

1958/52



## THE HOSPITAL BOARDS FINANCE REGULATIONS 1958

COBHAM, Governor-General

### ORDER IN COUNCIL

At the Government Buildings at Wellington this 8th day of April 1958

Present:

THE RIGHT HON. W. NASH PRESIDING IN COUNCIL

PURSUANT to the Hospitals Act 1957, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following regulations.

### REGULATIONS

1. These regulations may be cited as the Hospital Boards Finance Regulations 1958.

2. In these regulations, unless the context otherwise requires,—

“The Act” means the Hospitals Act 1957:

“Equipment” includes any plant, machinery, apparatus, instrument, appliance, floor covering, furniture, or furnishing, whether fixed or not, and any vehicle, and any bedding, kitchenware, or tableware, and any implement, tool, or other chattel:

Expressions defined in the Act have the meanings so defined.

#### PART I—ANNUAL ESTIMATE OF PAYMENTS AND RECEIPTS

3. The annual estimate of payments and receipts required to be prepared by every Board under section 88 of the Act shall be prepared in such form and manner, and shall contain such particulars, as may be determined from time to time by the Minister.

4. The estimate shall be confirmed at a special meeting of the Board to be held in the month of April in the year to which the estimate relates.

5. The estimate shall be sent to the Director-General, for submission to the Minister, not later than the 30th day of April in the year to which it relates.

## PART II—CONTROL OF EXPENDITURE

6. (1) In this Part of these regulations, unless the context otherwise requires, the term "expenditure" means the total amount proposed to be expended for any purpose, irrespective of the financial year or years in which the expenditure is brought to charge; and includes any expenditure in respect of which any Board has entered into or proposes to enter into any commitment; and also includes—

- (a) In the case of the initial equipment of any institution, or of any part of any institution, the value of any equipment transferred to that institution from any other institution, or to that part from any other part of the same institution:
  - (b) In the case of additional equipment for any institution, the value of any equipment transferred from any other institution.
- (2) In determining the amount of any expenditure for the purposes of this Part of these regulations, the following provisions shall apply:
- (a) No deduction shall be made for any trade-in allowance, or any set-off, available to a Board, or for the sale value, book value, or exchange value of any asset being replaced:
  - (b) The total estimated cost of the thing to which the expenditure relates shall be stated, including, where appropriate, professional fees, costs, or expenses, the cost of installation or erection, the cost of accessories, attachments, fittings, or connections, and any other items which in the opinion of the Director-General form part of the cost and should be included:
  - (c) Where expenditure for the acquisition of any additional equipment, or for the renewal or replacement of any existing equipment, is or will be incurred at different times or by procurement from different sources, any separate payments made or to be made in respect of the total cost so incurred shall not be deemed to be separate items of expenditure.

7. (1) Except with the prior consent of the Minister, no Board shall incur any expenditure—

- (a) In the acquisition of any land or building:
  - (b) In the improvement or development of any land or the erection, improvement, or alteration of any building:
  - (c) In the acquisition of any additional equipment for any institution; or in the permanent improvement, renewal, or replacement of any existing equipment in excess of such sum as may be determined from time to time by the Minister:
  - (d) In respect of any scheme or proposal for the acquisition of additional articles of equipment for any institution; or in respect of any scheme or proposal for the permanent improvement, renewal, or replacement of existing articles of equipment in excess of such sum as may be determined from time to time by the Minister.
- (2) Notwithstanding anything in subclause (1) of this regulation, the consent of the Minister shall not be required in respect of expenditure to which that subclause applies if—
- (a) The expenditure does not exceed £250, or, in the case of any scheme or proposal to which paragraph (d) of that subclause applies, £500 (irrespective of the value of any particular article); and

- (b) Specific provision for that expenditure is made in the Board's estimate for the then current financial year, as approved by the Minister, or, if that estimate has not been so approved, either in the approved estimate for the preceding financial year or in a preliminary estimate for the then current financial year confirmed by the Minister under section 88 (3) of the Act.

8. (1) Notwithstanding anything in subclause (2) of regulation 7 hereof, where no specific provision has been made in any estimate in accordance with that subclause, the Minister may grant approval for any Board to incur any essential expenditure not exceeding the said sum of £250 or the said sum of £500, whichever sum is applicable to the case.

(2) In granting any approval under this regulation the Minister may fix different amounts in respect of different items of expenditure or items of different classes or in different circumstances.

9. The Minister may from time to time, by notice in writing to any Board, fix the maximum amount that the Board may expend during the then current or the next ensuing financial year on any item or class of expenditure specified by the Minister; and for the purposes of this regulation any sum that would customarily be paid during any such year shall be deemed to be expended in that year whether the liability therefor is incurred in that year or not.

10. On receipt of the said notice it shall be the duty of the Board so to manage its affairs as to limit its expenditure on any item or class of expenditure specified in the notice to the amount fixed in respect thereof by the notice; and it shall be illegal for the Board to expend any sum in excess of the amount so fixed:

Provided that any expenditure occasioned by an emergency which could not have been reasonably foreseen shall not be taken into account for the purposes of this regulation.

11. The Minister may at any time, by notice in writing to any Board, require the Board to furnish such statements, reports, or other information as may be specified in the notice as to its actual or proposed expenditure on any item or class of expenditure, and it shall be the duty of the Board to furnish the statements, reports, or other information within such time as may be specified in the notice.

### PART III—RECEIPT AND CUSTODY OF MONEY

12. (1) Except as may be approved by the Audit Office from time to time, where any money belonging to any Board, or for which the Board is responsible, comes into the hands of any officer or employee of the Board, that officer or employee shall within seven days after the money comes into his hands, or within such shorter period as the Board from time to time directs, pay it to the Treasurer or to such other officer of the Board as the Board from time to time directs.

(2) All money received by the Treasurer or such other officer as aforesaid shall, if possible, be paid into the Board's banking account daily, and in any case not later than four days after its receipt.

13. (1) Except as may be approved by the Audit Office from time to time, every person paying any money to any Board shall be given a receipt for it on a form provided by the Board and signed by an officer of the Board authorised to receive money on its behalf.

(2) All forms of receipt shall be numbered consecutively; and the persons responsible for the issue of those forms shall account for the issue thereof.

14. No payments shall be made except such as are covered by cheques specially drawn for the purpose or purposes stated to the Board.

15. Every person entrusted with the expenditure of any money belonging to any Board shall account to the Board for the money so expended.

16. Except as may be approved by the Audit Office from time to time, receipts shall be obtained for all payments made by a Board, and the receipts shall be attached to an account clearly showing the nature of the expenditure.

17. Every Board shall cause to be kept such books and records as may be required to comply with the requirements of the Act.

18. At least once a year, every Board shall review all debts owing to it at the close of the previous financial year, and after due and proper inquiry shall cause to be prepared a schedule in respect of the amounts that in the opinion of the Board are irrecoverable. Those amounts shall forthwith, by resolution of the Board, be written off.

19. Except as may be approved by the Audit Office from time to time, before any person appointed as Secretary, Treasurer, accountant, or cashier to any Board enters on his duties, the Board shall take sufficient security from him for the faithful execution of his duties.

#### PART IV—REVOCATIONS

20. (1) The following enactments are hereby revoked, namely:

(a) Regulations 20 to 37 of the regulations made under the Hospitals Act 1926 on the 13th day of April 1927,\* and the First and Second Schedules to those regulations:

(b) The Hospital Boards' Expenditure Regulations 1948†.

(2) Without limiting the provisions of the Acts Interpretation Act 1924, it is hereby declared that the revocation of any provision by these regulations shall not affect any document made or any thing whatsoever done under the provision so revoked or under any corresponding former provision, and every document or thing, so far as it is subsisting or in force at the time of the revocation and could have been made or done under these regulations, shall continue and have effect as if it had been made or done under the corresponding provision of these regulations, and as if that provision had been in force when the document was made or the thing was done.

T. J. SHERRARD,  
Clerk of the Executive Council.

## EXPLANATORY NOTE

*This note is not part of the regulations, but is intended to indicate their general effect.*

These regulations replace the regulations of 1927 relating to accounts of Hospital Boards, and the Hospital Boards' Expenditure Regulations 1948.

Part I of these regulations requires every annual estimate of a Hospital Board to be prepared in a form to be determined from time to time by the Minister of Health. The estimate is to be confirmed at a special meeting of the Board to be held in April in the year to which the estimate relates, and is to be sent to the Director-General not later than the 30th of April.

Part II relates to the control of expenditure by Hospital Boards, and specifies the cases in which the prior consent of the Minister to expenditure is required. Regulations 9 to 11 re-enact the provisions of the Hospital Boards' Expenditure Regulations 1948.

Part III contains miscellaneous provisions relating to the receipt, banking, and custody of money by Boards, the payment of money, and the keeping of books and records. Regulations 12 (1), 15, and 19 are new. The remaining regulations in this Part re-enact, with modifications and amendments, provisions of the regulations of 1927.

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Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 10 April 1958.

These regulations are administered in the Department of Health.