate, authorisation from the Director of Governance and Democracy or his authorised nominee.

#### Chief Finance Officer (Executive Director of Finance and Resources)

C.17 The Executive Director of Finance and Resources has statutory duties in relation to the financial administration and stewardship of the Authority. This statutory responsibility cannot be overridden. The statutory duties arise from:

- Section 151 of the Local Government Act 1972
- The Local Government Finance Act 1988
- The Local Government and Housing Act 1989
- The Accounts and Audit Regulations 2011
- The Local Government Act 2003

C.18 The Executive Director of Finance and Resources is responsible for:

- the proper administration of the Council's financial affairs
- setting and monitoring compliance with financial management standards
- issuing and keeping under review the Financial Procedures and Contract Standing Orders
- advising on the corporate financial position and on the key financial controls necessary to secure sound financial management
- ensuring proper professional practices are followed within the authority
- providing financial information
- making arrangements for the preparation of the revenue budget and capital programme
- treasury management
- selecting appropriate accounting policies and procedures and ensuring they are applied consistently
- arranging for the compilation of all accounts and accounting records

- preparing and publishing the annual statement of accounts in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (Chartered Institute of Public Finance and Accountancy) and any successor codes, guidelines or regulations
- C.19 **Section 114** of the Local Government Finance Act 1988 requires the Executive Director of Finance and Resources to report to the full Council, Cabinet and external auditor if the Authority or one of its officers:
- has made, or is about to make, a decision which involves incurring unlawful expenditure
  - has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficit to the Authority
  - is about to make an unlawful entry in the Authority's accounts
- C.20 **Section 114** of the 1988 Act also requires:  
the Executive Director of Finance and Resources to nominate a properly qualified member of staff to deputise should he or she be unable to perform the duties under section 114 personally  
the Council to provide the Executive Director of Finance and Resources with sufficient staff, accommodation and other resources – including legal advice where this is necessary – to carry out the duties under section 114
- C.21 Pursuant to the above, the Executive Director of Finance and Resources is responsible for maintaining a system for providing financial advice to those bodies listed at C.2-C.9 inclusive, and such others as may from time to time be necessary. In summary, the objective of this system shall be that all reports to such formally constituted bodies contain specific advice on behalf of the Executive Director of Finance and Resources, approved by an officer of the Finance and Resources department, and that no reports to such bodies shall be submitted without advice and, where appropriate, authorisation from the Executive Director of Finance and Resources.

### **Chief Officers**

- C.22 Chief Officers are responsible for ensuring that Cabinet members are advised of the financial implications of all proposals and that the financial implications have been agreed by the Executive Director of Finance and Resources.
- C.23 It is the responsibility of Chief Officers to consult with the Executive Director of Finance and Resources and seek approval on any matter liable to affect the Council's finances materially, before any commitments are incurred.

## Divisional Directors of Resources' Responsibilities

- C.24 To ensure that all financial activity and systems within their departments are in accordance with the Scheme of Delegation, Financial Regulations, Financial Procedures and the Contract Standing Orders.
- C.25 Where financial activity and systems within their departments is not in accordance with the Scheme of Delegation, Financial Regulations and the Financial Procedures, to report any concerns and identify appropriate solutions to their Executive Director. Where solutions are not being implemented this should be raised with the Executive Director of Finance and Resources.
- C.26 To ensure that any additional controls they deem necessary in order to discharge their responsibilities are put in place and adhered to.
- C.27 To report any unlawful expenditure to the Executive Director of Finance and Resources and their Executive Directors immediately it is realised that it is about to take place or has taken place.
- C.28 To confidentially advise the Executive Director of Finance and Resources and Chief Internal Auditor of any fraudulent activity and other losses through error and mismanagement by any party connected with or employed by the Council.
- C.29 To liaise with the Executive Director in agreeing the annual audit plan of Departments. To report to the Executive Director of Finance and Resources any concerns where an audit is considered necessary but is not being undertaken.
- C.30 To ensure that appropriate timely arrangements are in place to sign off the financial implications of all reports prior to their submission to any of the bodies listed at C.2-C.9 and other Boards as appropriate, and that such arrangements comply with the requirements set out in C.21.
- C.31 To be a full-time member of the Departmental Leadership Team.
- C.32 To maintain a record of responsibility for budgets, such that every business unit/cost centre combination recorded on the accounting system has one and only one appointed officer who is the person with responsibility for managing the budget. This record must comply with the requirements set out in the Corporate Scheme of Delegation.

## Business Unit Managers' Responsibilities

- C.33 To ensure that all financial activity and systems within their business units is in accordance with the Scheme of Delegation, Financial Regulations and the Financial Procedures.

- C.34 Where financial activity and systems within their business units is not in accordance with the Scheme of Delegation, Financial Regulations and the Financial Procedures, to report any concerns and identify appropriate solutions to their Assistant Director or Director or Divisional Director. Where solutions are not being implemented this should be raised with their Divisional Director of Resources.
- C.35 To ensure that any additional controls they deem necessary in order to discharge their responsibilities are put in place and adhered to.
- C.36 To report any unlawful, fraudulent and / or inappropriate financial activity to the departmental Divisional Director of Resources immediately it is realised that it is about to take place or has taken place. Divisional Directors should advise their Executive Director immediately.

### **Other Financial Accountabilities**

#### Virement

- C.37 Revenue budget virements are transfers of budgeted expenditure or income in the Oracle financial system that do not increase the council's overall cash limit.
- C.38 Capital budget virements are transfers of budgeted expenditure and resources from one project to another project within the approved capital programme (as defined in Financial Regulations). They do not increase the council's overall capital budget.
- C.39 The authorisation required for budget virements is set out in the Corporate Scheme of Delegation.

#### Treatment of year-end balances

- C.40 Revenue. Year end overspends and underspends on general fund services will be met from or supplement general reserves in the absence of any specific decision by the Executive Director of Finance and Resources.
- C.41 Capital. The Capital Investment Programme is a multi-year budget in which most projects feature for more than one year. However, the legislative framework of capital controls required capital expenditure to be financed annually. Accordingly, year-end overspends must always be financed and will be required to be met from either a later year of the same scheme (if appropriate) or from another capital budget within the same department, on the authority of the relevant Divisional Director of Resources. The Executive Director of Finance and Resources may agree exceptions to this where circumstances warrant it.

- C.42 Year end underspends (against the re-profiled budget agreed by Council in February of that year) will be re-profiled to a later budget year if the project is continuing, or collected corporately if the project has been completed or is being stopped.
- C.43 The application of capital resources to finance capital expenditure in accordance with proper accounting practice is required to enable the closedown of accounts and the production of the Financial Statements. The Executive Director of Finance and Resources will have regard to the estimated financing set out in the Capital Investment Programme when determining the application of resources.
- C.44 The application of resources referred to above does not constitute a budget virement. The effect of capital financing on expenditure and funding budgets will be reflected in a revised Capital Investment Programme agreed by Council as part of the July Finance Review.

#### Accounting policies

- C.45 The Executive Director of Finance and Resources is responsible for selecting accounting policies and ensuring that they are applied consistently.

#### Accounting records and returns

- C.46 The Executive Director of Finance and Resources is responsible for determining the accounting procedures and records for the Council.

#### The annual statement of accounts

- C.47 The Executive Director of Finance and Resources is responsible for ensuring that the annual statement of accounts is prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (CIPFA / LASAAC) and any successor codes, statutes or orders. The Corporate Committee is responsible for approving the annual statement of accounts.
- C.48 The Executive Director of Finance and Resources is responsible for the preparation and publication of a Statement on Internal Control (SIC), following an annual review of the Council's systems of internal controls with the financial statements in accordance with proper practices.

#### Financial Information System

- C.49 For the avoidance of doubt, any use of the facility for "Vacation Rules" on the Oracle financial information system must be in compliance with the Council's Scheme of Delegation and must not be used as routine delegation.

## **Financial Planning**

### **Introduction**

- D.1 This section deals with the frameworks and processes by which the financial situation of the Council is planned, controlled and reported.
- D.2 The full Council is responsible for agreeing the Authority's policy framework and budget, which will be proposed by the Cabinet. The council has adopted a Service and Financial Planning process to govern setting its service objectives and budgets.

### **Policy Framework**

- D.3 The full Council is responsible for approving the policy framework and budget. The policy framework comprises a number of statutory plans and strategies and is set out in Article 4.04 of the constitution. The budget is part of the policy framework.
- D.4 The budget includes the Financial Management Strategy which is therefore part of the policy framework.

### **Budgeting**

#### Budget format

- D.5 The general format of the budget will be approved by the full Council and proposed by the Cabinet on the advice of the Executive Director of Finance and Resources. The draft budget must include as a minimum:
- proposed taxation levels
  - departmental revenue cash limits
  - estimates of revenue expenditure and resources over 3 years
  - estimates of growth and savings over 3 years
  - estimates of capital expenditure and resources over 3 years
  - individual programme or project budgets for schemes within the capital programme
  - disposals programme
  - prudential indicators over 3 years
- D.6 A separate budget must be approved by Cabinet for the Housing Revenue Account (HRA) on the advice of the Executive Director of Finance and Resources. The draft budget must include as a minimum:
- Proposed rent levels
  - Proposed service charge levels
  - estimates of expenditure and resources over 3 years
  - estimates of growth and savings over 3 years

## Budget preparation

- D.7 The Executive Director of Finance and Resources is responsible for ensuring that the annual revenue budget is prepared in accordance with the Council's integrated Service and Financial Planning process.
- D.8 The Service and Financial Planning process is part of the Financial Procedures and sets out:
- the stages in the cycle
  - the roles and responsibilities of officers and members
  - guidance for preparing budgets
  - guidance for preparing growth and savings proposals

## Budget frequency

- D.9 The Revenue and Capital Budget is set annually by Council each February.
- D.10 The July Finance Review updates the revenue and capital budgets in light of the outturn for the preceding financial year. It also affords the opportunity to update capital investment profiles and allocate additional capital resources.
- D.11 The November Finance Review provides a mid-cycle review of performance, and the opportunity to update capital investment profiles and allocate additional capital resources.

## Budget monitoring and control

- D.12 The Executive Director of Finance and Resources is responsible for providing appropriate financial information to enable capital and revenue budgets to be monitored effectively. Financial information is reported to the Cabinet and Strategic Leadership Board on a monthly basis as part of the Finance Monitor. This report will detail the actual position in comparison to the budget, projected out-turn position and any proposed action to be taken by departments to deal with any variances..
- D.13 The Financial Procedures set out the process for budget monitoring and control and also provide guidance. However, it is the responsibility of Chief Officers to control income and expenditure within their area and to monitor performance, taking account of financial information provided by the Executive Director of Finance and Resources and / or their own systems. They should also take any action necessary to avoid exceeding their budget allocation and alert the Executive Director of Finance and Resources if this cannot be achieved.

## Resource allocation

- D.14 The Council uses its Service and Financial Planning process to allocate resources.

## **Maintenance of Reserves**

- D.15 It is the responsibility of the Executive Director of Finance and Resources to advise the Cabinet and / or the full Council on prudent levels of reserves for the Authority.

## **Risk Management and Control of Resources**

### **Introduction**

- E.1 The Accounts and Audit Regulations 2003, amended 2006 require that the Council ensures that its financial management is adequate and effective and that there is a sound system of financial control that facilitates the effective exercise of the Council's functions and that includes risk management arrangements.

### **Risk Management**

- E.2 The Council is committed to establishing an effective risk management framework and culture to enable management at all levels to deliver their objectives in the light of those risks.
- E.3 Risk is managed and in particular :
- Identified and assessed
  - Mitigated
  - Monitored
  - And integrated into the Council's business planning systems and arrangements
- E.4 Risk assessments should be conducted followed by appropriate work to manage the risks identified.
- E.5 This must be done before business plans are completed, so that the Council is able to identify any significant risks that could jeopardise delivery of business plans in the following year and for which appropriate actions will need to be taken.
- E.6 A risk register has been introduced as a common corporate standard.
- E.7 The Corporate Committee is responsible for approving the Council's risk management policy statement and strategy and for reviewing the effectiveness of risk management.
- E.8 The Executive Director of Finance and Resources is responsible for preparing the Council's risk management policy statement and for promoting it throughout the Authority. The Executive Director of Finance and Resources is responsible for ensuring that the Council has appropriate and adequate insurance cover.
- E.9 Chief Officers are responsible for establishing contingency plans for the security of assets and continuity of services in the event of system failure or disaster.

## **Internal Control**

- E.10 Internal control refers to the systems of controls devised by management to help ensure the Authority's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Authority's assets and interests are safeguarded.
- E.11 The Executive Director of Finance and Resources is responsible for advising on effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They should ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with the statutory and other authorities that govern their use. Wherever possible systems of internal control should ensure that: -
- there is adequate separation of duties between (a) the provision of information about sums due to or from the authority including calculating, checking and recording these sums and (b) the duty of collecting or disbursing them and
  - employees charged with the duty of examining or checking the accounts of cash transactions must whenever possible not be engaged in making these transactions.
- E.12 It is management's responsibility to maintain systems of risk management, internal control and governance. It is the responsibility of Chief Officers to establish sound arrangements for compliance with systems of internal control, for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their financial performance targets.

## **Audit Requirements**

- E.13 The Council will conduct a review, at least once a year, of the effectiveness of its systems of internal control. The Council will also conduct, at least once a year, a review of the effectiveness of its system of internal audit. The findings of both reviews will be considered together by either the Corporate Committee or full Council. The Council will publish a statement of findings together with its accounts.
- E.14 The Audit Commission is responsible for appointing external auditors to each local Authority. The basic duties of the external auditor are governed by Section 5 of the Audit Commission Act 1998.
- E.15 The Council may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Revenue and Customs, who have statutory rights of access.

- E.16 The Executive Director of Finance and Resources is responsible for arranging an adequate and effective internal audit in order to examine the accounting records and systems of internal control of the Council in accordance with proper practices in relation to internal control. Proper internal control practices for internal audit are those contained within the Code of Practice for Internal Audit in Local Government in the United Kingdom, 2006.
- E.17 Internal Audit will advise on whether the Council's governance arrangements – appropriate risk management processes, control systems and operational procedures – are in place and operating properly. This scope will extend to systems or services provided wholly by, or in conjunction with other organisations, including partnership arrangements. Internal auditors will give assurance to all levels of management about the efficiency and effectiveness of operations, compliance with laws and regulations, and accuracy and reliability of management reporting. As part of this Internal Audit is responsible for embedding a mechanism to make this happen.
- E.18 Internal auditors and external auditors shall have access for any necessary examination and audit, at all reasonable times, to all cash, property, documents, books of accounts and vouchers appertaining in any way to the finances and other operations of the Council, including those of partner organisations, and are entitled to require such explanations as may be reasonably considered necessary to satisfy themselves of the correctness of any matter under examination.
- E.19 The Council's Corporate Committee will perform the 'Audit Committee' role and the Chief Internal Auditor will build and maintain an effective working relationship between committee and internal audit. The Chief Internal Auditor will seek to balance being appropriately accountable to the committee, helping the committee to be effective and relationships with others, for example the Section 151 Officer.

### **Preventing Fraud and Corruption**

- E.20 The Council's anti fraud aims will be achieved by a dedicated anti fraud function, investigation procedures, a prosecution policy, whistleblowing hotline, employee screening, awareness training, cross intelligence sharing and involvement in fraud prevention and awareness by all staff and stakeholders (residents and customers)
- E.21 The Council will continue to take fraud and other avoidable losses (arising from error or mismanagement) seriously and tackle it on all fronts. The Council's fight against avoidable loss is an important aspect of its public accountability.
- E.22 The Council has also issued ethical and governance standards so that staff and customers are guided on what is accepted custom and practice and what is not deemed to be acceptable. The Council will take appropriate action if these standards are breached.

- E.23 The Executive Director of Finance and Resources is responsible for the development and maintenance of an anti-fraud and anti-corruption policy including a fraud response plan outlining the steps to be followed where staff suspect fraud.
- E.24 All Chief Officers, business managers and staff are responsible for ensuring that the opportunities for fraud are minimised. Separation of duties, effective procedures and checks should prevent or deter fraud from occurring and all are responsible for ensuring that the Chief Internal Auditor and the Executive Director of Finance and Resources is informed at the earliest possible time of any incident or circumstance which gives rise to the suspicion that some kind of fraud, misappropriation or financial irregularity may be taking place or may have taken place, in connection with the activities of the Council.
- E.25 Where the Council has suffered loss, restitution will be sought of any benefit or advantage obtained and the associated costs of recovery will be sought from individual(s) responsible for fraud.

### **Assets**

- E.26 The Integrated Property Asset Management and Financial Planning Framework articulates the council's framework for property asset management. All officers are required to have regard to it when exercising delegations in relation to property.
- E.27 With respect to the purchase and sale of assets all officers are required to act in accordance with the Scheme of Delegation.
- E.28 Chief Officers should ensure that business managers maintain records of assets purchased and assets are properly maintained and securely held. They should also ensure that they have in place contingency plans for the security of assets and continuity of service in the event of disaster or system failure.
- E.29 The rules for procuring, managing and disposing of IT products are laid out in the Council's IT Standards, version 2.2, and Chief Officers should ensure that this guidance is followed.
- E.30 Business Unit Managers may dispose of assets through sale, donation or scrapping. For every disposal, the business unit manager must record the reasons for the disposal, and particularly must be able to demonstrate that the assets are obsolete or surplus to requirements. The limits for such disposals are set out in the Scheme of Delegation. Officers should assure themselves that the assets concerned are the property of the Council (rather than a leasing company) before disposing of them.

## **Treasury Management**

- E.31 The Council has adopted CIPFA's Code of Practice for Treasury Management in Public Services.
- E.32 The Executive Director of Finance and Resources is responsible for reporting to the full Council at least twice in each financial year on the activities of the treasury management operation and on the exercise of his or her delegated treasury management powers:
- A proposed treasury management strategy for the coming financial year at or before the start of each financial year.
  - An annual report on the treasury management activity for presentation by 30th September of the succeeding financial year (full Council has delegated responsibility for the approval of this report to Corporate Committee).
- E.33 All decisions on borrowing, investment or financing shall be delegated to the Executive Director of Finance and Resources, who is required to act in accordance with CIPFA's Code of Practice for Treasury Management in Public Services.
- E.34 All money in the hands of the Council is controlled by the officer designated for the purposes of section 151 of the Local Government Act 1972, referred to in the code as the Director of Finance.
- E.35 The Executive Director of Finance and Resources is responsible for authorising the opening of new bank accounts and approving the financial limits of authorised signatories to bank accounts.

## **Staffing**

- E.36 The full Council is responsible for determining how officer support for Executive and non-Executive roles within the Council will be organised.
- E.37 The Chief Executive is responsible for providing overall management to staff. He or she is also responsible for ensuring that there is proper use of the evaluation or other agreed systems for determining the remuneration of a job.
- E.38 Chief Officers are responsible for controlling total staff numbers by:
- advising the Cabinet on the budget necessary in any given year to cover estimated staffing levels
  - adjusting the staffing to a level that can be funded within approved budget provision, varying the provision as necessary within that constraint in order to meet changing operational needs
  - the proper use of established appointment procedures.

## **Systems and Procedures**

### **Introduction**

- F.1 Sound systems and procedures are essential to an effective framework of accountability and control.

### **General**

- F.2 The Executive Director of Finance and Resources is responsible for the operation of the Council's accounting systems, the form of accounts and the supporting financial records. Any changes made by Chief Officers to the existing financial systems or the establishment of new systems must be approved by the Executive Director of Finance and Resources. However, Chief Officers are responsible for the proper operation of financial processes in their own departments.
- F.3 Any changes to agreed procedures by Chief Officers to meet their own specific service needs should be agreed with the Executive Director of Finance and Resources.
- F.4 Records should be retained in adherence to the Council's guidelines on retention of documents and the record management policy which is in line with the Council's IT policy and the Freedom of Information Act 2000. See H.1 to H.5 below.
- F.5 Chief Officers should ensure that their staff receive relevant financial training that has been approved by the Executive Director of Finance and Resources.
- F.6 Chief Officers must ensure that, where appropriate, computer and other systems are registered in accordance with data protection legislation. Chief Officers must ensure that staff are aware of their responsibilities under freedom of information legislation and the Computer Misuse Act 1990.

### **Income and Expenditure**

- F.7 It is the responsibility of Chief Officers to ensure that a proper scheme of delegation has been established within their area and is operating effectively. The scheme of delegation should identify staff authorised to act on the chief officer's behalf, or on behalf of the Executive, in respect of payments, income collection and placing orders, together with the limits of their Authority. The Scheme of Delegation identifies approving procedures for writing off debts as part of the overall control framework of accountability and control. This is supplemented by the *Financial Procedures* issued by the Executive Director of Finance and Resources. Copies of all schemes of delegation should be kept in a register after signing by the chief officer to show agreement with the scheme.

- F.8 The scheme of delegation and financial regulations apply to all expenditure, even where it is incurred in relation to external income and is therefore not part of a department's cash limit. Consequently, the receipt of external income does not in itself provide the authority to incur expenditure.

### **Payments to Employees and Members**

- F.9 The Divisional Director of Human Resources is responsible for all payments of salaries and wages to all staff, including payments for overtime, and for payment of allowances to members.

### **Taxation**

- F.10 The Executive Director of Finance and Resources is responsible for advising Chief Officers, in the light of guidance issued by appropriate bodies and relevant legislation as it applies, on all taxation issues that affect the Council.

- F.11 The Executive Director of Finance and Resources is responsible for maintaining the Council's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate. NB: Payroll records, including PAYE and NIC returns are maintained by the Payroll Manager who reports to the Divisional Director of Human Resources.

### **Trading Accounts**

- F.12 It is the responsibility of the Executive Director of Finance and Resources to advise on the establishment and operation of trading accounts. It is Chief Officers' responsibility to ensure that guidance on trading accounts issued by the Executive Director of Finance and Resources is adhered to.

## **External Arrangements**

### **Introduction**

- G.1 The Council provides a distinctive leadership role for the community and brings together the contributions of the various stakeholders. It must also act to achieve the promotion or improvement of the economic, social or environmental well-being of its area.

### **Partnerships**

- G.2 The Cabinet is responsible for approving delegations, including frameworks for partnerships. The Cabinet is the focus for forming partnerships with other local public, private, voluntary and community sector organisations to address local needs.
- G.3 The Cabinet may delegate functions – including those relating to partnerships – to officers. These are set out in the scheme of delegation that forms part of the Council’s constitution. Where functions are delegated, the Cabinet remains accountable for them to the full Council.
- G.4 The Chief Executive represents the Council on partnership and external bodies, in accordance with the scheme of delegation.
- G.5 The Monitoring Officer is responsible for promoting and maintaining the same high standards of conduct with regard to financial administration in partnerships that apply throughout the Council.
- G.6 The Executive Director of Finance and Resources must ensure that the accounting arrangements to be adopted relating to partnerships and joint ventures are proper. He or she must also consider the overall corporate governance arrangements and legal issues when arranging contracts with external bodies. He or she must ensure that the risks have been fully appraised before agreements are entered into with external bodies.
- G.7 Chief Officers are responsible for ensuring that appropriate approvals are obtained before any negotiations are concluded in relation to work with external bodies.

### **External Funding**

- G.8 The Executive Director of Finance and Resources is responsible for ensuring that all funding notified by external bodies is received and properly recorded in the Council’s accounts in accordance with proper accounting practice.
- G.9 The scheme of delegation and financial regulations apply to all expenditure, even where it is incurred in relation to external funding. Consequently, the receipt of external funding does not in itself provide the authority to incur expenditure.

G.10 The council has discretion over the application of un-ring-fenced grants. Accordingly, the application of un-ring-fenced grants should be determined as part of the Service and Financial Planning process.

**Work For Third Parties**

G.11 The Cabinet is responsible for approving the contractual arrangements for any work for third parties or external bodies.

## **Retention of Records**

- H.1 Chief Officers, Business Managers and Headteachers of Schools shall be responsible for ensuring that records are carefully and systematically filed and retained for inspection by the Executive Director of Finance and Resources or agencies (e.g. HM Revenue and Customs).
- H.2 The advised minimum periods for the retention of financial records are set out in the Financial Procedures. The list is not exhaustive and where there is uncertainty the advice of the Executive Director of Finance and Resources and/or the Director of Governance and Democracy must be sought. Periods referred to are in addition to the current year of account, which ends at the conclusion of the annual external audit of the Council's accounts (i.e. usually the 31st December following the end of the financial year).
- H.3 Records held locally in establishments shall be retained in accordance with approved local management schemes, which in turn must meet the Council's standards.
- H.4 The Executive Director of Finance and Resources or his representative shall have access to documents relating to such funds should it be deemed necessary.
- H.5 A Records Management Policy has been created to meet the requirements of the Freedom of Information Act. This Policy applies to electronic records and to manual records (e.g. paper, microfiche). A record is any recorded material (usually a document) whether or not it is stored in a database or file.

## **Minimum controls**

- I.1 Maximum levels of authorisation are set out in the Scheme of Delegation.