LHSU By-Law (1) 

Trustee Delegation & Control

# General Enabling Provision

Subject to relevant legislation, the LHSU Constitution and By-Laws, the board of trustees may delegate such matters as it considers appropriate. Day-to-day operational management is delegated to the General Manager. Nevertheless, Trustees remain responsible for the oversight and governance of the Union.

# Matters Reserved for the Board of Trustees

**2.1. Regulations and control (including appointments, remuneration & discipline):**

The Trustee Board will:

1. Offer guidance to the Executive Council when they establish, review and amend this By-law;
2. Be responsible for registering the charity and providing further information, as requested, to the Charity Commission and Companies House where appropriate, or to advise if the charity ceases to exist. (Also, see Clause 22 & 28 of the Constitution);
3. Put in place effective procedures for the succession planning of the board;
4. Offer guidance to the Executive Council on ‘By-Law 2: Trustee Board Effectiveness’ for the proper evaluation of the board and individual trustees, and sub-committees;
5. Require and receive the declaration of trustee interests that may conflict with those of the charity and determining the manner in which such conflicts will be managed. (Also, see Clause 6 of the Constitution);
6. To consider and decide on any proposal to remunerate a trustee, subject to the restrictions of the charity’s Constitution and the requirements of the Charities Acts. (Also, see Clause 5 of the Constitution);
7. Ensure that any proposed amendment to the Constitution is not inconsistent with the provisions of the Education Act 1994, Charities Act 2011 or the General Regulations. (Also, see Clause 27 of the Constitution);
8. Offer guidance to the Executive Council on the approval, review or amendment of ‘By-Law 3: The Executive Council’ for the proper functioning of the Executive Council. (Also, see Clause 17 of the Constitution);
9. Ensure that all by-laws approved by the Executive Council are consistent with the provisions in the Constitution, and to act promptly to suspend a bye law that undermines the proper conduct or good management of the Union. (Also, see Clause 25 of the Constitution);
10. Ensure that all resolutions approved at Executive Council, Members Forums, Referenda or AGMs are lawful, and are not defamatory, frivolous or vexatious, and to act promptly to amend or strike down any resolution that, in the opinion of the Board, risks legal complications and / or threatens to bring the Union into disrepute. (Also, see Clause 9 of the Constitution);
11. Approve a scheme of delegation of powers from the board to sub-committees. Sub-committees will include a Finance & Audit sub-committee and a Human Resources sub-committee. (Also, see Clause 16 of the Constitution);
12. Establish / review / amend terms of reference and reporting arrangements of all sub-committees of the board, including any ad hoc working /task and finish groups;
13. Appoint and dismiss committees and individual members of committees that are accountable to the board;
14. Receive reports from committees, and agree / amend / reject any recommendations presented to the board;
15. Ratify any urgent decisions taken by the chair and General Manager;
16. Adopt / review / amend the organisational, management and control structures, processes and procedures required to further the aims of the charity’s objects;
17. Appoint, appraise and dismiss the General Manager, according to procedures available in the Staff Handbook;
18. Require and receive the declaration of interests of staff members that may conflict with those of the charity;
19. Consider, approve or reject proposals from the Finance & Audit sub-committee regarding salary and benefits of the staff. (Also, see Clause 4 of the Constitution);
20. Approve arrangements for dealing with complaints and disputes. (Also, see Clause 26 of the Constitution).

**2.2. Strategy, budgetary matters and policies:**

The Trustee Board will:

1. Define, agree, interpret and review the strategic aims and objectives of the charity;
2. Ensure compliance with the charity’s objects and relevant legislation;
3. Ensure that any commercial and other activities do not compromise charitable status;
4. Approve / amend the charity’s policies and procedures for internal control and the management of risk and protection of the charity’s resources (including insurance);
5. Approve / amend budgets and decide on the number, purpose and mandates of bank accounts and other deposit media;
6. Authorise delegated powers and limitations in regard to finance to the General Manager, where appropriate;
7. Decisions relating to court proceedings against or on behalf of the charity;
8. Approval and appointment of the charity’s professional advisers and consultants and to determine their remuneration;
9. Agree changes to the charity’s pension scheme or the management of its funds;
10. Establish / review / amend / approve key operational organisational policies and procedures, including a Staff Handbook which contains rules, disciplinary and grievance procedures, guidelines, and other documents pertinent to employment law or regulation.

**2.3. Audit, reporting arrangements and monitoring:**

The Trustee Board will:

1. Appoint independent examiners / auditors, in line with legal requirements and those of the Constitution;
2. Approve remuneration of independent examiners / auditors, their re-appointment or removal, in line with legislation and the requirements of the Constitution;
3. Receive and note the annual management letter from the independent examiner / external auditor and agree the proposed course of action, taking into consideration the recommendations of the Finance & Audit sub-committee, where appropriate;
4. Receive and note reports from the internal audit function and agree remedial action, where appropriate;
5. Receive / present / approve the charity’s annual report and accounts;
6. File the annual report and accounts with the appropriate regulator(s). (Also see Clause 24 of the Constitution)
7. Establish, maintain and retain appropriate financial reporting arrangements and records and approve any significant changes in accounting policies or practices;
8. Ensure an annual general meeting for members takes place according to the requirements of the Constitution. (Also see Clause 10 of the Constitution);
9. Receive and review such reports as the board requires from committees and individuals with regard to the use of delegated powers;
10. Receive and review such reports from members of the charity’s staff pertaining to the activities of the organisation in furtherance with the charitable objects;
11. Receive and review reports from the finance function on the financial performance of the charity against agreed budgets and strategy;
12. Receive and review reports from the General Manager pertaining to meeting the charity’s goals as agreed in the strategic and business plans.

# Delegation of Trustees Responsibilities

The Trustee Board will:

* 1. Regularly review which matters are reserved to the board and which can be delegated. It collectively exercises the powers of delegation to sub-committees, working parties, individual trustees, or staff. (Also see Clause 16 of the Constitution);
	2. Set out the terms of the delegation in writing (e.g. in in the minutes of a Trustee Board meeting). The following information should be clearly recorded: details of the powers delegated; to whom the power is delegated; procedures for reporting back to the trustees should be established; and the trustees should keep the decision to delegate under constant review;
	3. Consider imposing conditions when delegating, e.g. that: the relevant powers are to be exercised exclusively by the sub-committee to whom they delegate; no expenditure may be incurred on behalf of the charity except in accordance with a budget previously agreed; the trustees may revoke or alter a delegation; and all acts and proceedings must be fully and promptly reported to the trustees;
	4. Assure itself that any work carried out by third party suppliers or services is in the interests of the charity and in line with its values and the agreement between the charity and supplier. The board makes sure that such agreements are regularly reviewed to make sure they are still appropriate;
	5. Regularly check the charity’s key policies and procedures to ensure make sure that they still support, and are adequate for, the delivery of the charity’s aims. This includes: policies and procedures dealing with board strategies, functions and responsibilities, finances (including reserves), service or quality standards; good employment practices; and key areas of activity such as data protection.

# Rules

4.1. After consultation with the Trustee Board, only the Executive Council can approve, review or amend these By-laws. Such changes must not be inconsistent with any provision of the LHSU Constitution.

4.2. Copies of these By-Laws must be made available to any member of the Union on request.