

# **[Org name] Delegation of Authority Policy**

[Org name]'s management committee/board has a fundamental, legal responsibility to provide oversight and accountability and to act in the best interests of the charity.

Good governance includes the systems and processes that ensure the overall direction and effectiveness of an organisation to include leadership, accountability, effective resource management and ensuring the organisation is properly run.

## **Purpose**

This Delegation of Authority Policy established by the management committee/board sets out:

- matters specifically reserved for determination by the management committee/board and those matters delegated to management.
- matters reserved for specific roles in the organisation; and
- expense approval limits by role.

The functions exercised by the management committee/board and those delegated to management are subject to ongoing review to ensure that the division of functions remains appropriate.

## **Matters reserved for the Board**

Matters specifically reserved for the management committee/board include:

- Decisions about organisational strategy, risk, organisational values and policies
- Oversight of and approval of changes to the annual budget
- Approval of service contracts and financial obligations above a specified limit
- Succession planning for management committee/board positions and the youth work manager role.
- All matters with the potential to have a material impact on the reputation of the organisation.

## **Matters delegated to management**

Other than as expressly provided in this policy, all matters not specifically reserved for the management committee/board and necessary for the day-to-day management of the organisation and the implementation of business objectives, are delegated to management.

Management may sub-delegate where appropriate. The organisation's policies and procedures provide guidance on the application of specific roles and responsibilities.

## **Management shall be responsible for ensuring that:**

- the organisation's day to day operations are carried out in accordance with all legal and regulatory requirements.
- The organisation's policies, practices and decisions are undertaken in a manner that is prudent, equitable and consistent with commonly accepted business, charity practices and professional ethics.
- the organisation's assets are protected, adequately maintained and not placed at unnecessary risk.
- Management committee/board approved priorities are reflected in the allocation of resources.
- budgeting is based on generally accepted accounting principles and that budgets are balanced.

- staff enjoy a healthy work environment which is consistent with the organisation's values and current legislation.
- the organisation is represented externally to the sector, government, media and other stakeholders in ways that enhances the public image and credibility of the organisation.

## Reporting by Management to the Committee/Board

- As part of the framework established by this policy, management is required to report regularly to the management committee/board concerning the authority exercised.
- Reports by management shall cover such areas as quality performance, financial performance, risk management, human resource issues and other items related to organisational operations.

Management must report to the management committee/board on a regular basis on serious occurrences, including safeguarding matters and membership complaints.

## Financial and contractual approval limits

Management committee/board approval shall be required for:

- All exceptional capital, contractual and/or operating expenditures in excess of [£X] **outside** the approved operating budget.
- Disposal of assets in excess of [£X]
- Staff recruitment or other contracts outside of the approved budget
- Opening of new bank accounts
- [£X] and up to and including [£X] **outside** the approved operating budget

Staff	Financial / contract approval limit
Senior Worker	<ul style="list-style-type: none"> <li>• All operating expenditures incurred in the ordinary course of business and within the approved operating budget.</li> <li>• exceptional capital, contractual and/or operating expenditures up to [£X] <b>outside</b> the approved operating budget.</li> <li>• Disposal of assets up to [£X].</li> <li>• Staff recruitment or contracts within the approved budget</li> </ul>
Project Managers	Up to [£X] within the constraints of agreed individual annual project budgets

[Org name] shall have in place financial policies and procedures that confirm approved processes for procurement approved signatories for all contracts, online banking, cheques and other expenditures. Related policies include [Org name]'s:

- Procurement policy and procedure
- Fraud Prevention policy and procedure
- Antibribery and Corruption policy and procedure
- Financial procedures manual

## Communication on behalf of the organisation

Any verbal or written communication with media, regulatory bodies, or other entities that may have an impact on the organisation are limited to:

- The Management committee/board Chair
- The Senior Worker

## **Temporary Delegation of Authority**

Any role may temporarily delegate their authority to another role in case of absence. The management committee/board must be informed of the delegation and the period for which it will be in force.

## **Review**

The management committee/board will review the contents of, and compliance with, this policy regularly.

Date of the meeting at which this policy was agreed: \_\_\_\_\_

Date to be reviewed: \_\_\_\_\_