

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Additional Estimates 2013 - 2014, 26 February 2014

Ref No: SQ14-000040

OUTCOME: 0 - Whole of Portfolio

Topic: Boards (for Departments or Agencies with Boards)

Type of Question: Written Question on Notice

Senator: Ludwig, Joe

Question:

Since September 7th 2013;

- a) how often has each Board met, break down by Board name;
- b) what travel expenses are provided;
- c) what is the average attendance at Board meetings;
- d) how does the Board deal with conflict of interest;
- e) what conflicts of interest have been registered;
- f) what remuneration is provided to Board members;
- g) how does the Board dismiss Board members who do not meet attendance standards?
- h) Have any requests been made to Ministers to dismiss Board members since 7 September 2013?
- i) please list Board members who have attended less than 51% of meetings, and
- j) what have catering costs been for the Board meetings held this year; is alcohol served?

Answer:

Please refer to attached Table A.

In relation to i) this is a short time period to assess a pattern of attendance, when senior board members may have exceptional calls on their time during particular periods.

PDR Number **SQ14-000040**

Subject **Boards (for Departments or Agencies with Boards)**


Questioner **Ludwig Joe**

Contact Officer **Avi Rebera**
(02) 6289 9676

Clearance Officer **John Barbeler**
(02) 6289 8440
(Authorised for electronic transmission)

Division **Office of the Chief Financial Officer**

Noted



Adviser / Minister

14.5.14

Date

Table A: SQ14-000040 - Boards for Departments or Agencies with Boards since 7 September 2013

Board Name	How often have they met?	What travel expenses are provided?	What is the average attendance at board meetings?	How does the board deal with conflict of interest?	What conflicts of interest have been registered?	What remuneration is provided to board members?	How does the board dismiss board members who do not meet attendance standards?	Have any requests been made to ministers to dismiss board members since 7/9/13?	List board members who have attended less than 51% of meetings	What have catering costs been for the board meetings held this year; is alcohol served?
Private Health Insurance Administration Council (PHIAC)	Four times	Travel Allowance, Parking, Transport	79%	Conflicts of interest are declared as part of a standing agenda item each meeting. Depending upon the matter before council, additional disclosure opportunities are provided.	Membership of health funds has been declared in the period.	As per Remuneration Tribunal Determination 2014/03.	The board does not dismiss members. A member may be terminated under section 270-40 (2) (b) if the member is absent from three consecutive meetings of the Council unless the member has leave granted by the Commissioner.	No	Nil	\$1,086. No alcohol served.
Health Workforce Australia Board (HWA)	Three times	Board members who are eligible under the <i>Health Workforce Australia Act 2009 (HWA Act)</i> to receive remuneration for time spent on business of the authority also have their travel expenses paid by HWA. Expense entitlements as per Remuneration Tribunal Determination 2014/03.	97%	The <i>Commonwealth Authorities and Companies Act 1997 (CAC Act)</i> imposes a duty on Board members to disclose, and places restrictions on Board members voting on, matters in which they have a material personal interest. To support this, the HWA Board has a Conflict of Interest policy which in addition to the specific obligations under the <i>CAC Act</i> , requires that a new Board member completes a Declaration of Conflict of Interest at the commencement of their term on the Board. Continuing Board members must provide a new Declaration of Conflict of Interest annually, and also whenever there is a change in their personal circumstances.	Positions held with organisations or other bodies that are stakeholders of HWA.	As per Remuneration Tribunal Determination 2014/03.	The <i>HWA Act</i> requires the Minister to terminate the appointment of a Board member if the member is absent, except on 3 consecutive meetings of the Board.	No	Nil	\$305.27 (GST excl.) No alcohol served.

<p>Australian Commission on Safety and Quality in Health Care (ACSQHC)</p>	<p>Three times: 18 September - teleconference; 21 November (face-to-face); and 27 February (face-to-face).</p>	<p>The Commission pays for flights and certain incidentals when receipts are provided (such as parking and taxis). If requested and appropriate, the Commission also pays for accommodation.</p>	<p>High. There have been two face-to-face board meetings. On each occasion, only one member was absent making the attendance rate 90%.</p>	<p>At the commencement of every Board meeting Board members are invited to state any conflicts of interest with agenda items.</p> <p>The Chair notes that it is important that the Commission Board be free from real or perceived conflicts of interest with the business before it. In the event of a conflict of interest, the Board Member leaves to room during the discussion on the topic.</p> <p>The Commission maintains a register of the conflicts of interest.</p>	<p>Current Board member have registered conflicts in relation to their appointments on other Boards, and also identified their positions in organisations.</p>	<p>As per Remuneration Tribunal Determination 2014/03.</p>	<p>Section 26(2)(b) of the NHR Act provides that the Minister must terminate a Board members appointment if the member is absent, except on leave of absence, from three consecutive meetings.</p> <p>Section 26(3) states that before terminating the appointment of a Board member the Minister must consult each participating State/Territory Health Minister.</p> <p>Attendance is recorded at every meeting. To date, the Commission has not dismissed any Board Members for lack of attendance.</p>	<p>No</p>	<p>Nil</p>	<p>From September 2013 to 27 March 2014, the catering costs for the Board have been \$566.49.</p> <p>No alcohol served.</p>
<p>Australian Institute of Health and Welfare (AIHW)</p>	<p>Three times</p>	<p>As per Remuneration Tribunal Determination 2013/16. The Institute books and pays for the flights, accommodation, and ground travel for members travelling from interstate.</p>	<p>Almost 100%</p>	<p>There is a declaration of interest agenda item at the beginning of each meeting</p> <p>The Charter of Corporate Governance for Board member contains provision for the handling of declaration and conflicts of interest</p>	<p>Nil</p>	<p>As per Remuneration Tribunal Determination 2014/03.</p>	<p>There are provisions under section 13(2)(d) of the <i>Australian Institute of Health and Welfare Act 1987</i> for the termination, by the Governor-General, of a board member who is absent without leave by the Minister, from three consecutive meetings of the Institute</p>	<p>N/A</p>	<p>Kerry Flanagan, James Moore</p>	<p>\$525.46</p> <p>No alcohol served.</p>

National Health Performance Authority (NHPA)	Four times	As per Remuneration Tribunal Determination 2013/16: Tier 2. If a member receives a meal component as part of the meeting arrangements, this is removed from their allocated payment during the SAP process.	71%	Members as part of the appointment process provide information of existing conflicts of interest that are likely to arise in performance of his/her duties as a member. Sections 77 and 76 of the <i>National Health Reform Act 2011</i> specify what members must do in relation to disclosure of interests to the Minister and to the NHPA. At the commencement of each meeting, members are asked to declare conflicts of interest and these are recorded in the Minutes of the meeting.	No conflicts of interests were registered during the period.	As per Remuneration Tribunal Determination 2014/03.	Section 81 of the <i>National Health Reform Act 2011</i> provides for the Minister to terminate a member's appointment to the NHPA. The Act contains no other provisions for the termination of the appointment of members.	No	Nil	\$562.43 (excluding GST). No alcohol served.
--	------------	--	-----	--	--	---	---	----	-----	---

General Practice Education and Training Limited Board (GPET)	Four	As per Remuneration Tribunal Determination 2014/03, and Determination 2013/16.	92%	There are two processes that govern conflicts of interest issues. Once a year, GPET asks Board Members to complete a declaration of interest template. Also, before each Board meeting, Board Members are asked to declare potential and real conflicts of interest that are duly recorded in the Minutes.	Declarations exist for each Board member, and are available to the Chair of the Board, and the Chair of the Finance, Audit and Risk Management Committee.	As per Remuneration Tribunal Determination 2014/03.	N/A	No	Nil	\$2,347 No alcohol served.
National Mental Health Commission (NMHC)	Four times – two face-to-face, and two by teleconference	Flights and accommodation for Commissioners and Secretariat	95%	Register of Interest – updated at each meeting	Nil	As per Remuneration Tribunal Determination 2014/03.	N/A	No	N/A	\$1,500 includes two working dinners, light lunches, morning / afternoon teas. If alcohol is served, Commissioners or Secretariat pay for themselves.
National Blood Authority Board (NBA)	Twice 28 Oct 2013 (included joint meeting with Blood Service Board), and 3 Feb 2014	Travel expenses for the four government-employed Board members are not provided. Travel expenses of the remaining two Board members are paid in accordance with Remuneration Tribunal Determination 2013/16.	78.5%	Board members declare any potential Conflicts of Interest in writing on appointment. Declaration of Conflicts of Interest is also a standing agenda item for all Board meetings.	Company / partnership interests Past or possible future benefits (travel) Shares or other financial interests Past or possible future business or employment Relationship Potential portfolio conflicts	Four of the six Board members are C'wealth or State/Territory government employees and are not remunerated. The other two Board members are remunerated in accordance with Remuneration Tribunal Determination 2014/03.	Board members' appointments may be terminated by the Minister if they are absent from three consecutive meetings Ref: NBA Act 2003 Section 21(2)(b)	No	Nil	28 Oct 2013 lunch – \$184.50. No alcohol served. 3 Feb 2014 lunch - \$284. No alcohol served.
The Australian Organ and Tissue Donation and Transplantati on Authority Advisory Council	Twice 30 Oct 2013, and 26 March 2014	As per Remuneration Tribunal Determination 2013/16.	90%	Under the Council Terms of Reference (TOR), conflicts of interest are dealt with as follows. <i>A member must disclose to the Chair any situation that may give rise to a conflict of interest or a potential conflict of interest, and seek the responsible Minister's/Chair's agreement to retain the position giving rise to the conflict of</i>	No ongoing conflicts of interest have been registered by Advisory Council members.	As per Remuneration Tribunal Determination 2014/03.	The Advisory Council TOR does not enforce attendance standards. However, this has not been an issue for any Council members to date.	No	Nil	Catering costs total \$556.70 for the two Council meetings held since 7 September 2013. No alcohol served.

(AOTDA)	Three meetings.	As per Remuneration Tribunal Determination 2014/03, and Determination 2013/16.	82% – noting that one Member has been on an approved leave-of-absence since September 2013.	<p>Members are required to submit a notice of interests form annually.</p> <p>At each meeting, Members are provided with an opportunity to declare any existing or potential conflicts of interest relating to agenda items being considered during the meeting.</p> <p>The ASC is currently compiling its Board Conflict of Interest Register for 2014.</p> <p>The ASC Board's conflict of interest register was last considered by the Governance and Executive Performance Committee of the Board in August 2013.</p>	15 conflicts of interest of a personal and business nature were declared during the period.	As per Remuneration Tribunal Determination 2014/03.	Section 19 of the <i>Australian Sports Commission Act 1989</i> outlines the circumstances in which the responsible Minister may terminate the appointment of a member.	The Department does not have access to this information.	Mr David Gallop, Deputy Chair. Prof Jane Halton, Ex-Officio Member.	Total catering cost: \$1,759.41 No alcohol served.
Australian Sports Foundation Board (ASF)	One meeting.	Under the ASF Articles of Association, Directors may be reimbursed for expenses associated with travelling to and/or from Board meetings. No travel expenses paid for the ASF Board during this period as the meeting was held on the same day as the ASC Board meeting.	67% – noting that one Director has been on an approved leave-of-absence since September 2013.	<p>Directors are required to submit a declaration of interests form annually.</p> <p>At each meeting Directors are provided with an opportunity to declare any existing or potential conflicts of interest in agenda items to be considered during the meeting.</p>	One conflict of interest has been declared since 7 September 2013.	Nil.	As per Section 6.9 of the <i>ASF Articles of Association</i> , the responsible Minister may remove any Director before the expiration of their current term.	The Department does not have access to this information.	Nil.	Nil.

<p>Independent Hospital Pricing Authority (IHPA)</p>	<p>Five meetings:</p> <ul style="list-style-type: none"> • 13 Sept 2013 • 25 October 2013 • 28 Nov 2013 • 21 Feb 2014 • 20 March 2014 	<ul style="list-style-type: none"> • Flights (booked and paid by IHPA) • Accommodation (booked and paid by IHPA) • Reimbursement of taxi/train/bus, parking, mileage related to IHPA member attendance at meetings 	<p>85% attendance since September 2013</p>	<p>Conflicts of interest related to the Pricing Authority are managed under Section 148 and 149 of the <i>National Health Reform Act (2011)</i>.</p>	<p>Nil conflict of interest disclosures have been made to the Minister since September 2013.</p> <p>Declarations of conflict of interests were made to the Pricing Authority by members related to their work in the private sector at three meetings since September 2013 and are recorded in the minutes of the following meetings:</p> <ul style="list-style-type: none"> • Friday 25 October 2013 (two members) • Thursday 28 November 2013 (one member) • Friday 21 February 2014 (three members) 	<p>As per Remuneration Tribunal Determination 2014/03.</p>	<p>The Commonwealth Minister for Health has the power to terminate the appointment of a Pricing Authority Member under Section 152 of the <i>National Health Reform Act (2011)</i>.</p> <p>NATIONAL HEALTH REFORM ACT 2011 - SECT 152 Termination of appointment</p> <p>(1) The Minister may at any time terminate the appointment of the Chair of the Pricing Authority.</p> <p>(2) The Minister must, if requested to do so by a majority of the State/Territory Health Ministers, terminate the appointment of the Deputy Chair of the Pricing Authority.</p> <p>(3) The Minister may at any time, with the agreement of a majority of the State/Territory Health Ministers that includes at least 3 State Ministers, terminate the appointment of a member of the Pricing Authority (other than the Chair or Deputy Chair).</p>	<p>Nil</p>	<p>Nil</p>	<ul style="list-style-type: none"> • Friday 21 February 2014 - \$422.04 • Thursday 20 March 2014 - \$429.83 <p>Total expenditure in 2014 - \$851.87</p> <p>No alcohol served at IHPA meetings.</p>
--	--	---	--	--	---	--	--	------------	------------	--

<p>Food Standards Australia New Zealand Board (FSANZ)</p>	<p>Five meetings: Three face-to-face meetings, and two by teleconference</p>	<p>Travel allowance as set out in the Remuneration Tribunal Determination 2013/16.</p> <p>Travel expenses for air travel to and from the meeting venue are provided separately.</p> <p>Each Board member is issued with an Australian Cab Charge card for use in Australia for travel to and from airports and meeting venues.</p> <p>For those Members who chose to use their own private vehicle to attend meetings, a motor vehicle allowance is provided as set out in the Remuneration Tribunal determination (table 4A – Motor Vehicle Allowance). The maximum motor vehicle allowance payable is equal to the cost of return airfares for the member to attend the meeting.</p>	<p>12 members</p>	<p>The FSANZ Act requires that the Board establish and maintain a system for declaring and registering the material personal interests of its members. The Act also requires that the entries recorded in the register of members' material personal interests be published on FSANZ's website. The Board has also resolved that, as a matter of good practice, certain other interests of its members be published on the website. These include pecuniary and non-pecuniary interests relevant to the agency's roles and responsibilities.</p> <p>Newly appointed Board members are requested to complete an Initial Declaration of Interests form. In this form, new members are asked to list their material personal interests, which are then recorded on a register which is published on the FSANZ website.</p> <p>New Board members are also requested to complete a Declaration of Standing Interest form under section 27G of the CAC Act. This form is for interests which are not material personal interests, but which may give rise to a reasonable apprehension that the Board member may not bring an impartial mind to bear to a matter under consideration by the Board. These interests are also included on the Register which is published on the Website.</p> <p>The FSANZ General Counsel makes recommendations to the Board for appropriate action where there is likely to be a conflict between the member's interest and the particular item being considered by the Board.</p> <p>The procedure at Board meetings is for disclosure of material personal interests to be made at the start of a Board meeting.</p>	<p>See attached Register of FSANZ Board members' material personal interests (as at February 2014)</p>	<p>As per Remuneration Tribunal Determination 2014/03.</p>	<p>Section 127 of the FSANZ Act deals with the termination of appointment of Board members.</p>	<p>Nil.</p>	<p>None</p>	<p>Board meeting 5-6 March 2014 held in Wellington, New Zealand. Catering costs of SNZD1,602.</p> <p>Alcohol is not served at Board meetings.</p>
---	--	--	-------------------	--	--	--	---	-------------	-------------	---

		<p>For New Zealand based members who use their own private vehicle to attend meetings, a motor vehicle mileage allowance is provided as set out on the NZ Inland Revenue Department website at http://www.ird.govt.nz/payroll-employers/make-deductions/staff-benefits/allowances/emp-deductions-allowances-mileage.htm#01</p>		<p>The member declares the interest, giving details and answering any questions from other members, and these discussions are recorded in the Minutes.</p> <p>The member leaves the room while the remaining members decide whether or not the absent member should participate and vote, participate and not vote, or neither participate nor vote in the debate on the issue. The Minutes will record the decision, including in relation to any limitation on the member's participation.</p> <p>If the remaining members decide to allow the relevant member to debate and/or vote, the member is recalled and notified of the decision. When the matter that is the subject of a member's disclosure comes up for debate, the decision of the Board is followed and a record made for the minutes.</p>						
--	--	--	--	---	--	--	--	--	--	--

