



LICHFIELD
CATHEDRAL

Lichfield Cathedral

Statement of Delegated Authority

Introduction

Setting up a good governance framework is primarily the responsibility of the Chapter, with the Executive Management Team being primarily responsible for its practical implementation. As such, Chapter members may delegate authority, but not responsibility, to senior staff, although high risk and unusual decisions will not normally be delegated.

It is the responsibility of Chapter to make sure that the cathedral is protected against fraud, theft and financial crime and Chapter has therefore prepared, and will keep under review, this policy and statement of delegated authority (**SoDA**).

Matters reserved to the Chapter

The members of the Chapter are charity trustees and are ultimately responsible for the decisions made and actions taken by and on behalf of the Chapter. Therefore, the Chapter has decided that any decisions relating to the following matters are specifically reserved for the Chapter and are not to be delegated¹:

- (i) Decisions about the Chapter's strategy and direction;
- (ii) Approval of all Chapter policies, including the Chapter's investment policy² and reserves policy;
- (iii) Financial matters involving sums in excess of the delegated approvals set out in this SoDA;
- (iv) Approval to enter into contractual obligations or contracts with a value in excess of the delegated approvals set out in this SoDA;
- (v) The acquisition, disposal or charging of all real property;
- (vi) Approval of the annual report and accounts;
- (vii) Appointment of external auditors;
- (viii) Approval of, or changes to, the annual budget;
- (ix) The opening and closing of bank accounts;

¹ A list of suggested examples has been provided. You will need to include any additional matters, or remove any matters from this list, as may be appropriate for your Chapter.

² [Charities and investment matters: a guide for trustees \(CCI14\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/60422/Charities_and_investment_matters_a_guide_for_trustees_CCI14.pdf)

- (x) All matters relating to the creation or dissolution of subsidiary or associated companies;
- (xi) Any other matters which have the potential to have a material adverse impact on the reputation of the cathedral.
- (xii) Cessation of worship activities
- (xiii) Staff recruitment of the following roles: Executive Management Team members (Lay) and any role outside of budget
- (xiv) All borrowing
- (xv) Asset write-off outside of budget
- (xvi) Service delivery contracts outside of budget
- (xvii) Oversight of the organisation's risk register
- (xviii) Chapter retains overall responsibility for accepting all gifts and donations

Purpose of the SoDA

This SoDA applies to all individuals with responsibility for elements of the Chapter's budget and for committing the Chapter to expenditure. This SoDA does not relate to any delegated authority passed to Chapter committees as these delegations have been set out in the terms of reference to those committees. Compliance is evidenced through the approval of invoices, the certification of BACS payments and the signing of cheques by the authorised individual(s).

Records of all these transactions are kept by the Chapter and retained in accordance with the Chapter's Archive Policy for a period of 6 years (or longer if required to comply with specific external funding audit requirements).

All amounts shown in the SODA are exclusive of VAT.

This SoDA will be reviewed every three years by the Chapter.

Areas of Delegated Authority (non-financial)³

The table below outlines the key procedures that are undertaken by, or on behalf of, the Chapter each year. Where these procedures, or aspects thereof, have been delegated to senior staff, this is set out below.

Procedure	Staff Role
Recruitment of staff (who are not EMT members) when a vacancy arises, within the existing departmental budget	Executive Management Team
Possible annual pay increases for staff (who are not members of the Remuneration Committee)	Remuneration Committee
Possible annual pay increases for Directors	Nominations Committee.

³ It is for Chapter to determine which processes should form part of this matrix and the relevant approval requirements. A couple of examples have been included in the table. If this section is not appropriate for your cathedral, it can be deleted.

Reporting Serious Incidents to the Charity Commission on behalf of the Chapter (both safeguarding and non-safeguarding)	Executive Director, once a report of the Serious Incident and its management has been made to the Chapter and where applicable, to the National Safeguarding Team.
The filing of annual report and accounts	Director of Finance
Records of Directors/Trustee details	Executive Director
Using the seal of the Cathedral	Executive Director
Insurance	Director of Finance
Changes to payment signatories	Executive Management Team
Service contracts within budget (<£50k annual)	Executive Director / Director of Finance
Service contracts within budget (>£50k annual)	Dean / Executive Director
Service contracts out of budget	Chapter
Receipt of a grant or donation to establish a new restricted or permanent endowment fund.	Chapter
Receipt of any donation outside the general principles outlined in the Fundraising Policy	Chapter
Unrestricted revenue donations within the general principles outlined in the Fundraising Policy	Director of Development
Accept planned gifts (e.g. legacies, gifts of assets) and restricted gifts within the general principles outlined in the Fundraising Policy	Director of Development
Any donation or bequest which may be added to an existing unrestricted or restricted endowment or restricted fund within the general principles outlined in the Fundraising Policy	Director of Development

Operational expenditure

Expenditure should only be incurred by budget holders appointed by the Executive Management Team or through delegation within a team by the line manager, on behalf of the Chapter up to the amounts formally approved within the annual Chapter Budget. Budget holders, or their team members must not approve nor incur expenditure that, in isolation or in aggregate, will exceed the budgeted allowance. Unbudgeted expenditure will require the approval of Chapter.

All budget holders, and those that they delegate to, must adhere to the following approval regime with respect to individual expenditure items:

Category	Approval	Second Signatory
	Budget holder	N/A

Budgeted expenditure up to £1,000		
Budgeted expenditure greater than £1000	Budget Holder	EMT members may sign off up to £10,000. The Executive Director may sign off >£10,000
Budgeted expenditure up to £1,000 but where the role is not the budget holder.	Assistant Director of Music, Development Manager, Philanthropy Manager, Events and Operations Manager, Governance Officer and Assistant to the Dean and Canons.	
For Fabric related expenditure where the budget holder is the Clerk of Works up to £10,000	Clerk of Works	N/A
For property related expenditure where the budget holder is the Estate Manager up to £3,000	Estate Manager	
Unbudgeted expenditure <£10,000 and not exceeding £50,000 in any financial year.	Executive Management Team	
Unbudgeted expenditure >£10,000 or over the EMT £50,000 threshold of cumulative expenditure.	Chapter	

All expenditure is to be assessed as affordable and necessary with budget holders expected to use resources economically, efficiently and effectively so that maximum benefit can be gained from the funds. In securing and demonstrating value for money, when purchasing a service or product, alternative quotes should normally be sought as follows⁴:

From time to time a service may be contracted within budgetary or authority limits but may extend to exceed these limits, an example being building repairs where, after commencing work, the damage is found to be greater than expected. Such situations shall be avoided wherever possible and the EMT lead's authority obtained. Up to £10,000 this regularises the position. Above £10,000 the situation shall be reported to the Director of Finance, who shall include it in his next financial report to EMT and no breach of the SoDA shall be deemed to have occurred.

Amount	Minimum Number of Quotes	Formal Tender process needed
Less than £10,000	1	No

⁴ It is recognised that on smaller projects or purchases or in cases of emergency, it may not be possible or financially expedient to obtain more than one quote.

Over £10,000 but less than £100,000	3	No
£100,000 or more	3	Yes

Chapter or the Executive Management Team may decide that a contract with a lesser value requires a formal tender process, and this will be at their discretion. However, only Chapter can agree to reduce the minimum number of quotes.

A schedule of levels of delegated authority for operational expenditure by each postholder is attached as the Annex to this SoDA.

Electronic payments and Cheques

Electronic Payments

Only the following post holders are permitted to input payment runs onto the electronic banking system:

Director of Finance
Finance Manager
Finance Officer

Once inputted, the electronic payment run must be authorised by at least two others. Those that have authority to authorise electronic payments are: The Dean, Canon Precentor, Canon Chancellor, Executive Director, Director of Finance, Director of Development and Director of Music. Before authorising the electronic payment run, Director of Finance or the Finance Manager must have checked that each of the individual invoices that make up the payment run contain the relevant budget holder's signature at the relevant authority level. Due consideration should be given to controls to prevent payment fraud.

Bank account administration

The administration of the bank account including setting up of new authorisers should be carried out by the Director of Finance, with authority for changes made by Executive Director

Cheques

Where payments are made by cheque, the cheque must be signed by 2 authorised signatories in accordance with this SoDA.

The following individuals are authorised signatories on the Chapter's bank accounts for the purposes of signing cheques, The Dean, Canon Precentor, Canon Chancellor, Executive Director, and the Director of Finance.

Personal Expenses

Personal expenses incurred by staff in performance of their duties shall be reimbursed where they have been approved in accordance with the Employee Handbook. If such procedures are not followed, the person incurring the expense runs the risk that the expense may not be reimbursed.

Personal expenses incurred by Chapter members which are reasonable and have been incurred in exercising functions as a Chapter member and as a charity trustee will be reimbursed. The reasonableness of such expenses must first be approved by The Dean if below £100 and by the Chapter if above that amount.

Annex⁵

Lichfield Cathedral Budget Holders and Authorisers List

Members of EMT £10,000 in their areas of budget responsibility. All other budget holders will have a limit of £1,000, other than the Clerk of Works at £10,000 and Estate Manager at £3,000 for fabric and property related expenditure. Anything above this will require the authorisation of the Executive Director, or in their absence any lay member of EMT.

Expenditure from designated, restricted or endowed funds is also allocated to a cost centre and therefore operation of these funds will be overseen by the Director of Finance, advised by the Director of Fundraising.

Code	Cost centre	EMT responsibility	Budget holder	Other authorisers	Notes
1	Rental Properties	Director of Finance	Estate Manager		
6	Music	Canon Precentor	Director of Music	Assistant Director of Music £1,000	ADoM currently £750
8	Fundraising	Director of Development	Director of Development	Development & Philanthropy Managers £1,000	Both currently £500
9	Marketing	Executive Director	Senior Marketing Manager		
13	Visitor Services / Shop	Director of Finance	Finance Manager		Shop expenditure funded by grants to cathedral. Visitor Services' costs are in fundraising.
20	Cathedral Income	Canon Precentor	Canon Precentor		Invoiced service income only
21	Cathedral Building	Director of Finance	Clerk of Works	Assistant Clerk of Works £1,000	
22	Cathedral Energy	Director of Finance	Estate Manager		
23	Cathedral Vergers	Canon Precentor	Dean's Verger		

⁵ This table should be amended to reflect the circumstances of your cathedral.

24	Cathedral Precincts	Director of Finance	Estate Manager		
25	Gift Aid congregation	Director of Fundraising	Director of Fundraising		Gift aid income only
26	Gift Aid Friends, Patrons & Guardians	Director of Development	Director of Development		Gift aid income only
27	Gift Aid other donations	Director of Development	Director of Development		Gift aid income only
30	Clergy Mission	Canon Chancellor	Canon Chancellor	Governance Officer and Assistant to the Dean and Canons and Facilities Manager £1,000	
31	Clergy Stipends & Support	Director of Finance	Director of Finance		
32	Clergy Housing	Director of Finance	Estate Manager		
40	Great Exhibition	Executive Director	Executive Director		
42	Film screenings	Executive Director	Executive Director		
43	Cathedral Illuminated	Executive Director	Executive Director		
44	Spring Exhibition	Executive Director	Executive Director		
50	Education	Canon Chancellor	Learning and Engagement Manager		
51	Library	Canon Chancellor	Libraries' Manager		
70	Admin Finance	Director of Finance	Director of Finance	Executive Director	
71	Admin Office	Executive Director	Office Manager		
72	Admin Buildings	Director of Finance	Estate Manager		
74	Kickstart	Executive Director	Executive Director		
80	Gala Dinner	Director of Fundraising	Director of Fundraising	Development & Philanthropy Managers £1,000	

Agreed by Chapter: 5 September 2022

Amended: 31 October 2023 (EMT 30.10.23)

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Next Review:

Principal Chapter 2025