## Eligibility of Victorian Public Sector Employees for appointment as a health service board director

## Purpose

To support a culture of integrity on government health boards, the Department of Health has developed eligibility criteria for members of the Victorian Public Service who seek to join a Victorian government health board.

## Scope

For the purposes of this policy, a Victorian government health board is an entity as defined under the following Acts:

* *Health Services Act 1988 (Vic)*
* *Ambulance Services Act 1986 (Vic)*
* *Mental Health and Wellbeing Act 2022 (Vic) – excluding the Mental Health Tribunal*

The eligibility criteria applies to current members of health boards whose professional circumstances have changed during their appointment term, and to persons applying to be a member of a government health board.

## Eligibility criteria

The eligibility criteria are underpinned by the principle of supporting a culture of integrity and actively managing conflict of interest.

For the purposes of this policy, a conflict of interest is where an employee or director has professional interests that could improperly influence, or be seen to influence, their decisions, or actions in the performance of their public duties. Conflicts may be actual, potential, or perceived, or represent a conflict of duty.[[1]](#footnote-2)

Board directors, while a public official, are not employees of the health service and therefore not employees of the Victorian Public Sector by virtue of solely being a director.

Employees of Victorian Government departments, statutory authorities (including public health services, public hospitals and multi purpose services) and other entities but excluding local government are classified as members of the Victorian Public Service.

The following eligibility criteria apply:

* A current employee or contractor of the Department of Health (including an employee on secondment to the department) is not eligible to be appointed to the board of a public health service, public hospital or multi purpose service.
* Current employees of a public health service, public hospital or multi purpose service are not eligible for appointment to the board of that health service.
* Current employees of a public health service, public hospital or multi purpose service are eligible for appointment to the board of another service, unless that service has announced plans to explore an amalgamation with the employing service.
* Former employees of a public health service, public hospital or multi purpose service are eligible for appointment to the board of health service if their employment ended more than 18 months prior to the closing date for applications.
* Current CEO of another health service cannot be appointed to more than one government health board at any one time.
* The exception is, if a CEO sits on a board as part of their role as CEO, such as on the board of HealthShare, then it may be acceptable for that CEO to sit on an additional smaller board, if they have capacity to do so.

The public sector employee’s substantive employer (represented by their manager) must confirm in writing that the work involved in the appointment can, and will, be performed in the employee’s own time (that is, in their own time, including while on leave) and that the organisation supports the appointment.[[2]](#footnote-3)

**Eligibility criteria regarding remuneration**[[3]](#footnote-4):

Eligibility for remuneration is set out in the *Appointment and Remuneration Guidelines* published by the Department of Premier and Cabinet.

If board membership is a requirement of their substantive position, public sector employees are not eligible for remuneration.

Full-time and part-time public sector employees are only eligible for remuneration if the proposed appointment is on a personal basis, and the work required for the board will be undertaken in the employee’s own time, or during periods of approved leave.

In relation to an executive officer or equivalent remuneration, written approval from the Secretary of the Department of Health is required.

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1. [Conflict of Interest - VPSC](https://vpsc.vic.gov.au/ethics-behaviours-culture/conflict-of-interest/#:~:text=The%20VPSC%20has%20developed%20tools%20and%20guidance%20to,actions%20in%20the%20performance%20of%20their%20public%20duties.) [↑](#footnote-ref-2)
2. Section 32 of the *Public Administration Act 2004 (Act)* requires approval for individuals employed under Part 3 of the Act engaging in outside employment. [↑](#footnote-ref-3)
3. *Appointment and Remuneration Guidelines* [Board appointment, remuneration and diversity guidance | Victorian Government (www.vic.gov.au)](https://www.vic.gov.au/guidelines-appointment-remuneration) [↑](#footnote-ref-4)