

Report 99.304

8 June 1999

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Report to the Policy and Finance Committee
from Greg Schollum, Chief Financial Officer

Changes to Delegation Limits

1. Purpose

To seek approval to change two of the delegation limits currently within the Council's Delegation Manual.

2. Background

The current delegation limits were established in 1993 when the Delegations Manual was prepared. At that time, the organisation was quite centralised in its culture, and the amounts in the Delegations Manual reflected this fact.

Since 1993 the Council has moved progressively towards a more decentralised organisation with Divisions which are now more autonomous. As a result there has been an increase in staff empowerment with more decision making moving from the "centre" to Divisions, and in turn to departments. However, the move to decentralisation has not been supported by a change in the levels of delegated authorities.

The Council's FIS project has necessitated a review of the appropriateness of financial delegations to all staff as part of implementation of the purchasing module.

3. Current Delegation Limits

The current delegation limits work on a hierarchical structure as follows:

Level	Amount	Designation
Level 8	Unlimited	Council
Level 7	Up to \$1,000,000	Standing Committees
Level 6	Up to \$500,000	General Manager
Level 5	Up to \$200,000	Divisional Managers
Level 4	Up to \$50,000	Department Managers
Level 3	Up to \$10,000	Section Leaders
Level 2	Up to \$3,000	Senior staff
Level 1	Up to \$1,000	Other staff requiring delegation

While the current structure generally works well, it is now timely to review the appropriateness of the dollar limits.

There is a view amongst the Executive Management Team that the delegation limits for levels 2 and 3 need to be increased as follows (in order to facilitate operational requirements and to reflect the Council's decentralised structure):

Level	Current Amount	Proposed Amount
Level 3	Up to \$10,000	Up to \$15,000
Level 2	Up to \$3,000	Up to \$5,000

Given the increases proposed, I do not believe control will be compromised.

4. Communication

Not applicable.

5. Recommendations

- That the report be received and the contents noted.*
- That the Committee recommend to Council that it approve of the following changes to the Delegations Manual with effect from 1 July 1999:*

Level	Current Amount	Proposed Amount
Level 3	Up to \$10,000	Up to \$15,000
Level 2	Up to \$3,000	Up to \$5,000

GREG SCHOLLUM
Chief Financial Officer