

26 February 2019

POLICY 01: DECISION MAKING



INTRODUCTION

This policy is made in accordance with Clause 22 (Rules & Regulations) of the Trust Deed. It describes the rules and regulations for how the Marksbury Village Hall Management Committee will make decisions both in and out of Committee Meetings. It is based on Charity Commission guidance: *It's your decision: charity trustees and decision making (CC27)*. However, it does not set out the rules regarding the appointment of the Management Committee which are set out in the Trust Deed.

This policy was approved by majority vote of the Management Committee at the Committee Meeting on 12 March 2018 and reviewed and re-approved on the 26 February 2019. A copy is attached at annex to the minutes of that meeting in the Minutes Book. It will be kept under review by the Management Committee and be updated as and when required.

MAKING GOOD DECISIONS

The Management Committee, as charity trustees, are responsible for governing Marksbury Village Hall and making decisions about how it should be run. Making decisions is one of the most important parts of the trustees' role. Some decisions are simple and straightforward; others can be complex or far reaching in their consequences. Trustees can be confident about decision making if they understand their role and responsibilities, know how to make decisions effectively and are ready to be accountable to people with an interest in their charity.

The Management Committee has a legal obligation to only make decisions that are consistent with its governing document (the Trust Deed) and charity law, in particular they must:

- ❖ act within their powers
- ❖ act in good faith and only in the interests of the charity
- ❖ make sure they are sufficiently informed
- ❖ take account of all relevant factors and ignore any irrelevant factors
- ❖ manage conflicts of interest

- ❖ make decisions that are within the range of decisions that a reasonable trustee body could make
- ❖ make decisions collectively so that all Management Committee members have the opportunity to participate
- ❖ have clear and robust reporting procedures and lines of accountability in place if delegating to staff or sub-committees
- ❖ Be able to show how they have followed these principles by recording decisions properly, so there is no doubt about what was decided and why.

Not following this policy could mean:

- ❖ Management Committee members being responsible for financial loss or reputational damage to the charity
- ❖ their decision could be invalid, or might have to be reversed
- ❖ they open the charity to the risk of legal action, and themselves to the risk of personal liability
- ❖ the Charity Commission get involved and use its powers to protect the charity's property and put things right.

DECISIONS IN COMMITTEE MEETINGS

Matters requiring decisions shall normally be discussed and voted on by the Management Committee in ordinary or extraordinary Committee Meetings, except simple, straightforward or urgent matters as set out in the subsequent section, which may be taken under delegated authority or voted on outside of Committee Meetings.

Management Committee Members requiring a decision to be made shall propose the matter either at a Committee Meeting or preferably prior to a Committee Meeting to give Committee Members sufficient time to consider the matter fully. Seconding of proposals is not required.

No less than one third of the total number of Management Committee Members are required to form a quorum at an ordinary or extraordinary Committee meeting (assuming 4 elected, 4 co-opted and 6 representative members then this shall be at least 5). Substitutes are not permitted.

Matters proposed shall be properly considered by Committee Members (taking into account the factors to consider listed at Annex A) and be determined by majority vote of the Committee Members present at the meeting (assuming 5 present, then at least 3 votes in favour are required). In case of equal votes, the Chair of the meeting (which may be the Vice-Chair) shall have a second or casting vote.

All decisions made in Committee Meetings shall be properly recorded in the Minute Book by the Secretary (or in their absence other Committee Member making a record of the meeting).

DECISIONS OUT OF COMMITTEE MEETINGS

Some matters may require decisions to be made out of Committee Meetings. This could include matters relating to:

- ❖ Health and safety
- ❖ Emergencies
- ❖ Sub-committee activities
- ❖ Planned maintenance
- ❖ Urgent unplanned maintenance and repairs, and
- ❖ Purchase of consumables such as cleaning products and refreshments.

Such decisions will be handled in one of two ways:

- ❖ Non-Delegated Matters – these are for urgent matters where it is not feasible or practicable to arrange an ordinary or extraordinary Committee Meeting at short notice and no pre-approved delegated authorities exist. Such matters shall be dealt with in a similar way to decisions made in Committee Meetings, with the following exceptions.
 - No less than one third of the total number of Management Committee Members are required to form a ‘virtual’ quorum whereby (assuming 4 elected, 4 co-opted and 6 representative members) at least 5 Committee Members shall review the matter and provide confirmation by email or WhatsApp they have considered it.
 - Matters proposed shall be properly considered by Committee Members (taking into account the factors to consider listed at Annex A) and be determined by majority vote (again by email or WhatsApp) of the Committee Members forming the virtual quorum (assuming 5, then at least 3 votes in favour are required). In case of equal votes, the Chair of the meeting (which may be the Vice-Chair) shall have a second or casting vote.
- ❖ Delegated Matters – these are for routine matters where it is not efficient or practicable to have every item of expenditure approved individually by the Management Committee in ordinary Committee Meetings. In this instance, pre-approved delegated authorities to named individuals will be proposed, discussed and approved in Committee (See Policy 002 – Delegated Authorities). Such delegated authorities will be kept under review by the Management Committee and withdrawn if used inappropriately. Management Committee Members are reminded that they may be held personally responsible for any financial loss to the charity if their delegated authority is breached or abused. Matter decided under delegated authority shall be dealt with in a similar way to decisions made in Committee Meetings, with the following exceptions.
 - Only the delegated authority plus one of the Chair, Vice-Chair or Treasurer are required to form a ‘virtual’ quorum and shall review the

matter and provide confirmation by email or WhatsApp they have considered it.

- Matters proposed shall be properly considered by the delegated authority and additional Committee Member (taking into account the factors to consider listed at Annex A) and be determined by majority vote (again by email or WhatsApp). In case of equal votes, the Chair shall be invited to have a casting vote.
- Notwithstanding such decisions may be made out of Committee, the Secretary shall be informed promptly and they shall still be properly recorded in the Minute Book by the Secretary and reported at the next ordinary Committee Meeting.

DECISION CHECKLIST – FACTORS TO CONSIDER

✓ Is the proposed decision being made in accordance with the Trust Deed and this Policy?	
✓ Is the decision being made within the powers of the Management Committee Members and/or delegated authority?	
✓ Is the proposed decision in the best interests of the charity?	
✓ Does the proposed decision have regard for the charitable purpose and in accordance with the current Annual Plan?	
✓ Does the proposed decision represent value for money for the charity (e.g. at least three quotes obtained) and have reasonable alternatives been considered?	
✓ Do the Management Committee have sufficient professional or specialist advice to enable them to make an informed decision? If they propose not to follow it in any regard, why is it in the best interests of the charity not to do so?	
✓ What are the risks/benefits of the proposed decision?	
✓ How could this affect the charity's reputation? Are there any steps the charity should take to manage or mitigate reputational risks?	
✓ Does the decision raise any conflict of interest or involve any personal interest for the Committee Members making the decision?	
✓ Does the charity have sufficient funds to enact the decision?	