

Expenditure Delegations

1. Statement

The Department of Health (the department) *Expenditure Delegations Framework* for delegating expenditure authority ensures that the most appropriate individuals can act autonomously to make decisions on behalf of the Director-General.

This Guideline supports the Corporate Delegations Policy, Standard and Guideline and covers requirements and processes for nominating and managing expenditure delegations issued by the Director-General.

2. Scope

This guideline applies to all employees, contractors and consultants within the department's divisions and business units.

Compliance with this guideline is not mandatory, however sound and documented reasoning must exist for departing from the recommended principles within this guideline.

3. Requirements

3.1 Expenditure Delegations Framework

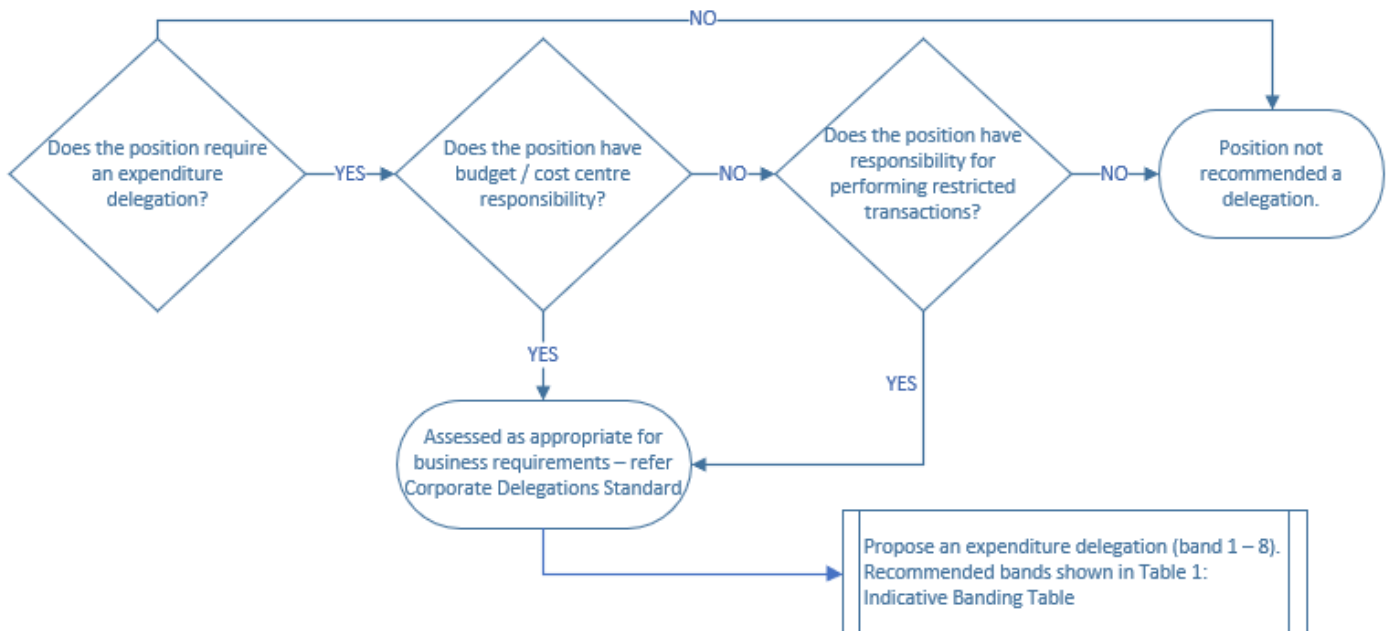
- 3.1.1 The *Expenditure Delegations Framework* outlines expenditure types and their threshold limits within each band.
- 3.1.2 The Expenditure Delegations are comprised of an Instrument of Delegation, a Restricted Transactions Schedule and an *Expenditure Delegations Schedule* for each division and business unit attached.
- 3.1.3 The Restricted Transactions Schedule details specific transaction types that can only be performed by a subset of the expenditure delegates and lists out the positions assigned authority to perform them and any specific expenditure thresholds.
- 3.1.4 The *Expenditure Delegations Schedules* detail the current list of positions within each division and business unit that are assigned an expenditure delegation and the bands that apply to those positions.
- 3.1.5 A position approved for expenditure delegations shall be assigned a single band from Bands 1 to 8 (indicative banding suggested in Attachment 1).
- 3.1.6 A position receives all delegation limits within the assigned band.
- 3.1.7 It is the responsibility of each business area to ensure an appropriate accountability structure, under which expenditure outside of a delegate's authority can be progressed to an alternative delegate.
- 3.1.8 Business rules regarding exercising expenditure delegations are contained in the Financial Management Practice Manual (refer section 7.2).

3.2 Delegations review

- 3.2.1** Review of the expenditure delegations schedule is coordinated by the Risk, Assurance and Information Management Branch (RAIM Branch), Corporate Services Division twice yearly.
- 3.2.2** It is the responsibility of business areas to take all necessary steps during each review to ensure proposed organisational changes have been considered and changes are reflected in the schedule.
- 3.2.3** Business areas are to regularly consider their expenditure delegations requirements in order to be able to anticipate possible future delegation requirements when responding to each review.
- 3.2.4** All reviews are briefed to the Director-General by the RAIM Branch, Corporate Services Division.
- Delegations are updated through a replacement Instrument including the associated *Restricted Transactions Schedule* and complete *Expenditure Delegation Schedules*. Expenditure delegation changes, including individual updates, do not occur in isolation from a revised Instrument and associated schedules.
 - Ad hoc requests for expenditure delegations are strongly discouraged, and business efficiency alone is an insufficient justification for such requests. Ad hoc requests shall only be considered when the request relates to exceptional circumstances that will significantly impact health service delivery or significant business outcomes. In such circumstances:
 - a risk based assessment must be undertaken that has determined it is necessary to action the ad hoc request rather than wait for the next standard review
 - consultation with the RAIM Branch must be undertaken prior to a formal request being made, and
 - any formal request must be made in writing from the relevant DDG/equivalent and be accompanied by rationale.

3.3 Assigning positions delegations

- 3.3.1** Each division/ business unit is to establish local processes for regular review of delegations consistent with the department's Corporate Delegations Policy and Standard.
- 3.3.2** The local process shall include a step for assessing each position using the following flowchart to determine if there is a business need for an expenditure delegation.



- 3.3.3** Further guidance on assessing a position's suitability for an expenditure delegation is contained in *Attachment 2 Expenditure delegations banding guideline checklist*.

3.4 Expenditure delegations banding exceptions

- 3.4.1** Any position assessed as potentially requiring an exception to the indicative banding table will be thoroughly assessed against the bands within the *Expenditure Delegations Framework* to determine if an alternative band is appropriate.
- 3.4.2** The *Expenditure Delegations Framework* is designed to ensure consistency throughout the department. The Indicative Banding Table (Attachment 1) identifies recommended bands for position titles and levels. Exceptions to the Indicative Banding Table are approved only in circumstances where there is a demonstrated business necessity.
- 3.4.3** Rationale supporting any departure from the Indicative Banding Table should be provided as part of the expenditure delegations review process.
- 3.4.4** Requests for exceptions will be reviewed on a case by case basis and will include a risk-based assessment, and an assessment of supporting documentation demonstrating the need for an exception.

3.5 Delegations monitoring

- 3.5.1** Regular review is undertaken to identify potential breaches in exercising expenditure delegations. The RAIM Branch is responsible for coordinating potential breach reporting.
- 3.5.2** It is the responsibility of Delegation Key Contacts to review the contents of the potential breach reports for their area of responsibility and take the necessary action to ensure transactions have been appropriately authorised. This action should be documented. Written advice confirming that appropriate action has been taken in relation to potential breaches must be provided to the RAIM Branch within ten working days of receipt of potential breach reports.
- 3.5.3** Inappropriate approvals once identified should be managed in accordance with organisational policy (e.g. Human Resources Policy E9), referred to the Ethical Standards Unit, and where required reported to the DDG or nominated officer for consideration in determining appropriate remedial action. The Guide to fraud and corruption control (The Plan) and the Financial Management Practice Manual also provide further advice on actioning suspected misconduct.
- 3.5.4** Actions not considered suspected misconduct are to be actioned in accordance with local business rules and processes for managing employee performance, and relevant human resources policies.
- 3.5.5** Further guidance on exercising and monitoring expenditure delegations is contained in section seven, Expense Management, of the Financial Management Practice Manual.

3.6 Responsibilities

Position	Responsibility
Deputy Directors-General/equivalents	Endorse positions assigned delegations including Expenditure Delegations Schedule, banding departures and exceptions. Appoint a Delegation Key Contact for the division/business unit.
Executives/senior management	Ensure staff holding delegations: <ul style="list-style-type: none"> understand the powers, limitations, and responsibilities of their delegation receive training at a level sufficient to enable them to carry out their responsibilities possess the skills and knowledge to effectively exercise delegations. Ensure acting arrangements are actioned within human resources practices to provide evidence of the period for which an officer occupies a position. Maintain oversight of delegations being exercised within their area of responsibility.
Delegation Key Contact	Coordinate divisional/business unit delegation review for

assessment and assignment.

Coordinate and respond to review of potential expenditure delegations breaches.

Risk, Assurance and Information Management Branch

Coordinate updates and briefings for approvals of all expenditure delegations on behalf of the department.
Provide a central point of coordination for expenditure delegations.
Coordinate Expenditure Delegation potential breach reporting.
Maintain the Expenditure Delegations Framework.
Ensure regular review of the Expenditure Delegations Framework.

Delegates

Understand their responsibilities before exercising delegations.

Acknowledge receipt/amendment/removal of delegation (for permanent and temporary arrangements).

Attend delegations training as required.

Exercise delegations in accordance with defined business rules of that delegation.

4. Legislation

- *Acts Interpretation Act 1954 (Qld)*
- *Constitution of Queensland 2001*
- *Crime and Corruption Act 2001 (Qld)*
- *Financial Accountability Act 2009 (Qld)*
- *Financial and Performance Management Standard 2009 (Qld)*
- *Financial Accountability Regulation 2009 (Qld)*
- *Public Service Act 2008 (Qld)*

5. Supporting documents

- Attachment 1 – Indicative Banding Table
- Attachment 2 – Expenditure Delegation Profiling Guide
- Attachment 3 – Visual aid – expenditure delegation exception reporting flowchart
- Control Framework for Expenditure
- Corporate Card Policy and Standard
- Corporate Delegations Policy and Standard
- Expenditure Delegations Framework
- Financial Management Practice Manual
- Fraud Control Policy and Implementation Standard
- Guide to fraud and corruption control (The Plan)
- Internal Control Framework
- Procurement Approval Policy
- Queensland Treasury 2012, Financial Accountability Handbook

6. Definitions

Term	Definition
Breach	For the purposes of this guideline, breach means an exercise of delegation by a delegate beyond the levels approved to their position, or by an individual with no approved delegation.
Delegate	A person occupying a position to which a delegation, authority, function or power has been delegated.
Delegation	A process where a person holding an authority, function or power authorises another to exercise the authority, function or power.
Exception	For the purposes of this guideline, 'exception' refers to a threshold for a specific delegation type approved for a position that varies from the band threshold in the <i>Expenditure Delegations Framework</i> .

Version Control

Version	Date	Comments
1.0	25 January 2017	Endorsed first version
2.0	11 July 2019	Minor review and updates to reflect changes under new Expenditure Delegations Framework

Attachment 1 – Indicative Banding Table

Band	Example Position Titles	Indicative Level	Indicative Functionality
Band 1	Director-General	HES/SES	Director-General (DG)
Band 2	DDG or equivalent	HES/SES	Deputy Directors-General (DDGs) or equivalent or a direct report to the DG Operational responsibility for a division/business unit
Band 3	Chief Officer/ Executive Director	HES/SES	A Chief Officer / Executive Director with a direct reporting relationship to a DDG or equivalent Operational responsibility for a Branch
Band 4	Chief Officer / Executive Director / Senior Director	HES/SES	A Chief Officer / Executive Director / Senior Director or equivalent with significant budget and leadership responsibilities within a division/business unit
Band 5	Senior Director / Director	HES/SES/SO	Senior Director or equivalent with direct reporting relationship to an Executive Director or equivalent Applies to Directors who are direct report to an Executive Director or equivalent
Band 6	Director	SO	Director or equivalent
Band 7	Manager / Team Leader	A07/A08	Manager or Team Leader who reports to a Director or equivalent
Band 8	Team Leader / Coordinator	A03 to A07	Team Leader who reports to a Manager or equivalent

Expenditure Delegations Profiling Guide

Attachment 2 – Expenditure Delegations Guideline

This guide has been developed to assist divisional and business unit staff involved in profiling positions within the banded Expenditure Delegations Framework. Additional guidance and profiling support can be provided by the Risk, Assurance and Information Management Branch.

Profiling Guide

Context		
Review relevant position banding material including current Expenditure Delegations Schedule, Department of Health Delegations Standard, Department of Health Expenditure Delegations Guideline)		
Review		
When reviewing delegations, consider the following		
1.	Have all business areas been considered?	
2.	Does a position that currently does not have a delegation now require a delegation?	
3.	Does a position that currently has a delegation still require a delegation?	
4.	Is the position number current / correct?	
5.	Is the allocated band sufficient or relevant?	
6.	Is the position active? (delimited positions cannot be assigned a delegation)	
7.	Position number is a permanent or temporary position (not a contractor)	
8.	Position number is in correct personnel area	
9.	Check for duplicate position numbers	
10.	Position number is assigned to correct position title	
Assess		
Individually assess each position within your division / business unit that may require an expenditure delegation. Consider:		
1.	What are the business requirements?	
2.	What levels of accountability are appropriate?	
3.	The empowerment of staff to operate whilst enabling efficient and effective use of resources.	
4.	The mix and profiling of positions that require delegations.	

5.	Whether the position has responsibility for a cost centre / budget, restricted transaction or corporate card.	
6.	Consider positions that currently have or require delegations to operate within S4 HANA.	
Assign		
Use the Expenditure Delegations Guideline to assign a band that has the appropriate level of delegation to positions that may require a delegation. Many positions will not require a delegation. Consider:		
1.	The responsibilities of the position.	
2.	What functions the position performs.	
Recommend and Submit		
Submit list of positions with assigned delegation bands in the review template to the DDG for endorsement.		

Attachment 3 - expenditure delegation exception reporting flowchart

