

	<h2 style="margin: 0;">Interest Rate Protection Procedure</h2>	Procedure Number <i>WCDHB-PF-0006</i>	Version Nos: <h3 style="margin: 0;">3</h3>
---	--	---	--

1. Purpose

This Procedure is performed as a means of covering any changes in interest rates experienced by the West Coast District Health Board (WCDHB) through hedging.

2. Application/Responsibilities

This Procedure is to be followed by all WCDHB staff members and Board members.

3. Definitions

For the purposes of this Procedure:

Hedging is taken to mean a financial process that can be utilised to cover any changes in interest rates.

4. Responsibilities

For the purposes of this Procedure:

the **Chief Financial Manager** is required to:

- oversee all aspects of this Procedure.

WCDHB Staff and Board Members are required to:

- ensure they abide by the requirements of this Procedure.

5. Resources Required

This Procedure requires:

- i) Standing Order for the hedging

6. Process

- 1.00 The Board of the WCDHB may delegate authority to authorise interest rate hedging transactions to any two members of the Audit, Finance and Risk Committee, after the Chief Executive Manager and Chief Financial Manager have recommended such action to the Board in writing.
- 1.01 Authorisation is to be in the form of a Standing Order, authorising the set percentages of the organisations loan requirements to be hedged for predetermined set terms.
- 1.02 Under no circumstances is any person to authorise or undertake hedges greater in value than the WCDHB's anticipated loan financing.
- 1.03 The Chief Financial Manager is required to report details of any authorisation sought or gained and any hedging activities undertaken to the Board and to the Audit, Finance and Risk Committee at the meeting(s) following such authorisation sought or gained and any hedging activities undertaken.



Interest Rate Protection Procedure

Procedure Number
WCDHB-PF-0006

Version Nos:
3

7. Precautions And Considerations

- ➔ The Board of the WCDHB may delegate authority to authorise interest rate hedging transactions to any two members of the Audit, Finance and Risk Committee
- ➔ Authorisation is to be in the form of a Standing Order
- ➔ The Chief Financial Manager is required to report details of any authorisation sought or gained and any hedging activities undertaken to the Board and to the Audit, Finance and Risk Committee

8. References

Ministry of Health Operational Policy Framework

9. Related Documents

WCDHB Delegation of Authority Procedure

Revision History	Version:	3
	Developed By:	WCDHB Board
	Authorised By:	WCDHB Board
	Date Authorised:	December 2003
	Date Last Reviewed:	August 2010
	Date Of Next Review:	August 2012