

	<p align="center">Delegation Of Authority By The Board Of The WCDHB Policy</p>	<p>Procedure Number <i>WCDHB-PF-0001</i></p>	<p>Version Nos: 6</p>
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Introduction

This Policy contains the following parts:

- The Policy statement, principles, processes and associated information as approved by the Board of the West Coast District Health Board and the Minister of Health, in accordance with the New Zealand Public Health and Disability Act 2000 (the Act). This includes delegation categories showing those delegations that the Board has retained.
- The Board's delegation to the Chief Executive Officer pursuant to the Policy of the power to make decisions on management matters relating to the District Health Board and the terms and conditions of such delegation.

The process to be used by the Chief Executive Officer to further delegate authorities is covered in a separate policy authorised by the Chief Executive Officer. That policy and its associated principles, processes and information may be amended from time to time by the Chief Executive Officer, provided it is not inconsistent with this Policy approved by the Board.

Purpose

In accordance with Section 25 of the Crown Entities Act 2004 (CE Act) the Board is the governing body of the West Coast District Health Board, with the authority, in the name of the West Coast District Health Board, to exercise the powers and perform the functions of the West Coast District Health Board.

All decisions relating to the operation of the West Coast District Health Board must be made by, or under the authority of, the Board in accordance with the Act and the Crown Entities Act 2004.

Under Section 26 of the Act, the Board of a District Health Board must delegate to the Chief Executive the power to make decisions on management matters relating to the District Health Board. Such delegation may be on terms and conditions the Board think fit.

This policy establishes the framework for the delegation of authority to the Chief Executive and the exercise of that delegated authority, to ensure the efficient and effective management of the District Health Board.

Policy

Every exercise of a power of delegation must comply with this Policy.

Pursuant to Clause 39(5) of Schedule 3 of the Act every delegation of any function, duty or power of the West Coast District Health Board (Board) must be in writing.

Pursuant to Clause 39(6) of Schedule 3 of the Act delegation of a function, duty or power is revocable and does not prevent the Board or the District Health Board from performing the function or duty, or exercising the power. Any revocation must be recorded in writing.

All persons have an obligation to ensure that they do not perform a function, duty or power beyond the scope of their delegated authority.

This delegation policy and any changes to it must be approved by the Board and the Minister of Health.

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The Chief Executive Officer can sub-delegate his or her power and authorities unless specifically not permitted to do so by the Board.

If a management decision is required urgently on a matter not covered by the delegated authority to the Chief Executive Officer, the Chairperson of the Board plus one Board member (jointly) have the Board's delegated authority to make decisions in such circumstances. The Chairperson must subsequently report any such decisions to the Board.

Pursuant to clause 39(8) of Schedule 3 of the Act any person who considers that they have or will have a conflict of interest with the West Coast District Health Board in the exercise of any delegation given by the Board must immediately disclose such conflict to the Board. Such a person who has been delegated authority from the Board, who is interested in a transaction of the West Coast District Health Board may not perform a function or duty, or exercise a power that relates to the transaction, except with the prior written consent of the Board.

Failure to comply with this Policy (and related policies and procedures of the West Coast District Health Board) may result in disciplinary action, up to and including termination of employment.

Review of Policy

This Policy can be reviewed by the Board at any time and must be reviewed within six months following each District Health Board election.

No delegation made prior to any review of this Policy is invalidated solely because of a review of the Policy. Any changes required to an existing delegation to comply with an amended policy must be notified in writing, and existing delegations remain in effect until such notification.

PRINCIPLES, PROCESSES AND ASSOCIATED INFORMATION

Authority must Exist

A person shall not commit the West Coast District Health Board to any obligation or incur any liability included in this Policy unless:

- They are one of the people authorised to do so in accordance with an actual delegation; or
- They have the required authority properly sub-delegated to them by a person so authorised; or
- The Board or the Chief Executive Officer specifically authorises the person in writing to make the commitment or incur the liability.

Revocation or Termination of Authority

Every delegation shall remain in force until it is revoked. The revocation must be in writing.

All delegations of authority are automatically revoked in respect of an individual upon the termination of employment of that person.

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The termination of employment will not affect the authority of those people who have been sub-delegated authority by that person.

All delegations of authority may be revoked in whole or in part at any time by the Board.

Where the Chief Executive Officer's employment terminates, the delegations will pass unchanged to the "Acting Chief Executive Officer" or the new Chief Executive Officer, unless otherwise resolved by the Board. That person will execute a new Instrument of Delegation.

Compliance with West Coast District Health Board policies and procedures

All delegated authorities are exercised on the Board's behalf and shall be exercised in accordance with other relevant policies and procedures set by the West Coast District Health Board from time to time.

Compliance with legislation and other Requirements

All delegated authorities shall be exercised in accordance with all applicable legislation and other binding directions upon the Board and the West Coast District Health Board. These include the Crown Entities Act 2004, the New Zealand Public Health and Disability Act 2000, the Operating Policy Framework, Ministerial direction and Cabinet direction.

Sub-delegation

Sub-delegation is the ability to delegate (pass on) a delegated authority, in whole or in part, to individuals or holders of specified positions.

A sub-delegation may only be further sub-delegated, wholly or in part, where specific authority to sub-delegate has been given (unless with the prior written approval of the Board).

These sub-delegations may be permanent to a person whilst holding the specified position or temporary for the duration of a specific event or period.

Notwithstanding any sub-delegation the delegator shall remain accountable for the exercise of the sub-delegated authority.

Where any delegation is revoked or amended (in whole or in part) the revocation or amendment shall specify the effect of that revocation or amendment on sub-delegations already in place.

Actions Exceeding Authority or Where in Doubt

Any proposed action that either exceeds the delegated authority limits specified in an instrument of delegation or is in areas outside the scope of the delegation, must be approved by a person with the necessary authority to approve that action.

Authority shall revert to the next higher level in cases of unplanned absence of the person given the sub-delegation.

Should there be any doubt as to authority to make the commitment the matter shall be referred to the Board (or if the matter is urgent, the Chairperson) for action.

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Expenditure of Public Money

All expenditure by a public entity (i.e. the West Coast District Health Board) is the spending of public money. Consequently, the expenditure should be:

- Subject to the standards of probity and financial prudence that are to be expected of a public entity (including “value for money”); and
- Able to withstand Parliamentary and public scrutiny.

Guidance is provided in the statements of good practice issued by the Controller and Auditor-General, for example “Procurement” and “Controlling Sensitive Expenditure: Guidelines for public entities”.

Access to Instruments of Delegation

Copies of the Instruments of Delegation approved by the Board and any revocations or amendments, shall be retained on behalf of the Board by the Chairperson. Copies of sub-delegated authority shall be retained by the person authorising the sub-delegation and by the person receiving the sub-delegation. Copies shall be retained in a manner to enable ready access for audit purposes.

Conflicts of Interest – Where delegations are given directly by the Board to a person

As required by the Act, a person (under this policy usually the Chief Executive or the Chairperson of the Board) who on any day is to perform a function, or duty, or exercise a power, delegated by the Board under the Act:

- Must, before performing the function or duty or exercising the power, consider whether or not he or she has (or, as the case requires, will have) on that day any conflicts of interest with the District Health Board; and
- If the person has (or will have) any such conflicts of interest, must give the Board a statement completed by the person in good faith that discloses those conflicts of interest, together with any such conflicts of interest the person believes are likely to arise in future; and
- If the person has (or will have) no such conflicts of interest, must be treated as if he or she had given the Board a statement completed by the person in good faith that states that the person has (or will have) no such conflicts of interest on that day.

Such a person (who has been delegated authority by the Board), who has completed a statement must inform the Board in writing of any relevant change in the delegate's circumstances affecting a matter disclosed in that statement, as soon as practicable after the change occurs.

Such a person (who has been delegated authority by the Board), who is interested in a transaction of the West Coast District Health Board may not perform a function or duty, or exercise a power that relates to the transaction, except with the prior written consent of the Board.

Powers, Duties and Functions Retained by the Board

The West Coast District Health Board operates in accordance with the principles of good governance. This means that irrespective of delegations properly made there will be occasions when a matter should be referred to the Board that might otherwise be dealt with under delegated authority.

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The following clauses refer to the functions, duties and powers the Board wishes to retain and the situations in which a matter otherwise delegated may be referred to the Board. The Board may from time to time retain such further functions, duties or powers as it so determines.

The Board will reserve the functions, duties and powers to itself as set out in Table 1

Table 1 - Board's Functions, Duties and Powers Reserved

Authority not to be delegated	Comment
Change the delegated authority policy issued by the Board of the West Coast District Health Board	The policy approved by the Board can be changed by the Board only. The Minister of Health's approval of any changes is required (clause 39(2) of Schedule 3 of the Act).
Entry into Co-operative Agreements or Arrangements	Approval of Minister required in the circumstances stated (refer section 24 of the Act)
New Section 88 notices – Arrangements relating to payments	Approval of the Board is required. Copies are provided to Parliament by the Minister of Health and the Minister's consent may be required in certain circumstances (refer sections 88 and 89 of the Act).
Hold any shares or interests in a body corporate or partnership, joint venture or other association of persons.	Approval of the Board and the Minister of Health required (refer Section 28 of the Act).
Settle, or be, or appoint a trustee of a trust	Approval of the Board and the Minister of Health required (refer Section 28 of the Act).
Sell, exchange, mortgage or charge land	Approval of the Board and the Minister of Health required (refer clause 43(1) of Schedule 3 of the Act).
Grant a lease or licence for land for a term of more than 5 years (including renewal periods)	Approval of the Board and the Minister of Health required (refer clause 43 of Schedule 3 of the Act).
Raise a loan for the Board other than as authorised by the Board	Any loans must be raised in accordance with regulations made under the Act or with consent of the Minister of Finance (refer clause 45 of Schedule 3 of the Act).
Invest money not immediately required other than within the constraints of the Board's delegated authority schedules and Clause 46 of Schedule 3 of the Act.	Clause 46 of Schedule 3 of the Act sets out a limited range of investment options. The delegated authority schedules authorise investment in a sub-set of this limited range.
Approve expenditure or asset disposals above the limits delegated by the Board to the Chief Executive Officer from time to time.	The Chief Executive must seek Board approval for expenditure or asset approvals in excess of the limits of the Board's delegation.

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Signing documents on behalf of the West Coast District Health Board

All contracts entered into by the West Coast District Health Board with external parties must be signed by a person who has the delegated authority to approve the commitments within the contract, except as provided below:

- Some documents known as “deeds” must be signed in accordance with strict legal requirements. Deeds must be signed by two Board members, or one Board member and an authorised signatory. All deeds must be referred to the Canterbury District Health Board legal department (which provides legal services to the West Coast District Health Board) for review prior to signature.
- Where the West Coast District Health Board is required to demonstrate duly authorised signatories approved by the Board, in the absence of any other specific authority from the Board, these are:
 - Chief Executive Officer
 - General Manager: Hospital and Support Services
 - General Manager: Community and Mental Health Service
 - Chief Financial Manager
 - General Manager: Planning & Funding

The Chief Executive shall determine any terms and conditions applicable to the signing of contracts (including deeds) by those duly authorised signatories, other than for those powers, duties and functions retained by the Board.



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West Coast District Health Board Instrument of Delegation

From: West Coast District Health Board Health Board

To: Chief Executive of West Coast District Health Board

As per Board Resolution number _____ Dated _____

This instrument grants you as Chief Executive, the power to make decisions on management matters relating to the West Coast District Health Board, and in accordance with the West Coast District Health Board policies. This instrument also sets out the limits (exclusive of GST) for various authorities. Outside the scope of your authority or above these limits, the Board must approve such items (where it is stated there is "no \$ limit", the expenditure must be within the West Coast District Health Board's budget in all cases).

Authority Type	Authority Limit	Ability to Sub-delegate
Capital Disposals	Up to \$500,000 per asset/event.	Yes
Capital Expenditure	Up to \$500,000 per asset/event.	Yes
Human Resources Collective Employment Agreement Individual Employee Agreement Contract Temporary Staff Recruitment of additional permanent Full-time equivalent staff Staff Restructuring	No \$ limit if within West Coast District Health Board budget for current and future years. No \$ limit. No \$ limit. No \$ limit per FTE if within West Coast District Health Board budget for current and future years. Up to \$500,000 per event.	Yes
Consultants and Contractors	Up to \$300,000 per event.	Yes
Other Operating Expenditure Procurement Contract Purchase of Goods and Services	No \$ limit, up to 3 year term. Up to \$500,000 per transaction.	Yes
Revenue Contract	No \$ limit, up to 3 year term.	Yes
Funding Contract	No \$ limit, up to 3 year term.	Yes
Financial Write-offs (per item) <i>The Chief Executive Officer is required to report write-offs over \$25,000 per item to the Audit, Risk and Finance Committee.</i>	Bad debts – up to \$50,000 Stock – up to \$50,000 Lost cash – up to \$2,500 Fixed Asset – up to \$100,000	Yes

Authorised on behalf of the Board:

Dr Paul McCormack
 Chair of West Coast District Health Board
 Date:

I acknowledge receipt of this Instrument, and confirm that if I have at any time any actual or potential conflict of interest in a transaction the subject of any delegation, I will immediately disclose this in writing to the Board.

Mr David Meates
 Chief Executive of West Coast District Health Board
 Date:

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