

	Delegation Of Authority To Staff Policy	Procedure Number <i>WCDHB-PF-0001</i>	Version Nos: 6
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Introduction

Under Section 26 of the New Zealand Public Health and Disability Act 2000 (the Act) the Board of a District Health Board must delegate to its 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 thinks fit.

The Board of the West Coast District Health Board has delegated power to make decisions on management matters. These delegations have certain limits, and the Board has retained certain matters for itself (refer “Delegation of Authority by the Board of the West Coast District Health Board” policy approved by the Board).

In accordance with his/her authority the Chief Executive Officer has approved this Delegation of Authority to Staff policy. This Policy also contains the form of Instrument of Delegation to be used when notifying individual sub-delegations. This form and its principles, processes and associated information within this Policy may be amended from time to time by the Chief Executive Officer, provided it is not inconsistent with the 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. The Board has delegated such power to the Chief Executive Officer.

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

Scope

This policy applies to all West Coast District Health Board staff and any person who is delegated authority by the Chief Executive Officer.

Policy

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

Every delegation of any function, duty or power of the West Coast District Health Board must be in writing.

Delegation of a function, duty or power is revocable and does not prevent the Board or any person who grants such a delegation 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.

	Delegation Of Authority To Staff Policy	Procedure Number <i>WCDHB-PF-0001</i>	Version Nos: 6
---	--	---	-------------------------------------

A person can only sub-delegate his or her authorities if they are specifically permitted to do so in their Instrument of Delegation.

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 members (jointly) have the Board's Delegated Authority to make such decisions in such circumstances. The Chairperson must subsequently report any such decisions to the Board.

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 person must immediately disclose such conflict. Such a person 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 prior written consent from their Manager.

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 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.

Compliance with Policy

Regular reviews will be conducted by the West Coast District Health Board's Internal Audit function to ascertain the level of compliance with the delegated authorities and associated policies. The District Health Board expects complete co-operation by all persons with this work.

	Delegation Of Authority To Staff Policy	Procedure Number <i>WCDHB-PF-0001</i>	Version Nos: 6
---	--	---	-------------------------------------

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 Chief Executive Officer specifically authorises the person in writing to make the commitment or incur the liability.

No authority to commit the West Coast District Health Board to any obligation or incur any liability with an external party exists for persons who are not employees unless that person (or class of persons) has been duly authorised under the authority of the Chief Executive Officer.

Revocation or Termination of Authority

Every delegation shall remain in force until it is revoked.

All delegations of authority are automatically revoked in respect of an individual upon the termination of employment of that person or if the person transfers to another role. The termination or change 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 or amended at any time by the person who has previously given the delegation, or by a person who otherwise has the authority to revoke the delegation. Where any delegation is revoked or amended (in whole or in part) the revocation/amendment shall specify the effect of that revocation or amendment on sub-delegations already in place.

Compliance with West Coast District Health Board policies and procedures

All delegated authorities are exercised on the District Health 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 (or otherwise with the prior written approval of the Chief Executive Officer).

	Delegation Of Authority To Staff Policy	Procedure Number <i>WCDHB-PF-0001</i>	Version Nos: 6
---	--	---	-------------------------------------

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/amendment shall specify the effect of that revocation or amendment on sub-delegations already in place. For example, the revocation or amendment of delegations may occur when budgets have been overspent, or as otherwise specified.

All revocations or amendments must be in writing.

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 Chief Executive Officer for action.

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 and any revocations or amendments shall be retained by the person authorising the sub-delegation and by the person receiving the sub-delegations. Copies shall be retained in a manner to enable ready access for audit purposes. Each West Coast District Health Board division shall retain copies in a central register, with a copy to Corporate Finance. In case of any conflict the most recent version shall be definitive.

Conflicts of Interest – Where delegations are given through the Chief Executive to Staff or other Persons

A person who on any day is to perform a function, or duty, or exercise a power, delegated in accordance with the policy:

	Delegation Of Authority To Staff Policy	Procedure Number <i>WCDHB-PF-0001</i>	Version Nos: 6
---	--	---	-------------------------------------

- 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 their Manager (with a copy to the General Manager of the Division) 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 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.

A person who has completed a statement must inform their Manager (with a copy to the General Manager of the Division) of any relevant change in the person's circumstances affecting a matter disclosed in that statement, as soon as practicable after the change occurs.

Copies of the statements referred to above shall be retained in a manner to enable ready access for audit purposes.

No person may perform any function, duty or exercise any power, where they have any conflict of interest unless they are specifically authorised in writing to do so.

All persons involved in procurement transactions/decisions are required to comply with the particular conflict of interest requirements in the Procurement and Tender Policies in addition to the requirements in this policy.

Signing documents on behalf of the West Coast District Health Board

This policy primarily deals with authority to approve items such as contracts for funding, revenue and expenditure.

In addition however this policy also specifies certain authorised signatories (see below). The authority to “sign” a document is not the same as the authority to “approve” the relevant expenditure. The signing of a contract can only occur if the required West Coast District Health Board processes for review and sign-off are completed.

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 or external legal firm for review prior to signature.

	Delegation Of Authority To Staff Policy	Procedure Number <i>WCDHB-PF-0001</i>	Version Nos: 6
---	--	---	-------------------------------------

- Where the West Coast District Health Board is required to demonstrate duly authorised signatories approved by 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
 - All Procurement Contracts over \$ 100,000 shall require the approval of the General Manager: Hospital and Support Services
 - All funding contracts over \$100,000 shall require the approval of the General Manager Planning & Funding, prior to signature.

Instruments of Delegation

Delegations of Authority pursuant to this policy shall be in writing, in the general form set out below:

Table 2 - Definitions

Capital Disposals	The disposal of capital assets belonging to the West Coast District Health Board, including selling, trading-in, exchanging, or gifting the asset or the right to use the asset.
Capital Expenditure	Expenditure on assets that have a useful life in excess of 12 months and which cost or have a value in excess of \$2,000 per item. The limit is the full value, excluding trade-ins or use of donated funds, and irrespective of the financing method.
Collective Employment Agreement	An employment agreement covering a number of staff. This includes the national MECA's (Multi-Employer Collective Agreements).
Contract for Service for Consultants and Contractors	A contract with any external individual or organisation to provide services such as professional or legal advice and/or tradesmen, where the individual(s) does not meet the Inland Revenue Department/ Employment Relations Act 2000 (IRD/ERA) criteria of an employee. Consultants and contractors for capital expenditure projects are covered under Capital Expenditure. Bureau staff and locums are covered under Contract Temporary Staff.
Contract Temporary Staff	A contract for service to provide labour-only services, such as bureau nurses and locums, to cover for short-term staff shortages.
Financial Write-offs	The process of removing assets from the Financial Accounts because they do not have any value. This could be because they no longer exist, are obsolete, or the debt is uncollectible.
Funding Contract	A contract (service agreement) to fund an external organisation to provide health and/or disability services on behalf of the West Coast District Health Board. All funding contracts are the responsibility of Planning and Funding. .
Individual Employment Agreement	An employment agreement covering one staff person.
Procurement	Procurement is the acquisition (buying) of goods and/or services from an external organisation on behalf of the West Coast District Health Board. Procurement usually involves a signed contract.
Procurement Contract	A contract to purchase goods and/or services, but excluding capital expenditure. Procurement contracts for services include utilities such as maintenance, power, communications, etc, but excludes service contracts for contract staff.
Purchase of Goods and Services	The ordering of goods and services that are required during the ordinary course of business, ie. operational expenditure. Orders are usually made via a West Coast District Health Board electronic ordering system or direct with a West Coast District Health Board approved supplier under the terms of a West Coast District Health Board procurement contract. Sub-delegated authorities may allocate reduced limits for some types of discretionary expenditure, such as travel, training, entertainment, etc.
Recruitment of additional permanent FTE staff	The recruitment of staff Full Time Equivalent (FTE) to additional (new) permanent positions in order to fulfil the District Health Board's requirements.
Staff Restructuring	The costs associated with any restructuring of the organisation, including any redundancy payments and the cost of any support services provided to affected staff.
Revenue Contract	A contract for the District Health Board to earn income from an external organisation by providing services. This includes the Ministry of Health, Accident Compensation Corporation (ACC), and the Clinical Training Agency.

	Delegation Of Authority To Staff Policy	Procedure Number <i>WCDHB-PF-0001</i>	Version Nos: 6
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NB: For more details refer to the relevant policies. For example: Capital Disposals, Capital Expenditure, Funding Contracts, Procurement & Tender, Purchasing and Revenue Contracts Policies.

Revision History	Version:	6
	Developed By:	Chief Financial Officer
	Authorised By:	WCDHB Board
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	Date Last Reviewed:	September 2011
	Date Of Next Review:	September 2013