

MakeItYork

SCHEME OF DELEGATION

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1. INTRODUCTION

The purpose of this Scheme of Delegation ('the Scheme') is to enable decisions made by the Make It York Board (MIY) to be taken efficiently and effectively; help Board Members carry out their role effectively; and ensure decision making is transparent and accountable to funders, shareholder and members.

2. SCHEME OF DELEGATION

- The Scheme gives details of the delegation of responsibilities within MIY, but should be read in conjunction with the Company's Articles of Association which state:
- Subject to the Articles, and in particular Article 29, the Directors may delegate any of the powers which are conferred on them under the Articles as they think fit **under a formal and published scheme of delegation approved by the Shareholder..**
- If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated, **subject to prior approval from the Shareholder.**
- The Directors may revoke any delegation in whole or part, or alter its terms and conditions, **subject to the prior approval of the Shareholder.**
- **Schedule 2 of the Company's Articles of Association 'Matters Reserved for the Shareholder' should also be read in conjunction with this document.**

Within the Scheme decisions of MIY are divided into four separate parts:

A Matters that are Reserved to the Board.

B Matters Delegated to Committees

C Responsibilities of the Chair, Deputy Chair and Company Secretary

D Matters Delegated to Officers

3. A: MATTERS RESERVED TO THE BOARD

The Board is responsible for directing the affairs of MIY in accordance with its charitable objects and ensuring that its functions are properly performed. The Board reserves to itself the following powers except only to the extent that such powers have been wholly or partly delegated by the Board to a Committee or an Officer:

- Adopting and changing the governance arrangements;
- Approving and adopting strategies, policies, business plans, investment programmes and the budget;

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- Approving the statement of accounts, income and expenditure and balance sheets;
- Appointing the Chair and Deputy Chair of the Board;
- Agreeing and amending terms of reference for committees, deciding on their composition and making appointments to them including the appointment of Chairs to the committees;
- Approving procedures for the recruitment for Board Members;
- Recommending persons for appointment as Board Members;
- Approving the MIY Business Plan;
- Approving proposals to provide services on behalf of other organisations;
- Making recommendations to general meetings of MIY including the appointment, remuneration and terms of engagement of the external auditors;
- Approving membership of, and appointing representatives to, outside bodies;
- The appointment or termination of the Managing Director;
- Approving the discharge of any of the MIY functions by another organisation;
- Agreeing changes to policies, strategies and procurements that are a MAJOR DECISION;
- Monitoring MIY's budget, performance and implementation of policy decisions;
- Responding to consultation papers from Government, City of York Council or other bodies;
- Agreeing personnel policies, other than minor or technical changes to existing policies
- Approving the appointment of Co-optees
- Review regularly its own effectiveness.

4. PART B: MATTERS DELEGATED TO COMMITTEES

4.1 Audit and General Committee

MIY has one sub-committee of the Board, the purpose of this Committee Audit and General Committee (AGC) is to:

- Scrutinise MIY financial statements;
- Manage MIY responsibilities concerning all aspects of external and internal audit;
- Monitor the effectiveness of internal control and business assurance;
- Review, monitoring and scrutinising MIY risk management systems; and

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- Focus on any other matter delegated by the Board
- Review regularly its own effectiveness.

5 PART C: RESPONSIBILITIES OF THE CHAIR, DEPUTY CHAIR AND COMPANY SECRETARY

5.1 Chair's Responsibilities

- Establish constructive working relationships with the Managing Director and Executive Team and attend meetings with the Managing Director on a regular basis.
- Represent MIY at public occasions and on outside bodies.
- Make comments on behalf of MIY to the press and other media in accordance with MIY's Communication Policy.
- Take decisions delegated to the Chair.
- Ensure when a vacancy arises that the Managing Director is replaced in a timely and orderly fashion.
- Agree with the Managing Director the agenda for all the Board's meetings.
- Take action on disciplinary and other personnel matters concerning the Managing Director in accordance with personnel procedures.
- Liaise with the Managing Director on the strategic development and planning of MIY, bringing such reports and recommendations to the Board for discussion and approval.
- Ensure the efficient and proper conduct of the Board and general meetings
- Ensure that all Board Members are given the opportunity to express their views before any important decision is taken, but at the same time to ensure that only those who are eligible to speak (for example, those without a conflict of interest) are invited to do so.
- On a resolution where there is an equality of votes, the Chair shall have a second or casting vote and shall use their vote to vote against any resolution which proposed to alter the existing situation unless voting against the resolution would be deemed to be detrimental to the best interests of MIY.
- To ensure that the Board fully complies with MIY governance arrangements.
- To satisfy him/herself that every meeting of the Board has been properly convened by notice and properly constituted by the attendance of a quorum.

5.2 Deputy Chairs' Responsibilities

- To assist and support the Chair in fulfilling their duties and responsibilities.
- To deputise for the Chair in their absence.
- To meet with the Chair and Chief Executive as required in between Board Meetings.

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- To undertake such other duties as may be delegated to them by the Board.

5.3 Company Secretary's Responsibilities

- Maintain an up-to-date version of the governance arrangements and ensure that it is widely available for consultation by members, staff and the public.
- Keep the minutes of Board and general meetings.
- Ensure that Board decisions are recorded, together with the reasons for those decisions
- Advise whether decisions of the Board are in accordance with MIY policies
- Report to the Board if they consider that any proposal, decision or omission would significantly contravene MIY Governance principles.
- Advise Board members on the scope of powers and authority to take decisions, financial impropriety, probity and governance issues.
- Restrictions on posts: The Managing Director cannot act as the Company Secretary.

6 PART C: MATTERS DELEGATED TO THE ROLE OF MANAGING DIRECTOR AND THE ROLE OF THE EXECUTIVE AND MANAGERS

6.1 General

This Scheme delegates to the Managing Director and other Managers the powers and duties necessary for the discharge of MIY's functions subject to the specific exceptions as stated in 6.2 below.

The aim of this delegation is streamlining and simplifying the decision-making processes of MIY and accordingly the Scheme should be interpreted widely rather than narrowly. Where functions are delegated, these should be taken to include all powers and duties necessary to carry out those functions delegated by MIY.

The Managing Director will report to Board for information any new procurement or contract decisions taken within their delegated authority that exceed £50,000. The Scheme does not delegate to the Managing Director or other Managers any MAJOR DECISIONS or any other matter reserved to Board or delegated to committee. Major decisions are defined in 7 of the Scheme.

All powers and duties that the Managing Director or other Managers is authorised to exercise or perform must be exercised or performed on behalf of and in the name of MIY and in accordance with the governance and management arrangements and in accordance with the Code of Conduct. Where any matter involves professional or technical considerations not within the sphere of the competence of the Managing Director or other Managers they must consult an appropriate professional or technical advisor.

In exercising delegated powers, the Managing Director or other Managers should only act within the approved policies and budgets.

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In addition to the general powers conferred upon them as Managing Director, these Managers will be authorised to exercise all the powers and duties specifically conferred on subordinate Managers in their department. All powers and duties conferred upon subordinate Managers will be exercised in accordance with any direction issued by the Managing Director.

6.2 Exceptions (staffing decisions)

The Managing Director will be responsible for appointing, managing, disciplining and dismissing all employees within MIY subject to complying with:

- Employment policies and conditions of service;
- Any appropriate schemes or arrangements laid down by Board;

The following matters must be dealt with by the Managing Director or their delegated officers in consultation with an HR advisor:

- Authorising payments of honoraria that exceed 2% in the case of any one employee or in circumstances that are not covered by the policy guidelines.
- Determining applications from employees for their post to be regraded.
- Authorising payments for employees in the case of early retirement, voluntary redundancy and redeployment.
- Authorising the creation of additional temporary posts for more than six months, where budget provision exists.
- Authorising requests for leave which are either not covered by a policy or which exceed the limits in the relevant policy.

The Managing Director in conjunction with their Executive Team may take action to secure the safety and welfare of employees and to take immediate action where in their opinion there is danger to life and limb. Develop, review and monitor Human Resource Policies and standards. Approve changes to staffing levels or organisational structure within agreed budgets.

6.3 Responsibilities of the Managing Director

The Managing Director will have responsibility for all management, operational and non-major decisions about the following functions and areas of responsibility. The Board has delegated to the Executive Team the responsibility of jointly assuming the powers and duties of the Managing Director in their absence.

The Managing Director will

- Provide effective leadership across MIY demonstrating sound management style to ensure that the agreed management framework is consistently implemented and to provide advice, support and guidance to managers and others.
- Manage, motivate, develop and communicate effectively with officers who report direct.

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- Approve a joined up business plans for the services provided making sure that they are clearly aligned to and contribute to the achievement of MIY's vision and strategy.
- Contribute to the development of appropriate policy and strategy for MIY and when approved, be accountable for consistent and effective communications, implementation and monitoring of policy in all areas of MIY.
- Support Board Members by: providing advice; ensuring effective implementation of decisions; taking delegated decisions within the policy, budgetary and legal framework; supervising the preparation of documents for consideration by the Board; and ensuring the provision of induction and training programmes for Board Members.
- Maximise opportunities and benefits arising from partnership working and new funding sources.
- Manage and monitor financial resources in line with financial and audit requirements.
- Encourage new ideas and innovation designed to improve the standards of services.
- Maintain an efficient and prompt investigation of complaints in line with policies
- Ensure equality of access and opportunity in service provision and personnel practices.
- Determine and publicise a description of the overall departmental structure of MIY showing the management structure and deployment of Officers.

7 MAJOR DECISIONS

A Major Decision is:

- any decision in relation to the MIY function which results in the incurring of expenditure which is significant. The threshold for "significant expenditure" is £100,000.
- Any decision involving the making of a grant or loan to any organisation unless it is less than £50,000.
- Changes to staffing levels or the organisational structure that have an additional cost of £50,000 per year or more or where there is no budget provision unless in either case the change is incidental to a major decision taken by the Board.

8 URGENT DECISIONS

Because of the cycle of Board meetings, there is likely to be the need to make urgent major decisions ahead of the next Board meeting. In this event, an urgent major decision will be made as follows:

- The Managing Director will prepare a report in the format of the Board report for the Chair of MIY, who may then approve the major decision, subject to approval by one other Board Member.

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- The full report and the decision of the Chair and other Board Member should then be reported to the next available Board meeting for information.

9. FINANCIAL PROCEDURES

- The financial procedures are the rules that all members of MIY should follow.
- The Board of Directors appoint the External Auditor.
- The MD and Executive prepare draft Budgets for the Board to approve.
- The Head of Finance shall monitor the financial performance of the organisation and report to the MD on monthly basis. Quarterly financial reporting to the board along with explanations of any material variances from the budget/forecast.
- The Head of Finance is also responsible to arrange the year-end audit.
- Finance department's daily routine tasks involve bank and credit card reconciliation, invoicing and credit control, process supplier invoices and payments.
- Head of Finance is responsible for the quarterly VAT return and dealing with any queries with HMRC.
- Head of Finance is responsible for monthly payroll.

The table below sets out the financial approval limits.

	Amount
Board	Above £100,000
Chair	Up to £100,000
MD	Up to £50,000
Dual Executive	Up to £5,000
Executive	Up to £1,500
Budget Holder	Up to £750

All limits apply to pre-vat limits except for Shambles Market and York Pass.

Below sets out the Expenses amounts:

- Accommodation maximum of £200 per night in London/£130 per night outside York
- Daily expenses £25
- Use of public transport will always be encouraged, rather than use of personal cars or taxis.
- Line manager must sign expenses.

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Below sets out the tendering limits.

Amounts up to £500	One quote obtained
Amounts up to £5,000	Three quotes obtained
Amounts up to £25,000	Full tender procedures apply

Formal Tendering procedures must always be followed unless in exceptional conditions eg. Pandemic, specific unique work and must always be signed off by the MD and Chair.

Formal Tenders need to use MIY tender templates and standard terms and conditions.

10. MATTERS RESERVED FOR THE SHAREHOLDER

Schedule 2

Matters reserved for the Shareholder

Without the prior written consent of the Shareholder, the Company shall not:

- alter its objects or Articles or adopt any Articles or pass any resolutions inconsistent with them;
- grant any interest or other rights to any party in relation to the Company;
- issue debentures;
- create or acquire a subsidiary or dispose of shares in a subsidiary;
- appoint or dismiss a Director;
- permit an issue, transfer, or transmission of shares to anyone other than the Shareholder;
- unless required to do so by law, do or permit to be done anything as a result of which it may be wound up (whether voluntarily or compulsorily), except as provided for in this agreement;
- enter into a scheme of arrangement within the meaning of s895 and Part 26 of Companies Act 2006;
- create a fixed or floating charge, lien (other than a lien arising by operation of law) or other encumbrance over all or part of its undertaking or assets, except to secure its indebtedness for sums borrowed in the normal course of the business;
- borrow amounts in excess of a maximum aggregate sum outstanding at any time of £10,000;
- except where a matter is included in the budget, make a loan or advance or give credit ;
- give a guarantee or indemnity to secure the liabilities or obligations of any person;

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- factor or assign any of its book debts;
- sell, lease, create an interest in or otherwise dispose of the whole or a material part of its undertaking or assets, or contract to do so;
- enter into a contract or arrangement, or amend and/or terminate and/or suspend any contract or arrangement, which creates a potential liability for the company in excess of £500,000, or makes any material change in the nature of the business;
- enter into or vary a contract or arrangement (whether legally binding or not) with a Shareholder or director of the Company or with any person as nominee for any of them other than as permitted under the Service Agreement (including any ancillary agreements);
- take or agree to take or dispose or agree to dispose of an interest in, or licence over, land;
- enter into a partnership, profit-sharing or joint venture agreement;
- adopt a pension scheme or similar arrangement;
- permit the registration (upon subscription or transfer) of any person as an additional shareholder of the Company;
- apply for the listing or trading of any shares or debt securities on any stock exchange or market;
- pass any resolution for its winding up or presenting any petition for its administration;
- alter the name of the Company or its registered office;
- alter the Area in which the Company is to operate;
- adopt or amend the strategic business plan in respect of each financial year;
- change the nature of the Company's business or commencing any new business by the Company which is not ancillary or incidental to the business;
- form any subsidiary or acquire shares in any other company or participating in any partnership or joint venture (incorporated or not);
- amalgamate or merge with any other company or business undertaking;
- make any loan (otherwise than by way of deposit with a bank or other institution the normal business of which includes the acceptance of deposits or in the ordinary course of business) or grant any credit (other than in the normal course of trading) or give any guarantee (other than in the normal course of trading) or indemnity;
- grant any rights (by licence or otherwise) in or over any intellectual property owned or used by the Company;
- establish or amend any profit-sharing, option, bonus or other incentive scheme of any nature for Directors or the Managing Director or Senior Management Team of the

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Company or to establish or amend such a scheme for other employees other than one which is self-financing or dependent on the annual budget being achieved;

- agree to remunerate (by payment of fees, the provision of benefits-in-kind or otherwise) any officer of or consultant to the Company at a rate in excess of £50,000 per annum or increasing the remuneration of any such person by a rate in excess of £2,000 per annum; or
- determining and approving any matters relating to terms and conditions of the service contract for the Managing Director, including any remuneration or variation to the remuneration of the Managing Director;
- approve any early retirements or ill-health retirements;
- permit any dividends or other distributions to be paid;
- agree any remuneration of any Directors of the Company;
- appoint or remove the Chair of the Company;
- permit a transfer of shares (under Article 6), a transmission of shares (under Article 7), calculate or pay dividends (under Article 8) or capitalise profits (under Article 9);
- approve any scheme of delegation or any amendments to said scheme of delegation under Article 13;
- a decision which could otherwise be taken by the company, but which would, if being taken by the Council, amount to a key decision; or
- exercise any powers to issue instructions to company Directors.