

**Scheme of Delegation for Enterprise M3 Team  
November 2023**

**1. BACKGROUND**

- 1.1. The Enterprise M3 Local Enterprise Partnership (EM3) scheme of delegation is required to ensure operations are effectively governed and fit for purpose.
- 1.2. The scope of the scheme is the financial management of the following budgets:
  - EM3 Future Fund (EM3FF)
  - Capital to Revenue transfer fund (C2R)
  - Operational Revenue (OR)
  - EZ<sup>3</sup> Enterprise Zone (EZ<sup>3</sup>)
  - Careers Hub (CH)
  - Growth Hub (GH)
- 1.3. This scheme is to be read in conjunction with the:
  - Constitution of Hampshire County Council acting as Accountable Body for EM3
  - Memorandum of Understanding between the Accountable Body and EM3
  - The Enterprise M3 Assurance Framework as published on the Enterprise M3 website.

**2. PRINCIPLES OF DELEGATION**

- 2.1. To ensure the efficient running of EM3, there need to be delegation arrangements that allow for the appropriate allocation of tasks and responsibilities.
- 2.2. The scheme exists to ensure that financial management of the in-scope budgets aligns with the Assurance Framework for EM3.
- 2.3. The Board may delegate authority to approve capital or revenue funding as it sees fit to the Managing Director of Enterprise M3 LEP. Details of the delegations shall be noted within the minutes of the appropriate meetings and referenced in requests for approval to the Managing Director.

**3. CAPITAL FUNDS: EM3 FUTURE FUND / C2R / EZ<sup>3</sup> BRIG**

- 3.1. All capital projects, including those to be funded from C2R, must be formally approved by the Board, unless specific delegated authority has been granted.
- 3.2. The EM3 Board agrees which projects to fund with capital funds. This is monitored by the Board, through six-monthly monitoring reports showing planned spend against the budget.
- 3.3. All programmes and projects funded directly from, or from loans set against EZ<sup>3</sup> Business Rates Income Growth (BRIG) are approved by the EM3 Board; and monitored by the EZ<sup>3</sup> Programme Steering Group (PSG), and subsequently the Board.
- 3.4. Board approval is required for any EM3FF or EZ<sup>3</sup> application.
- 3.5. Cost increases to projects previously approved by the Board may be agreed outside of

meetings in order to prevent unnecessary delays in delivery. Table 1 sets out the minimum approval levels for cost increases:

<b>Table 1</b>		
<b>Area of Responsibility</b>	<b>EM3 Board</b>	<b>Managing Director</b>
<b>Capital Funding:</b>		
Approval of cost increase to EM3FF/C2R/EZ <sup>3</sup> programmes and projects ≥ 10% and/or ≥ £3m, whichever is lower	x	
Approval of cost increase to EM3FF/C2R/EZ <sup>3</sup> programmes and projects <10% and < £3m		x

3.6. Minimum authorisation levels for the award of contracts are set out in Table 2:

<b>Table 2</b>	
<b>Area of Responsibility</b>	<b>Managing Director</b>
<b>Approval of contract award:</b>	
Approval of EM3FF/C2R/EZ <sup>3</sup> project contract (including variations)	x
Approval of Non-Disclosure Agreements	x

3.7. Minimum authorisation levels for the subsequent approvals of related claims are set out in Table 3:

<b>Table 3</b>		
<b>Area of Responsibility</b>	<b>Managing Director<sup>1</sup></b>	<b>Heads of Service<sup>2</sup></b>
<b>Capital Funding</b>		
Approval of EM3FF/C2R/ EZ <sup>3</sup> project claim ≥ £100k	x	
Approval of EM3FF/C2R/ EZ <sup>3</sup> project claim <£100k		x

3.8. For each claim, a Project Manager Report is prepared by the relevant lead. Every project claim will have two signatories - normally a Project Lead signing the Project Manager Report, and an approver of an appropriate level as detailed in Table 3.

#### 4. REVENUE BUDGETS

4.1. The EM3 Board agrees the annual revenue budget for the LEP. This is monitored by the Resources, Finance and Audit Committee (RFAC), and additionally by the PSG for the EZ<sup>3</sup>. This is done through quarterly monitoring reports showing planned spend against the approved LEP revenue budget.

4.2. The minimum authority to vary budgets is set out in Table 5:

<sup>1</sup> Managing Director and Heads of Service may Countersign each other's claim at the appropriate level.

<sup>2</sup> Heads of Service may sign in each other's absence where this has been agreed

<b>Table 5</b>			
<b>Area of Responsibility</b>	<b>EM3 Board</b>	<b>RFAC</b>	<b>Managing Director</b>
<b>Revenue budget approvals:</b>			
Approval of Operational Revenue Budget <sup>3</sup>	x		
Day-to-day management of Operational Revenue Budget (within +/- 10% of overall approved income and expenditure budgets)			x
Approval of Operational Revenue Budget deviations of 10% - 30% of overall income and expenditure budgets		x	
Approval of Operational Revenue Budget deviations of > 30% of overall income and expenditure budgets	x		

- 4.3. The minimum authorisation levels for procurement activity, purchase order and invoice approvals are set out in Table 6.

<b>Table 6</b>			
<b>Area of Responsibility<sup>4</sup></b>	<b>Managing Director</b>	<b>Head of Finance</b>	<b>Heads of Service</b>
<b>Revenue budget operational activity:</b>			
Approval and appointment of procurement project ≥ £177k	x		
Approval and appointment of procurement project <£177k		x	
Approval and appointment of procurement project) <£50k			x
Approval of payment of invoice ≥ £100k	x		
Approval of payment of invoice <£100k		x	
Approval of payment of invoice <£50k			x
Approval of SLA internal transfers			x
Approval of Board Member expenses		x	
Approval of raising Purchase Orders			x
Approval of raising of invoices <sup>5</sup>			x

## 5. PURCHASING CARDS

- 5.1. Named staff members have been authorised to hold Purchasing Cards (P-Cards) on behalf of the LEP to allow for small purchases. Purchases made using the P-Card shall be made in line with the relevant procurement regulations e.g. Public Contracts Regulations 2015.
- 5.2. Purchasing Card payments can be approved by the P-Card holder only as each card is personal to the individual staff member. However, best practice is for the P-Card holder to

<sup>3</sup>Operational Revenue Budget includes core LEP funding as well as EZ<sup>3</sup> budget (EZ<sup>3</sup>), Careers Hub budget (CH), Growth Hub budget (GH) and any other revenue funding that the LEP may hold.

<sup>4</sup> A person cannot approve a payment, procurement or other transaction that they are leading on or processing, unless under £50. This does not apply to Purchasing Cards.

<sup>5</sup> This applies when raising invoices for capital repayments and other operational work where EM3 receives payment. It includes core funding contributions.

seek additional approval from an appropriate approver.

- 5.3. The staff members holding P-Cards and information on their respective approval levels and limits are found in Table 7 below:
- 5.4. P-Card transactions are reviewed by the respective holder's line manager.

<b>Table 7</b>		
<b>Name</b>	<b>Transaction Limit</b>	<b>Monthly Limit</b>
Martine Baker	£1,000	£5,000
Justine Davie	£1,000	£5,000

## **6. TEMPORARY STAFF TIMESHEET APPROVALS**

- 6.1. Temporary staff are utilised to retain flexibility in delivering programmes, projects and core missions. Timesheets for these staff are approved through systems such as Connect2Hampshire.
- 6.2. A number of staff are given access to these systems, as required, to enable timesheet approval. Staff with access include Managing Director, Heads of Service and the Office Manager.
- 6.3. Any staff member given access to these systems is thus provided with the authorisation to approve timesheets as a line manager or substitute approver.

## **7. DELEGATED AUTHORITY FOR STAFF**

- 7.1. By agreement of the Managing Director, staff members may be granted delegated authority to make decisions on external boards or groups. A record of the delegations will be kept within the Scheme of Delegation folder on the Enterprise M3 SharePoint.
- 7.2. The Managing Director can also provide temporary delegation for limited periods of time, as they see fit, in order to ensure continuity of business. This can include cover for annual leave or urgent requirements. This temporary delegation must be provided in writing by the Managing Director, and oversight of the temporary delegation shall be given to the Head of Operations <sup>6</sup>

## **8. GOVERNANCE ARRANGEMENTS FOR PERSONAL RELATIONSHIPS**

- 8.1. Where a significant personal relationship exists between members within the scheme of delegation (to be determined on a case-by-case basis), they cannot counter-approve each other's claims/POs/invoices or contracts.
- 8.2. Where significant personal relationships exist, this should be reflected within staff members' entries in the Register of Interests.

## **9. EVIDENCING APPROVALS FOR REVENUE EXPENDITURE**

- 9.1. Approvals must be provided in writing by the appropriate signatory before committing to expenditure. To request an approval, the email must include, but is not limited to:
  - What is being asked for e.g. raising a PO or invoice or paying an invoice
  - Recipient name
  - The value

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<sup>6</sup> For the avoidance of doubt, the Head of Operations will ensure the temporary delegation is adhered to in terms of approval level and time limit. Unless specified within the temporary delegation, this does not give any specific approval role to the Head of Operations.

- Justification for expenditure
- Cost code (if not using the standard A01CF)
- Appropriate attachments

9.2. Standard template forms can be used, but are not mandatory, when seeking approval for procurement activity/raising invoices/purchase orders and making payments over £25k. These are found within the Enterprise M3 SharePoint.

**10. ACCOUNTABLE BODY AUTHORISATION**

- 10.1. Hampshire County Council (the Accountable Body) will be accountable for the proper use and administration of all funding streams of EM3, all of which are subject to their normal internal and external controls.
- 10.2. Hampshire County Council reserves the right not to implement any request or decision of the LEP or any of its sub committees or panels if in the reasonable view of the relevant Corporate Director the request or decision presents an unacceptable legal or financial risk to the Council.

**11. EMERGENCY DELEGATION**

- 11.1. To ensure operations are effectively governed and fit for purpose, Enterprise M3 has put in place emergency delegation which will come into effect in the event that an approver is incapable of exercising their delegated authority due to a sudden illness, accident or incapacitation and is not expected to return to work after a period of **5 days** absence.
- 11.2. These emergency delegated powers are only to be used for the above reason and are not to be implemented for any other reason - including but not limited to annual leave, urgency or general unavailability due to diary commitments.
- 11.3. Delegation will only be increased in the event that there is no other officer at the equivalent level to approve requests.
- 11.4. Any request for approval sent whilst emergency powers are in effect must make reference to the absence of the normal approver, and make clear that the request is being made under the emergency delegation.
- 11.5. Only the level of sign off will be temporarily increased/amended during a time of emergency and all other governance requirements outlined earlier in this document will remain in effect.
- 11.6. There will be no delegation of authority in relation to Purchasing Cards as these are assigned to individuals and only that individual can approve payments using their respective P-Card.
- 11.7. Table 8 and Table 9 outline the current delegation and the emergency delegation powers:

<b>Table 8</b>		
<b>Sign-offs relating to Contracts and Claims</b>	<b>Standard minimum approval level</b>	<b>Emergency minimum approval level</b>
<b>Approval of contracts</b>		
Approval of EM3FF/C2R/EZ <sup>3</sup> project contracts (including variations)	Managing Director	Head of Finance
Approval of Non-Disclosure Agreements	Managing Director	Head of Finance
<b>Approvals of claims</b>		

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Approval of EM3FF/C2R/EZ <sup>3</sup> project claim ≥ £100k	Managing Director	Head of Finance
Approval of EM3FF/C2R/EZ <sup>3</sup> project claim <£100k	Head of Service	Alternative Head of Service

<b>Table 9</b>		
<b>Sign-offs relating to revenue expenditure (Procurement activity, purchase order and invoices)</b>	<b>Standard minimum approval level</b>	<b>Emergency minimum approval level</b>
Day-to-day management of Operational Revenue Budget (within +/- 10% of overall approved income and expenditure budgets)	Managing Director	Head of Finance
Approval and appointment of procurement project ≥ £177k	Managing Director	Head of Finance
Approval and appointment of procurement project <£177k	Head of Finance	Head of Service
Approval and appointment of procurement project <£50k	Head of Service	Alternative Head of Service
Approval of payment of invoice ≥ £100k	Managing Director	Head of Finance
Approval of payment of invoice <£100k	Head of Finance	Relevant Head of Service
Approval of payment of invoice <£50k	Head of Service	Alternative Head of Service
Approval of SLA internal transfers	Head of Service	Alternative Head of Service
Approval of Board Member expenses	Head of Finance	Head of Service
Approval of raising Purchase Orders	Head of Service	Alternative Head of Service
Approval of raising of invoices	Head of Service	Alternative Head of Service

## Annex A

### 1. HEADS OF SERVICE OR EQUIVALENT

1.1. For the avoidance of doubt, the positions in the list below are considered 'Heads of Service'.

- Head of Business, Commercial and Skills
- Head of Policy, Intelligence and Communications
- Head of Operations
- Head of Finance
- Head of Enterprise and Innovation

1.2. Where any of the above positions are held by an interim or temporary contractor<sup>7</sup>, the Managing Director can provide approval in writing of their ability to approve transactions to the limits found within Tables 3,6,8 and 9 of this document. A record of this decision will be kept within the Scheme of Delegation folder on the Enterprise M3 SharePoint.

1.3. The Managing Director reserves the right to withdraw approval under 1.2 above as they see fit provided withdrawal of the delegated authority is given in writing. A record of withdrawal shall be kept within the Scheme of Delegation folder on the Enterprise M3 SharePoint.

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<sup>7</sup> For the avoidance of doubt, Interim or Temporary staff are not considered the same as Acting members of staff who are permitted to approve to the same levels as their permanent counterparts.