

Government business board appointments

Information for candidates

The Government owns, on behalf of the Tasmanian community, a diverse portfolio of businesses, ranging in size and operating in a variety of commercial markets including the energy sector, port operations, transport, forestry and financial services. Directors of government businesses are selected and appointed on the basis of their skills and experience, and the needs of the particular business. It is important that the appointment process is competency based, professional and transparent.

Criteria for appointment

Directors must possess relevant expertise, as well as appropriate personal attributes, in order to perform their duties and responsibilities to a high standard. The board of each government business comprises directors with an appropriate range of skills, experience, qualifications, expertise and vision. The composition of the board is determined by way of a board skills assessment process and collectively, the expertise of each board includes, but is not limited to:

- relevant industry knowledge;
- corporate governance;
- finance and accounting; and
- strategic planning.

The ability to add value and contribute to board decision-making and oversight are key considerations in the assessment of candidates for board positions.

Duties and Responsibilities

The duties of directors on the boards of government businesses are similar in many ways to their private sector counterparts, but there are differences in the legal, regulatory and operational environments that shape the responsibilities and expectations facing directors of government business boards.

The board of directors undertake the key role of stewardship of the government business on behalf of the owners, the Tasmanian community, by holding management accountable for the performance, long-term viability and achievement of objectives of the business. The board is accountable to the Shareholder Ministers, appointed as the representatives for the owners.

The Shareholder Ministers are responsible for monitoring the broader role of government businesses, in terms of balancing customer and shareholder interests. Shareholder Ministers are accountable to Parliament and the community as elected representatives of the owners.

Directors of government businesses must understand the governance framework for government businesses. They must also consider the expectations of owners and be aware of the potential challenges and conflicts.

Term of Appointment

A director can be appointed for a maximum term of three years. A retiring director seeking appointment for a further term will only be considered as a potential candidate after completion of a formal performance assessment of the director and considering requirements of the board in terms of knowledge, expertise, and skills.

To ensure adequate board renewal a director will generally only be appointed for a maximum of two or three terms, (ie a maximum of six or nine years of continuous service). The Shareholder Ministers will consider the number of terms a director will be reappointed on a case by case basis.

Time Commitment

Non-executive directors and chairpersons of government business boards hold office on a part-time basis. Most government business boards will meet monthly. These meetings will occur in various locations throughout the State depending on the business. In addition, attendance at board committees may also be required. Candidates should also take into consideration the time required to prepare for board and committee meetings.

Remuneration and Expenses

Fees for members of boards and committees are based on the Government Board and Committee Remuneration Framework administered by the Department of Premier and Cabinet. This recommends the maximum fees to be paid to members of government boards and guidelines for the maximum paid for the additional time commitment for members of board committees.

The remuneration for an individual director will be jointly determined by the Treasurer and Portfolio Minister. The amount payable for committee members is also jointly determined by the Treasurer and Portfolio Minister and may not exceed 15 per cent of the total fees payable to board members.

Directors may also be paid travelling and other expenses properly incurred by them in participating in board and committee meetings or otherwise in connection with the business of the company.

Required Probity Checks

Prior to appointment to a government business board, candidates will be required to undergo the following probity checks:

- Australian Securities and Investment Commission (ASIC); and
- Insolvency Trustee Services Australia (ISTA) checks.

Conflict of Interest

As required by the *Corporations Act 2001* and the *Government Businesses Enterprises Act 1995*, a director of a government business must give the board notice of any material personal interest in a matter that relates to the affairs of the business, subject to certain exceptions

Declaration of Interests

Prior to appointment or reappointment candidates will be required to submit a signed copy of the attached Declaration of Interests. All candidates should be familiar with this form and its undertaking and be able to make the declaration if recommended for appointment.

How to Apply

Executive search firm Cordiner King has been engaged to assist in identifying suitably qualified persons for future government business board positions. Cordiner King also maintains a secure database where expressions of interest will be registered.

If you have the necessary skills and wish to be considered for a board position, the Board Appointments – Registering Your Interest page on the Treasury and Finance website, provides a link to the Tasmanian Government Businesses Board Appointments page on the Cordiner King website where you can register your interest.

Appointment Process

For all director and chairperson appointments, a Director Selection Advisory Panel will be established to consider potential candidates and provide advice to the Shareholding Ministers for their consideration.

The panel will comprise three members being:

- the Secretary of Treasury, as Chairperson;
- the Chairperson of the government business, unless the Chairpersons position is being considered in which case the Secretary of the relevant Portfolio Department will sit on the Panel; and
- an independent member with either corporate governance/board appointment expertise or industry experience relevant to the business.

Cordiner King has been appointed to assist the panel in identifying potential candidates.

All positions have a role statement that details the attributes required for the position. This is developed after considering the existing skills and expertise currently on the board.

When providing advice to Shareholder Ministers the panel will consider the role statement for the position, any recommendations made by the board of the government business, and potential candidates identified by Cordiner King.

The panel will then prepare a shortlist of candidates. These candidates will be contacted by Cordiner King to confirm their interest and availability for the specific position. The panel may also conduct interviews at this stage.

The panel will then provide advice to the Shareholding Ministers. After the Shareholding Ministers have agreed on a preferred candidate and the appropriate due diligence process is completed, the recommendation for appointment will go to Cabinet.

In the case of a Government Business Enterprise, the Governor, upon the joint recommendation of the Treasurer and Portfolio Minister, appoints the directors and chairperson.

In the case of a State-owned Company, the directors and chairperson are appointed by the Treasurer and the Portfolio Minister.

Further Information

Further information can be obtained at www.treasury.tas.gov.au/governmentbusinesses or if you have any questions email governmentbusinesses@treasury.tas.gov.au.

TASMANIAN GOVERNMENT BUSINESS BOARD APPOINTMENTS

DECLARATION OF INTERESTS

Proposed appointment	
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Please answer the following questions by circling the reply that applies to your personal circumstances. If you answer "yes" to any question, please provide details in an attachment to this form. Please note that answering "yes" to any question does not necessarily preclude you from being appointed. Your response will be treated as confidential and will only be used for purposes connected with this proposed appointment.

Do you have any disclosable criminal convictions?	Yes/No
Are you, or have you been, the respondent or defendant in any civil or criminal court action (including as a company director or other office holder)?	Yes/No
(a) Have you ever been declared bankrupt, or protected by the <i>Bankruptcy Act 1966</i> to the disadvantage of creditors? (b) If you are in a partnership, has your partner ever been declared bankrupt?	Yes/No
Has any business or commercial enterprise for which you, or if applicable your partner(s), have had responsibility ever gone into receivership or a similar scheme or arrangement?	Yes/No
During the last 10 years have you, or if applicable your partner(s), been the subject of a court order in connection with monies owing to another party?	Yes/No
Have you ever been summonsed or charged concerning non-payment of tax or outstanding tax debts, investigated for tax evasion or defaults?	Yes/No
Have you ever been the subject of a complaint to a professional body which has been substantiated, or is currently under investigation?	Yes/No
Have you ever been dismissed from employment because of a discipline or misconduct issue?	Yes/No
Do you or your immediate family have any financial interest in any company or business, or are you or your immediate family employed or engaged by any company or business, which might have dealings with, or an interest in the decisions of, the office to which you may be appointed?	Yes/No
Is there any other information which could be relevant to your suitability for the proposed appointment?	Yes/No

<p>DECLARATION</p> <p>I(insert full name) advise that to the best of my knowledge my private, business and financial interests, including taxation affairs, would not conflict with my duties or otherwise cause embarrassment to the Government and the business during my term of appointment.</p> <p>I also undertake to advise the Treasurer and Portfolio Minister should a situation arise in the future which might cause a conflict of interest with my responsibilities under this appointment.</p> <p style="text-align: center;">.....</p> <p style="text-align: center;">Signature Date</p>	
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