APPENDIX A

ANNEX 4 – SCHEME OF FINANCIAL DELEGATION

ANNEX 4: Scheme of Financial Delegations

All delegated amounts are inclusive of VAT, where applicable.
BTPA's Scheme of Delegation

Approved By	**Authority**	**Chief Exec**
Capital Projects Removed under BTPA only – leave under BTP		
Revenue Expenditure **Revenue spend in the approved Revenue budget** Removed under BTPA only – leave under BTP		
Pay Awards		
Removed under BTPA only – leave under BTP		

Approved By	**Authority**	**Chief Exec**
Individual Redundancy Payments		
ALL potential Redundancy payments must gain DfT approval BEFORE any redundancy is offered to staff. Sign off by the Chief Executive, or persons to whom they have delegated authority, is required prior to submission to DfT. DfT manage the approval process of all redundancy submissions. All Special Severance payments to staff must be approved by DfT. Sign off by the Chief Executive, or persons to whom they have delegated authority is required prior to submission to DfT.		
Ex-gratia payments		
Ex-gratia payments – Consolatory payments to individuals in respect of incidents which do not involve financial loss	Over £1000	Up to £500
Ex-gratia payments to staff or former members of staff only (subject to DfT approval)	All	N/A
Ex-gratia payments and special payments to third parties	All	N/A
Civil Claims – payments made to forestall legal proceedings (where professional legal advice supports) to provide re-dress for personal injuries traffic accidents, damage to property etc, suffered by employees, customers or others.	Over £20k	Up to £20k

Notes

Consolatory Payments (ex gratia payments) to individuals in respect of incidents which do not involve financial loss. e.g. stress, inconvenience, embarrassment etc. They are a form of special payment, as defined by Managing Public Money (Annex 4.13 – Special Payments). Due to the size of the amounts involved, Treasury approval is not required for any payment up to £1000, which is not novel, contentious or repercussive, and which is within the delegated authority limit for ex-gratia payments. Given that there is no measure of financial loss in assessing consolatory payments, any such payment over £1000 is liable to be novel and contentious by its nature and as such would require Treasury approval in most cases, even if the level of payment is within the delegated authority limit for ex gratia payments for the department or agency concerned.

All Ex-gratia payments that are in excess of £200k must be approved by DfT (who will liaise with HM Treasury as appropriate). An ex-gratia payment is a payment made in circumstances where there is no legal obligation to make such a payment. An example of an ex-gratia payment would be where a police officer was recompensed for damage done to personal property in the execution of her/his duty or to a member of the public for providing assistance to a police officer in the execution of her/his duty.

The BTPA Chief Executive, or persons to whom they have delegated authority will review all ex gratia submissions to determine if they are deemed novel and continuous and if endorsed will seek DfT approval.

Civil Claims – The above thresholds exclude legal costs and solely relate to the compensation payments. Please refer to Managing Public Money – Annex 4.13 – Special Payments for further details in respect of special payments and additional external approval requirements		
Contracts for sale of redundant fixed assets		
Acceptance of highest bid after competitive tender	Over £5k	Up to £5k
Write-offs		
PSA Accounts	Over £100k	Up to £100k

Approved By	Authority	Chief Exec
Procurement Authority **(All limits are for the Total Contract Value)** **All limits are subject to an exception where any contract, regardless of its value, is felt to be of a novel, contentious or repercussive nature as per Managing Public Money**		
Acceptance of the Most Economically Advantageous Tender/best value for money tender and signing of contracts after competitive tender for revenue and capital contracts	Over £200k	Up to £200k
Acceptance of a bid and signing of contracts after competitive tender for any contract other than the Most Economically Advantageous Tender/best value for money tender for revenue and capital contracts	Over £100k	Up to £100k
Acceptance of a bid and signing of contracts for a revenue or capital project contract without competitive tendering	Over £100k	Up to £100k

Notes
Contracts including Framework Agreements

Any delegation in the Code of Governance is separate to and in addition to any requirements under Procurement law or the T&Cs of the procuring Framework. It is also important that any changes must be in accordance with the relevant contract clause and the resulting new purchase order cross references the original order.
The above relates to authorisation of Procurement Contracts and Purchases for goods and services only after expenditure has been included in the revenue budget or capital programme (subject to any relevant procurement legislation and thresholds e.g. Procurement Act 2023)

Acceptance of the Most Economically Advantageous Tender/best value for money tender and signing of contracts after competitive tender for revenue and capital contracts - Any contract that breaches the £100k threshold of the Chief Executive must go the Authority for approval. This includes where the original contract value is £100k or where forecast one-off or cumulative variations bring the total contract value to over £100k regardless of the value of the variation which ultimately brings the total contract value to over £100k. This £100k threshold is absolute and no other delegation given to the Chief Executive can override this threshold. Once the Authority has approved the contract over £100k, the Chief Executive is given a delegation of up to 5% of the baseline value approved by the Authority (one-off or cumulative variations) to allow more agile working and prevent small variations coming back to the Authority. Once the 5% threshold is forecast to be reached, the contract must come back to the Authority for approval. Once the contract has come back to the Authority and been approved, the contract value is re-baselined at the new Authority approved contract value for the purposes of calculating the 5% delegation to the Chief Executive (one-off or cumulative variations).

Procurement delegation authority is the authority to sign, make or amend contractual commitments. It is not the same as authority to financially commit to making payments from official budgets. Procurement Authority may not be exercised by any individual in cases where they are also responsible for giving financial approval for the same requirement.

Due to a change in the Cabinet Office Spend Control, BTP as a zero delegation for spend and Commercial activity associated with either Professional Services or Consultancy services. Any commercial award or spend MUST secure Chief Executive or person who have a delegated authority in accordance with the internal process.

BTP's Scheme of Delegation

Approved By	**Authority**	**Chief Exec**	**Chief Constable**
Capital Projects			
Final Approval for Projects in the Capital programme (which is within the agreed Capital DEL and in the MTFP including cyclical capital spend)	Over £1m	Up to £1m	Up to £500k
Projects exceeding the original capital project budget will need to gain approval by the original authorising body for the increase where the total whole life costs (original plus increase in costs) is within the delegation approval. Where any increase would result in the revised whole life costs breaching their level of authority, capital project must then go to the appropriate approval authority. In addition, where the increase is greater than 25% this should be brought to the attention of the Chief Executive who will make the decision as to who needs to approve.	All Projects where expenditure was or is increased above £1m	Up to £1m	Up to £500k

Notes

All Project Business Cases must be whole life costs. The term final approval relates to where the final approval lies after other approvals e.g. a project will go through Force Governance before coming to the Chief Exec or Authority for final approval if the threshold is reached. The Final Approval for projects does not relate to business case stages (e.g. FBC) and it is expected SOC, OBC and FBC come to the relevant place for approval as per the thresholds. Any approval for capital must be affordable and within agreed capital budgets and within DfT capital limit. Any capital project that would breach the DfT capital budget limit must be reported to the Chief Executive who will decide on the approval. This includes the use of reserves where there is no budget delegation. At anytime the Chief Constable or Chief Executive may ask the Authority to act as the approval body where they feel greater scrutiny would be beneficial.

This delegation limit does not preclude any capital project, regardless of amount, being reviewed by Strategy and Planning Committee as part of its post implementation review remit.

Any capital project that breaches the £500k threshold of the Chief Constable must go to the Chief Executive for approval. This includes where the original capital value is £500k or where forecast one-off or cumulative variations bring the total to over £500k regardless of the value of the variation which ultimately brings the total to over £500k. This £500k threshold is absolute and no other delegation given to the Chief Constable can override this threshold. Once the Chief Executive has approved the capital project over £500k, the Chief Constable is given a delegation of up to 10% of the baseline value approved by the Chief Executive (one-off or cumulative variations) to allow more agile working and prevent small variations coming back to the Chief Executive. Once the 10% threshold is forecast to be reached, the capital project must come back to the Chief Executive for approval. Once the capital project has come back to the Chief Executive and been approved, the capital project value is re-baselined at the new Chief Executive

approved capital project value for the purposes of calculating the 10% delegation to the Chief Constable (one-off or cumulative variations). This process is then repeated until the capital value is forecast to reach £1m when it must go to the Full Authority for approval. This £1m threshold is absolute and no other delegation given to the Chief Constable or Chief Executive can override this threshold.

Any capital projects that breach the £1m threshold of the Chief Executive must go to the Full Authority for approval. This includes where the original capital value is £1m or where forecast one-off or cumulative variations bring the total to over £1m regardless of the value of the variation which ultimately brings the total to £1m. Once the Full Authority has approved the capital project over £1m, the Chief Constable is given a delegation of up to 5% of the baseline value approved by the Full Authority (one-off or cumulative variations) to allow more agile working and prevent small variations coming back to the Full Authority. Once the Chief Constable's 5% threshold is forecast to be reached, the capital project must come to the Chief Executive for approval who will be given a further delegation of 5% of the baseline value approved by the Full Authority (one-off or cumulative variations). Once the Chief Executive's threshold of the further 5% is forecast to be reached, the capital project must go back to the Full Authority for approval. This will balance oversight and authority with ensuring proportionate governance to enable agile working and help maintain the strategic focus of the Full Authority. Once the capital project has come back to the Full Authority and been approved, the capital project value is re-baselined at the new Full Authority approved capital project value for the purposes of calculating the 5% delegation to the Chief Constable (one -off or cumulative variations) and 5% delegation to the Chief Executive (one-off or cumulative variations) with both 5% delegations being of equal value.

Revenue Expenditure - Total Revenue spend in the approved Revenue budget	**Authority**	**Chief Exec**	**Chief Constable**
Virement between budget lines but still within overall approved Budget spend	Over 2% of pay from pay to non-pay and 40% / £1m variance (whichever is smaller) from non-pay to pay and between non-pay budget lines	Up to 2% of pay from pay to non-pay and 40% / £1m variance (whichever is smaller) from non-pay to pay and between non-pay budget lines	Up to 1% of pay from pay to non-pay and 20% / £0.5m variance (whichever is smaller) from non-pay to pay and between non-pay budget lines

Notes

Funding must be available for an increase in the amount approved for a project to be authorised. Virement limits are cumulative for each project (e.g. if a project has a number of increases to its costs it is the total of those increases). In addition to the delegated virements thresholds a virement is only authorised if it satisfies the following conditions:
the revenue budget and capital budget net totals are not increased;
the future commitments falling to the Authority are not increased by more than £100k;
the transfer does not result in a significant change of policy;
the Authority CFO has been consulted and gives approval.

Pay Awards Any agreed pay award payments must be approved by the Appointments Remuneration and Appraisal Committee as set out in their Terms of Reference.			
Approved By	**Authority**	**Chief Exec**	**Chief Constable**
Individual Redundancy Payments			
ALL potential Redundancy payments must gain DfT approval BEFORE any redundancy is offered to staff. Sign off by the Chief Executive, or persons to whom they have delegated authority, is required prior to submission to DfT. All Special Severance payments to staff must be approved by DfT. Sign off by the Chief Executive, or persons to whom they have delegated authority is required prior to submission to DfT.			
Ex-gratia payments			
Ex-gratia payments – Consolatory payments to individuals in respect of incidents which do not involve financial loss	Up to £500	Up to £250	Up to £50
Ex-gratia payments to staff or former members of staff only not covered by the above delegation (subject to DfT and HMT approval)	All	All	N/A
Ex-gratia payments and special payments to third parties	All	N/A	N/A
Civil Claims – payments made to forestall legal proceedings (where professional legal advice supports) to provide re-dress for personal injuries, traffic accidents, damage to property etc, suffered by employees, customers or others.	Up to £200k	Up to £100k	Up to £50k

Notes

Consolatory Payments *(ex gratia payments) to individuals in respect of incidents which do not involve financial loss. e.g. stress, inconvenience, embarrassment etc. They are a form of special payment, as defined by Managing Public Money (Annex 4.13 – Special Payments). Due to the size of the amounts involved, Treasury approval is not required for any payment up to £1000, which is not novel, contentious or repercussive, and which is within the delegated authority limit for ex-gratia payments. Given that there is no measure of financial loss in assessing consolatory payments, any such payment over £1000 is liable to be novel and contentious by its nature and as such would require Treasury approval in most cases, even if the level of payment is within the delegated authority limit for ex gratia payments for the department or agency concerned.*

All Ex-gratia payments that are in excess of £200k must be approved by DfT (who will liaise with HM Treasury as appropriate). An ex-gratia payment is a payment made in circumstances where there is no legal obligation to make such a payment. An example of an ex-gratia payment would be where a police officer was recompensed for damage done to personal property in the execution of her/his duty or to a member of the public for providing assistance to a police officer in the execution of her/his duty.
An assessment must be carried out as to whether the ex-gratia payment could be deemed novel, contentious or repercussive, no matter what the value is. If the payment is deemed novel, contentious or repercussive, the BTPA Chief Executive will review the submission and seek DfT and HMT approval.
Civil Claims – The above thresholds exclude legal costs and solely relate to the compensation payments, but any submission from BTP should include an estimate of the likely legal costs. Any claims requiring HMT approval should be identified through the BTP Civil Claims meeting.

Please refer to Managing Public Money – Annex 4.13 – Special Payments for further details in respect of special payments and additional external approval requirements.

Contracts for sale of redundant fixed assets			
Acceptance of highest bid after competitive tender	Over £250k	Up to 250k	Up to 100k
Write-offs and Losses			
Write off of accounts where no cash / fiscal loss has occurred – excluding PSA income	Over £500k	Up to £500k	Up to £100k
Losses	N/A though Chief Exec has option to escalate if wishes	Over £10k	Up to £10k

Notes

Write offs

These adjustments do not impact the fiscal position and therefore do not apply to the HMT approval threshold. An example would be removing erroneous debit balances through an accounting adjustment.
Can be for an one off item but must be aggregated if a number are to be written off together. Do not avoid higher authorisation by doing numerous one off write offs.

Losses

A loss occurs when resources (cash, assets and value) are diminished or no longer available for their intended purpose.

Losses as set out in the Chief Executive annual DfT Delegation letter that are in excess of £20k require HMT approval, except where the loss is for fruitless payments and constructive losses where HMT approval is required for any in excess of £10k.

Please refer to Managing Public Money – Annex 4.10 – Losses and Writes Off for further details in respect of losses and write offs and the principles to be adhered to.

Procurement Authority

(All limits are for total contract Value)

All limits are subject to an exception where any contract, regardless of its value, is felt to be of a novel, contentious or repercussive nature as per Managing Public Money

Acceptance of the Most Economically Advantageous Tender/best value for money tender and signing of contracts after competitive tender for revenue and capital contracts	Over £2m	Up to £2m	Up to £1m
Acceptance of a bid and signing of contracts after competitive tender for any contract other than the Most Economically Advantageous Tender/best value for money tender for revenue and capital contracts	Over £1m	Up to £1m	Up to 500k
Acceptance of a bid and signing of contracts for a revenue or capital project contract without competitive tendering	Over £250k	Up to 250k	Up to 100k
Approval to sign contracts (revenue or capital) related to mandated Home Office/Scottish Executive systems e.g. PNC, PND, Ident1, Pentip etc	N/A though Chief Exec has option to escalate if wishes	Over £1m	Up to £1m
Acceptance of ANY bid or signing of a contract for Professional Services or Consultancy Services			Nil

Notes

Any delegation in the Code of Governance is separate to and in addition to any requirements under Procurement law or the T&Cs of the procuring Framework. It is also important that any changes must be in accordance with the relevant contract clause and the resulting new purchase order cross references the original order.

Acceptance of the Most Economically Advantageous Tender/best value for money tender and signing of contracts after competitive tender for revenue and capital contracts

Any contract that breaches the £1m threshold of the Chief Constable must go the Chief Executive for approval. This includes where the original contract value is £1m or where forecast one-off or cumulative variations bring the total contract value to over £1m regardless of the value of the variation which ultimately brings the total contract value to over £1m. This £1m threshold is absolute and no other delegation given to the Chief Constable can override this threshold. Once the Chief Executive has approved the contract over £1m, the Chief Constable is given a delegation of up to 10% of the baseline value approved by the Chief Executive (one-off or cumulative variations) to allow more agile working and prevent small variations coming back to the Chief Executive.

Once the 10% threshold is forecast to be reached, the contract must come back to the Chief Executive for approval. Once the contract has come back to the Chief Executive and been approved, the contract value is re-baselined at the new Chief Executive approved contract value for the purpose of calculating the 10% delegation to the Chief Constable (one-off or cumulative variations). The process is then repeated until the total contract value is forecast to reach £2m when it must go to the Full Authority for approval. This £2m threshold is absolute and no other delegation given to the Chief Constable or Chief Executive can override this threshold.

Any contract that breaches the £2m threshold of the Chief Executive must go to the Full Authority for approval. This includes where the original contract value is £2m or where forecast one-off or cumulative variations bring the total contract value to over £2m regardless of the value of the variation which ultimately brings the total contract value to over £2m.

Once the Full Authority has approved the contract over £2m, the Chief Constable is given a delegation of up to 5% of the baseline value approved by the Full Authority (one-off or cumulative variations) to allow more agile working and prevent small variations coming back to the Full Authority. Once the Chief Constable's 5% threshold is forecast to be reached, the contract must come to the Chief Executive for approval who will be given a delegation of a further 5% of the baseline value approved by the Full Authority (one-off or cumulative variations). Once the Chief Executive's threshold of the further 5% is forecast to be reached, the contract must go back to the Full Authority for approval.

This will balance oversight and authority with ensuring proportionate governance to enable agile working and help maintain the strategic focus of the Full Authority. Once the contract has come back to the Full Authority and been approved, the contract value is re-baselined at the new Full Authority approved contract value for the purposes of calculating the 5% delegation to the Chief Constable (one -off or cumulative variations) and 5% delegation to the Chief Executive (one-off or cumulative variations) with both 5% delegations being of equal value.

<u>Contracts including Framework Agreements</u>
Authorisation of Procurement Contracts and Purchases for goods and services after expenditure has been included in the revenue budget or capital programme (subject to any relevant procurement legislation and thresholds e.g. Procurement Act 2023)

Procurement delegation authority is the authority to sign, make or amend contractual commitments. It is not the same as authority to financially commit to making payments from official budgets. Procurement Authority may not be exercised by any individual in cases where they are also responsible for giving financial approval for the same requirement.

Due to a change in the Cabinet Office Spend Control, BTP as a zero delegation for spend and Commercial activity associated with either Professional Services or Consultancy services. Any commercial award or spend MUST secure BTPA approval in accordance with the internal process.

Leases

BTPA are required to sign all property leases regardless of cost and duration

Leases – total cost across the life of the lease	Over £2m	Up to £2m	Nil
Notes			

The Chief Executive, or persons to whom they have delegated authority, on behalf of BTPA is able to approve all Heads of Terms (HoTs) in respect of property leases, but it is at the Chief Executive's discretion as to whether any HoTs need to be approved by the Authority.			
Non-PSA and non-EPSA Income acceptance e.g. grants and other income			
Non-PSA and non-EPSA Income acceptance e.g. grants and other income BTPA Executive reserves the right to request a list of all Non-PSA and non-EPSA Income accepted by BTP and spot check documentation to ensure Managing Public Money has been adhered to.	N/A though Chief Exec has option to escalate if wishes	Over £50,000	Up to £50,000
Notes *All limits are for total value / Income are inclusive of VAT. This includes cumulative income total* *All limits are subject to an exception where any income, regardless of its value, is felt to be of a novel, contentious or repercussive nature in accordance with Managing Public Money. Any income acceptance must have appropriate documentation proving it has met Managing Public Money thresholds.* *A request cannot be disaggregated to below the threshold to avoid the governance process.* *This includes income generation activities, acceptance of grants, one-off operational funding for specific operations or activity such as additional patrols during specific periods or events.* *Please refer to Managing Public Money – Section 4 – Governance & Management, Section 7 Working with Others and Annex 5.2 – Protecting the Exchequer Interest.* *The acceptance of new and or the continuation of current EPSAs is governed by a separate internal process.*			

External Spend Controls and Delegation.

Annually the Chief Executive and Accounting Officer receive a Letter of Delegation from the Department for Transport. The letter sets out the additional governance and spend controls that the British Transport Police Authority and British Transport Police are required to adhere to. These controls are included in the Chief Constable annual letter of delegation from the Chief Executive of BTPA. This includes:-

- Specific Department for Transport delegations – included in the Chief Constable delegation letter which is disseminated within BTP
- Specific Cabinet Office Spend Controls - https://www.gov.uk/government/collections/cabinet-office-controls
- Requirement to comply with HM Treasury delegations and controls
- Requirement to take due consideration of the principles set out in Managing Public Money. https://www.gov.uk/government/publications/managing-public-money-