



THE INSTITUTE OF HISTORIC BUILDING CONSERVATION

PROTOCOLS AND PROCEDURES

FINANCE: Interim Note

Approved IHBC Council 17 March 2005

Introduction

As part of an on-going re-structuring of the Institute's financial operations, in particular the closing of committee accounts, procedures for managing finances (budgets), allocating funds (bidding) and claiming costs (expense claims) are changing. ***This is note of the new procedures arising from the closing of the committee accounts.***

New Claims Procedures

Generally, committees will no longer operate their own accounts. In future those costs arising from national committee meetings, previously met through the committee's account, operated by the committee chair, will now be met from the central national finances, operated by the Director under the supervision of the Treasurer. ***Claims for travel expenses (council, committees and other authorised meetings) must now be by volunteers claiming expenses directly from central funds, not the committee account. Completed expenses claims forms (available on web), validated and with the appropriate counter-signature and accompanied by receipts, should be submitted to the Director at the address below.***

The arrangements are in transition, and it is appreciated that in some cases this may require volunteers to carry the expense a little longer. However, as the new procedure satisfies procedures for the proper management of funds, this is an essential and unavoidable change in procedure. To mitigate the impact, where volunteers face unacceptable levels of expense, a case may be made to the Treasurer, ideally following consultation with the Director, for consideration by Council.

Cost Control on Travel

Volunteers are reminded that ***it is very cost-effective to book transport well ahead of the event.*** Generally such dates are planned far ahead, and it is considered that a commitment to attend committee meetings should be made suitably in advance of the date. ***Budgets will be developed on the presumption that volunteers will take full advantage of the early booking of tickets.***

Future bidding procedures and budgets

Previously funds had been allocated on the basis of a bidding process from various committees and branches. This procedure worked with a Council overseeing operations in a highly devolved voluntary network. However Trustees - that is to say those legally responsible for the financial integrity of the operation (i.e. voting members of Council) - must scrutinise the management and allocation of those funds to an acceptable standard,

and must be happy with procedures, controls, *etc.*

Arising from the decision to close committee accounts costs are now claimed directly from the central funds. Such centralised funds will need to be managed through an agreed budget. Financial resources will need to be allocated to different areas of operations (administration, publications; research; outreach *etc.*), and authority to operate within that budget typically would be delegated to appropriate officers and committees, operating to a clear remit, and with the release of funds overseen by a Finance/Resources committee including paid (Director) and voluntary (Treasurer) officers. This structure will enable Trustees, through the operation of Council, to shape the direction of the Institute in an effective and informed manner.

A necessary outcome of the on-going changes to committee accounts, is that ***each committee will have made available to it a budget (funding, still to be agreed) and a remit (delegated powers, still to be defined) that will allow it to operate independently, reporting to council as necessary, and following directions of council when required.*** The Director, Chair, Council Officers, Committee Chairs and paid and voluntary officers will liaise as necessary to ensure procedures are operating in a satisfactory manner. While perhaps superficially vague, this scrutiny is in effect simply a development of what already operates in the Institute. Furthermore the improved financial controls will ensure a more detailed awareness of the operations of the organisation across the spectrum of its operations.

Budgets will be agreed by Council on an annual basis, with business plans, prepared with the assistance of the Director and other officers, detailing requests for exceptional expenditures. At present there is an existing allocation of funds already in operation, and the Treasurer and Director are working to develop this as a starting point for Council.

After Council agrees budgets, central funds will be drawn down by submitting expenses, bills, invoices *etc.* to the Director for payment. The Director, on behalf of the Treasurer/Finance Committee, and with their support, will ensure that systems are in place to limit the release of funds only where agreed budgets, remit or funding arrangements are in place. As these operational refinements are still under development, the procedures noted at the outset are considered to provide an acceptable interim arrangement.

Contacts

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