

## Guidance: delegations under the Government Sector Finance Act 2018

### The Context

The GSF Act 2018 enables the Treasurer, Ministers and Accountable Authorities to delegate a broad range of responsibilities and powers as well as permitting their delegates to subdelegate. This includes (but is not limited to) functions regarding:

- the expenditure of money
- making payments out of Consolidated Fund; and
- making payments out of an account within the Special Deposits Account (SDA) or statutory special purpose fund.

### The Accountable Authority's responsibilities

The Accountable Authority for an agency is responsible for ensuring that expenditure of that agency is done in a way that is authorised (section 5.5(1) of the GSF Act). Ensuring that all expenditure of the agency is done in a way that is authorised requires:

- identifying the source, or sources, of the authority to spend (such as from an annual appropriation act or from the instrument establishing an account within the SDA)
- ensuring valid and up to date delegation instruments are in place, including updating delegation instruments, if necessary, as soon as possible after a machinery of government change.
- developing, maintaining and making available financial management policies and procedures appropriate to the agency
- establishing and maintaining effective systems of financial management, internal control, assurance and compliance.

### Responsibilities of Government Officers

Government Officers must ensure that expenditure of money they undertake for the State or the GSF Agency they work for is done in a way that is authorised. Ensuring that expenditure is done in a way that is authorised requires Government Officers to understand and apply applicable delegations, sub-delegations, policies, processes, controls and systems.

### Additional Considerations for establishing delegation frameworks

There are some important considerations when establishing delegation and subdelegation instruments, policies, procedures and systems, including:

- The Annual Appropriations Acts appropriate sums to the Cluster Lead Minister for the purposes of the Cluster and separately for the purposes of special offices. Expenditure of Consolidated Fund under the authority of the annual appropriation can only be done in accordance with a valid delegation from the relevant Cluster Lead Minister.
- Many agencies are funded via cluster grants under the authority of the Cluster Lead Minister. When a cluster agency receives a cluster grant, they will also need a valid delegation from the Cluster Lead Minister to be able to spend that cluster grant.
- For deemed appropriations, a delegation or sub-delegation from their responsible minister(s) is required to spend money from Consolidated Fund under the authority of that deemed appropriation. Where the agency has more than one responsible minister, the delegation must be signed by all the responsible ministers.
- To make payments out of an account within the SDA or from a statutory special purpose fund, those payments must be made in accordance with appropriate delegations and sub-delegations consistent with the instrument establishing that account, for example the establishing legislation.