



Health Service Provider Board Governance Policy

1. Purpose

The purpose of Health Service Provider Board Governance Policy (this policy) is to set minimum standards and expectations for Board operations and governance in relation to their role, responsibilities and functions under the *Health Services Act 2016*.

Under section 32(1) of the *Health Services Act 2016* (HSA), the Minister may establish a Health Service Provider (HSP) for a health service area and specify whether the HSP is to be a Board-governed provider. There are currently seven Board-governed HSPs:

- Child and Adolescent Health Service
- East Metropolitan Health Service
- Health Support Services
- North Metropolitan Health Service
- PathWest Laboratory Medicine WA
- South Metropolitan Health Service
- WA Country Health Service.

HSP Boards (Boards) have been in place since 1 July 2016 with the HSA modernising the governance and delivery of the health system in Western Australia.

This policy is a mandatory requirement for Health Service Providers under the *Statutory Board Operations Policy Framework* pursuant to section 26 (2)(d) and (l) of the *Health Services Act 2016*.

Legislation pertinent to this policy includes

- *Corruption, Crime and Misconduct Act 2003*
- *Financial Management Act 2006 (WA)*
- *Health Services Act 2016*
- *Public Sector Management Act 1994*
- *State Records Act 2000 (WA)*

This policy should be read in conjunction with:

- Department of Premier and Cabinet, [Premier's Circular: 2021/02: Guidelines for Official Air Travel by Minister, Parliamentary Secretaries and Government Officers](#)
- Department of Premier and Cabinet, [Premier's Circular: 2023/02: State Government Boards and Committees](#)
- Public Sector Commission, (2023) [Commissioner's Instruction 40 – Ethical Foundations](#), Integrity Advisory Service

- Public Sector Commission. (2023) [Governance Manual for Western Australian Government Boards and Committee](#)

2. Applicability

This policy is applicable to Board-governed Health Service Providers.

3. Policy Requirements

Board Roles and Responsibilities

3.1 Board Responsibilities

- Boards must work to achieve agreed strategic directions and priorities consistent with broader, WA health system and public sector objectives.
- It is expected that each Board undertake decision-making and business in accordance with local HSP Board policies and manuals, Department of Health (department) and Public Sector policies and Policy Frameworks mandatory policies.
- It is the responsibility of the Board to make strategic decisions, establish and maintain policies and procedures and oversee the activity of the HSP including systems of financial control, internal control and performance reporting.
- It is the responsibility of the Board to ensure that the HSP's functions are effectively performed at an operational level and, where appropriate, to delegate or authorise functions to be performed by Board Committees, chief executives, staff members and agents.

3.2 Eligibility for Remuneration

Boards must ensure that the remuneration of Board Chairs, Board Members, Alternate Members and external Board Committee Members is reported in the HSP's Annual Report, consistent with the Public Sector Commission guidelines issued annually for the preparation of such reports.

3.2.1 Arrangements for HSP Employees Serving as Board Members

Boards must be aware that:

- HSP employees, in full time equivalent permanent or temporary contracts, serving as Board Members will not be paid remuneration, as it is considered Board duties will occur during work hours.
- HSP employees serving as members on HSP Boards and Board Committees/Working Groups must formally obtain secondary employment clearance from their Chief Executive as part of their application process and prior to accepting an appointment to a HSP Board or Board Committee/Working Group

3.2.2 Travel Reimbursements

Board Members may be required to travel to scheduled meetings and engagements. The reimbursement of outlays made for travel expenditure (that include air travel and travel made by a motor vehicle greater than 50km) must comply with the:

- Public Sector Commission, [Remuneration for Government Board and Committee members, Guidelines for the payment of Government Board and Committee members - Reimbursement of travel expenses](#) section. (website).
- Department of Premier and Cabinet, [Premier's Circular: 2021/02: Guidelines for Official Air Travel by Minister, Parliamentary Secretaries and Government Officers.](#)
- [Public Service Award 1992](#), that sets out the rates for meals, incidentals and accommodation rates for various locations within Schedule I.

Boards must ensure that their Board Members seek approval for travel or other expense reimbursements in accordance with the related document *Approval Matrix for Board Chairs, Board Members and Chief Executive Travel and Other Expenditure*.

3.3 Annual Budget for Board Operating Costs

The annual budget for Board remuneration and Board operating costs is held by each Board's HSP. Boards must exercise discretion in regard to their expenditure, which is subject to budget priorities and availability, and is determined in consultation with the Chief Executive.

3.4 Board Committee Appointment

Boards must be responsible for maintaining registers that record the membership of each approved Board Committee including the term of appointment and remuneration for each Board Committee Member.

3.5 Use of Information Communication Technology for Mobile Device/s

Boards that enable Board Members to use WA health system computing/mobile device resources or BYOD (bring your own device) resources that utilise the WA Health information and communications technology network must ensure their Board Members complete and record the [Board Member Mobile Device User Agreement](#). Refer to the [Health Service Provider Boards Governance Guide](#) for further information.

Board Governance and Accountabilities

3.6 Public Sector Accountability Framework and Key Central Agencies

An overview of the public sector accountability framework and role and functions of key central agencies is contained in the supporting information '*Health Service Provider Board Governance Guide*' document.

It is the responsibility of Boards to ensure their Board Members understand their legislative obligations, and of relevant legislation, policies and processes. Boards are required to comply with the [Financial Management Act 2006 \(WA\)](#), [Treasurer's Instructions](#) and other policy guidance issued by the [Department of Treasury](#).

3.7 Code of Ethics and Code of Conduct

Boards are required under section 9(a) of the [Public Sector Management Act 1994 \(WA\)](#)(PSMA) to observe the principles of conduct and to comply with the provisions of:

- the PSMA and any other Acts governing their conduct
- the Commissioner's Instructions, public sector standards and codes of ethics
- any code of conduct applicable to the public sector body or employee concerned.

Commissioner's Instruction 40 – Ethical Foundations (CI 40) applies to all public sector bodies and employees as defined under section 3 of the PSMA, including Boards and Board Members.

Boards must comply with all the mandatory instructions contained within the CI 40 that include;

- compliance with the Public Sector Code of Ethics
- to develop, implement, and promote a code of conduct, and take action on non-compliance
- to provide mandatory formal and planned integrity training on the Board code of conduct, record the details of the completed training, provide training information to

the Public Sector Commission (PSC), and conduct refresher training no less than 3 yearly

- to have an integrity framework in place, with the described elements, and assurance that the framework is working as intended
- to use the PSC's Integrity Framework Maturity Self Assessment tool to conduct Board maturity assessments no less than 3 yearly following the initial assessment

In addition to all the requirements specified in CI 40, Boards are to ensure that their established Code of Conduct is,

- reviewed no less than 3 yearly or on full Board renewal
- provided to new Board Members on appointment to the Board
- supported by internal processes that facilitate Board Member acknowledgement of the requirements of and compliance with the Code.

3.8 Reporting a Breach of Discipline by Board Members

Boards must ensure that they have adequate escalation procedures in place to ensure suspected reportable misconduct (including breach of policy and / or relevant legislation) is managed appropriately.

If a Board Member is alleged to have breached their duties as outlined in section 79 of the [Health Services Act 2016](#), this should be reported to the Minister for Health. Management of the allegation will involve.

- The allegation will be assessed against the obligations outlined in the HSA.
- The Minister will undertake such enquiries, investigations or actions as the Minister deems appropriate to assess the allegation. The Minister may delegate this assessment to the Department CEO.
- The Board Member, as subject of the allegation will be afforded procedural fairness in relation to the assessment of the allegation.
- Following appropriate assessment, the Minister will make a decision on whether the behaviour or action constitutes a breach of the HSA and whether it should result in the Board Member being dismissed or whether any other action should be taken.

Where the alleged breach gives rise to a suspicion of misconduct under the [Corruption, Crime and Misconduct Act 2003](#) (CCMA), the allegation should also be reported to the [Corruption and Crime Commission](#) (CCC) or the [PSC](#), consistent with reporting obligations outlined in the CCMA.

If a Board Member is suspected of any other reportable misconduct breach by the Board not already mentioned in this policy, this must be reported to either the WA Police, the Minister for Health, the CCC or the PSC as appropriated. Any misconduct not required to be reported to the Minister for Health, CCC, or PSC should be managed by the Board.

3.9 Confidentiality

Boards may receive information that is regarded as commercial in-confidence, clinically confidential or have privacy implications.

Boards are responsible for maintaining confidentiality in respect of all confidential and sensitive information obtained in the performance of the Board's functions. Boards must ensure that Board Members understand they must not use WA health system information or other information obtained in the course of their duties for any personal, commercial or political gain for themselves or others, or to the detriment of others, or in any manner that would be contrary to their duties, the law or the Board Code of Conduct.

The Board Code of Conduct must ensure that Board Members:

- Maintain confidentiality and do not divulge information deemed confidential or sensitive, other than as required by law or where proper authorisation is given.
- Do not make improper use of information obtained in the course of their duties, or use for direct or indirect personal or commercial gain, or to do harm to other people or entities. For example, speculating on shares based on confidential information or disclosing the contents of any official papers to unauthorised persons.
- Respect the privacy of individuals and the security of personal information.
- Protect intellectual property.
- Raise concerns of improper communications or use of information through the appropriate channel(s).
- Adhere to applicable legal requirements, policies and all other lawful directives regarding communication with Parliament, Ministers, ministerial staff, lobbyists, the media and members of the public.

3.10 Management of Conflicts of Interest

Boards must ensure that they implement appropriate strategies and practices for the identification, reporting and management of actual, perceived and potential conflicts of interest for Board Members and that these strategies and practices are documented. Boards must have in place a Conflict of Interest Register to ensure all declarations of actual, perceived and potential conflicts of interest are recorded and managed appropriately.

In situations where conflicts of interest are unable to be managed by Boards, then Boards must ensure that they have adequate escalation procedures in place to ensure the actual, perceived and potential conflicts of interest are managed appropriately by a relevant body.

3.11 Gifts

Boards must have in place appropriate policy and procedures in relation to the acceptance of gifts. This includes maintenance of an accurate gift register. It should be noted that gift registers are official records and subject to disclosure in response to Parliamentary Questions, Ministerial inquiries and Freedom of Information requests.

From time to time, gifts will be offered to the Board and its Board Members during the course of, or incidental to their appointment. The Board must ensure that Board Members declare to the Board the offer that was made and record this on the gift register. The Board must then determine if the gift should be accepted or declined. Boards should not allow Board Members to accept unauthorised gifts.

In all offers of gifts, Boards must assess the possibility for an actual, perceived or potential conflict of interest before the gift can be accepted.

3.11.1 Sponsorship

Boards must have in place appropriate policy and procedures in relation to sponsorship. These arrangements for sponsored or financially supported events must take into account any government and agency policies and other guidelines, instructions and delegations relevant to each of these sponsorship arrangements.

In all sponsorship arrangements, Boards must assess the possibility for an actual, perceived or potential conflict of interest before the arrangement can be accepted.

3.11.2 Sponsored Travel

Boards must ensure that sponsorship funding for travel is not accepted directly by individual Board Members but considered by the Board collectively. In all offers of sponsored travel, Boards must assess the possibility for an actual, perceived or potential conflict of interest before the sponsored funding for travel can be accepted.

3.12 Access to Legal or Other Professional Advice

Boards (collectively or individually) may seek legal or other professional advice in respect to HSP operational matters. In seeking such advice, HSP processes must be followed, and the request is subject to approval by the relevant authorised officer as identified in the applicable HSPs' Authorisations Schedule.

3.13 Board Meetings

3.13.1 Absences and Leaves of Absence

Boards must ensure that they implement appropriate practices and management strategies for Board meetings.

The Board must consult with the Director General for the purpose of considering whether it is appropriate to request the Minister for Health to appoint an alternate member for the period of the absence.

The Board must consider including in their Code of Conduct the following procedures:

- If a Board Member is unable to attend a meeting, the Board Member must offer an apology in writing to the Board Chair.
- Apologies and leaves of absence must be recorded in the Board Meeting minutes.
- If the Board Member plans to be absent for a period of time they must request a leave of absence from the Board Chair in writing.

3.13.2 Board Papers

It is the responsibility of the Board to document their own processes in a Local Health Service Board Manual. Board papers are official records and Boards must ensure they are stored in accordance with the [State Records Act 2000 \(WA\)](#).

3.13.3 Board Minutes and Publication

Boards must ensure that information about Board meetings is made publicly available on the relevant HSP's website. The [Communique Template](#) for Board Meeting publications must be used by HSP Boards as the standard mechanism to communicate Board meeting information, to ensure consistency across HSPs. This is not required in relation to Board committee/working group meetings.

3.14 Effective Governance

3.14.1 Board Member Induction

Boards must ensure that Board Members review the Board induction reference material provided by the Department and the Board during the induction process and as made available on the Board Connect web portal.

Boards must complement this with local induction activities conducted by each HSP. These activities are the responsibility of the Board Chairs, Chief Executives and the Board Secretariat function.

3.14.2 Mandatory Training

Boards must ensure that all Board Members comply with the mandatory training requirements and the completion of the mandatory training modules is documented.

3.14.3 Professional Development

Boards must ensure that all Board Members undertake relevant professional development as appropriate to enhance skills and knowledge required for good Board governance and to support the development of a high performing Board.

3.14.4 Local Health Service Provider Board Manual

Boards must maintain a Local Health Service Board Manual that contains the localised and tailored processes and procedures for a Board's operations that, as a minimum, are reflective of the minimum standards and guidelines contained within this policy. The Local Health Service Board Manual must contain each Board's self-evaluation tools and processes.

4. Compliance Monitoring

Board Self-Evaluation

Boards must regularly self-assess and evaluate standards of governance, as well as the performance of the Board and Board Members in the process of determining succession planning, appointment, and reappointment processes for Board Members.

Board Assurance

Boards must comply with Board governance assurance activities conducted by the department to assist the Director General as System Manager monitor the provision and maintenance of minimum governance standards for Boards and facilitate Board governance improvements.

This includes the Annual Governance Attestation cycle completed by each Board and Governance Reviews conducted by the department on behalf of the Director General. The assurance processes are set out in the [Board Assurance Guidelines](#) and the [Annual Governance Attestation Statement template](#).

Staff from the Department will meet regularly with the Chief Executive of a HSP in relation to HSP performance. Any identified performance issues will be escalated to the relevant Board, Director General or Minister if required.

5. Related Documents

The following documents are mandatory pursuant to this policy:

- [Annual Governance Attestation Statement Template for HSP Boards](#)
- [Board Assurance Guidelines](#)
- [Approval Matrix for Board Chairs, Board Members and Chief Executive Travel and Other Expenditure](#)
- [Board Communique Template](#)
- [Board Member Mobile Device User Agreement Template](#)

6. Supporting Information

The following information is not mandatory but informs and/or supports the implementation of this policy:

- [Health Service Provider Boards - Governance Guide](#)
- [Governance Manual for Western Australian Government Boards and Committees \(www.wa.gov.au\)](#)

7. Definitions

The following definition(s) are relevant to this policy.

Term	Definition
Board	Refers to board governed Health Service Providers constituted under section 71 of the HSA. References made to a 'Board' within this policy do not encompass Chief Executive governed Health Service Providers.
Board Chair	Board member who is designated as Board Chair under section 72(1)(a) of the <i>Health Services Act 2016</i> .
Board Deputy Chair	Board member who is designated as Board Deputy Chair under section 72(1)(b) of the <i>Health Services Act 2016</i> .
Board Member	A person appointed to a Board under section 71 of the <i>Health Services Act 2016</i> .
Board Secretariat	Refers to the group of functions to be performed by individual(s) deemed by the Health Service Provider as responsible for facilitating Board business, providing reports to the System Manager as required and maintaining the Local Health Service Board Manual.
Board Committees	A committee established by a Board under section 92 of the <i>Health Services Act 2016</i> (for further details see the Health Service Provider Governance Guide).
Board Working Groups	Board Working Groups have been established as an alternative to Board Committees (for further details see the Health Service Provider Governance Guide).
Board Assurance Guidelines	These guidelines assist the Director General as the system manager to oversee and monitor the maintenance of minimum standards of board governance across the WA health system.
Local Health Service Board Manual	This document contains localised and tailored processes and procedures over and above the minimum standards and guidelines that are set out in this policy (Health Service Provider Boards - Governance Policy).
WA health system	The WA health system is comprised of: (i) the Department; (ii) Health Service Providers (North Metropolitan Health Service, South Metropolitan Health Service, Child and Adolescent Health Service, WA Country

	Health Service, East Metropolitan Health Service, PathWest Laboratory Medicine WA, Quadriplegic Centre and Health Support Services); and (iii) contracted health entities, to the extent they provide health services to the State.
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8. Policy Contact

Enquiries relating to this policy may be directed to:

Title: Manager Board Assurance

Directorate: System-wide Governance and Reform

Email: boardassurance.DOH@health.wa.gov.au

9. Document Control

Version	Published date	Review date	Amendment(s)
MP 0107/19	14 May 2019	May 2022	Original version
MP 0107/19 v.1.1	6 March 2020	May 2022	Amendment as listed below.
<ul style="list-style-type: none"> Supporting information document: Health Service Provider Boards Governance Guide-minor update. 			
MP 0107/19 v.1.2	1 July 2020	May 2022	Amendment as listed below.
<ul style="list-style-type: none"> Purpose section updated to list current board governed Health Service Providers. 			
MP 0107/19 v.2.0	23 December 2021	May 2022	Amendment as listed below.
<ul style="list-style-type: none"> Related Document: Board Member Mobile Devices User Agreement Template updated to reflect the current ICT Policy Framework and HSP board governance structures. Supporting Information: Health Service Provider Boards Governance Guide updated to reflect current requirements and processes. Definitions amended to correct the reference to the governance structure of the Quadriplegic Centre, and non-material changes to ensure consistency of references to legislation and the HSP Governance Guide. Policy contact amended to include the Legal and Legislative Services. 			
MP 0107/19 v.3.0	15 April 2025	May 2022	Amendments as listed below.
<ul style="list-style-type: none"> Purpose section updated with the inclusion of purpose statement for clarity, relevant legislation and the documents that are required to be read in conjunction with this policy. Policy requirements: 3.2 Eligibility for Remuneration section updated to reflect the changes required by the Premier's Circular 2021/2 Guidelines for Official Air Travel by Government Officers. Section 3.7 Code of Ethics and Code of Conduct reflect the changes required by the Commissioner's Instruction 40: Ethical Foundations. Section 3.8 inclusion of breach of duty or suspected misconduct information reflects the changes made to s.79 of the HSA. Supporting Information Health Service Provider Boards Governance Guide updated to reflect current requirements and processes. Definitions: Inclusion of the following terms: Board Deputy Chair and Board Member. Removal of the following terms: Director General, HSA, Health Service Provider 			

(HSP), Policy Frameworks, and System Manager.

- Policy contact updated to reflect policy owner, Board Assurance's Directorate and email address.

Note: Mandatory policies that exceed the scheduled review date will continue to remain in effect.

10. Approval

Approval by	Dr David Russell-Weisz, Director General, Department of Health
Approval date	19 December 2018

This document can be made available in alternative formats on request for a person with a disability.

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