

Scheme of Delegation of Financial Authority

1. Introduction

In accordance with the Financial Regulations of Brunel University of London, Council must approve all financial authority levels that commits the University to incur cost, whether Capital Expenditure, Revenue Expenditure or Research/Commercial Contract Expenditure, regardless of the source of funding.

Council approves the Budget and Capital Programme which sets expenditure limits for each area of activity and capital project. Authority to enter into financial commitments in accordance with the Budget and Capital Programme is delegated to the Executive Board and Officers as set out in this Scheme of Delegation of Financial Authority. In exercising this delegated authority, budget holders are required to observe the University's financial procedures.

This Scheme of Delegation of Financial Authority should be considered in conjunction with the University's:

- [Council Ordinance 5](#) – which sets out the powers, duties and functions of the University's Council and its committees;
- [Council Ordinance 7](#) – which sets out the scheme of reserved and delegated powers, from Council, through to its committees and to senior officers of the University;
- [Council Ordinance 10](#) – which sets out the University's Financial Regulations and detailed supporting policies and procedures.

This document summarises the specific financial delegations applicable to the day-to-day operations of the University. The monetary values in the Scheme of Delegation of Financial Authority are to be reviewed periodically by the Finance Committee and any changes recommended to Council.

Resources are allocated annually by Council on the recommendation of the Finance Committee, and are based on the Annual Budget as approved by Council before the start of each financial year. The financial administration is controlled by the Chief Finance Officer.

When more frequent prioritisation of budgetary decisions is necessary, a Change Advisory Board (CAB) will be convened on a regular basis and make recommendations to the Strategic Planning Committee and the Executive Board. The CAB will review and approve some elements of expenditure, the financial viability of changes to services and will engage with senior stakeholders to reinforce the financial behaviours required to meet the financial sustainability needs of the University. The CAB will ensure that efficiency objectives are maintained as well as the integrity and quality of services.

Members of the Executive Board and Heads of Departments are responsible for the economic, effective and efficient use of resources allocated to them. Internal lines of delegation are either through the line management hierarchy or operate through functional relationships where there is a senior lead for a key strategic theme, and through associated roles at different levels within the University.

As detailed in Council Ordinance 10, section 5.1: "Everyone connected with the University has a duty to ensure that the University's resources are used legitimately, wisely and effectively for the purpose and objectives of the University" and further in section 5.5: "All members of staff should be aware that they have a general responsibility for the security of the University's property, for avoiding loss and for economic use of resources. They should ensure that they are aware of the University's financial authority limits and the values of purchases for which quotations and tenders are required."

Members of the Executive Board and Heads of Departments are responsible for procuring the goods and services they require within their defined budgets. Purchasing authority may be delegated to designated budget holders within a department. In exercising this delegated authority, budget holders are required to observe the University's Financial Regulations and Procurement Code.

The financial limits that apply are to a particular project/contract as a whole, even though the procurement may be in phases and over a period of time. In other words, splitting of orders or contract commitments to avoid approval at a higher level is strictly prohibited and will be considered a breach of Financial Regulations. All financial limits are inclusive of VAT unless stated otherwise.

2. Principles

The following principles underpin the Scheme of Delegation of Financial Authority:

- The decision should be consistent with the University's Mission, Aims and Objectives.
- The person to whom the authority has been delegated should only make decisions within their area of responsibility; one academic or service unit should not take a decision that commits another academic or service unit without their consent.
- Delegated authority should be linked to budget management and all budget holders responsible for a budget should have an approval limit.
- Delegated authority should relate to revenue costs, capital expenditure, and research expenditure.
- Decisions should not be taken unless relevant documentation has been reviewed in line with the University's policies and procedures (including the Financial Regulations) and, where necessary, external legal advice has been sought.
- Where a third party has provided funding, decisions should only be taken once any required approval from the third party has been obtained.

3. Procurement Limits and Non-Pay Expenditure Approval

Unless stated elsewhere in this document, the approval limits in the table below are for purchase orders, payment of non-pay or contract expenditure invoices and other payment documents.

Estimated Total Contract Value	Key Points and Requirements	System	Approval Required By
Low Value Under £15,000	Obtain a minimum of 1* quote	Email.	Appropriate Head of Department
Operational Less than £50,000	Request for Quote (RFQ) – invite a minimum of three (3) suppliers to quote.	Record of requirements and service levels to be issued in writing. Evidence of requesting and retention of quotes received to be retained for audit purposes.	
Strategic £50,000 and above <i>*RSDO - £25,000 and above</i>	The Procurement Department must lead in all projects and use Category Management Process.	Mandatory use of www.BrunelESourcing.com for all procurement over £50k* including both tendering and contracts management.	Director of Procurement

Single Tender Actions

Estimated Total Contract Value	Approval Required By
Less than £1.0m	Director of Procurement
£1.0m +	Chief Finance Officer in conjunction with the Director of Procurement
In exceptional circumstance an STA to the requirements of the Procurement Policy may be sought. All STAs must be reviewed by the appropriate Category Manager prior to issue for approval.	

Contract Award Thresholds and Approval (CARR Report Signature)

The contract threshold sets out the level of approval required by officers **prior** to proceeding with the award of a contract and the authorised officer able to execute a contract. When seeking approval for a contract award, officers must clearly state the contract term (which must include any provisions to extend).

Total Contract Value	Contract Award Approval
Less than £50,000	Head of Department, Procurement Category Manager.
Strategic £50,000 +	Head of Department / Director, Procurement Category Manager, and Director of Procurement.
Strategic £150,000 +	Director, PVCs, Deans, Procurement Category Manager and Director of Procurement.
Strategic £1 million +	Chief Finance Officer or Chief Operating Officer, Procurement Category Manager, and Director of Procurement.
Strategic £3 million +	Vice Chancellor, Procurement Category Manager and Director of Procurement.

Contract Signature and Scheme of Financial Delegation

Once the Contract is ready for signature, the below scheme of financial delegation is applicable.

Total Contract Value	Contract Approval/Signature
Up to £15,000	Head of Department / Institute (system approver Finance Administrators) and Procurement Category Manager
£15,001 to £50,000	Heads of Department (Academic), Directors of Institutes, Institute Managers, College Managers and Procurement Category Manager
£50,001 to £100,000	Pro-Vice Chancellors and Executive Deans of College, Directors of College Operations, Department Directors/Heads (non-Academic) and the Director of Procurement.
£100,001 to £1,000,000	Vice-Chancellor and President, Provost, or Chief Operating Officer and the Director of Procurement.
Exceeds £1,000,000	Requires additional approval from either – Vice-Chancellor and President, Provost, or Chief Operating Officer and the Director of Procurement.

In all cases above, in the event of absence of an authoriser, a Deputy with appropriate delegated responsibility would also be deemed appropriate.

Procurement Strategy Thresholds and Approval

The Procurement Strategy thresholds determine the approach to be applied to all procurement activity and set the types and levels of approvals before engaging with the market via a tender process (for further detail see the [University's Procurement Code](#)).

4. Purchasing Cards and Corporate Expense Cards

The University has a policy and procedure for both:

- the procurement of high volume low value goods and services – the [Procurement Card Policy](#); and
- managing the payment of expenses which have been incurred when undertaking activities on behalf of the University – the [Corporate Expense Card Policy](#).

Full instructions are available on the [Procurement Department](#) intranet page.

5. Capital Expenditure

Brunel University London defines capital expenditure as:

- any expenditure over £10,000 on an item or group of related items (with an individual cost >£10,000) which has a life of more than 1 year; and
- has a use in the teaching of students; research; or for administrative purposes.

This covers all construction and improvements which increase the value and useful economic life of a building, major equipment purchases, software, and expenditure related to research, consultancy and other areas of knowledge transfer.

The Capital Expenditure Budget is prepared annually and incorporates all planned spend on land, buildings and equipment. This is formally approved by the University's Finance Committee and Council.

Responsibility for ensuring capital expenditure in line with the approved Capital Budget is delegated to the Campus Management & Environment Committee which reports to Executive Board. The Capital expenditure budget is prepared annually and incorporates all planned spend on land, buildings and equipment. The budget is formally approved by the Finance Committee and Council.

The thresholds for the approval of capital expenditure are:

Total Value	Approval Required
Up to £5m*	Executive Board
£5m-£10m	Finance Committee
Over £10m	Council

*per [Council Ordinance 10](#), **Council** must also authorise purchases of **land, buildings or fixed plant** in excess of £1m.

6. Travel and Subsistence

The University will reimburse all reasonable expenses necessarily incurred by claimants in the performance of their duties, such as mileage, train fares and accommodation. Consideration should always be given to using the most practical and cost-effective method of travel in terms of both cost and time. Staff booking travel should also ensure that it is undertaken in the most sustainable way possible – consideration should be given to conducting meetings by video conference initially to avoid the need to travel, but if there is clear business need to meet face to face then staff are advised to consider booking rail services for short domestic trips and to rent electric or hybrid cars where car rental is required.

All claimants shall submit expense claims on a monthly basis. Claims submitted in one month should include all expenses incurred during the previous month. All claims must be authorised appropriately to ensure that the amounts claimed are justifiable, represent value for money, are coded correctly and, where applicable, are supported by receipts.

It is the responsibility of the authoriser to validate the claim and to ensure that the amounts claimed are justifiable, represent value for money, are coded correctly and, where applicable, are supported by receipts. Full details are set out in the University's [Travel and Subsistence Policy](#).

The authorisation process is set out below:

Claimant	Authorised by
Council Lay Members	Secretary to Council or Associate Director of Governance
Committee Lay Members	Secretary to Council or Associate Director of Governance
Vice-Chancellor and President	Chair/Deputy Chair of Council
Executive Board Members unless Senate Members	Chief Finance Officer
All Other Staff	Relevant Line Manager(s)

In the event of absence of an authoriser, a Deputy with appropriate delegated responsibility would also be deemed appropriate.

7. Other Financial Commitments

Subject	Criteria & limits	Approval
Banking arrangements & investments		
Bank guarantees, performance bonds	All	Chief Finance Officer
Borrowing from financial institutions	All borrowing whatever the term, and including direct lending, operating and finance leases	Finance Committee, subject to the approval, if required, from the OfS
Opening new bank accounts	Any bank account	Finance Committee
Changes to bank signatories	All bank accounts	Vice Chancellor, Deputy Vice Chancellor, Chief Operating Officer, or CFO
Bank deposits and investments with agreed counterparties	All deposits	Delegated Finance Department Treasury staff
Research grants and contracts	All	Director of the Research Support and Development Office
Commercial sales/income contracts	Agreement for Halls of Residence Other commercial revenues: a) More than 2 years or over £50k p/a b) Less than 2 years or less than £50k p/a	CFO & Executive Board CFO Head of Department
Confidentiality/ non-disclosure agreements	All	Director of Legal and/or COO All agreements will be lodged with Department of Human Resources
Joint venture or partnership arrangements	a) Final JV or partnership agreements b) Non-binding, interim agreements, letters of intent	Finance Committee, Vice Chancellor
Provision of Indemnities and Guarantees	Up to £25,000 £25,001 to £250,000 Above £250,000	CFO VC & CFO Finance Committee

8. Bad Debt Write-Offs

The University has a [student debt management policy](#) and a [commercial and research activities debt management policy](#) which it uses to assist with the collection of debts.

Debts can be written off when:

- The entity involved has gone into administration and it is confirmed that the University is not on the list of creditors to be paid, or,
- Where it has been demonstrated that all collection attempts have been exhausted and the debt is therefore deemed irrecoverable.

Approval for any and all write-offs will be delegated to the Chief Finance Officer or equivalent role.

On an annual basis – around the year end – the Chief Finance Officer will bring a report to the Executive Board & Finance Committee detailing the write offs made in the last year.