St Albans Diocesan Board of Finance

DELEGATION OF AUTHORITY POLICY

Approved by:	Audit and Risk Committee of the Diocesan Board of Finance
Policy originator:	David White, Diocesan Secretary Glyn Barker, Finance Director
Date approved:	14 October 2025
Review period:	Three years
Review Date:	14 October 2028

Overview

In November 2017, it was agreed, that a Delegation of Authority policy should be drawn up to set out matters specifically reserved for decisions by the Board and its senior officers, and clarifying or establishing the related roles of the Bishop's Staff, the Bishop's Council, and other boards and committees and their staff.

Background

The Board, as Directors of the Company and trustees of the charity, is ultimately responsible for the decisions and actions taken, but whilst some specific decisions are reserved to the Board, it needs to decide which other matters it will make decisions about and which it can and will delegate. It also needs to implement suitable financial and related controls and reporting arrangements to make sure it oversees these delegated matters.

Unlike many companies or charities, overall strategy is determined by related bodies in the Bishop's Council and Diocesan Synod, as well as working closely with, and supporting the work of, the Board for Mission and Ministry and the Board of Education. The Bishop's Staff lies outside the formal structures of the Diocese. It acts as an advisory group to the Bishop and informs, and is informed by, the discussions and decisions of the Synods, Boards and Committees of the Diocese. Individual members of the Bishop's Staff may exercise powers arising by virtue of their office. They may also act individually or collectively as Chairs of Boards and Committees. The members of the Bishop's Council

act as quasi trustees and "shadow directors" and, with all other diocesan bodies, should operate according to the same principles of good governance.
None of these bodies can have 'hands-on' involvement in every area of activity and will therefore delegate day-to-day responsibility to:

- Sub-Committees
- Individual Chairmen or Directors
- Officers of the charity and other lead officers in the Diocese

As overall responsibility, and liability, rests with the trustees, it is necessary both to give clear guidance and to establish thorough reporting systems to ensure that they make the appropriate decisions about the overall direction of the Charity and to ensure those decisions are enacted. As each trustee is jointly and severally liable, it is important that decisions are taken by the Board as a whole, meeting together in order that they may hear arguments either in favour or against a decision before casting a vote on a proposal.

Purpose

The Delegation of Authority Policy is a policy that has been established by the St Albans Diocesan Board of Finance to:

- Set out matters specifically reserved for determination by the Board and matters delegated to management
- Set out matters reserved for specific roles in the organization, including related bodies
- Establish finance approval limits by role including decisions relating to finance/expenditure/investments
- Establish Human Resources decisions by role relating to employment and remuneration, including termination and redundancy

Matters reserved for the Board

Matters specifically reserved for the Board include:

- Decisions about the charity's strategy and policies
- Matters involving financial amounts above a certain limit
- Approval of contracts and obligations above a specified limit
- Approval of, or changes to, the annual budget
- All matters relating to the charity 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 Board and necessary for the day-to-day management of the organization, and the implementation of corporate objectives, are delegated to the senior officers of the Board who may sub-delegate where appropriate. The Board's policies and procedures provide guidance on the execution of specific roles and responsibilities.
In drawing up a schedule of matters reserved for the Board it is important to establish procedures for dealing with those issues that have to be dealt with urgently, often between regular board meetings. Decisions could be made by email. or telephone conference, subject to the normal quorum in line with physical Board meetings.

The Chair does not have presumed delegated authority to take decisions on behalf of the other directors unless this has already been decided at a prior meeting relating to a specific matter likely to arise between meetings. In all cases, however, the procedures should balance the need for urgency with the overriding principle that each trustee should be given as much information as possible, the time to consider it properly, and an opportunity to discuss the matter with all the available trustees prior to the commitment of the charity and to receive professional advice where appropriate.

The Delegation of Authority is constructed to enable timely and effective action by trustees so that they are able to fulfill their legal and constitutional duties, through mechanisms and policies which enable them to delegate, monitor and, if necessary, modify or withdraw the delegated authority if it is considered necessary.

Management shall be responsible for:

- Ensuring that day-to-day operations are carried out in accordance with all legal and regulatory requirements
- Ensuring that policies, practices and decisions are undertaken in a manner that is prudent, equitable and consistent, and having regard to equality and diversity policies
- Ensuring that assets are protected, adequately maintained and not placed at unnecessary risk
- Ensuring that approved priorities are reflected in the allocation of resources
- Ensuring that budgeting is based on generally accepted accounting principles and that budgets are balanced
- Promoting a healthy work environment for staff that is consistent with the organisation's value

Table 1

Reserved Powers

The following powers are reserved to the Diocesan Board of Finance

	Reserved Matter	**Notes**
1	Investment Policy – appointment of Investment Managers and Investment Strategy.	
2	Any action reserved under the constitution (Memorandum and Articles of Association), including the creation or abolition of committees and sub-committees of the DBF, amendment of terms of reference and delegation of powers to any such committees and any proposed change to the various constitutional documents (i.e. Memorandum and Articles of Association).	
3	Approval of the schedule of delegated authorisations.	
4	Authorisation of the annual report and accounts.	
5	Appointment of the external statutory auditors.	AGM on the advice of the DBF and Audit and Risk Committee.
6	Approval of the Common Fund annual budget for recommendation and presentation to Synod.	Synod is required to authorize the budget as the basis of ordinary expenditure and authorize the collection of the Common Fund.
7	Approval of any of material expenditure above or outside of the relevant budget for recommendation to Bishop's Council or Synod where appropriate and necessary.	
8	Opening and closing of bank accounts.	
9	All real property matters not devolved under previously agreed delegation.	
10	All matters relating to litigation.	
11	All matters relating to the creation or dissolution of subsidiary or associated companies.	

	Reserved Matter	Notes
12	Reserves policy and policy on designation of unrestricted funds.	
13	Risk management policy.	
14	Decisions on any matter which is likely to generate significant adverse publicity and affect the image of the Diocese as a whole e.g. (Safeguarding), Church Schools, or any parish or other Diocesan organization.	
15	Ratification of decisions taken *in extremis* by the Chair.	
16	Ratification of the use of the company seal.	
17	Approval of the appointment of the Board's professional advisers or consultants.	
18	Policy and management of potential conflicts of interest of trustees or officers with those of the Board.	
19	Changes to pension schemes to which the Board contributes.	

Delegated Powers

Exceptional or sensitive matters

If, in the view of the officers, any transaction falls outside the normal routine of administrative process or is likely to have an adverse effect on other Diocesan matters then, depending upon governance requirements, such transaction will be brought to the Diocesan Board of Finance for approval.

Exclusion of Benefit to Members

As noted in the reserved powers, the delegated authorities will not be available in the case of any decision in which any director of one of the Diocesan bodies or member of the DBF will benefit from the transaction. Benefit in this instance shall not include benefits specifically allowed, i.e. expenses, augmentation of stipends, pensions, remuneration and the provision of residential housing provided in the course of employment or office holding.

Table 2

	Delegated Power	Authorisation of initial commitment or contract
	Clergy	
1	Appointment within budgeted allocation.	Bishops
2	Payment of stipends and pension contributions.	Bishop to confirm commitment to pay through appointments notice
3	Authority to occupy St Albans Diocesan property by clergy.	Bishop or Archdeacon to confirm
4	Payment of Council Tax.	Bishop to confirm
5	Archdeacons' discretionary payments within budget.	Archdeacon
6	Training grants etc. for clergy within budget.	Director of Ministry
7	Redundancy of clergy.	To be reviewed by Bishop's Staff. (To be further discussed at Audit Committee meeting in April 2019 in the light of new legislation on clergy redundancies).
7a	Compensation for clergy including early retirement because of ill-health or pastoral changes. In certain cases, there was statutory provision for compensation.	Diocesan Secretary, the Chairman of the Diocesan Board of Finance and the relevant Archdeacon will agree compensation packages and identify sources of funding. The Director of Finance will sign all expenses.
	Employees	
8	Appointment within existing budgets and existing posts.	Diocesan Secretary
9	Offering of employment contracts / variation of employment contracts.	Diocesan Secretary
10	Termination of employment contracts.	Diocesan Secretary in consultation with the Chair of the DBF, and Chair of the body, and line manager, to whom the employee reports, (HR Advisory Group) acting with professional advice.

11	Redundancies.	HR Advisory Group to be set up at beginning of triennium consisting of 2 members of DBF, 2 members of Bishop's Council with relevant skills and experience and Diocesan Secretary
12	Payments of salaries and associated PAYE, National Insurance and Pension Payments.	Diocesan Secretary / Finance Director
13	Salary increases and scale reviews.	Diocesan Secretary in consultation with the DBF chair
	Services and other expenditure	
14	Payments: Under £20,000 Over £20,000	Budget Holder Budget Holder and Diocesan Secretary/Finance Director
15	Gas, electricity and water payments (Holywell Lodge).	Parsonage Estates Manager
16	Electronic communications service payments (Holywell Lodge)	Parsonage Estates Manager
17	Insurance	Diocesan Secretary / Finance Director / Property Director
18	Computers, printers and other IT equipment within authorized budget	IT Manager
19	Operational costs within budget and not described elsewhere	Diocesan Secretary / Finance Director / Property Director
20	Investments of Fund money in previously approved share schemes or bank accounts	Finance Director, under instruction from DBF/Assets Committee
21	Sale and reinvestment of any shares, deposits, bonds or financial interest.	Finance Director, under instruction from DBF/Assets Committee
22	New contracts for goods and services: Under £20,000 Over £20,000	Diocesan Secretary. DBF

23	Conferences and training events within approved budgets (which may be over £100,000)	Director of Mission and Ministry
	Property	
24	Maintenance of property / quinquennial and ongoing works / payment of professional fees in relation to property.	Property Director
25	Write off of property debts of less than £10,000.	Finance Director / Property Director.
26	Improvements: Main programme for the year Under £10,000 Over £10,000	Property Director Property Committee.