

Delegated Authority Policy

Descriptor	Changes made	Date	Version
Policy first implemented	-	14/01/2014	0.1
Review no.1	Revision of authority levels/addition of contract signatory to title	04/03/2020	2.0
Review no.2	Revision of authority levels reflecting changes in organisational governance structure	30/10/2024	3.0

Name of policy being superseded (if applicable)	Delegated Authority and Contract Signatory Policy
Related policies	SDS Procurement Policy
Related SOPs	-
Related Guidance	-
Equality Impact Assessment completed	No
Island Community Impact Assessment completed	No
Intended Audience	All employees and non-executive directors
For publication	Internally and externally
Team responsible for policy	Finance Team
Policy owner contact details (email)	David.Neil@sds.co.uk
Policy due for review (date)	October 2025

Policies should have a clear purpose and perform at least one of the following functions. Please identify all the functions this policy performs.	If statement applies, please mark with an X below
Outline how we allocate limited resources to deliver services or outcomes	
Outline how SDS adheres to legislation, statutory duty etc.	
Ensure fair and consistent allocation of benefits	
Protect organisational assets, including data	X
Define expectations around the employee/employer relationship	
Other (please specify)	

Contents

1.	Policy summary	3
2.	Policy purpose and objectives	4
3.	Strategic context	4
4.	Definitions	4
5.	Scope.....	5
6.	Policy detail.....	5
6.1.	Accountability and Responsibility	5
6.2.	Delegated Authority Levels	6
6.3.	Contractual Activity.....	6
6.4.	Consultancy	6
6.5.	Single Tender Actions.....	6
6.6.	Staffing	7
6.7.	Agresso (Finance and HR System) Approval.....	8
6.8.	Purchasing Process.....	8
6.9.	Budget Submission.....	9
6.10.	Procurement Process.....	10
6.11.	Signature.....	10
6.12.	Changes to Delegated Authority - Agresso	11
6.13.	Delegates for Signature	11
7.	Further guidance	12
	Appendix 1.....	13
	Appendix 2.....	22

1. Policy summary

The Delegated Authority Policy establishes a framework for how the governance arrangements of Skills Development Scotland (SDS) may be appropriately delegated by the SDS Board.

The policy sets out the delegated levels of authority and financial limits assigned to role holders within the organisation to approve new budgets, award grants and contracts, and commit to and approve expenditure and income.

2. Policy purpose and objectives

Appropriate delegation of authority is fundamental to corporate governance arrangements i.e. the way in which the organisation is directed and controlled. It is important there are clear processes and systems in place for business transactions, including appropriate approval hierarchies. In general, authority should be delegated to the point where decisions can be taken most efficiently within well-known constraints.

This policy sets out a framework for how the governance arrangements of SDS may be appropriately delegated by the SDS Board.

Delegated authority enables SDS to increase effectiveness and contributes to the practice of everyday leadership by:

- Streamlining decision-making;
- Allowing greater flexibility on the use of funds; and
- Ensuring staff only commit to activities in line with the overall strategy and goals of the organisation, whilst maintaining sound financial controls

Compliance with the policy helps protect staff against allegations of mismanagement, fraud and misconduct.

3. Strategic context

SDS is an Executive Non-Departmental Public Body, operated through a limited company structure, and its sole members are the Scottish Ministers. The Scottish Public Finance Manual (SPFM) is issued by the Scottish Ministers to provide guidance on the proper handling and reporting of public funds. Public sector organisations to which the SPFM is directly applicable must establish documented internal delegated authority arrangements appropriate to their circumstances.

This policy should be considered in the context of the Framework Document drawn up by the Scottish Government in consultation with SDS, and SDS's Annual Operating Plan.

To the extent approved by the SDS Board, this policy also sets out those SDS role holders who are appointed as authorised signatories to sign contracts on behalf of SDS in accordance with the Requirements of Writing (Scotland) Act 1995.

4. Definitions

Delegated authority: the assignment of responsibility and accountability for specific roles and tasks.

Delegate: the substantive, acting or temporary post holder formally appointed to a position or a group of persons with delegated authority under this policy.

Approval limits: the value (inclusive of VAT) up to which a post-holder may authorise transactions falling within the scope of their delegated authority and role description.

Contractual Activity: all binding and non-binding agreements and formal undertakings including without limitation; grants, contracts, missives, leases, National Training Programmes and deeds.

Single Tender Action: internal request for approval to approach a single supplier to contract for a particular requirement in excess of £5,000 (excl. VAT),

Consultancy: services involving the on-going exchange of intellectual or professional information concerning the planning and/or delivery of a project or objective which ends on completion of an agreed output(s) and the day-to-day task management remains with the supplier, and falls within scope of Scottish Government's [Three Part Test](#).

5. Scope

This policy is applicable to all SDS employees and Board members. It should also be used as a reference point for others engaged in SDS business (e.g. agency workers or secondees).

It is the responsibility of all employees to ensure that all contracts and formal undertakings covered by the scope of this policy are duly approved and signed in accordance with this policy.

It is the responsibility of all employees to ensure they use their delegated authority responsibly, appropriately, and in line with this policy.

6. Policy detail

6.1 Accountability and Responsibility

Accountability and responsibility are determined through the structural hierarchy such that:

- Senior Directors are accountable and responsible for all budget activity within their portfolio;
- Directors are accountable and responsible for all budget activity within their Directorate;
- Heads of Service are accountable and responsible for all budget activity within their Cost Centre;
- Budget Holders are accountable and responsible for all budget activity within the Budget Codes(s).

All remaining staff who are not budget holders but do have delegated authority are accountable and responsible for any approval to which they commit SDS.

Embedded within budget responsibility is ensuring that activity is relevant to the intended purpose of the budget and that spend is within budget limits. Furthermore, commitment to that expenditure would not adversely affect SDS's reputation regarding disbursement of public funds, and that funds and expenditure are only disbursed where the funded parties meet their corresponding contractual undertakings.

6.2 Delegated Authority Levels

Current delegated authority levels for all activity described within this document are detailed within the scheme of delegation at Appendix 1 [Financial Limits] and Appendix 2 [Other Agreements].

6.3 Contractual Activity

Delegated authority must be assessed on aggregated values e.g. a £20k increase to a contract previously approved at £40k would require a delegated authority level of £60k, **not** the incremental increase of £20k.

For all contracts, including framework agreements and grants, the aggregate value of the contracts will apply for the purposes of approving the associated Procurement Strategy and the Contract Award Recommendation Report. The individual contract values will apply to the signing of the contracts.

For shared services, the shared service partner approval will be required in accordance with the relevant agreement in place among the shared service partners. In addition, as contracting authority, SDS procurement strategy and contracting approval will be required based on the aggregate value of goods and/or services being ordered for all shared service partners.

Authority cannot be delegated in respect of activities not described in the Annual Operating Plan and/or the relevant Integrated Service Plan.

6.4 Consultancy

Consultants must only be used where the work cannot be carried out internally, there is an intention to bring about change and act upon the outputs, and the consultants have relevant knowledge and experience to add value to the objective.

Any item to be charged to “consultancy” is likely to be disclosed by SDS under the terms of the Public Service Reform (Scotland) Act 2010, and must fit within both the SDS and the Scottish Government [definition](#).

All planned consultancy expenditure must be approved in advance of any verbal or written commitment. The request may be referred to the Finance and Operational Performance Committee of the SDS Board (FOP) for further consideration.

Any proposed expenditure specifically for ‘Management Consultancy’ **must** be referred to the Director of Finance, Information Governance, Resilience and Risk, who will refer appropriate instances to FOP.

6.5 Single Tender Actions

Any single tender action greater than £5,000 (excl. VAT) must be approved in advance of any verbal or written commitment.

6.6 Staffing

The Establishment budget is approved at the start of the financial year based on approved and existing work and resource plans. Delegated authority allows for in-year changes to the resource plan and establishment budget.

The following requests can be signed off by the relevant **Budget Holder** and **HR Business Partner** as within agreed headcount and budget:

- Like for like backfill for assignment, promotion, career break or leaver (either on a permanent or temporary basis).

The following requests can be signed off by the **Head of Human Resources** and the **Head of Financial Planning & Analysis** on a two-weekly cycle as within agreed headcount and budget but requiring a change to the position register:

- Change of job title (no substantive change to job description and not grade affecting);
- Creation of a new post as a result of headcount savings (within agreed headcount);
- Backfill of Maternity/Adoption/Shared Parental Leave;
- Increase in FTE offset by reduction in hours against another post;
- Salary and/or grade progression for Trainee posts;
- Location changes.

The following requests can be signed off by the **Budget Forum** on a four-weekly cycle as requiring a change to agreed headcount or budget:

- All new positions in a team (requiring incremental headcount);
- Increase to FTE not offset by savings;
- All extensions to fixed term positions (including agency workers, contractors or secondees);
- Conversion from Temporary to Fixed Term Contract or Permanent, or from Fixed Term Contract to Permanent;
- Changes to existing positions, e.g. repurposing of a post (which results in a change of grade);
- Backfill for Long Term Sickness cover.

6.7 Agresso (Finance and HR system) Approval

All financial activity (except FIPS, Government Procurement Card, employee expenses and petty cash) is transacted through Agresso and approved via system generated workflow.

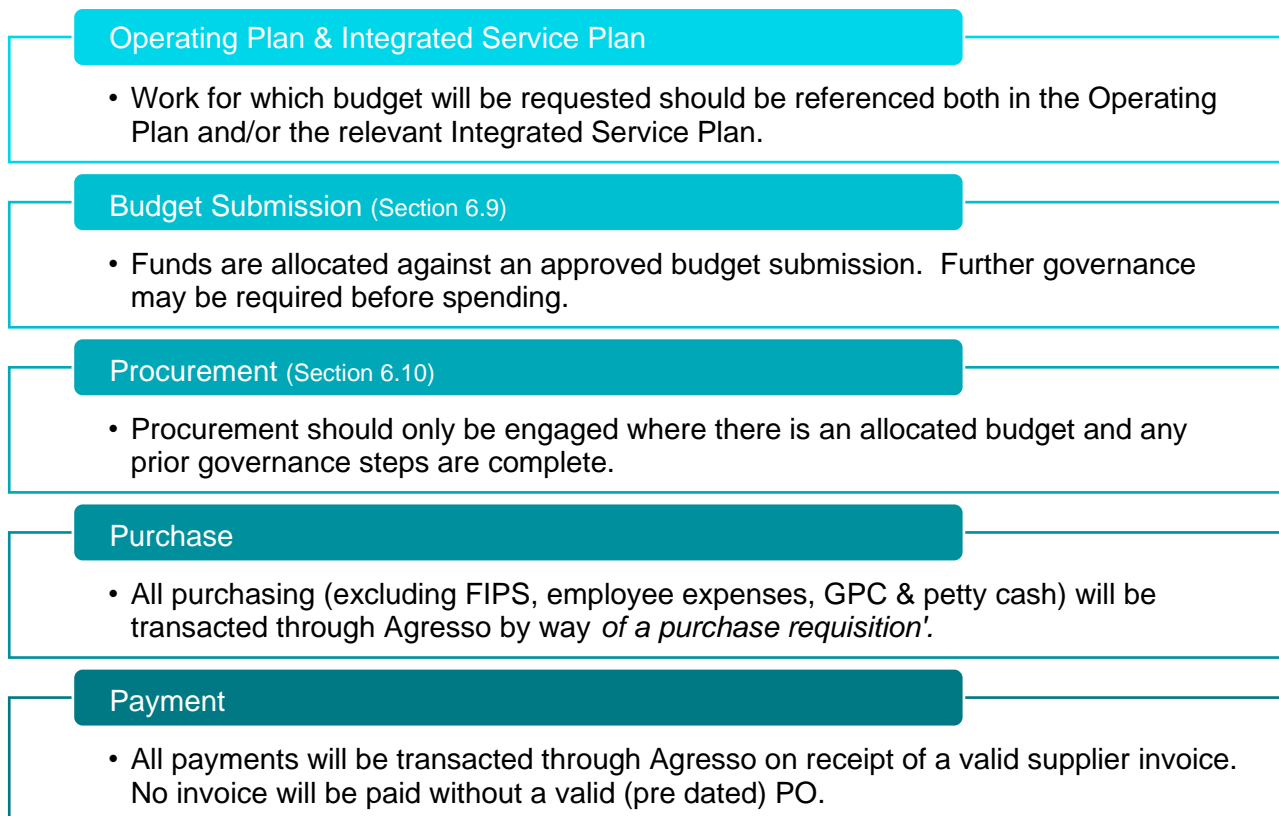
Approval rights are assigned to individuals or groups based on Budget Code, Cost Centre, Directorate or Senior Directorate ownership.

All Sales Orders within the EIS shared-service partnership require SDS Finance Business Partner review.

Approvals are single and not sequential; a requisition for £300k will route directly to the Director **not via** the Head of Service. It is the responsibility of the approver to seek such assurances as necessary before giving their approval.

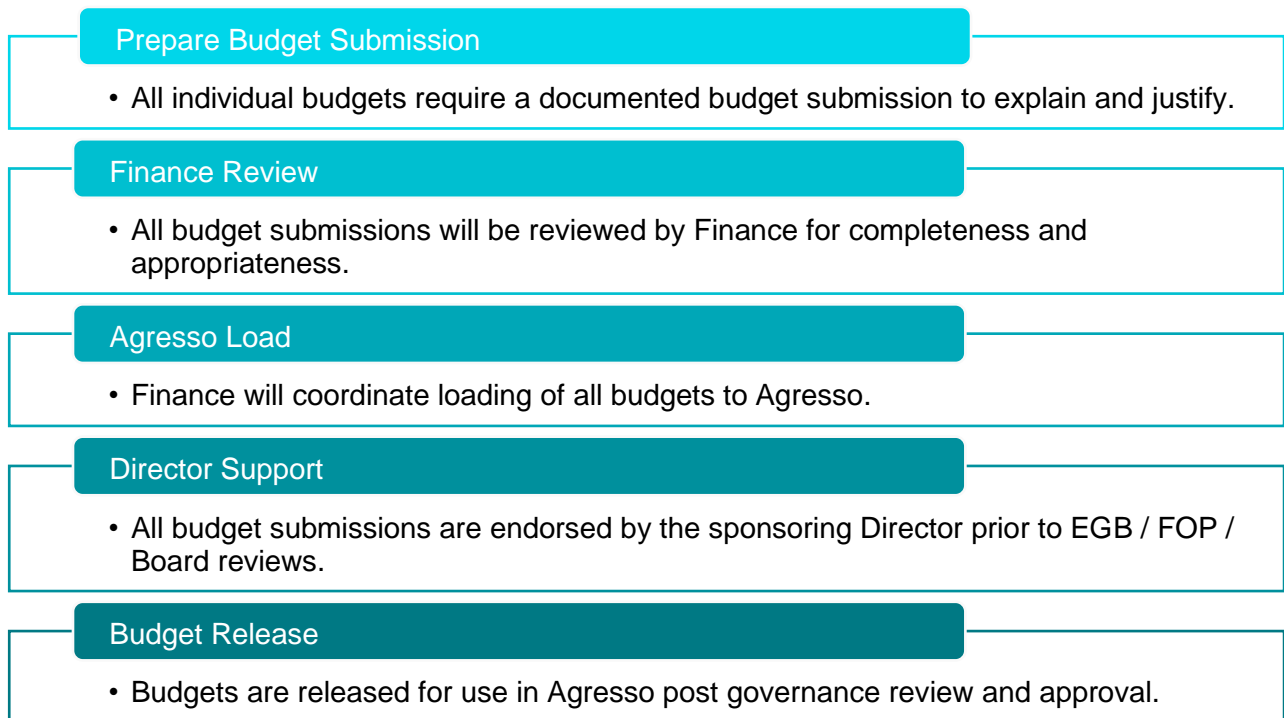
6.8 Purchasing Process

The following diagram outlines the purchasing process.



6.9 Budget Submission

The following diagram outlines the annual budget submission process

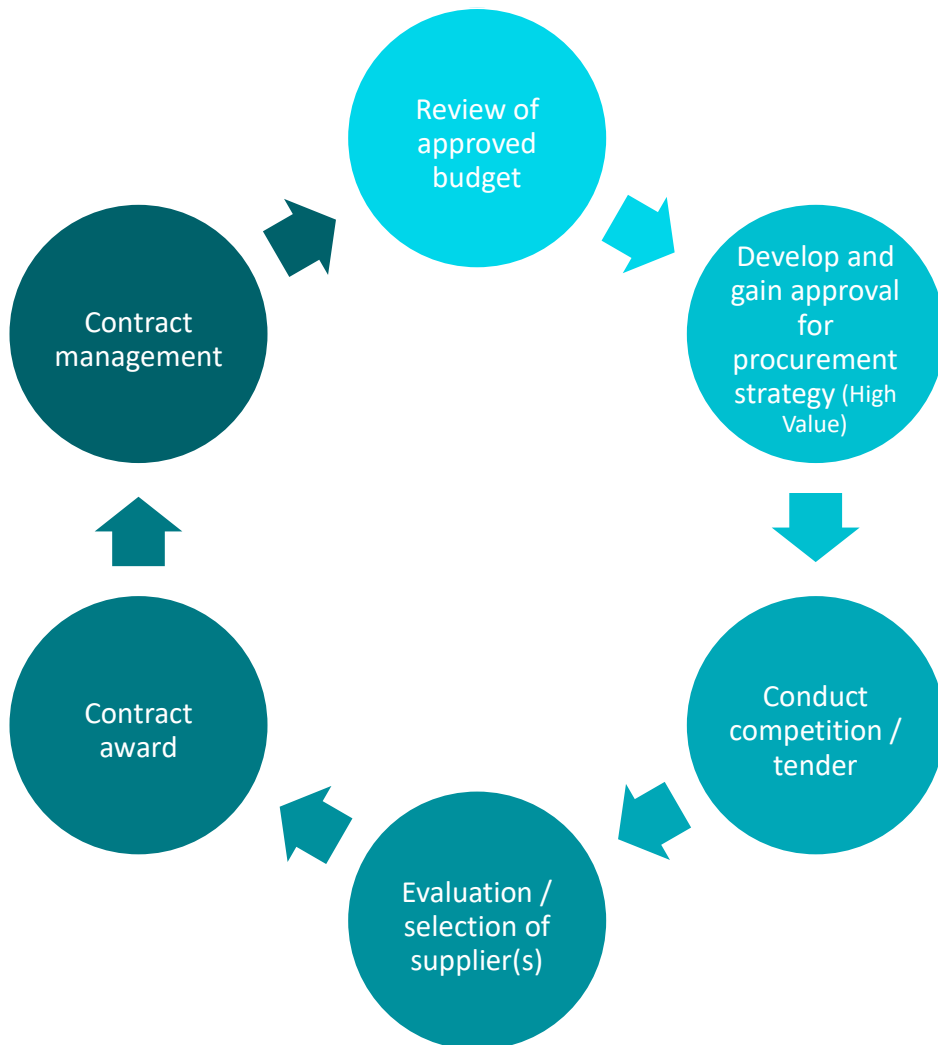


Budget can be adjusted outside the annual budgeting process or the ABR/SBR review points in exceptional circumstances.

Any out of cycle proposal that may be considered new, novel or contentious, and/or exceeds £100,000 requires approval by the Scottish Government.

6.10 Procurement Process

The following diagram outlines the procurement process for medium and high value purchases.



6.11 Signature

For all contractual activities (defined in Section 4), the relevant document shall be signed by the signatory (or signatories) authorised under this policy. Where the document is signed by the Executive Director or one Authorised Signatory (i.e. delegated authority identified in Appendix 1 or 2 as being authorised to sign, or a person delegated as a replacement delegate under section 6.12 below) only, that signature must be witnessed, and the witness signature and relevant details inserted on the signing page.

6.12 Changes to Delegated Authority – Agresso

Changes to delegated authority can be permanent or temporary.

Permanent changes:

- Permanent changes may be promotion, structural reorganisation, new appointment, etc.
- An Agresso delegated authority change request should be submitted via ServiceNow detailing the necessary change and effective date.

Temporary changes - long term:

- Long term changes may be required for secondment, maternity leave, long term sickness, etc and are generally absences which extend beyond one month.
- An Agresso delegated authority change request should be submitted via ServiceNow detailing the necessary change and effective dates.
- Long term delegated authority can only be passed by the delegator or their line manager to an individual of the same or higher SDS role grade.

Temporary changes – short term

- Short term changes may be required for holiday, sickness, short term work assignment, etc and are generally absences which are less than one month.
- An Agresso delegated authority change request should be submitted via ServiceNow detailing the necessary change and effective dates.
- Short term delegated authority can be passed by the delegator or their line manager to an individual of the same or higher SDS role grade or 1 grade below the delegator i.e. Head of Service to Manager. Such delegations cannot subsequently be delegated further.

6.13 Delegates for Signature

Delegated authority is defined by role within SDS. Key post holders should nominate one or more standing delegates who can sign on their behalf when the delegator is unavailable.

- All delegates must be recorded with SDS Board and Committees with standing delegates reviewed at least annually.
- A delegate can be an individual of the same or higher SDS role grade or one grade below the delegator i.e. Head of Service to Manager.
- A delegate can be within a different Cost Centre/Directorate/Senior Directorate from the delegator.
- The delegator should be unavailable (or reasonably expected to be so) for at least 24 hours for the standing delegate to take effect.

The delegator (or, where expressly authorised under this policy, the delegator's line manager) is accountable and responsible for ensuring the delegate is suitably qualified to discharge the duty of delegated authority in the circumstances.

7. Further guidance

Appendix 1 sets out the scheme of delegation and financial limits for authorities delegated by the SDS Board under the Delegated Authority Policy; covering

- Procurement
- Contracting
- Purchasing
- Banking
- Estates and facilities
- Consultancy and professional fees
- Payroll
- Employment contracts

Appendix 2 sets out the authorised signatories for all other agreements which have been delegated by the SDS Board under the Delegated Authority Policy.

Appendix 1

Procurement Authority – authority to commence the purchasing process

	Total Aggregated Value	FOP – minute of approval	Chief Executive	Senior Director	Director of FIGRR	Director – Contracting Directorate	Head of Procurement	HoS - Finance Directorate	HoS Contracting Cost Centre	Procurement Manager	Agresso PO only
Procurement or Commissioning Strategy e.g. OHEU, Competitive Grant, etc	£0 - £5,000										x
	£5,001 - £50,000								x	x	
	£50,001 - £250,000						x		x		
	£250,001 - £5million		1 of			x	x				
	Above £5million	x									

	Total Aggregated Value	FOP – minute of approval	Chief Executive	Senior Director	Director of FIGRR	Director – Contracting Directorate	Head of Procurement	HoS - Finance Directorate	HoS Contracting Cost Centre	Procurement Manager	Agresso PO only
Contract Award Recommendation Report	£0 - £5,000										x
	£5,001 - £50,000								x	x	
	£50,001 - £250,000						x		x		
	£250,001 - £5million		1 of			x	x				
	Above £5million	x									

	Total Aggregated Value	FOP – minute of approval	Chief Executive	Senior Director	Director of FIGRR	Director – Contracting Directorate	Head of Procurement	HoS - Finance Directorate	HoS Contracting Cost Centre	Procurement Manager	Agresso PO only
Single Tender Action	£0 - £5,000										x
	Above £5,000		1 of								

Contracting Authority – authority to enter into a formal contractual agreement

	Total Aggregated Value	SDS Board minute of approval	Chief Executive	Senior Director	Director of FIGRR	Director – Contracting Directorate	Head of Procurement	HoS - Finance Directorate	HoS Contracting Cost Centre	Procurement Manager	Agresso Requisition Limit
Foundation, Modern and Graduate Apprenticeships	£0 - £500,000					x					
	£500,001 - £5,000,000			1 of							
	£5,000,001 - £10million		1 of		x						
	Above £10million	x	1 of								

	Total Aggregated Value	SDS Board minute of approval	Chief Executive	Senior Director	Director of FIGRR	Director – Contracting Directorate	Head of Procurement	HoS - Finance Directorate	HoS Contracting Cost Centre	Procurement Manager	Agresso Requisition Limit
Grants	£0 - £50,000									x	
	£50,001 - £250,000						1 of				
	£250,001 - £1,000,000			1 of							
	£1,000,001 - £10million		x	1 of							
	Above £10million	x	x								

	Total Aggregated Value	SDS Board minute of approval	Chief Executive	Senior Director	Director of FIGRR	Director – Contracting Directorate	Head of Procurement	HoS - Finance Directorate	HoS Contracting Cost Centre	Procurement Manager	Agresso Requisition Limit
Land & Buildings Missives, Leases and Renunciations	£0 - £250,000							1 of			
	£250,001 - £1,000,000			1 of							
	£1,000,001 - £10million		x	1 of							
	Above £10million	x	x								

Contracting Authority (Cont'd)

	Total Aggregated Value	SDS Board minute of approval	Chief Executive	Senior Director	Director of FIGRR	Director – Contracting Directorate	Head of Procurement	HoS - Finance Directorate	HoS Contracting Cost Centre	Procurement Manager	Agresso Requisition Limit
Other Leases and Renunciations	£0 - £250,000							1 of			
	£250,001 - £1,000,000			1 of							
	£1,000,001 - £10million		x	1 of							
	Above £10million	x	x								

	Total Aggregated Value	SDS Board minute of approval	Chief Executive	Senior Director	Director of FIGRR	Director – Contracting Directorate	Head of Procurement	HoS - Finance Directorate	HoS Contracting Cost Centre	Procurement Manager	Agresso Requisition Limit
General Contracts	£0 - £5,000										x
	£5,001 - £50,000									x	
	£50,001 - £250,000						1 of				
	£250,001 - £1,000,000			1 of							
	£1,000,001 - £10million		x	1 of							
	Above £10million	x	x								

Agresso Purchase Authority

	Total Aggregated Value	Director	Head of Service (SDS 7)	Manager (SDS 6)	Team Leader (SDS 5)
Purchase Requisition	£0 - £5,000				x
	£5,001 - £50,000			x	
	£50,001 - £250,000		x		
	Above £250,000	x			

	Total Aggregated Value	Director	Head of Service (SDS 7)	Manager (SDS 6)	Requisitioner
Purchase Invoice Approval (PO Invoicing)	£0 - £5,000				x
	£5,001 - £50,000			x	
	£50,001 - £250,000		x		
	Above £250,000	x			

	Total Aggregated Value	Director	Head of Service (SDS 7)	Manager (SDS 6)	Team Leader (SDS 5)
Purchase Invoice Approval (Non PO Invoicing)	£0 - £5,000				x
	£5,001 - £50,000			x	
	£50,001 - £250,000		x		
	Above £250,000	x			

Banking Authority

	Total Aggregated Value	Chief Executive	Senior Director	Director of FIGRR	Head of FP&A	Financial Accounting Manager	Financial Accountant
BACS Payments	£0 - £500,000						x
	£500,001 - £2,000,000				1 of		
	£2,000,001 - £5,000,000		1 of				
	Above £5million	2 of					

	Total Aggregated Value	Chief Executive	Senior Director	Director of FIGRR	Head of FP&A	Financial Accounting Manager	Financial Accountant
Cheque Payments	£0 - £50,000				2 of		
	Above £50,000	2 of					

Estates and Facilities

	Total Aggregated Value	Scottish Government	FOP Minute of Approval	Senior Director	Director of FIGRR
Property Strategy	£0 - £30,000 (or £0 - £10,000 pa over 3 yrs)			1 of	
	£30,001 - £60,000 (or £10,001 - £20,000 pa over 3 yrs)			x	
	Above £60,000 (or above £20,000 pa over 3 yrs)	x	x		

Consultancy and Professional Fees

	Total Aggregated Value	Chief Executive	Senior Director	Director of FIGRR	Head of Procurement	Head of FP&A
Consultancy	£0 - £10,000				1 of	
	Above £10,000	1 of				

	Total Aggregated Value	Chief Executive	Senior Director	Director of FIGRR	Head of Procurement	Head of FP&A
Legal and Professional Fees	£0 - £10,000				1 of	
	Above £10,000	1 of				

Payroll

	Total Aggregated Value	Chief Executive	Senior Director	Director of FIGRR	Head of FP&A	Financial Accounting Manager
Changes to previous period standing data	£0 - £100,000				1 of	
	Above £100,000	1 of				

Employment Contracts

	Total Aggregated Value	Chief Executive	Senior Director	Director of FIGRR	Director of HR	Head of HR	Director-Contracting Directorate	HoS Contracting Cost Centre
Secondment Agreements	£0 - £250,000					x		x
	Above £250,000	1 of					x	

	Total Aggregated Value	Chief Executive	Senior Director	Director of FIGRR	Director of HR	Head of HR
Contract of Employment	Any value	1 of				

Appendix 2

Other Agreements

Memorandum of Understanding	Named SDS authorised signatory
Data Sharing and/or Data Processing Agreements	Named SDS authorised signatory OR Head of Business Systems
Sponsorship Agreements	Named SDS authorised signatory OR Director of Corporate Affairs
NTP Assignment Notices	Named SDS authorised signatory OR Director of National Training programmes
Foundation/Graduate Apprenticeship Assignment Notices	Named SDS authorised signatory OR Director of National Training Programmes
ITA Assignment Notices	Named SDS authorised signatory OR Head of CIAG Operations
Other Termination or Assignations Notices not covered within Appendix 1	Named SDS authorised signatory
Non-Disclosure Agreements	Head of Service and above
Intellectual Property Licences	Head of Service and above
Authorised Signatories approved at 29 March 2018 through Board Paper BD-17-095. Any future SDS Board approval of Authorised Signatories will automatically be considered as an update to Appendix 2.	Chief Executive, Company Secretary, Andrew Livingstone, Neville Prentice, Carolyn Anderson