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| Board Director Capability Framework |
| Victorian Health Services  |
| OFFICIAL |

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| Board Director Capability FrameworkVictorian Public Health Services |
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| To receive this document in another format, phone 9456 3724, using the National Relay Service 13 36 77 if required, or email Health Service Governance <healthservicegovernance@health.vic.gov.au>.Authorised and published by the Victorian Government, 1 Treasury Place, Melbourne.© State of Victoria, Australia, Department of Health, October 2023.In this document, ‘Aboriginal’ refers to both Aboriginal and Torres Strait Islander people.ISBN 978-1-76131-055-3 (pdf/online/MS word)Available at <https://www.health.vic.gov.au/applying-for-board-positions> <health.vic.gov.au/applying-for-board-positions> |

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# Acknowledgements

## Acknowledgement of Traditional Owners

The Department of Health acknowledges the Traditional Owners of country throughout Victoria and pays respects and recognises the contribution from their Elders past and present.

We proudly acknowledge the strength and resilience of Aboriginal people as the world’s oldest living culture and the contribution of generations of Aboriginal leaders who have fought tirelessly for the rights of their people and communities.

We recognise that we have a long way to go in understanding and addressing the intersections of racism and the ongoing effects of dispossession and colonisation.

## Aboriginal and Torres Strait Islander recognition statement

The Department of Health pays respect to and recognises the contribution of all Aboriginal and Torres Strait Islander peoples living in Victoria. Throughout this document the term ‘Aboriginal’ is used to refer to both Aboriginal and Torres Strait Islander people.

We recognise the diversity of Aboriginal peoples living throughout Victoria. While the terms ‘Koorie’ or ‘Koori’ are commonly used by Aboriginal people to describe Aboriginal people in southeast Australia, we have used the term ‘Aboriginal’ to include all Aboriginal and Torres Strait Islander peoples living in Victoria.

## Treaty and Truth in Victoria

We acknowledge the impact of colonisation to this day and seek ways to rectify past wrongs, including through truth-telling and the development of treaty.

We are deeply committed to Aboriginal self-determination and to supporting Victoria’s treaty and truth-telling processes. We acknowledge that treaty will have wide-ranging impacts for the way we work with Aboriginal people living in Victoria. We seek to create respectful and collaborative partnerships and develop policies and programs that respect Aboriginal self-determination and align with treaty aspirations.

We acknowledge that Victoria’s treaty process will provide a framework for the transfer of decision-making power and resources to support self-determining Aboriginal communities to take control of matters that affect their lives. We commit to working proactively to support this work in line with the aspirations of the First Peoples’ Assembly of Victoria.

## Language statement

Language is a powerful tool for changing community attitudes and promoting inclusion.

We know language is always changing, and we recognise that words are powerful and can have different meaning for different people. Language has changed and continues to evolve.

In this Framework, the term ‘multicultural communities’ refers to the vast number of diverse cultural, linguistic, ethnic and faith groups in Victoria and the term ‘LGBTIQ+ communities’ refers to diverse bodies, genders and relationships of people who are lesbian, gay, bisexual, trans and gender diverse, intersex or queer (LGBTIQ+). We recognise that everyone has different preferences regarding how they describe their identity.

# Overview

The Board Director Capability Framework (the Framework) has been developed by the Department of Health (the department) to enable board directors and chairs to have a clear expectation of what is important to building an effective board to oversee the Victorian public health services. The Framework also informs persons looking to become board members about the attributes and range of capabilities needed to serve on a Victorian public health service board.

Board directors, as leaders of public health services, are an integral part of the Victorian health system. Appointed by the relevant portfolio Minister, directors are selected for their attributes and capabilities that contribute to good governance and support a culture of inclusiveness and integrity. The department recognises that board directors have developed their capabilities from personal and professional experience and knowledge which will continue to be developed while on a public health service board.

To support and strengthen public health service boards, the department has outlined key attributes and capabilities. While some capabilities are essential, all the attributes are necessary for the effective governance of a public health service. Some capabilities will depend upon the strategic outlook of the organisation and may be prioritised by a board based on its strategic focus.

Boards operate in a complex and dynamic environment and there is an ongoing need to continuously improve capability through training and development. This Framework can also help board directors highlight areas to focus on building capability. Directors and chairs can assess and be evaluated on their individual, as well as the board’s overall, capability across the levels of proficiency using this Framework as part of their regular board evaluation.

The Framework has been developed through consultation and engagement with the health sector, the Boards Ministerial Advisory Committee, and various programs within the department.

It is our responsibility to ensure the leadership of our health system is culturally competent, inclusive, accessible, and safe. With the release of the *Diversity on Victorian Boards Guidelines* in February 2022, the Framework has been reviewed to encourage a range of experiences as multiple perspectives support boards to make more meaningful decisions and contribute to good board governance.

While Victorian public health boards are based on capabilities, the boards are more effective when these capabilities also represent the richness of the diverse voices of Victorian communities. The department encourages boards to consider how to strengthen their boardroom safety and competence to respond to people’s diverse identities, needs and preferences in terms of Aboriginality, cultural, ethnic, linguistic, and religious backgrounds, age, sex and gender identity, sexuality, ability, and other factors to ensure every person has the best possible experience in accessing healthcare.

# Key Attributes of a Public Health Board

To ensure the leadership of the Victorian public health system is working together and in a manner that is culturally inclusive, accessible, and safe, every board member is expected to have the following attributes. These attributes strongly align with the seven values of [Board Director’s Code of Conduct](https://www.boards.vic.gov.au/code-conduct-directors-victorian-public-entities) and are essential for the board to undertake its duties with the full confidence of the Minister, the department and Victorian communities.

## Attributes of public health board directors

|  |  |
| --- | --- |
| **Category** | **Details** |
| **Accountable** | Board directors are expected to take responsibility for their decisions and actions, individually and as a collective board. They are expected to enable appropriate scrutiny of themselves and the organisation.  |
| **Collaborative** | Board directors are expected to take collective ownership for shared health outcomes in an integrated health system. Being collaborative also involves being open to working flexibly with other boards and health services through partnerships. |
| **Commitment** | Board directors need to be able to commit enough time to review agenda items, meeting papers, and minutes in preparation for participating in board meetings and committee meetings. It is important for board directors to attend some meetings and events at the health service.  |
| **Curiosity** | Board directors should have a strong desire to want to learn and ask questions. Being on a board involves digesting a lot of information. They need to be assertive and, when appropriate, be able to challenge board directors and the executive management team in the organisation, while always maintaining a respectful manner.  |
| **Integrity** | Board directors must put the interests of the organisation above their own personal or private interest. They are expected to act with independence, providing advice and making decisions without bias or favours. They are expected to act with honesty, be open and transparent while maintaining confidentiality and privacy.  |
| **Respectful** | Board directors are expected to listen to diverse voices, contribute meaningfully to discussions, and treat all views fairly. They are responsible for ensuring colleagues and the organisation are safe and do not experience discrimination, harassment, or bullying.  |
| **Responsive** | Board directors are expected to provide high quality services and deliver value to consumers and the broader community. They are expected to provide full, impartial, and timely advice.  |

# Key Capabilities of a Public Health Board

While Victorian public health boards are based on capabilities, boards are more effective when these capabilities also represent the breadth and richness of the diverse voices of Victorian communities.

Board members are expected to, collectively as a board, cover a range of capabilities to ensure good governance and a culture of inclusiveness, integrity, and safety. The department has defined some key capabilities which it recognises that board directors have developed from personal and professional experience and knowledge, and which will continue to be developed while on a public health service board.

## Capabilities of public health board directors

|  |  |
| --- | --- |
| Category | Details |
| **Asset Management** | Experience in overseeing the planning, management, and renewal of major assets, including buildings and other infrastructure.  |
| **Audit and risk management** | Experience in interpretation and implementation of legal and regulatory requirements in monitoring financial compliance. Experience in identifying, assessing, and responding to strategic, financial, operational, and reputational risks and opportunities. |
| **Clinical governance** | Experience in the application, design, and evaluation of clinical governance systems to ensure safe clinical care and drive continuous improvement of patient outcomes.  |
| **Communication and stakeholder engagement** | Experience in communications and effective stakeholder engagement in the context of providing a public service. Experience in the effective insight into and response to the views and expectations of key stakeholders within and outside the organisation |
| **Community Services** | Experience in advocating or the delivery of social services for people who are experiencing disadvantage or are vulnerable at the time of seeking support.  |
| **Corporate governance** | Experience in the separation of governance and management, and the roles, duties, and obligations of board directors.  |
| **Financial management and accounting**  | Experience in the oversight of finances to achieve the objectives of an organisation, including assessing financial viability, overseeing financial planning, and funding arrangements.  |
| **Human Resources** | Experience in managing an organisation's workforce, including staff and management development, compliance with employment and labour laws, managing industrial relations, and overseeing organisational culture.  |
| **ICT Strategy and governance** | Experience in overseeing or managing information and communications technology, including information privacy and security.  |
| **Law** | Experience in interpretation and implementation of legal and regulatory requirements – with a focus on health (including mental health and aged care), administration, corporate or industrial relations.  |
| **Patient experience and consumer engagement** | Experience as a user of hospital care (or as carer/guardian of a person who is a frequent patient) and can use consumer feedback to drive hospital improvements in patient-centred care.  |
| **Registered Clinician** | Must be registered for active practice with the Australian Health Practitioner Regulation Agency (AHPRA). Experience in contemporary clinical practice within a hospital and exposure to quality and safety processes and systems.  |
| **Strategic Leadership** | Experience in strategic thinking, planning, leadership, and high-level decision-making, including the development of strategic plans and achieving delivery of the goals and desired outcomes.  |

# Explaining Board Capabilities

Capabilities are personal and professional knowledge, experience, and skills. The department has defined some key capabilities and grouped these into two tiers. Tier 1 are necessary capabilities that must 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 and direction of the entity.

| Tier 1: Necessary capabilities | Tier 2: Important capabilities |
| --- | --- |
| * 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 resource management
* Information, communications strategy, and governance
 |

Each capability is categorised into three levels – foundational, proficient, and advanced. A description of each level is provided for each capability. All board directors should demonstrate that they meet foundational level across each of their nominated capabilities within their first year of appointment. Should a director not meet foundational level, the department would encourage a conversation with the board chair to discuss development opportunities to support the director to achieve the required minimum level. The table below outlines how each capability is structured in the document.

| Description  | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| Each definition provides information regarding relevant knowledge, experience, and skills necessary to meet the three levels of proficiency.  | The foundational category outlines the minimum level for a director of a public health service board for the particular capability. The director would have a good understanding and knowledge with some experience and skills.   | In addition to foundational level, directors categorised as proficient will have more experience in this area and will demonstrate solid knowledge with key achievements. The proficient category seeks to identify those who have demonstrated experience of a particular capability which may be evident through their personal or professional achievements, level of experience and knowledge.  | In addition to proficient level, directors categorised as advanced will have clear evidence of their expertise demonstrated through in-depth knowledge, extensive experience, and outstanding achievements.The advanced category recognises directors who are highly experienced and have gained expert knowledge in the capability.  |

# Tier 1 – Necessary Capabilities for the Board

Tier 1 capabilities are necessary capabilities that a board requires to meet the strategic priorities that a Victorian public health service board would be expected to address in the normal course of its duties.

## Audit and Risk Management

The *Standing Directions* of the Minister for Finance under the *Financial Management Act 1994* defines the minimum qualification requirements a member of an audit committee must meet. If a board does not have a director who meets the criteria, an independent member is required (with advanced level).

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| **Audit:*** Professional experience or qualifications in examining financial reports, monitoring financial compliance and accountability.
* Knowledge of legal, regulatory and policy requirements.
* Ability to apply experience and knowledge to broader risk frameworks, and with a 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 and 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.
 | Can analyse and interpret financial reports and an organisation’s risk registers.Understands financial and non-financial risks. Understands risk appetite and risk tolerance, covering strategic, financial, operational, and reputational risks. Awareness of internal audit and other assurance tools and mechanisms.  | Experience in audits and risk management. Experience as a member of an audit committee or working with audit committees. Diploma or undergraduate degree in finance, accounting, commerce, or risk managementAble to interpret financial reports, identify risks, raise red flags, and ask appropriate questions. Experience using internal audit and other assurance tools and mechanisms, such as the department’s *Integrity Governance Framework*.  | Has been a chair of an audit committee or has extensive experience in dealing with audit committees. A Chartered Accounted (CA), Certified Practising Accountant (CPA), or equivalent.Has been responsible for implementing or overseeing relevant risk frameworks. Experience in overseeing risk management and development of strategies to mitigate risk and optimise opportunities.  |

## Clinical Governance

While most applicants with clinical governance capabilities tend to be from a hospital-based clinical profession, this is not a requirement to demonstrate clinical governance competence. There are other professions with clinical governance such as an incident investigator at a hospital and medico-legal counsel.

All successful applicants with only minimal to no clinical governance capabilities are required to undergo clinical governance training offered by Safer Care Victoria (SCV) within the first year to meet foundational level in this capability. This enables all board directors to understand and apply current clinical governance framework as part of their responsibilities of being on a Victorian public health board.

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Experience in the application, design, and evaluation of clinical governance systems to ensure safe clinical care and drive continuous improvement of patient outcomes.
* Understanding of current clinical governance and accreditation frameworks, and processes.
* Ability to critically analyse and interpret information to facilitate continuous evidence-based quality improvement and compliance with regulatory and policy requirements.
* Understanding of Safer Care Victoria’s *Clinical Governance Framework*.
 | Understands the board’s accountabilities in delivering effective clinical governance. Understands the domains that underpin the SCV clinical governance framework. Able to interpret and raise appropriate questions in relation to quality and safety reports. Able to describe the clinical risk profile of the organisation and the clinical care delivered. Understands the organisation’s policies, practices, and systems regarding clinical governance. | Experience in applying clinical governance in a health-related sector. Experience as a member of, or working with, a health-related quality and safety committee or equivalent. Working knowledge of preventative strategies, clinical governance framework and regulatory requirements. Experience in using incident reporting and management process and systems, including doing reviews of adverse events.  | Has a relevant qualification in a health-related area (such as clinical governance and medical administration).Experience as a chair of a health-related quality and safety board committee.Implemented or experience in overseeing clinical governance framework in a health-related sector. Experience in overseeing and managing clinical governance (safety) matters.  |

## Corporate Governance

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Experience in corporate governance, including the separation of board and management, and the roles, responsibilities, and obligations of board directors.
* Understanding of the rules, relationships, systems, and processes within, and by which, authority is exercised and controlled in organisations.
* Understanding of relevant fiduciary and legal duties of a director in a public health context, including the Victorian Public Sector Commission’s (VPSC) *Code of Conduct* and a director’s accountability to the Minister.
 | Understands the duties and responsibilities of a board director. Understands the regulatory bodies and enabling legislation as they relate to Victorian public health boards.Understands the role and function of the board.Understands the role of management.Completion of a foundation-level course at the Australian Institute of Company Directors is 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 or complex organisations.Completion of the Australian Institute of Company Directors course, including assessments or completion of *Governance Institute of Australia’s Effective Directors* course.  | Experience as a board chair of a large or complex organisation. Completion of Governance Institute of Australia’s *Graduate Diploma of Applied Corporate Governance and Risk Management*. Postgraduate qualification in business.  |

## Financial Management and Accounting

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Financial literacy including interpretation of 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 management, preparation, and delivery of complex budgets.
* Experience in assessing financial viability, overseeing financial planning, and funding arrangements.
 | Awareness of financial management practices and the *Financial Management Act* (FMA) requirements, associated *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 FMA, associated *Standing Directions*, and accompanying frameworks.Experience in finance and accounting. Has been a member of an audit and risk committee or has comparable experience working with such committees.Able to analyse financial information to identify and assess risks and opportunities. Understands financial management applied in hospitals or health related settings.  | Experience in overseeing financial management in accordance with the FMA, associated Standing Directions, and accompanying frameworks. Diploma or undergraduate in finance, accounting, or commerce. A Chartered Accounted (CA), Certified Practising Accountant (CPA) or equivalent.Has been a chair of an audit and risk committee.Has a sophisticated understanding of funding models that apply to Victorian public hospitals. Demonstrates ability to influence strategic innovation that would be of benefit to the organisation.  |

## Law

It is preferred that a board has one Victorian practicing lawyer. However, there are other professions (such as academics, former members of parliament) and roles (such as sessional member of a tribunal – Mental Health, Civil and Administrative, etc.) that are experienced in interpreting and applying law which could fulfill the capability of law.

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Experience in interpreting and applying complex legislation.
* Experience in advising, teaching, or developing legal principles or policies.
* Experience should be within the past 3 years.
* At the advanced level, persons must hold a current Victorian practising certificate (or equivalent Australian practising certificate) or is eligible to apply for a Victorian practising certificate.
* A mediator should be certified by the Mediator Standards Board. Where the person is an independent consultant, they should be undertaking a maintenance of professional standards program.
* It would be advantageous if law interpreted or applied was in the fields of health, mental health, aged care, industrial relations, corporate, commercial, or administration.
 | Understands the enabling and other legislation that underpins Victoria’s public health system.Understands the national and Victorian regulatory requirements of Victoria’s public health system.Able to identify basic legal issues. Has a willingness to attend seminars or short courses to obtain legal knowledge in the areas set out in the position description.  | Experience in legal practice or industry experience requiring in-depth understanding of the legal framework. Working knowledge of legal compliance registers and systems. Able to identify legal risks, raise red flags, and ask appropriate questions that supports the collective board to be fully informed. Knowledge and experience in the public health system regulatory framework, including privacy and public accountability.  | 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. Practices law within the fields of health, mental health, aged care, industrial relations, corporations, governance, or administrative law. |

## Patient (User) Experience and Consumer Engagement

This Framework uses the term ‘lived experience’ to refer to persons who have personal experience of health care, such as chronic or long term ill health and mental ill health and recovery, and the experience of people who have been, or are, carers, families, or supporters of persons with lived experience.

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Has lived experience.
* Experience in facilitating engagement with a diverse range of consumers.
* Experience in roles that tap into the views of patients more generally to provide a broad and authentic perspective on behalf of patients, for example consumer advisory, advocacy, or complaints management.
* Experience in using consumer feedback to drive hospital-wide improvements in patient-centred care.
* Experience in providing insights into promoting shared decision making to support co-design.
 | Has lived experience. Some engagement capability or experience, such as training or participation in a health (or other public services) consumer group.Understands processes that relate to consumer engagement and patient experience and safety (broader than clinical safety).Ability to understand and ask questions relating to patient experience such as reports or surveys.  | Working knowledge of systems and processes for consumer engagement. Able to engage with individuals and groups to facilitate desired outcomes. Experience working in roles relating to patient experience and/or consumer engagement. Experience in developing and implementing patient-centred policy, conflict resolution or complaint management systems. | Health advocacy experience, including leading consumer engagement in public services.Experience leading and overseeing work relating to patient experience and consumer engagement. Experience in leading and overseeing work with persons with lived experience that led to systemic change.  |

## 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.
* Qualified in a health clinical field, such as medicine, nursing, or allied health.
* Experience working in public hospitals and/or substantial knowledge and experience using quality and safety processes in the context of delivering hospital care.
* Knowledge and experience of contemporary clinical practice and the importance of and mechanisms for patient-centred care.
 | Some experience in their field of clinical practice.Understands population health, the social determinants of health, cultural safety, and the importance of and mechanisms for patient-centred care. Understands the regulatory and policy frameworks that underpin incident reporting and management process for the notification and review of adverse events.  | Experienced in their field of clinical practice.Understands of the Victorian public health system. Experience in patient safety or morbidity and mortality review systems and health management. Experience in quality and safety committees.  | Working knowledge of the Victorian public health system. Experience in strategic and risk thinking to clinical decisions. Experience in leading quality and safety or chair of quality and safety committees. Postgraduate qualification in public health, health administration or equivalent.  |

## Strategic Leadership

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Experience in identifying and critically assessing strategic opportunities and threats to the organisation and providing mitigation options.
* Working knowledge of the interface between the governing body and management of the organisation.
* Experience in strategic thinking, planning and leadership with a focus on ensuring quality and safe care.
* Experience in innovation and collaboration to achieve systemic change for better outcomes for consumers.
* Experience in the development of strategic plans and achieving delivery of the goals and desired outcomes.
 | Understands the board’s role in strategy.Experience in the development of an organisation’s strategic plan.Ability to question and ensure decision-making aligns with the organisation’s strategy. Understands the role of government in setting strategic directions for the public health system. Understands the dynamics of the healthcare sector and emerging risks and opportunities. Understands of the risks and benefits of collaboration and partnerships.  | Experience in implementing the strategic direction of an organisation. Experience in leading a management team through innovation. Experience in leading collaboration with external stakeholders within the sector to drive better consumer outcomes. Able to respond to new or emerging opportunities and risks strategically and appropriately. Experience as a board director or independent member of a board subcommittee. | Experience in leading the strategic direction of an organisation. Experience in leading the development of organisational change, including major structural, cultural, financial, and consumer-focussed improvements. Experience as a chair of a board or chair of a board subcommittee. Postgraduate qualifications that may contribute to strategic leadership is desirable. |

# Tier 2 – Important Capabilities for the Board

Tier 2 capabilities are desirable for a board. These capabilities are prioritised based on risks, opportunities and the strategic direction of the health service and their health service partnerships.

## Asset Management

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Experience in overseeing the planning, management, and renewal of major assets, including buildings and other infrastructure.
* Experience in using best practice systems to monitor and maintain assets of value to an organisation or group. This includes tangible (for example, buildings, equipment, and vehicles) and intangible (for example, intellectual property) assets.
* Experience in conducting fabric surveys or structural due diligence assessments, maintenance strategies and/or asset depreciation management.
* Qualifications in engineering, planning, land management, construction or related fields would be desirable.
 | Understands and can present information about asset management, including capital projects and asset investment frameworks. Able to ask appropriate questions, identify risks and interpret assets management reporting. Experience in managing assets throughout their lifecycle.Understands organisation management systems (such as quality management system, health, and safety management system). | Experienced in physical asset management or in an asset base industry (such as works in the field, oil and gas, mining, utility, defence, and transport).Working knowledge of the planning and delivery requirements for infrastructure projects.Brings critical analysis and strategic approach to asset management, including projects. Working knowledge of asset investment and accountability frameworks in the Victorian public health system.  | Experience in overseeing large-scale planning and infrastructure projects within asset investment frameworks.Experience in strategic asset management—including current and future business needs—ensuring assets are fit for purpose and how assets may be used to meet business needs. Postgraduate qualifications in engineering, planning, and equivalent.  |

## Communications and Stakeholder Engagement

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Understands the key elements of effective communication and stakeholder engagement in the context of providing a public service, and the importance of reputation and public accountability.
* Include experience of effective insight into and response to the diverse 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.
 | Understands of the principles of good communication and experience in applying these principles. Understands stakeholder engagement frameworks and how these can be applied.Understands the diversity of stakeholders in the Victorian public health system.  | Experience in implementing strategic communication plans. Experience in developing and applying stakeholder engagement frameworks.Working 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. Experience in change management.  | Experience in leading effective communications in a range of settings. Experience in leading successful stakeholder engagement. Working knowledge of crisis management.Experience leading innovative ways to effectively communicate, influence, and engage with stakeholders.  |

## Community Services

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Experience in the delivery of services for people experiencing disadvantage or vulnerability at the time of seeking that service.
* Experience advocating for people with a lived experience or experiencing disadvantage and/or vulnerability.
* Qualification or experience in social work, youth work, disability care, advocacy, counselling, community health, or similar social service roles is an advantage.
 | Understands population health, the social determinants of health, cultural safety, cultural competency, and the importance of, and mechanisms for, patient-centred care. Knowledge of how health services (including mental health and aged care) are delivered in both primary care and community settings.Understands system challenges.Understands differences in community needs, particularly people experiencing social and economic disadvantage.  | Experienced in the provision of community services, particularly for people who are experiencing disadvantage and/or vulnerability. Experience assisting and advocating for communities who are marginalised or experiencing vulnerability. Working knowledge of the complexity and challenges to achieving better health and wellbeing outcomes for people experiencing vulnerability and/or disadvantage. Certificate, diploma, or undergraduate degree in a community services field is desirable.  | Experience in leading the delivery of community services and collaborating with other health providers to provide a more integrated response. Experience in responding to the needs of communities that are marginalised and advising on sensitive and innovation ways of achieving better health and wellbeing outcomes. Post-graduate qualifications in a community services field. |

## Human Resource Management

This Framework uses human resource management to include what is also referred to as people and culture.

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Experience in key aspects of managing an organisation's workforce, such as investing in leadership development and culture, and overseeing organisational change.
* Working knowledge of compliance with employment and labour laws, managing industrial relations.
* Knowledge of legal, regulatory and policy frameworks
* Qualifications or experience in organisational change management, cultural awareness, industrial relations and occupational health and safety.
 | Understands key principles of human resources (HR) management. Understands the components required for organisational culture. Understands the board’s role in setting organisational culture.General understanding of conflict resolution and mediation techniques.  | Experience in human resources management, such as reasonable adjustments, self-determination, and cultural safety. Experience in applying workforce diversity and inclusion strategies such as gender equality, Aboriginal recruitment, cultural safety and cultural competency approaches, LGBTIQ+ Rainbow tick. Experience in organisational change and building a positive culture. Able to build effective relationships, listens and asks appropriate questions to support board discussions.  | Experience in leading design and implementation strategies to attract, engage, and develop staff and management to align with the organisation’s strategic direction. Experience in responding to workplace practises to create appropriate change and maintain or build a positive culture. Experience in conflict resolution and mediation techniques. Post-graduate qualifications in human resources management or equivalent is desirable. |

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

| Capability description | Foundational | Proficient | Advanced |
| --- | --- | --- | --- |
| * Experience in managing information and communications technology (ICT), including oversight of major programmes.
* Understands information and technology governance, including privacy, data management and security (including cybersecurity).
* Knowledge of legal, regulatory, and policy frameworks.
* 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.
 | Able to identify the organisation’s ICT risks and opportunities.Understands of the relevant enabling legislation including *Privacy and Data Protection Act 2014*Awareness of the systems and processes to protect patient and staff privacy and confidentiality.  | Experience in leading major ICT projects. Understands health-related IT systems, such as electronic medical records and telemedicine. Knowledge of national and Victorian digital health policies and regulatory frameworks.Experience applying organisational digital health policies. Diploma or undergraduate degree in computer science, IT or equivalent is desirable.  | Experience in leading complex ICT projects with a health focus such as electronic medical records system, digital health interoperability. Experience managing investment in alignment to the digital health strategy. Able to assess and respond to ICT strategy and governance issues. Experience in leading the development and implementation of organisational digital health strategy.Post-graduate qualifications in computer science, IT or equivalent. |

# Appendix

## 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 have 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

The 2023 version was revised to align with the Victorian Public Sector Commission (VPSC) resources for government board directors and the Victorian Government’s commitment that government boards must consider the mix of skills and expertise, lived experience, personal qualities, diversity, and gender balance of existing board members.

This Framework also sits alongside the department’s efforts to improve health equity across many aspects of the department’s work, including board appointments.

## Definitions

**Capabilities** – personal and professional knowledge, experience and skills that have developed from personal and professional activities, and which will continue to be developed while on the board. While Victorian public health boards are based on capabilities, these capabilities are expected to also represent the breadth and richness of the diverse voices of Victorian communities.

**Tier 1 Capability** –Tier 1 capabilities are the necessary capabilities that a board requires to set the strategic priorities that a Victorian public health service 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.

**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.

**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

**FMA** – Financial Management Act 1994

**SCV** – Safer Care Victoria

**VPSC** – Victorian Public Sector Commission