

Public Hospital, Multi Purpose Service and Early Parenting Centres

Board Director Position Description

OFFICIAL

The board and the individual directors of a public hospital, multi purpose service or early parenting centre (collectively known as health services), have formal duties and responsibilities to the Minister for Health (the Minister), the Secretary of the Department of Health (the department) and the public (the stakeholders).

Our Health Services

Public hospitals deliver health, mental health and aged care services in rural and regional Victoria and are integral parts of the Victorian health system which promotes and protects Victorians' health.

Multi purpose services provide a range of health and community services that best meet local community need. This may include public hospital services, health care services, aged care services, community care services.

Early Parenting Centres are state wide early intervention and prevention health services. Their purpose is to provide parenting support to families during pregnancy and with children from birth to school age. They are part of a broader range of early intervention services which include Child FIRST and Integrated Family Services and Cradle to Kinder and are accredited health services specialising in parenting, infant health and early childhood development.

Role of the Board

The role of a health service board is to oversee the performance of its health service and ensure that it is meeting the policy and performance objectives of the Minister. The board is held to be ultimately responsible for all aspects of the health service's activities. This includes, among other things:

- setting the vision, strategy and direction of the organisation, in line with Victorian Government policy
- having ultimate accountability for the delivery of safe and quality care
- succession planning, performance management and, if required, the removal of the CEO
- overall oversight of the performance and delivery of key policy priorities
- ensuring the ongoing financial viability of the organisation.
- The functions of the board are varied and cover accountability to stakeholders and leadership both internally and externally, now and into the longer term. Collectively, the board is responsible for creating a governance environment that acts in the best interests of the entity and drives performance.

Role of the directors

Board directors are an integral part of Victoria's health system and our health services cannot operate without them. Appointed by the Minister with advice from the Selection Committee of each individual board, and from the department, directors are Australian citizens or permanent residents and preferably members of the Victorian public. They are selected for the skills, experience and capabilities that they have developed from their personal and professional activities, and which they will continue to develop while on the board.

Board directors are expected to:

- Commit to the delivery of safe, high quality, person-centred care – a genuine interest in the fundamental purpose of the organisation and its role in the health care service system
- Use and interpret complex information – understanding the need for information on which to base decisions
- Have integrity and be accountable – dedication to fulfilling a director's duties and responsibilities, putting the organisation's interests before personal interests and acting ethically
- Provide constructive challenge and oversight - the curiosity to ask questions and the courage to persist in asking, and to challenge management and fellow board directors where necessary.

Legislative framework

The *Health Services Act 1988 (Vic)* (**HSA**) establishes the boards of Victoria's health services, and defines their duties, rights and responsibilities. The board ensures where applicable the Minister and the Secretary are advised about significant board decisions and are informed in a timely manner of any issues of public concern or risks that affect or may affect the healthservice.

The *Financial Management Act 1994 (Vic)* also applies to the financial administration of the public sector, including health services.

Expectations of board directors

- Be aware of the Health Services Act 1988 and other applicable legislation and regulations.
- Commit the time required to fully exercise the duties required of the position (approx. 8 hours per month to prepare for and attend board and committee meetings). Time is needed to:
 - Attend, as a minimum, 75 percent of the approximately 11 board meetings per year (these are usually held late afternoon or evening. Refer to the health service for details);
 - participate on standing and ad hoc committees of the board (there will be a minimum of two committees, dedicated to Quality and Safety and Finance and Audit);
 - review agenda items, board papers and minutes; and
 - attend events where the health service requires representation.
- Develop a full understanding of the organisation's finances, scope of service, strategic context and legal framework.
- Adhere to the relevant obligations and duties set out in the Victorian Public Sector Commission's (VPSC) Directors' Code of Conduct¹ and the department's Director's Toolkit² (namely the 'conduct, ethics and fiduciary duties' and 'statutory duties' chapters).

¹ Available from: <https://vpsc.vic.gov.au/resources/code-of-conduct-for-directors/>

² Available from: <https://www2.health.vic.gov.au/hospitals-and-health-services/boards-and-governance/education-resources-for-boards/directors-toolkit>

- Undertake any training and development required in order to fully discharge their responsibilities.

Indemnification and remuneration

The health service indemnifies board directors so that they are not personally liable for anything done, or omitted to be done, in good faith when carrying out their duties. Any liability resulting from an act or omission attaches instead to the health service.

Directors are also entitled to remuneration for their services as a director of a public board. Remuneration rates are reviewed annually and are published for each board on the department website³.

Key Selection Criteria

Minimum individual capabilities

All applicants are required to demonstrate a basic knowledge and understanding of the following concepts that will equip them to perform the role of a director, and which will be developed further if appointed:

1. Governance – the role of the board, its relationship to management and the accountability mechanisms for the public health service, including the board's ultimate accountability to the Minister for Health
2. Clinical governance – mechanisms to ensure the delivery of safe, high quality services (noting that all new directors will be provided training in the Victorian Clinical Governance Framework)
3. Financial literacy – the ability to understand and interpret financial reports, in particular the audited financial statement in the organisation's Annual Report, to determine the financial health of the organisation
4. Legal literacy – the ability to understanding the legal framework within which a public health service board operates, including its primary obligations under the Health Services Act.

Board specialist capabilities

Ideally, boards are required to cover all specialist capabilities outlined below. The department has identified 13 capabilities which are the focus for recruitment to the boards of all public hospitals and multi purpose services. These are grouped into two tiers:

- Tier 1 – necessary skills that should be present on each board; and
- Tier 2 – important skills that are desirable for a board, and the extent of the requirement can be dependent on the strategic plans of the entity.

A board has collective responsibility for decision making and each director is equally responsible for decisions made. However directors will have varying levels of expertise in the defined capabilities. In ensuring that the Tier 1 capabilities (and Tier 2 when required) are present on the board applicants are asked to nominate, and provide supporting information on, their three primary skills. Applicants will be on a spectrum of capability, with boards seeking applicants who could be classified as 'experts' or 'above average' in their nominated skill. Applicants will also be able to indicate secondary skills. These are additional skills that a candidate will possess in addition to their three primary skills and will need to meet the definitions outlined in the position description.

Applicants should articulate in their application (and at interview if required) the expertise in the areas identified as their primary skills / expertise, and how it was obtained, for example: professional qualification, vocational experience and/or prior board experience.

³ Available from: <https://www2.health.vic.gov.au/about/publications/policiesandguidelines/board-remuneration-guidance-public-hospitals-multi-purpose-services>

Tier 1 – Specialist skills necessary for a board

1. Audit and risk management
2. Clinical governance
3. Corporate governance
4. Financial management and accounting
5. Law
6. Patient (user) experience and consumer engagement
7. Registered clinician
8. Strategic leadership / Executive management

Tier 2 – Specialist skills important for a board

1. Asset management
2. Communications and stakeholder engagement
3. Community Services
4. Human resources management
5. ICT strategy and governance

Board Director Skills Capability Framework

The department has developed the Board Director Skills Capability Framework (the framework) to enable measurement of capability against each of the 13 skills listed above. The framework defines the capabilities required for health service boards. Each specialist skill category has three different levels of capability ranging from foundational, proficient and advanced.

Directors appointed to a board are assumed to be proficient in the skills that they have nominated as primary, and are expected to attain the foundation capability level on all remaining non-assessed skills (with the exception of registered clinician) within their first year after appointment.

The framework is to be trialled for 2022 applicants who are to be assessed against the proficient standard. Applicants who meet these standards will be preferred, but it not mandatory in this round that all recommended appointees are proficient.

For further information about the framework refer to <https://www2.health.vic.gov.au/hospitals-and-health-services/boards-and-governance/current-appointment-processes>

Tier 1 specialist capabilities – Necessary (8 in total)**1. Audit and risk management****Audit:**

- Has professional expertise and or qualifications in examining financial reports
- Knowledge of legal and regulatory requirements, especially those pertaining to the health sector, and experience of monitoring compliance.
- Can apply this to broader risk frameworks and risk mitigation, in addition to codes of practice to comply with the range of internal controls required of a major entity.

Risk management:

- Has professional expertise and or qualifications in identifying, assessing and responding to strategic, financial, operational and reputational risks so as to mitigate their impact or maximise the realisation of opportunities.
- It would be advantageous if the candidate can demonstrate experience in performing / evaluating financial and/or non-financial (performance) audits or similar program/policy evaluations.
- Understanding of the Department of Health Integrity Governance Framework

The proficient candidate will have a minimum of 5 years' experience, been a member of an audit committee or experience dealing with an audit committee, can identify risks from financial reports and has experience using audit and assurance tools. Membership of Certified Practising Accountants Australia, Chartered Accountants Australia and New Zealand or equivalent would be an advantage.

2. Clinical governance

- Understands and has experience in the application, design and evaluation of clinical governance systems to ensure the provision of safe clinical care and drive continuous improvement of patient outcomes.
- Knowledge and understanding of current clinical governance frameworks,⁴ and accreditation frameworks and processes is desirable.
- Ability to critically analyse and interpret data to facilitate continuous evidence based quality improvement.

The proficient candidate will have a minimum two years' experience in the application of operational clinical governance within a health related sector, experience in a health-related quality and safety committee or similar, demonstrated understanding of preventative strategies and oversight of clinically safe care and an understanding of the incident reporting and management process for the notification and review of sentinel events and incident severity (ISR categories).

3. Corporate governance

In addition to the sufficient governance knowledge expected as a minimum capability, candidates should possess:

- demonstrated experience and working knowledge of corporate governance, including the separation of governance and management, and the roles, duties and obligations of non-executive directors
- a strong understanding of the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled in organisations
- knowledge and understanding of relevant fiduciary and other statutory and legal duties of a director in a public health context, including the Victorian Public Sector Commission's Director's Code of Conduct and the duties contained within as well as a director's direct accountability to the Minister for Health.

The proficient candidate will have demonstrated experience in corporate governance in a medium-large organisation (e.g. Company Secretary) or at least 5 years as a board director (or executive reporting to the board) of a medium-large organisation. They will have a demonstrated capacity to lead and to make decisions autonomously in relation to large organisations and/or boards. Completion of the Australian Institute of Company Directors, including assessments – Company Directors Course or completion of Governance Institute of Australia's Effective Directors Course would be an advantage.

4. Financial management and accounting

- Has professional expertise adequate to meet the requirements of the *Financial Management Act 1994* and the accompanying Standing Directions of the Minister for Finance
- Demonstrated, via qualifications and/or experience, advanced financial literacy to read and understand financial statements (including income statement; balance sheet; statement of recognised income and expense; and, cash flow statement and notes to accounts) and understand generally accepted accounting principles
- Experience in financial oversight; preparation and delivery of budgets; and, interpreting a chart of accounts of a large entity
- Expertise and experience in the efficient and effective governance of finances to accomplish the objectives of an organisation, including analysing statements, assessing financial viability, overseeing financial planning and funding arrangements.

Professional qualifications in accounting and professional recognition is desirable (particularly CA, CPA or equivalent) and in some cases will be required as a minimum due to the size and complexity of certain public health services and hospitals.

The proficient candidate will have a high level of knowledge of financial management practices plus awareness of the complexity of the Financial Management Act requirements and Standing Directions. They will have a minimum of 5 years' experience, been a member of an audit and risk committee or have comparable experience dealing with an audit committee as well as an ability to analyse financial results for trends and risks. Membership of Certified

⁴ Relevant clinical governance framework (as at June 2018) is Safer Care Victoria's 'Delivering high-quality healthcare: Victorian clinical governance framework'. Available from: <https://bettersafecare.vic.gov.au/reports-and-publications/clinical-governance-framework>.

Practicing Accountants Australia, Chartered Accountants Australia and New Zealand or equivalent would be an advantage.

5. Law

- At a minimum, the candidate **must** be admitted to the legal profession as an Australian Lawyer and **must** hold a current Victorian practising certificate (or equivalent Australian practising certificate) or have held one within the last three years and is eligible to apply for a Victorian practising certificate. A copy of the candidate's current (or previously held) practising certificate must be included with their application.
- Demonstrated capacity and/or experience of interpreting and applying legislation relevant to health and administrative law Acts, (e.g. *Health Services Act 1988*, *Public Administration Act 2004*, *Financial Management Act 1994* and *Public Interest Disclosures Act 2012*).

It would be advantageous if the candidate has practiced law within the fields of health law; mental health law; industrial relations; corporations/governance law; and/or administrative law.

In addition to the above, the proficient candidate will have a minimum of 5 years' experience in legal practice or industry, demonstrated understanding of existing legal compliance registers and systems within an organisation. They will also have a demonstrated ability to identify basic legal issues and demonstrated knowledge and experience in privacy legislation and the health system regulatory framework.

6. Patient (user) experience and consumer engagement

- Has extensive experience as a user of health services (or as carer/guardian of a person who is a frequent user) and is able to facilitate engagement with consumers, and use consumer feedback to drive hospital-wide improvements in patient centered care. Can offer insight into promoting shared decision making.
- May also have experience in spaces that tap into the views of patients more generally to provide a broad and authentic perspective on behalf of patients (for example consumer advisory or complaints management and response committees)
- May also have specific skills and experience in engaging with consumers, particularly in the health sphere or other public service delivery organisation would be advantageous to enable directors to represent the views of health consumers (generally) at the board level.

The proficient candidate will have significant experience as a patient or family/carer of a patient accessing the health system regularly each year. Using this experience they will have a sound knowledge of patient systems and processes and/or good engagement skills (e.g active directorship of a health consumer group/committee or specific training as a consumer advocate in healthcare).

7. Registered Clinician

- An applicant **must** possess appropriate qualifications in a relevant clinical field, i.e. medicine, nursing, midwifery or allied health and who has worked within the public health system and/or had exposure to quality and safety processes in the public health context.
- The applicant must hold (and, while a member of the board, maintain) current registration for active practice with the Australian Health Practitioner Regulation Agency (AHPRA). Active practice registration with AHPRA is defined as practitioners who do not have a non-practicing status, and who are not suspended, or otherwise have a condition, undertaking or notation that stops or restricts practice. AHPRA registration number must be included in your application.
- The candidate should be able to demonstrate an understanding of contemporary clinical practice, have a broad understanding of public/population health and the social determinants of health, and the importance of and mechanisms for patient centered care.

The proficient candidate will have a minimum of 5 years' experience and knowledge and participation in patient safety and/or morbidity and mortality review systems, and/or health management.

8. Strategic leadership

- Ability to identify and critically assess strategic opportunities and threats to an organisation and develop objectives and strategies in the context of organisational policies. Demonstrates strategic thinking, planning and leadership skills, and experience of high-level decision-making.

- Strong board level experience as an executive or non-executive director, and/or strong experience in an executive role reporting to a board, and/or experience as a manager, facilitator/consultant in the development of strategic plans and aligning these with delivery of outcomes by an entity.
- Experience in the above strategic leadership facets with a focus on ensuring quality and safety of clinical care will be highly regarded.

The proficient candidate will have either a minimum of 5 years' experience as CEO or a senior executive; or significant board experience of a medium-large organisation gained through guiding the strategic direction of the board. They will have proven experience in leading an organisational strategy with moderate improvements to KPIs or organisational / financial structures and a capacity to deal with current opportunities and threats.

Tier 2 specialist capabilities – Important (5 in total)

1. Asset management

- Has experience of overseeing the planning, management and renewal of major assets, including buildings and other infrastructure.
- Qualifications in engineering, planning, land management, construction or similar would be advantageous.
- Demonstrated experience in using best practice systems to monitor and maintain things of value to an entity or group. This would include tangible (for example, buildings, equipment and vehicles) and intangible (for example, good will and intellectual property) assets. Experience in conducting fabric surveys and/or structural due diligence-type assessments and/or asset depreciation management would also be highly regarded.

The proficient candidate will have a minimum of 5 years' experience, sound knowledge of the delivery of planning and infrastructure projects and is able to bring a critical analysis and an enquiring approach to asset management, including capital projects.

2. Communications and stakeholder engagement

- Has a good understanding of the key elements of communications and effective stakeholder engagement in the context of providing a public service, and the importance of transparency and public reporting. This would include experience of ensuring effective insight into and response to the views and expectations of key stakeholders within and outside the organisation.
- Qualifications and/or experience in corporate communications, marketing, facilitation, stakeholder engagement, event management, media/public relations, and/or journalism would be advantageous.
- Experience in fund raising and/or business development with a focus on health service/industry funding would be advantageous.

The proficient candidate will have a minimum of 5 years' experience working in a senior communications role, proven knowledge in developing and applying stakeholder engagement frameworks and shows self-awareness and a deep knowledge of the needs of the different kinds of stakeholders and the ability to advise on ways to communicate and engage with them.

3. Community Services

- Has professional expertise and/or experience in the delivery of social services to members of the community particularly for users who may come from disadvantaged backgrounds or are vulnerable at the time of seeking that service. This might include experience working in senior management, the executive or on the board of a not-for-profit community service agency and/or working directly with clients of such services.
- Experience advocating for people with a lived experience of chronic illness, disability or mental illness is an advantage and/or experience providing assistance to disadvantaged and/or vulnerable members of the community (such as people impacted by family violence).
- A qualification or strong experience in social work, youth work, disability care, advocacy, counselling, community health or similar social service roles is an advantage.

The proficient candidate will have a minimum of 5 years' experience and have experience assisting and advocating for marginalised communities, evidenced by a detailed description of the problems they have worked on solving in service organisations.

4. Human resources management

- Has professional expertise in key aspects of managing an organisation's workforce, such as investing in leadership development and culture, ensuring compliance with employment and labour laws, managing industrial relations, and overseeing organisational change.
- It would be advantageous to have qualifications and/or experience in organisational change management, cultural awareness and/or occupational health and safety.

The proficient candidate will have a minimum of 5 years' experience as a HR practitioner with involvement in developing an HR strategy and managing organisational change and have a comprehensive understanding of conflict resolution and mediation techniques.

5. ICT strategy and governance

- Has expertise in managing information and communications technology, particularly oversight of substantial IT programmes, and knowledge of IT governance, including privacy, data management and security (including cyber security).
- Desirable experience would include having overseen or been involved in the oversight, development, rollout and/or maintenance of enterprise systems (for example relating to records management), digital strategies, and security infrastructure.

The proficient candidate will have a minimum of 5 years' experience with involvement in the delivery of major ICT projects, an awareness of national and state digital health policies and strategies and can identify challenges in relation to the provision of ICT.

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