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| Board Director Capability Framework |
| Victorian Health Services |
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| Board Director Capability Framework  Victorian Health Services |
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# Contents

[Contents 5](#_Toc117758295)

[Foreword 6](#_Toc117758296)

[Using the Board Director Capability Framework 7](#_Toc117758297)

[Definitions 8](#_Toc117758298)

[Explaining the framework 9](#_Toc117758299)

[Key Capability Definition 9](#_Toc117758300)

[Tier 1 – Necessary Capabilities for the Board 12](#_Toc117758301)

[1. Audit and Risk management 12](#_Toc117758302)

[2. Clinical Governance 14](#_Toc117758303)

[3. Corporate Governance 16](#_Toc117758304)

[4. Financial Management and Accounting 17](#_Toc117758305)

[5. Law 19](#_Toc117758306)

[6. Patient (user) experience and consumer engagement 20](#_Toc117758307)

[7. Registered Clinician 21](#_Toc117758308)

[8. Strategic Leadership 22](#_Toc117758309)

[Tier 2 – Important Capabilities for the Board 24](#_Toc117758310)

[9. Asset management 24](#_Toc117758311)

[10. Communications and stakeholder engagement 26](#_Toc117758312)

[11. Community Services 27](#_Toc117758313)

[12. Human resource management 28](#_Toc117758314)

[13. Information & Communications Technology (ICT) Strategy and Governance 30](#_Toc117758315)

[Appendix 1 – How the Framework was developed 31](#_Toc117758316)

[Appendix 2 – Recruiting New Board Directors Checklist 32](#_Toc117758317)

[Appendix 3 – Board Capability Annual Evaluation Template 33](#_Toc117758318)

[Appendix 4 – Coaching / Development Template 37](#_Toc117758319)

[Appendix 5 – Self-assessment Template 40](#_Toc117758320)

[Appendix 6 – Board Committee Template 42](#_Toc117758321)

# Foreword

Board directors, as leaders of health services, are an integral part of the Victorian health system. Appointed by the Minister, directors are selected for their capabilities that contribute to good governance. Board directors have developed their capabilities from personal and professional activities which they continue to develop while on a health board. To support and strengthen health boards, the Victorian Department of Health (the department) has currently defined 13 key capabilities, some which are essential for the effective governance of a health service while other capabilities are desirable and may be prioritised by a board based on its strategic focus.

Endorsed by the Boards Ministerial Advisory Committee, the Board Director Capability Framework (the framework) has been developed by the department to enable boards to measure board director capability and identify gaps to assist with recruitment and renewal. The framework allows directors the ability to have a clear expectation of minimum proficiency against each of the specified capabilities. Directors can self-assess and be evaluated on their capability across the levels of proficiency.

The framework has been developed through consultation within the department and across the health sector. The framework has also been developed to provide a tool for public health boards in the following areas:

* board annual capability evaluation
* coaching / development of board directors
* annual self-assessment for board directors
* assessing the capabilities of board committees

Boards operate in a complex and dynamic environment and there is an ongoing need to continuously improve capability through training and development. This framework will help board directors highlight areas to focus on building capability.

With the release of the Diversity on Victorian Boards Guidelines in February 2022, the department has undertaken a preliminary review of this framework to support a more inclusive approach. Further work will be undertaken in the next year to recognise the breadth and depth of capabilities that contribute to good board governance.

# Using the Board Director Capability Framework

The Board Director Capability Framework (the framework) can be used for a number of different purposes, as follows.

1. Inform the recruitment of board directors:

* The framework can assist a board to identify any gaps in capability or areas that need strengthening, that need to be considered prior to proposing appointments for the board.
* In addition to the position description, the framework provides further information about capabilities that are beneficial for applicants seeking to, or continuing to, serve on a board.
* The framework allows for a consistent approach in assessing applicants and the range of capabilities they may offer to boards.

1. Contribute to the board’s annual capability evaluation which focuses on the capabilities of directors and the board as a whole:

* The framework provides a consistent understanding of the range and depth of capabilities
* The framework acts as a performance facilitator tool to assist board chairs to have conversations with directors
* The framework supports conversations with board chairs and the department around capability.
* The framework can be used to identify capability strengths and gaps across the board

1. Inform the professional development of board directors:

* The framework can assist the discussion between a board chair and a director as it can help identify capabilities that may require additional development.
* Being evaluated on their capability at a foundational, proficient, or advanced level, can assist board directors in measuring themselves against specific capabilities that may require further development. An action plan is to be completed to fulfil these development needs.
* The framework can also assist in identifying other specific training and development needs, including attending required induction and clinical governance training.

1. Contribute to the annual self-assessment of board directors:

* The framework can be used to assist directors in determining how they feel they are performing and how well they are measuring against the framework.
* The framework will allow board directors to determine if their capabilities are up-to-date and whether any review needs to take place.

1. Contribute to the capability assessment of the board committees:

* The framework can assist boards in identifying any gaps in capabilities, knowledge and personal attributes on a committee that may require specific expertise of an independent member.
* The framework will allow the board’s committees the opportunity to reflect on the current composition and determine if there are any missing capabilities or additional capabilities that are critical to the functioning of the committee.

# Definitions

**Capabilities** – personal and professional attributes, skills, knowledge, and relevant experience that have developed from personal and professional activities, and which will continue to be developed while on the board. There are currently 13 capabilities defined by the department.

**Primary Capability** – A primary capability is one of the three main capabilities an applicant nominates on their application and on which their application is assessed. Once appointed, directors are expected to maintain or work towards being proficient in their nominated capabilities.

**Secondary Capability** – A secondary capability is an additional capability that an applicant may have nominated.

**Tier 1 Capability** –Tier 1 capabilities are the necessary capabilities that a board requires to set the strategic priorities that a Victorian health board would be expected to address in the normal course of its duties.

**Tier 2 Capability** – Tier 2 capabilities are important capabilities that are desirable for a board, and the extent of the requirement may be dependent on the strategic plan of the entity.

**AHPRA** – Australian Health Practitioner Regulation Agency

**CA** – Chartered Accountant

**CEO** – Chief Executive Officer

**CPA** – Certified Practising Accountant

**IBAC** – Independent Broad-based Anti-corruption Commission

**ICT** – Information and Communication Technology

**IT** – Information Technology

**SCV** – Safer Care Victoria

**VAHI** – Victorian Agency for Health Information

**VPSC** – Victorian Public Sector Commission

# Explaining the framework

Ideally, board members are expected to, collectively as a board, cover a suite of capabilities as determined by the department. Currently, the department has defined 13 capabilities which are grouped into two tiers. Tier 1 are necessary capabilities that should be present on each board. Tier 2 are important capabilities that are desirable for a board, and the extent of the requirement may depend on the strategic plan of the entity. While these are the focus for recruitment to public health boards, it should not preclude recruitment of individuals with diverse experience.

Each capability is categorised into three levels – foundational, proficient, and advanced. A description of each level is provided for each capability.

The table below outlines how capability definitions and the three categories of proficiency applied to each capability are structured in the document.

| Key Capability Definition | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| Each definition provides information, regarding relevant qualifications, experience, and other necessary requirements. | The foundational category outlines the minimum level for a director of a public health board for this particular capability. All directors of a public health board should demonstrate they meet this minimum level across each of their capabilities within their first year of appointment. Noting that collectively the board will cover the suite of capabilities.  The registered clinician capability should be assessed separately as the foundational requirement differs to other capabilities as a director must have specific qualifications to meet the foundational level.  Should a director not meet foundational level, the department would encourage a conversation with the board chair to discuss training and development opportunities to support the director to achieve the required level. | The proficient category seeks to identify those who have demonstrated experience of a particular capability which may be evident through particular attributes or level of experience, qualifications, or specific memberships.  For the law capability, only lawyers with a practising certificate can be rated as proficient or advanced.  In addition to foundational level, directors categorised as proficient will have more experience in this area and will demonstrate additional knowledge (or depth of knowledge) and achievements. | The advanced category seeks to identify highly experienced and expert knowledge directors for this particular capability.  In addition to proficient level, directors categorised as advanced will have clear evidence of their expertise demonstrated through extensive knowledge, experience and achievements. |

Demonstrating particular capabilities may assist a prospective board director in being appointed to a board, but in addition there are certain personal attributes that are beneficial to board directors. They are as follows:

**Accountable** - A board director is ultimately accountable to the Minister of the day for ensuring they adhere to legislation and policy issued by the Victorian Government and Department of Health and for delivering value to consumers and the broader community and staff.

**Time Commitment** – Board directors need to be able to commit adequate time to attending board meetings, committee meetings and reviewing agenda items, meeting papers and minutes. In addition to this, it is also important for board directors to attend events at the health service and undertake relevant training and development.

**Collaborative** – Board directors should take collective ownership for shared outcomes in an integrated health system in relation to consumers and shared risk mitigation. Being collaborative also involves being open to working flexibly with other boards and health services through partnerships.

**Interpersonal skills** – Board directors need to have the ability to interact well with others, actively listen and be able to express themselves effectively and respectfully.

**Contributor** – This involves a board director regularly attending board meetings, committee meetings and being prepared. It also means listening closely and contributing meaningfully and respectfully.

**Courageous** – A board director should have the ability and courage to keep asking questions. They need to be assertive and, when appropriate, be able to challenge board directors and the executive management team in the organisation. Always in a respectful manner.

**Curiosity** – Board directors should have a strong desire to want to learn and ask the right questions. Being on a board involves digesting a lot of information. Having an eagerness for knowledge and information will assist. Board directors should also display an ongoing commitment to learning and development.

**Ethical** – Board directors must act in the best interest of the organisation, including consumers and staff. Any actual or perceived conflicts of interest or duties must be declared – if in doubt, declare it. In addition to this, a board director needs to demonstrate sound judgement and act in accordance with the Victorian Public Sector Commission (VPSC) Code of Conduct.

**Integrity** – Board directors have duties and responsibilities. They must put the interests of the organisation above their own and act ethically and be trustworthy. They are expected to act in the public interest with independence and transparency, while maintaining confidentiality and privacy.

## Tier 1 – Necessary Capabilities for the Board

Tier 1 capabilities are necessary capabilities that a board requires to set the strategic priorities that a Victorian health board would be expected to address in the normal course of its duties. Some examples of Tier 1 capabilities include clinical governance, corporate governance and financial management and accounting.

## 1. Audit and Risk management

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| **Audit:**   * Professional experience or qualifications in examining financial reports. * Knowledge of legal and regulatory requirements, especially those pertaining to the health sector, and experience of monitoring financial compliance. * Can apply this to broader risk frameworks, in addition to codes of practice to comply with the range of internal controls required of a complex entity.   **Risk management**:   * Professional experience or qualifications in identifying, assessing and responding to strategic, financial, operational and reputational risks to mitigate their impact or maximise the realisation of opportunities. * It would be advantageous if the applicant can demonstrate relevant 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   A member of an audit committee must meet minimum qualification requirements as defined by the ‘Standing Directions of the Minister for Finance under the *Financial Management Act 1994*’. If a board does not have a director who meets the criteria, the audit committee will need an independent member with the required expertise (advanced level). | Can analyse and interpret basic information related to financial reports.  Can interpret the organisation’s risk register.  Awareness of financial and non-financial risks.  Understanding of risk appetite and risk tolerance, covering strategic, financial, and operational risks.  Awareness of internal audit and other assurance tools and mechanisms. | Experience in the field of audit and risk management.  Has been a member of an audit committee or has comparable experience dealing with audit committees.  Diploma or undergraduate degree in Finance / accounting / commerce – risk management certificate (desirable)  Able to interpret financial reports, identify risks, raise red flags and ask appropriate questions.  Experience using internal audit and other assurance tools and mechanisms. | Extensive experience in the field of audit and risk.  Has been a chair or a member of an audit committee or has extensive experience in dealing with these committees.  Diploma or undergraduate degree in Finance / accounting / commerce / risk management certificate.  CA, CPA or equivalent.  Knowledge of relevant risk frameworks.  Able to analyse financial reports and identify any weaknesses in current practices and contribute to the development of strategies.  Extensive experience using internal audit and other assurance tools and mechanisms. |

## 2. Clinical Governance

It is anticipated most applicants with clinical governance capabilities may be from a hospital-based clinical field. However, this is not a requirement to demonstrate clinical governance competence. Other professions with clinical governance include an incident investigator at a hospital and medico-legal counsel. There may be other similar sectors that also can demonstrate clinical governance capability.

All successful applicants with only minimal or no clinical governance capabilities are required to undergo clinical governance induction training within their first year to ensure they can meet foundational standards. This will require all directors to understand and be able to apply current clinical governance frameworks as part of the responsibilities as a public health board member.

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Understands and has experience in the application, design and evaluation of clinical governance systems to ensure safe clinical care and drive continuous improvement of patient outcomes. * Knowledge and understanding of current clinical governance frameworks, and accreditation frameworks and processes is desirable. * Ability to critically analyse and interpret data to facilitate continuous evidence based quality improvement. * Understanding of Safer Care Victoria’s Clinical Governance Framework. | Able to describe the role of the board, and individual board directors’ accountabilities in terms of delivering effective clinical governance.  Demonstrated understanding of the domains that underpin the SCV clinical governance framework.  Able to interpret and raise appropriate questions in relation to the quality and safety report produced by their health service as well as the VAHI Board safety and quality report.  Be able to describe the clinical risk profile of the organisation and the clinical care delivered.  Has identified opportunities for personal development in line with SCV’s Clinical Governance assessment tool for Boards.  Understands the health service’s policies and practices pertaining to clinical governance. | Relevant experience in the application of operational clinical governance within a health related sector.  Experience in a health-related quality and safety committee or similar.  Demonstrates understanding of preventative strategies and oversight of clinically safe care together with the supporting clinical governance framework.  Understands the incident reporting and management process for the notification and review of sentinel events and incident severity (ISR categories). | Has a relevant qualification in a health-related field/discipline (e.g. clinical governance).  Experience in chairing or being a member of a health-related quality and safety board committee.  Extensive experience in the application of operational clinical governance within a health related sector.  Ability to apply a strategic approach to the oversight of clinically safe care and ensure alignment with the clinical governance framework.  Ability to, and experience in, the oversight and management of clinical governance (safety) matters. |

## 3. Corporate Governance

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * experience and working knowledge of corporate governance, including the separation of governance and management, and the roles, duties and obligations of board directors * an understanding of the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled in organisations; and * knowledge and understanding of relevant fiduciary and legal duties of a director in a public health context, including the Victorian Public Sector Commission’s (VPSC) Director’s Code of Conduct and a director’s accountability to the Minister. | Understanding of the duties and responsibilities of a board director.  Understanding of the regulatory bodies and enabling legislation as it relates to public health boards.  Understanding of the role and function of the board.  Understanding of the role the health service management.  Demonstrated compliance with the organisation’s values and the VPSC Code of Conduct.  Completion of a foundation-level course at the Australian Institute of Company Directors (desirable). | Experience in corporate governance in a medium to large organisation. Examples include but not limited to company secretary, board director or management reporting to a board.  Experience in leading and making decisions in 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 (desirable) | Completion of the Australian Institute of Company Directors, including assessments – Company Directors Course or completion of Governance Institute of Australia’s Graduate Diploma of Applied Corporate Governance and Risk Management.  Extensive experience in corporate governance in a large organisation or as a board director of a large organisation.  Strong leadership experience, independence and sound judgement in decision-making related to large organisations and/or boards.  Postgraduate qualification in a business or law (desirable). |

## 4. Financial Management and Accounting

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Financial literacy to read and understand financial statements (including income statement; balance sheet; statement of recognised income and expense; cash flow statement and notes to the 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 organisation * 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 (such as CA, CPA or equivalent) and in some cases may be required. | Awareness of financial management practices and the Financial Management Act requirements, Standing Directions and accompanying frameworks.  Ability to understand board financial reports and ask appropriate questions.  Understands the financial environment of public health entities and government budget processes.  Awareness of the Statement of Priorities process. | Sound knowledge of financial management practices and awareness of the complexity of the Financial Management Act, Standing Directions and accompanying frameworks.  Diploma or undergraduate degree in finance / accounting / commerce (desirable).  Experience in the field of finance and accounting.  Has been a member of an audit and risk committee or has comparable experience dealing with audit committees.  Ability to analyse financial results for trends and risks.  Draws on a good knowledge of the financial management of various hospitals to review the financial management of this hospital. | Extensive knowledge and comprehensive financial management practices aligned with the requirements of the Financial Management Act, associated Standing Directions and accompanying frameworks.  Diploma or undergraduate in finance / accounting / commerce.  CA, CPA or equivalent.  Extensive experience in the field of finance and accounting.  Has been a chair or a member of an audit and risk committee or has comparable experience dealing with audit committees.  Draws on a thorough and sophisticated understanding of the hospital funding models that apply to Victorian public health boards.  Demonstrates ability to influence strategic innovation that would be of benefit to the organisation. |

## 5. Law

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Experience and competence in interpreting and applying legislation relevant to health and administrative law (e.g. *Health Services Act 1988*, *Public Administration Act 2004*, *Financial Management Act 1994* and *Public Interest Disclosures Act 2012*). * As a minimum, proficient and advanced applicants **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 applicant’s current (or previously held) practising certificate must be included with the application. * It would be advantageous if law was practiced in the fields of health; mental health; industrial relations; corporations/governance; and/or administration. | Understanding and awareness of the enabling legislation frameworks that underpins the delivery of public healthcare in Victoria.  Understanding of privacy legislation.  Has a willingness to attend seminars or short courses to obtain legal knowledge in the areas set out in the position description | Relevant experience in legal practice or industry experience  Understanding of legal compliance registers and systems.  Ability to identify basic legal issues.  Knowledge and experience in law, privacy legislation and the public health system regulatory framework.  Admitted to the legal profession as an Australian Lawyer and holds 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. | Extensive experience in legal practice or industry experience  Practices law within the following fields: health law; mental health law; industrial relations; corporations / governance law; and/or administrative law.  Ability to identify more complex legal issues.  Admitted to the legal profession as an Australian Lawyer and holds 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. |

## 6. Patient (user) experience and consumer engagement

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Has experience as a user of health services (or as carer/guardian of a person who is a frequent user) and can facilitate engagement with a diverse range of consumers, and use consumer feedback to drive hospital-wide improvements in patient centred care. * Can offer insight into promoting shared decision making Co-design. * 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 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. | Some engagement capability or experience, such as training or participation in a health (or other public services) consumer group.  Awareness and understanding of the processes that relate to consumer engagement and patient experience and cultural safety.  Ability to understand and ask questions relating to patient experience surveys. | Experience as a patient or family/carer of a patient accessing the health system regularly and often.  Sound understanding and knowledge of systems and processes for consumer engagement.  Good engagement capabilities  Experience working in roles relating to patient experience and/or consumer engagement  Experience in patient centred policy development and conflict resolution. | Extensive experience as a patient or family/carer of a patient accessing healthcare often and/or over a longer period.  Strong understanding and knowledge of systems and processes for consumer engagement.  Health advocacy experience, including leading consumer engagement in public services’  Experience leading work relating to patient experience and/or consumer engagement.  Experience in policy development or conflict resolution that led to systemic changes. |

## 7. Registered Clinician

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * **Must** hold and, while a director 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. * Qualified in a health clinical field, such as medicine, nursing, or allied health. * Worked in the public health system and/or had substantial exposure to quality and safety processes in the public health context. * Demonstrate an understanding of contemporary clinical practice, have a broad understanding of public/population health, the social determinants of health, cultural safety, and the importance of and mechanisms for patient centred care. | Registered clinician has some experience in their field.  Understands the incident reporting and management process for the notification and review of sentinel events and incident severity (ISR categories) | Registered clinician has sound experience in their field with an understanding of the overall health system.  Experience and participation in patient safety and/or morbidity and mortality review systems, and/or health management. | Registered clinician has extensive experience in their field and a sound understanding of the overall health system.  Demonstrates a capacity to apply risk thinking to strategic and clinical decisions.  Has provided leadership in quality and safety committee or similar groups.  Postgraduate qualification in public health, health administration or equivalent (desirable). |

## 8. Strategic Leadership

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Ability to identify and critically assess strategic opportunities and threats to the organisation and mitigation options. * Demonstrates strategic thinking, planning and leadership, and experience of high-level decision-making. * Experience in strategic leadership with a focus on ensuring quality and safety of clinical care and culturally safe service delivery is highly valued. * Experience in the development of strategic plans and achieving delivery of the goals and desired outcomes. | Understanding of the board’s role in strategy.  Experience in the development of an organisation’s strategic plan.  Ability to question decisions by management and ensure decision-making aligns with the organisation’s strategy.  Awareness of the role of government in setting strategic directions for the public health system.  Understanding of dynamics of the healthcare sector and emerging risks and opportunities.  Understanding of the benefits of collaboration across various stakeholders within the sector to drive better outcomes. | Experience in guiding the strategic direction of a board of a medium-large organisation  Experience in leading a group that developed an organisational strategy with moderate improvements to measures or organisational / financial structures  Ability to examine possible new strategies to deal with current opportunities and threats.  Degree or Graduate Diploma that may contribute to executive management / executive leadership (desirable). | Experience in driving the strategic direction of the board of a medium to large organisation, or complex organisation.  Experience in leading the development of organisational strategy with major improvements to measures and goals, major structural, cultural, financial, and customer focussed improvements.  Ability to lead a collaborative discussion towards the most promising strategic initiative in relationship to opportunities and threats.  Postgraduate qualifications that may contribute to strategic leadership (desirable). |

## Tier 2 – Important Capabilities for the Board

Tier 2 capabilities are desirable for a board and whether a board prioritises these capabilities will depend on the strategic plans of the entity. For example, asset management may be essential to a board if the health service is undertaking significant capital work.

## 9. Asset management

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Experience in overseeing the planning, management and renewal of major assets, including buildings and other infrastructure. * 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 assessments, maintenance strategies and/or asset depreciation management. * Qualifications in engineering, planning, land management, construction or similar would be desirable. | Understands and can present information about asset management, including capital projects and asset investment frameworks  Understands and can ask questions and identify risks relating to capital project and assets reporting.  Experience in managing assets throughout their lifecycle.  Understanding of organisation management systems (e.g. quality management system, health and safety management system) and strategic planning. | Relevant experience working in physical asset management or asset base industry (e.g. works in the field, oil and gas, mining, utility, defence, transport).  Sound knowledge of the delivery of planning and infrastructure projects.  Brings critical analysis and an enquiring approach to asset management, including capital projects. | Extensive experience working in physical asset management or asset base industry (e.g. works in the field, oil and gas, mining, utility, defence, transport).  Experience in overseeing and/or implementing of large scale planning and infrastructure projects, and asset investment frameworks.  Strong knowledge of asset management, including current capital projects, future business needs and how assets may be used to meet business needs.  Postgraduate qualifications in engineering, planning, project management and equivalent. |

## 10. Communications and stakeholder engagement

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * 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 accountability. This would include experience of effective insight into and response to the views and expectations of key stakeholders within and outside the organisation. * 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. | Understanding of the key principles of good communication and experience in applying these principles.  Understanding of stakeholder engagement frameworks and how these can be applied.  Sound knowledge of stakeholders and able to suggest ways the organisation can communicate with them effectively and engage their confidence. | Experience in leading communications.  Experience in developing and applying stakeholder engagement frameworks.  Shows self-awareness and a sound knowledge of the needs of the different kinds of stakeholders and the ability to advise on ways to communicate, influence and engage with them to achieve desired outcomes. | Extensive experience in leading effective communications in a range of fora.  Extensive experience in leading successful stakeholder engagement.  Extensive understanding of a range of stakeholders and experience of delivering innovative ways to effectively communicate, influence and engage with them to achieve desired outcomes. |

## 11. Community Services

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Experience in the delivery of social services particularly for people who may come from disadvantaged backgrounds or are vulnerable at the time of seeking that service. * Experience advocating for people with a lived experience of chronic physical and/or mental illness, disability or experience aiding disadvantaged or vulnerable members of the community, such as people impacted by family violence. * Qualification or experience in social work, youth work, disability care, advocacy, counselling, community health or similar social service roles is an advantage. | Understands the socio demographics and needs of the community that the organisation serves.  Knowledge of how health services (including mental health and aged care) are delivered in both primary care / community settings.  Understands of the interface of healthcare and public health service delivery, as well as system challenges.  Understands differences in community needs, particularly people experiencing social and economic disadvantage. | Experience in the provision of community services, particularly for people who are vulnerable and experiencing disadvantage.  Experience assisting and advocating for marginalised communities.  Sound knowledge and understanding of the complexity and challenges to achieving better health and wellbeing outcomes for vulnerable and/or disadvantaged people.  Certificate, diploma or undergraduate degree in a community services field (desirable). | Extensive experience working in the provision of community services (e.g. works in the field or has equivalent involvement).  Sound knowledge and experience in responding to the needs of marginalised communities and as a result able to suggest sensitive and innovation ways of achieving better health and wellbeing outcomes.  Post-graduate qualifications in a community services field. |

## 12. Human resource management

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Experience 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. * Advantageous to have qualifications and/or experience in organisational change management, cultural awareness and/or occupational health and safety. | Understands key principles of human resources (HR) management (also known as people and culture) and apply these to set the board’s strategic vision.  Understanding and awareness of the components required for organisational change and culture.  Understands and is familiar with the board’s role in setting organisational culture.  General understanding of conflict resolution and mediation techniques. | Experience in human resources management, including reasonable adjustments, self-determination and cultural safety.  Ability to develop a workforce strategy such as gender equality, Aboriginal recruitment, diversity and inclusion planning.  Ability to manage organisational change and build a positive work culture.  Uses knowledge of HR principles to contribute to discussions relating to board strategy and organisational culture.  Ability to build effective relationships, listens well and asks questions relevant to board discussions.  Diploma or undergraduate degree in human resources management or equivalent (desirable). | Extensive experience in human resources management and building safe and positive workplaces.  Has an in-depth understanding of organisation practises and is able to consider appropriate change issues facing an organisation and maintain or build a positive culture.  Comprehensive understanding of conflict resolution and mediation techniques.  Post-graduate qualifications in human resources management or equivalent. |

## 13. Information & Communications Technology (ICT) Strategy and Governance

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Experience in managing information and communications technology, including oversight of major ICT programmes. * Knowledge of information and technology governance, including privacy, data management and security (including cyber security). * Desirable experience would include being involved in the oversight, development, rollout and/or maintenance of enterprise systems (for example relating to records management), digital strategies, and security infrastructure. | Knowledge to be able to identify the organisation’s key risks.  Awareness of substantial IT programmes.  Understanding of the relevant enabling legislation including *Privacy and Data Protection Act 2014* etc.  Awareness of the organisation’s systems to protect patient and staff privacy and data. | Experience in leading the delivery of major ICT projects  Has an understanding of health related IT systems. such electronic medical records and telemedicine.  Awareness of national and state digital health polices and strategies (e.g. engagement in working groups).  Diploma or undergraduate degree in computer science, IT or equivalent (desirable). | Ability to successfully develop and implement complex and large ICT projects with a health focus such as electronic medical records system, digital health interoperability.  Ability to management investment in support of and in alignment to the digital health strategy.  Ability to formulate and advise on specific decisions in relationship to ICT Strategy and Governance.  Leadership role in developing organisational digital health policies.  Post-graduate qualifications in computer science, IT or equivalent. |

# Appendix 1 – How the Framework was developed

The Board Director Capability Framework (the framework) was initially drafted through various brainstorming sessions. It has been developed through desktop research and a review of other frameworks, including, but not limited to:

Department of Health and Human Services 2012, Community Sector Governance Capability Framework, State Government of Victoria, Melbourne.

Local Government New South Wales 2017, Local Government Capability Framework, Local Government New South Wales, Sydney.

NHS 2013, Healthcare Leadership Model, NHS Leadership Academy, West Yorkshire, England.

Department of Health and Human Services 2019, CEO leadership capability framework, State Government of Victoria, Melbourne.

Department of Health 2012, Building board capability: A strategic framework to enable the effectiveness of boards of Victorian health services, State Government of Victoria, Melbourne

A collaborative process has been followed. Internal stakeholder groups from the Department of Health have been consulted on each specific capability. Advice and feedback has been provided to ensure the information in the framework is accurate and useful.

Widespread consultation took place with the sector into the development of the framework. Thank you to everyone who has provided feedback on the framework.

The various stakeholder groups included:

* Council of Board Chairs
* Barwon Boards Chairs Forum
* Gippsland Board Chairs Forum
* Grampians Board Chair Forum
* Hume Board Chairs Forum
* Loddon Mallee Board Chairs Forum

# Appendix 2 – Recruiting New Board Directors Checklist

**Instructions**

The checklist below provides the selection panel chair with information to consider when recruiting new directors to the board.

* Review the current composition of the board to identify existing capability gaps as well as any potential future capability gaps which may be due to retiring directors or shift in strategic priorities.
* Review the organisation’s statement of priorities and strategic plan to help determine capabilities for selection, noting that priority should be given for filling Tier 1 capabilities.
* Review the resume and any other document related to an application to ensure the information provided by applicants supports the capabilities they have self-nominated and meets the minimum capabilities outlined in the position description.
* Verify applicant’s claims through evidence.
* Evaluate the applicant’s interview responses. Do the interview responses meet the capabilities outlined in the framework?
* Consideration should be given to an applicant’s capabilities and how their experience would be beneficial to serving on a committee.
* If a reference check is completed, do the responses support the information provided by the applicant? Are the responses in line with the framework?

# Appendix 3 – Board Capability Annual Evaluation Template

Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Board Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Completed by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

The following template may be used to provide an overview of the board, including how directors are evaluated on their capability at a foundational, proficient, or advanced level and how they are measured against the personal attributes described at the beginning of the framework. All directors should meet the minimum standards under the foundational heading across each of the 13 capabilities (excluding registered clinician). The information provided in the table below is a summary of the self-assessment template (Appendix 5). Please use this template in conjunction with the Board Director Capability Framework.

***Board Capabilities (indicate where the director falls against foundational, proficient, or advanced for each capability)***

***3 = Advanced 2 = Proficient 1 = Foundational ND – Needs Development***

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Board Director  Name | Audit and Risk Management | Clinical Governance | Corporate Governance | Financial management and accounting | Law\* | Patient (user) experience and consumer engagement | Registered Clinician\*\* | Strategic leadership | Asset Management | Communications and stakeholder engagement | Community Services | Human resources management | ICT strategy and governance |
| Example | 1 | 1 | 2 | 1 | 1 | 1 | N/A | 1 | 1 | 1 | ND | 2 | 2 |
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***Board Capabilities (indicate where the director falls against foundational, proficient, or advanced for each capability)***

***3 = Advanced 2 = Proficient 1 = Foundational ND – Needs Development***

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Board Director  Name | Audit and Risk Management | Clinical Governance | Corporate Governance | Financial management and accounting | Law\* | Patient (user) experience and consumer engagement | Registered Clinician\*\* | Strategic leadership | Asset Management | Communications and stakeholder engagement | Community Services | Human resources management | ICT strategy and governance |
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\* Only a lawyer can be rated as proficient or advanced in this capability.

\*\* Only those directors who meet the criteria of a registered clinician are to be rated on this capability.

***Personal Attributes (indicate how the director measures against each personal attribute***

***3 = Demonstrates Consistently 2 = Demonstrates Variably 1 = Not Demonstrated***

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Board Director  Name | Accountable | Collaborative | Contributor | Courageous | Curiosity | Ethical | Integrity | Interpersonal skills | Time Commitment |
| Example | 1 | 2 | 2 | 3 | 1 | 2 | 2 | 1 | 1 |
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The section below is to be completed by the board chair or by the evaluator:

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| --- |
| Evaluation overview and plan (some examples are provided below):   * This could include arranging a guest speaker to attend a board meeting to discuss asset management * One-on-one meetings with board directors * Discussions around board director’s development needs |

# Appendix 4 – Coaching / Development Template

Director Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Chair Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

The following template may be used for a discussion between the board chair and a director of a public health board. Please use this template in conjunction with the Board Director Capability Framework. The purpose of this discussion is to identify any coaching / development needs.

Directors should meet the minimum standards under the foundational heading across each of the 13 capabilities, excluding registered clinician as only those directors who meet the criteria of a registered clinician are to be rated on this capability. Only a lawyer can be rated as proficient or advanced in the law capability. If there are capabilities where a director does not meet these minimum standards, training and development opportunities must be identified by the board chair and director to help bring them to the required standard. Following this discussion an action plan must be developed to assist the director to achieve their development needs. This must be reviewed annually.

**Questions**

1. Thinking of the current capabilities you bring to the board, how would you describe your strengths?

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1. What capabilities, knowledge or resources would you like to develop?

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1. Are you currently undertaking any learning and development activities?

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1. What barriers would make your development difficult?

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1. Work on an action plan with the director to discuss what actions will be focused on over the next 12 months. This may include addressing any gaps or refining specific capabilities.

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1. Additional comments

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# Appendix 5 – Self-assessment Template

Director Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Chair Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Instructions**

The table below lists the 13 capabilities. All directors should meet the minimum standards under the foundational heading across each of the 13 capabilities (excluding registered clinician) within their first year of appointment. Each board director should complete a self-assessment by indicating where they think they fall on their capability at a foundational, proficient, or advanced level. The board chair should review this self-assessment and provide their own rating. Please use this template in conjunction with the Board Director Capability Framework. Further discussion should take place following completion of this template.

The following scoring should be used: 3 = Advanced 2 = Proficient 1 = Foundational ND – Needs Development

| Capability | Director self-assessment rating | Board Chair rating | Areas for discussion |
| --- | --- | --- | --- |
| Audit and risk management |  |  |  |
| Clinical governance |  |  |  |
| Corporate governance |  |  |  |
| Financial Management and Accounting |  |  |  |
| Law\* |  |  |  |
| Patient (user) experience and consumer engagement |  |  |  |
| Registered clinician\*\* |  |  |  |
| Strategic leadership |  |  |  |
| Asset management |  |  |  |
| Communications and stakeholder engagement |  |  |  |
| Community services |  |  |  |
| Human resources management |  |  |  |
| ICT strategy and governance |  |  |  |

\* Only a lawyer can be rated as proficient or advanced in this capability.

\*\* Only those directors who meet the criteria of a registered clinician are to be rated on this capability.

# Appendix 6 – Board Committee Template

Board Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Instructions**

The template below may be used to assist board committees to determine they have the necessary composition. The template provides a check to ensure the committee has a sufficient mix of individuals with capabilities that are relevant to each committee, noting that a member of a committee does not need to be proficient in a capability to serve on that committee. The key capability has been highlighted in the table below and any desirable capabilities have also been highlighted.

***Audit Committee\* (capabilities have been highlighted below)***

*3 = Advanced 2 = Proficient 1 = Foundational*

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Committee Member Name | Audit and Risk Management | Clinical Governance | Corporate Governance | Financial management and accounting (desirable) | Law | Patient (user) experience and consumer engagement | Registered Clinician | Strategic leadership | Asset Management | Communications and stakeholder engagement | Community Services | Human resources management | ICT strategy and governance |
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\* As per the Standing Directions 2018 Under the *Financial Management Act 1994*, the Audit Committee must be constituted by members with appropriate capabilities and experience to discharge the Audit Committee’s responsibilities, with at least one member having appropriate expertise in financial accounting or auditing.

Action plan which may include addressing any gaps or refining specific capabilities:

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***Finance Committee\* (capabilities have been highlighted below)***

*3 = Advanced 2 = Proficient 1 = Foundational*

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| Committee Member Name | Audit and Risk Management (desirable) | Clinical Governance | Corporate Governance | Financial management and accounting | Law | Patient (user) experience and consumer engagement | Registered Clinician | Strategic leadership | Asset Management | Communications and stakeholder engagement | Community Services | Human resources management | ICT strategy and governance |
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Action plan which may include addressing any gaps or refining specific capabilities:

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***Quality and Safety Committee\* (capabilities have been highlighted below)***

*3 = Advanced 2 = Proficient 1 = Foundational*

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| Committee Member Name | Audit and Risk Management (desirable) | Clinical Governance | Corporate Governance | Financial management and accounting | Law | Patient (user) experience and consumer engagement | Registered Clinician (desirable) | Strategic leadership | Asset Management | Communications and stakeholder engagement | Community Services | Human resources management | ICT strategy and governance |
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Action plan which may include addressing any gaps or refining specific capabilities:

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***Other Committee (e.g. population health, consumer advisory committee)***

*3 = Advanced 2 = Proficient 1 = Foundational*

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Committee Member Name | Audit and Risk Management | Clinical Governance | Corporate Governance | Financial management and accounting | Law | Patient (user) experience and consumer engagement | Registered Clinician | Strategic leadership | Asset Management | Communications and stakeholder engagement | Community Services | Human resources management | ICT strategy and governance |
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Action plan which may include addressing any gaps or refining specific capabilities:

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