

FINANCIAL AUTHORITY LIMITS – Issue 7 – 17 July 2020

| Sections in Financial Regulations | Limit (Including VAT) | Description |
|-----------------------------------|---|---|
| 4.4 6.1 6.4 7.2 7.3 | More than £1,000,000 | Limit above which Board approval is required to commit to financial transactions and sign contracts (income or expenditure; revenue or capital). In relation to the signature of contracts/deeds under seal, the provisions of the Instrument of Government apply. In relation to other signatures, after approval by the Board, any of the Chair of the Board, the Deputy Chair of the Board, the Chair of Audit, Risk & Governance (ARG) and the Chair of the Finance & Resources Committee (FRC) may sign on behalf of the Board, unless the Board designates a specific individual to sign the contract when approving the relevant transaction. (<i>See Notes 1 and 2</i>). |
| 4.4 6.1 6.4 7.2 7.3 | More than £500,000 up to and including £1,000,000 (unless a Research Project within Note 2) | Limit within which the Finance and Resources Committee has delegated authority to commit to financial transactions and sign contracts (income or expenditure; revenue or capital) provided that the transaction or contract is within the risk appetite statements approved by the Board. In relation to the signature of contracts/deeds under seal, the provisions of the Instrument of Government apply. In relation to other signatures, after Finance and Resources Committee approval, the Chair or the Deputy Chair of the Finance & Resources Committee may sign on behalf of the Finance and Resources Committee, unless the Finance and Resources Committee designates a specific individual to sign the contract when approving the relevant transaction. (<i>See Notes 1 and 2</i>). Where the transaction or contract is outside of the Board approved risk appetite statements, it must be referred to the full Board for approval. |
| 5.6 | £500 | Limit above which the Finance Department will consider transfer of debts to solicitors. |
| 5.6 | | Limit up to which debt can be written off: |
| | £200,000 | Finance Director |
| | £500,000 | Dual signatory – any two members of the University Executive Team (UET) |
| 4.4 6.1 6.4 7.2 7.3 | | Delegated Authority - based on grades – to commit to financial transactions and sign contracts (income or expenditure; revenue or capital) up to a maximum of: |
| | £2,000 | Grades 4 to 6 |
| | £10,000 | Grades 7 and 8 |
| | £50,000 | Grades 9 to 12 |
| | £200,000 | Individual UET member Executive Deans Directors of Professional Services Academic Registrar Head of Student Services |
| | £500,000 | Dual Signatory - any two members of UET |
| | Research Projects within Note 2 - more than £500,000 up to and including £750,000 | Limit within which two members of UET, one of whom shall normally be the Deputy Vice-Chancellor, have delegated authority to commit to Research Projects (as defined in Note 2 below) and sign contracts for those Research Projects provided that the project or contract is within the risk appetite statements approved by the Board. |
| 9.2 | £1,000 | Inventory Threshold |
| 9.7 | £30 | Limit of item value for treatment of Petty Cash |
| 10.2 | £2,750 | Equipment excess on Insurance |

Note 1 Leases & Contracts

Subject to the invoice not exceeding the value defined in the Lease/Contract, approval for payment can be provided by Dual Signatory - any two members of UET.

Note 2 Research Projects

Research and the dissemination of research are within the primary purpose activity of BU as a charity provided that it is for the public benefit (i.e. not consultancy or service provision which is for the benefit of a particular entity only). When the full economic cost of a research project or the total contract value is more than £750,000 (but not more than £1 million) and the Contract Authorisation Form requires approval for commitment at bid-stage or contract stage, two selected FRC members from a named pool of four may provide out of meeting approval. The pool of four must include the Chair and Deputy Chair of FRC and they should be approached in the first instance. Either or both of the other two of the named pool should be approached if the Chair and/or Deputy Chair of FRC are not available. Approval requires the unanimous approval of both individuals from whom approval is sought.

Following approval, either of the individuals approving may sign the contract or the individuals approving may be asked to designate a specific individual, or individuals, to sign the contract. As this process must operate within the delegated authority limits of FRC, where the research project or contract is outside of the Board approved risk appetite statements, it must be referred to the full Board for approval.

Where the full economic cost of a research project or the total contract value is more than £500,000 up to and including £750,000 approval to commit to the project and sign contracts for that project is delegated to two members of UET, one of whom shall normally be the Deputy Vice-Chancellor. If following approval of a contract by two members of UET it is not possible to apply two signatures to an electronic contract, either of the individuals approving may sign the contract provided that they have both signed the Contract Authorisation Form. Where the project or contract is outside of the Board approved risk appetite statements, it must be referred to the full Board for approval.

Note 3

Capital Expenditure

The threshold for capital expenditure is £5,000.