

For Approval

Agenda Item: 13.1.1
Date of Meeting: 30/04/25

To: The Management Committee
From: The Director
Subject: Review of Scheme of Delegated Authority (SDA)

1. Introduction and Purpose

- 1.1 Committee will recall that the review of the SDA, originally scheduled for March 2025, had been postponed. This was because I was waiting for feedback from our governance consultant on our SDA and it had been arranged for the consultant to provide any feedback in time for the revised SDA being presented at the April Committee meeting.
- 1.2 I have now been able to finish reviewing the SDA and the purpose of this report is to present the revised document for Committee's consideration and approval.

2. Review of Scheme of Delegated Authority (SDA)

- 2.1 As part of my review of the SDA, I reviewed the documents of a number of other RSLs. Some of which were due for review this year or were overdue for review. The conclusion of my comparison was that by and large the contents of the SDAs were very similar.
- 2.2 I also involved the Management Team in the review, with the Finance Manager being the only one to suggest revisions.
- 2.3 I took account of the feedback from our Governance Consultant but was pleased to note that she didn't have many suggestions to make.
- 2.4 As standard, the logo and references to Co-operative have been updated. I also removed any reference to the Membership Sub-Committee as this became redundant when we became a housing association. The updating of the numbering of references to our Rules, to reflect the new rules adopted when we became a housing association.
- 2.5 The collective proposed changes to the SDA are to strengthen and improve clarity on various aspects of delegated authority. Due to the volume of changes, I have attached a clean version of the SDA for Committee's consideration and for ease I have highlighted in yellow the

main changes to the document. However, the current version of the Standing Orders and the track change version are available on the Board Portal as follows:

Resources > Policies > Policy Review 2025/26 > Policies for Review April 2025

2.4 Particular proposed changes which are important to draw to Committee's attention are:

- **Section 4: Associated Documents** – The inclusion of our Disaster Recovery and Business Continuity Plan in the list of documents
- **Main SDA – Section 1: Strategy, Policy, Performance and Business Management** – under the column “Reserved to Management Committee”, item 2 – removal of Annual Section Operational Plans, following advice from our Governance Consultant. As Committee approve the Business Plan, Annual Plan and Annual Programme of Priorities, the matter of the Section Operational Plans don't require approval by Committee, as operational in nature and would be for me and the Managers to decide.
 - Under the column “Delegated to the Director/management Team - improving clarity on areas which sit with the Director and Managers by the addition of 3 areas.
- **Section 2: Governance** – the removal of reference to the membership sub-committee and the inclusion of “Approval/refusal of membership applications” to those matters reserved to the Management Committee. Inclusion of “Granting of Special Leave of Absence” to those matters reserved to the Management Committee.
 - Update to Chair being authorised to submit NEs and amendment to the Director's authority to submit NEs. This reflects the updated statutory guidance by SHR on NEs, which now shows that all categories of NEs can be submitted by the Director. The exceptions to this are that the Chair should notify SHR of any changes to our AAS and to submit any NEs which present a conflict of interest for the Director.
 - Providing clearer and more comprehensive information on the matters delegated to the Director and Management Team with the inclusion of 3 new matters.
 - The inclusion of a 4th matter under the Comments Section to strengthen the wording relating to the Director having authority to deal with safety critical emergencies and other extreme circumstances.
- **Section 3: Financial Management** – deletion of Approval of Audited Financial Statements, Letter of Representation and Management Letter and, approve financial and other returns to SHR and FCA and authorise their signature where required. These matters have been

moved to the new section 8 – Approving, Signing and Submission of Formal Documents.

- Further clarity to the matters that are dealt with by the Finance Manager, with the addition of several matters.
- As recommended by our Governance Consultant the matter of write-offs should be delegated to me, however I can further delegate to Managers whilst I remain accountable to the Management Committee. I was originally proposing that the value of write-offs that I could approve was up to £350, however, the consultant thought this was quite low. Therefore, after discussing with the Finance Manager, I am proposing the value is up to £500.
- Linked with having to make emergency decisions, added a new delegation of authority to me or Managers for essential expenditure to deal with sudden emergencies.
- **Section 4: Audit and Risk Management** – deletion of the Committee's authority to approve the response to the auditor's management letter. This matter has been moved to the new section 8 – Approving, Signing and Submission of Formal Documents.
 - Matters numbered 2 and 3 under Matters reserved to the Management Committee have been amended slightly to focus on strategic matters.
 - To improve clarity to the matters delegated to the Audit & Risk Sub-Committee with the addition of matters numbered 3 and 6 and amended wording to matters numbered 8, 10, 11.
- **Section 5: Staffing, Employment and Health & Safety** – reinstating my authority for temporary posts (sickness, maternity leave cover) for up to 2 years. In addition, reinstating my authority to extend temporary contracts but overall cannot exceed 2 years.
 - Improving clarity by inclusion of the Director having responsibility for awarding responsibility allowances.
 - Improvement clarity in relation to health & safety matters delegated to the Director and Corporate Services & HR Manager, by the inclusion of matters numbered 8 – 10.
- **Section 6: Housing Services** - addition of the matter of approving consultation proposals for rent increases to Management Committee's powers.
 - Improving clarity on matters delegated to the Housing Services Manager by the addition of matters numbered 2 and 3.
- **Section 7: Technical Services** – improved clarity on matters delegated to me with the inclusion that I have authority to approve and sign offers of grant.
 - Improving clarity on matters delegated to the Technical Services Manager by the addition of matters numbered 2 and 9 and, an amendment to the matter numbered 4

- **Section 8: Approving, Signing and Submission of Formal Documents** – This is a new section which brings together in one section the levels of authority for approving, signing and submitting formal documents.
- **Section 9: Emergency Powers** – this is a new section as recommended by our Governance Consultant and provides more information on how emergency matters/situations will be handled.

3. Risk

3.1 We have considered the matter of the Scheme of Delegated Authority and have identified the key risks under the following risk categories and the measures we have taken to mitigate such risks.

Risk Category	Mitigating Measure
<p>Governance:</p> <ul style="list-style-type: none"> • Inadequate framework for managing the business of Rosehill; • Lack of clarity on levels of responsibility and delegated authority across the organisation • Inappropriate or inadequate actions or decisions taken; • Poor and ineffective governance 	<p>Having a comprehensive Scheme of Delegated Authority (SDA) in place which is reviewed on a regular cycle;</p> <p>Researching other RSLs governance documents to identify improvements to our SDA;</p> <p>Obtaining advice from our Governance Consultant;</p>
<p>Legislative and Regulatory:</p> <p>Poor decision making; Ineffective governance; Breach of Regulatory Requirements (Standard 1)</p>	<p>As above</p>

4. Delivery of our Strategic Objectives

Area	Related Strategic Objective(s)
Revision of SDA	7) Achieve the highest standards in all that we do

5. Application of our Core Values

Area	Related Core Value(s)
Revision of SDA	<ul style="list-style-type: none"> Accountable and Compliant Excellent and Committed

6. Compliance and Assurance

6.1 Having a comprehensive and clear Scheme of Delegated Authority in place contributes to strong governance and forms part of our governance framework. When undertaking reviews, we research other RSLs documents, compare against our Rules, in the event there has been a rule change since the SDA were last approved, and seek guidance from our Governance Consultant. This approach means we are compliant with Regulatory requirements as follows:

Compliance Source	Details
The Standards of Governance and Financial Management for RSLs	<p>Standard 1 – The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.</p> <p>Guidance 1.2 – The RSL’s governance policies and arrangements sets out the respective roles, responsibilities and accountabilities of governing body members and senior officers, and the governing body exercises overall responsibility and control of the strategic leadership of the RSL.</p>

6.2 Evidence Bank

Evidence	Assurance Exercise Location
<ul style="list-style-type: none"> Cover Report Revised SDA 	Regulatory Standard 1 – Guidance 1.2

6.2.1 Committee is reminded that our Assurance Exercises are available in the Committee Log-in Area of our website, which Committee can access at any time.

7. Summary and Decisions Required

- 7.1 The review of the SDA involved researching other RSLs documents, taking account of our new rules and seeking the advice of our Governance Consultant. This has resulted in significant changes to the document.
- 7.2 For ease of reference for Committee, a clean version of the revised SDA is attached which have highlighted in yellow, the main changes to the document. However, some of the more significant changes are summarised in Section 2.
- 7.3 Risk has been considered at Section 3.
- 7.4 Section 4 shows how the review of the SDA contributes to the delivery of our strategic objectives.
- 7.5 Section 5 shows how the review of the SDA contributes to the application of our Core Values.
- 7.6 Section 6 sets out how we comply with Regulatory requirements.
- 7.7 Committee is asked to consider this report and the attached SDA and approve the revised SDA.