



Danila Dilba
Health Service

DELEGATIONS OF AUTHORITY POLICY

This policy clarifies and documents the financial delegations of authority that apply within Danila Dilba Health Service.

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Relevant legislation:	Corporations (Aboriginal and Torres Strait Islander) Act 2006		
Related documents:	Danila Dilba Rule Book Board Charter		

Version control:		
Version	Date	Summary of changes
2.0	07.02.2017	Inclusion of reference to Chief Operating Officer
3.0	23.02.2018	Redraft of policy to: reflect current best practice, detail the standing powers and authorities delegated by the Board to the Chief Executive Officer and document the further delegations of those powers delegated to the Chief Executive Officer to the management.

1. PURPOSE

The matters reserved for decision by the Board of Danila Dilba Biluru Binnilutlum Health Service Aboriginal Corporation (**DDHS** or **Corporation**) are set out in the Board Charter. Subject to these, this policy is the mechanism by which the Board delegates specific standing powers and limits of authority to the Chief Executive Officer, including financial authorities. This policy also documents the further delegations of those powers delegated to the Chief Executive Officer to the management.

This policy clarifies and documents the financial delegations of authority that apply within DDHS so as to provide a transparent framework for decision-making and accountability within DDHS.

2. OBJECTIVES

Delegations of authority are intended to: (i) provide officers and employees with the level of authority necessary to discharge their responsibilities, (ii) ensure that powers and authorities are exercised by the most appropriate and best informed persons and (iii) enhance the efficiency and effectiveness of administrative processes.

The aim of this policy is to help DDHS employees understand their individual authority to make decisions, including commitments of expenditures, on behalf of DDHS.

3. KEY PRINCIPLES

- a) The powers of the Directors are set out in the DDHS Rule Book. The Directors may delegate any of their powers to a specific Director; committee of Directors, employee or any other person.
- b) Powers and authorities delegated by the Board to a specified committee or position (**Delegate**) may be sub-delegated. No delegation may be made to a non-employee.
- c) Each Delegate is responsible for the correct exercise of the delegations assigned to his position, including where the authority has been sub-delegated.
- d) Levels of authority are hierarchical through relevant lines of responsibility such that a Delegate's line manager may exercise the same level of authority as the Delegate
- e) No delegation exists where any potential exercise of that delegation would adversely affect the viability (financial or otherwise) of DDHS.
- f) A delegation cannot be exercised where the Delegate has a conflict of interest or where the delegation will result, either directly or indirectly, in any tangible benefit to the Delegate.

- g) All delegations of authority are to be exercised subject to budgetary limitations and in accordance with relevant operational policies, procedures and documentation.
- h) Sub-delegation on a temporary basis is appropriate in circumstances where the Delegate is absent for a period of less than two weeks by reason of authorised leave or secondment to other duties.

4. DELEGATIONS BY THE BOARD

The Board has established an **Audit and Risk Management Committee** and a **Nominations Committee** to assist it in fulfilling its duties and responsibilities. Each committee has its own charter and has been granted specific delegations by the Board.

The **Chief Executive Officer** is entrusted with all the Board's powers, authorities and discretions (with the power to sub-delegate) in relation to the operational running of DDHS, subject to the matters reserved for decision by the Board set out in the Board Charter. The resolution pursuant to which certain of the Board's powers, authorities and discretions are delegated to the Chief Executive Officer is set out in Appendix 1.

5. EXECUTION OF DOCUMENTS

The power of DDHS to make, vary, ratify or discharge a contract may be exercised by an individual acting with the Corporation's express or implied authority and on behalf of the Corporation.

A document may be executed by DDHS only if it is signed by: (i) two directors, (ii) one director and the corporation secretary (if any) or (iii) an agent duly authorised by the Board.

The resolution pursuant to which the Board has authorised the Chief Executive Officer to execute agreements, contracts, instruments or other documents on behalf of DDHS is set out in Appendix 1.

6. FINANCIAL AUTHORISATIONS

The Chief Executive Officer determines the financial authority limits that remain with the Chief Executive Officer and those that are to be further delegated to management.

The Financial Delegations Schedule set out in Appendix 2 details the financial authority delegations from the Chief Executive Officer to management. These delegations of authority are determined based upon the employee's position and may be revoked at any time by the Chief Executive Officer.

Delegates must not approve the incurring of, or the reimbursement of, their own expenditures or advances – even if it falls within their delegation limit. Such expenditure must be approved by another delegate with an appropriate level of financial authority.

The Board is to be advised by the Chief Executive Officer of any changes made to the Financial Delegations Schedule.

Financial authority and contractual signing authority are different types of authority. Employees should not enter into or sign agreements, contracts, instruments or other documents on behalf of DDHS without express authority from the Board to do so.

7. POLICY REVIEW

This policy will be reviewed annually or more frequently as required.

Appendix 1:
Board Resolution – Chief Executive Officer Delegation

The following resolutions were passed by the Board of Danila Dilba Health Service on 23 February 2018.

THAT:

- (1) the Board hereby entrusts to and confers upon the Chief Executive Officer all of its powers, authorities and discretions in relation to the management and day-to-day running of Danila Dilba Biluru Butji Binnilutlum Health Service Aboriginal Corporation (**DDHS**), with power to further delegate any such powers, authorities and discretions, and specifically all of its powers, authorities and discretions in relation to:
- (i) development and coordination of the strategic plan in consultation with Board;
 - (ii) preparing annual business plans and operating budgets for approval by the Board and, to the extent approved by the Board, implementing these plans and budgets;
 - (iii) prioritising and allocating resources to enable the achievement of the strategic objectives set by the Board;
 - (iv) promoting and monitoring of the safety and quality of client care delivered by DDHS;
 - (v) implementing a system, including a system of internal controls and audits, for the identification and management of material risks;
 - (vi) establishing appropriate systems and frameworks to enable DDHS to conduct its activities lawfully, ethically and in a culturally appropriate and safe manner;
 - (vii) authorisation (in advance) of the following expenditures:
 - regular operational payments, specifically payroll, taxation, insurance and superannuation payments, up to \$600,000 per payment;
 - non-capital expenditure in relation to the procurement or payment of goods and services up to \$150,000;
 - capital expenditure (excluding the purchase, sale or lease of any real property) up to \$300,000;
 - disposal of assets with a write down value of up to of \$50,000;
 - employee travel and related expenses up to \$20,000 per instance; and
 - reimbursement of employee expenses up to \$2500 per claim.
 - (viii) supervising and determining the roles, activities and responsibilities of the Executive Management Team;
 - (ix) monitoring employee development and recruitment, and dealing with deviations from planned performance; and
 - (x) implementing any policies, procedures and codes of conduct adopted by the Board.
- (2) the powers conferred by the Board upon the Chief Executive Officer in relation to the management and day-to-day running of DDHS include the authority to enter into agreements, contracts, instruments or other documents (other than land, property and funding agreements) on behalf of DDHS in relation to the matters set out above.

- (3) the Chief Executive Officer be authorised to approve any amendment to be made to, or variation of, a funding agreement entered into by DDHS, provided such amendment or variation does not result in an increase or decrease in the aggregate funds payable to DDHS of more than 20 per cent of the aggregate funds payable under the original funding agreement, and to sign any agreement, contract or other document in connection therewith on behalf of DDHS.