

Health Executive Policy

1. Purpose

The *Health Services Act 2016* (**Act**) establishes the Health Executive Service (**HES**). The HES comprises persons holding offices that are the subject of a written determination by the Director General (**health executives**) and the Chief Executives of health service providers (**CEs**).

The purposes of the HES are to provide for a group of executive officers who are able to work in HES offices across the WA health system and are capable of:

- furnishing high level strategic and operational advice and undertaking managerial responsibilities in hospitals and health services; and
- promoting efficiency and effectiveness of hospital and health services.

For Board governed Health Service Providers, the Board is the employing authority of health executives. The Boards have authorised the CE of their Health Service Provider to exercise these powers on the Board's behalf. For CE governed Health Service Providers, the CE is the employing authority of health executives.

This Health Executive Policy (**Policy**) sets out the minimum mandatory requirements to provide a consistent, flexible, transparent and robust governance approach for the selection, appointment and management of health executives. This Policy details mandatory requirements in relation to:

- classification;
- appointment and remuneration;
- performance assessment;
- termination; and
- monitoring and reporting.

This Policy is a mandatory requirement under the *Employment Policy Framework* pursuant to section 26(2)(h) of the *Health Services Act 2016*.

2. Applicability

This Policy is applicable to all Health Service Providers.

2.1 Transitional arrangements

The requirements of this Policy apply to all appointments to health executive offices made from the commencement of this Policy.

A person occupying a health executive office prior to the commencement of this Policy (**existing occupant**) will be governed by the terms of their contract of employment until the expiry of that contract of employment.

Where the remuneration provided for in an existing occupant's contract of employment is less than the minimum remuneration range specified for that office in the Health Executive Classification and Remuneration Structure (**Structure**), a CE may, at their discretion, increase the remuneration of an existing occupant up to the midpoint remuneration value applicable for the office in the Structure (in accordance with the process for remuneration on appointment as described in 3.4.1 below).

If an existing occupant is reappointed to a health executive office, the terms of the contract of employment will be in line with the Act and this Policy.

3. Policy Requirements

3.1 Health Executive office creation and removal

In accordance with section 105(2) of the Act, the Director General may make a written determination that an office in a Health Service Provider is a health executive office. The current written determination is available at section 5 – Related Documents of this Policy.

The Director General has the power to revoke or amend the determination at any time. The Director General will consult with the relevant Health Service Provider Board Chair and CE prior to making, amending or revoking the determination.

3.2 Health Executive Classification and Remuneration Structure

In accordance with section 20(1)(h) of the Act, the Director General can classify and determine the remuneration of health executives and their offices, including varying the remuneration or classifications.

The Director General has adopted a Structure which places each of the health executive offices within one of four classification grades (A to D). The Structure prescribes a Minimum, Midpoint and a Maximum Remuneration Range for each of the four classification grades. The Remuneration Ranges are inclusive of superannuation. Employer superannuation contributions are payable in accordance with the obligations applicable under the *Superannuation Guarantee (Administration) Act 1992* (Cth), the *State Superannuation Act 2000* and the *State Superannuation Regulations 2001*.

The Structure includes two occupational streams: Health Professionals and Corporate. Health Professional offices are health specific providing a predominant career pathway in the health sector. Occupants of Health Professional offices may, but are not required to be qualified and/or registered health practitioners. Corporate offices are more readily transferrable within the broader public sector and more likely to transfer in and out of the health sector.

Health executive offices that can only be occupied by a medical practitioner are not listed in the Structure. Health executives in these offices will be remunerated in accordance with the health executive's classification under the WA Health System – Medical Practitioner – AMA Industrial Agreement 2016 or its replacement (**AMA**

Agreement). Persons acting in these offices for 5 or more business days will be remunerated in accordance with their classification under the AMA Agreement. Clauses 3.4, 3.11 and 3.12 of this Policy do not apply to these offices. A list of these offices is available at section 5 – Related Documents of this Policy.

The current Structure is available at section 5 – Related Documents of this Policy.

3.2.1 Health Executive Remuneration Structure Review

Each year at 1 July, the Director General will review the remuneration values specified in the Structure taking into consideration:

- Government Wages Policy;
- WA Health – HSU WA – PACTS Industrial Agreement 2016 or its replacement;
- WA Health System – Medical Practitioners – AMA Industrial Agreement 2016 or its replacement; and
- any other relevant information.

If the Director General determines the remuneration values in the Structure require amendment, the Structure will be updated and the updated Structure will be attached to this Policy.

The remuneration of health executives will be increased in accordance with the new Structure effective from the date that the Director General makes the new determination. For example, a health executive remunerated at the remuneration range minimum for classification grade B will have their remuneration increased to the corresponding figure under the updated Structure.

3.3 Appointment

The appointment of a health executive must be governed by a contract of employment. The Workforce and Employment Unit, Department of Health (**W&E**) on behalf of the Director General will prepare all health executive contracts of employment across the WA health system.

Prior to the appointment of a health executive, CEs must submit an appointment form (remuneration up to midpoint) (available section 6 – Supporting information) to W&E. The W&E will draft and forward a contract of employment to the CE for signing by the parties. CEs must return each executed health executive contract of employment to W&E.

W&E will assist CEs to monitor the contract expiry dates of existing occupants in a HSO Class 1 to 4 office and assist CEs to transition existing occupants in a HSO Class 1 to 4 office who are reappointed to a HES office in accordance with this Policy.

3.4 Remuneration

3.4.1 Health Executive remuneration on appointment

The remuneration of a health executive cannot exceed the maximum Total Remuneration Package (**TRP**) specified for the applicable classification grade for the health executive office in the Structure. It is acknowledged that a health executive may

receive additional remuneration if an Attraction, Retention and Incentive allowance (**ARI**) is approved in accordance with [Premier's Circular 2017/04](#). An application for an ARI must be facilitated through W&E.

When determining the remuneration of a health executive, a CE should consider the following principles:

- health executives to be appointed at the minimum remuneration value; and
- remuneration above the minimum to be based on the appointee's experience and expertise.

The CE may approve the appointment of a health executive remunerated from the minimum up to the midpoint of the applicable classification grade and must submit an appointment form (remuneration up to midpoint) to W&E (available section 6 – Supporting Information).

Where the CE determines that the health executive is to be remunerated above the midpoint, the CE must also submit a rationale for remuneration above midpoint form to W&E (available section 5 – Related Documents). The W&E will forward the form to the Director General for determination. A health executive will only be remunerated above the midpoint if approved by the Director General.

3.4.2 Health Executive remuneration increases

A CE may not increase a health executive's remuneration within the first twelve months of employment.

The CE may review the health executive's remuneration after the health executive has served twelve months. The CE must have regard to the performance of the health executive when considering any increase to the health executive's remuneration.

The CE may increase the health executive's remuneration up to and including the midpoint of the applicable classification grade and the CE must submit a remuneration increase form (midpoint and below) to W&E (available section 5 – Related Documents).

Where the CE determines that the health executive is to be remunerated above the midpoint, the CE must submit a rationale for remuneration above midpoint form to W&E (available section 5 – Related Documents). The W&E will forward the form to the Director General for determination. A health executive will only be remunerated above the midpoint if approved by the Director General.

3.4.3 Health Professionals – Grades C and D ONLY

Prior to advertising a vacancy for a Health Professional Grade C or D office, a CE may request the Director General to consider whether the proposed remuneration for the vacancy can be based on relevant inter-jurisdictional remuneration comparators (refer red remuneration ranges specified in the Structure) by submitting a Health Professional grade C and D inter-jurisdictional remuneration (red values) request form (available section 5 – Related Documents). The Director General will determine whether a remuneration based on inter-jurisdictional remuneration comparators can be advertised and offered.

Remuneration for the health executive office will be determined in accordance with 3.4.1

– 3.4.2.

3.5 Performance assessment

Within 6 weeks of a health executive's commencement, a performance agreement must be completed as prescribed in the health executive contract.

CEs must review, at least annually, the performance of their health executives in accordance with applicable contract of employment.

3.6 Termination

The termination of a health executive's employment by a CE must comply with s.125 of the Act and the applicable contract of employment.

3.7 Transfer

Health executives may be transferred in accordance with section 123 of the Act.

3.8 Secondment

Health executives may be seconded in accordance with section 136 of the Act.

3.9 Reappointment

Health executives may be reappointed in accordance with section 122 of the Act, the applicable contract of employment and section 2.1 Transitional arrangements of this Policy for current occupants in a health executive office.

Where a CE does not propose to reappoint a health executive, the requirements in section 131 of the Act must be met.

3.10 Motor vehicle

The Director General has determined there is no entitlement to a separate motor vehicle benefit.

Health executives will not automatically receive a motor vehicle, rather it will be at the CE's discretion and subject to the HES officer's participation in, and contribution to, the Senior Officers Vehicle Scheme (refer to the Motor Vehicle Fleet Policy MP 52/17, Infrastructure (Asset Management) Policy Framework). There will be no provision for a motor vehicle allowance in lieu of a vehicle.

3.11 Employees acting in a health executive office

A CE may direct an employee to act in a health executive office:

- during a vacancy in the office; or
- during a period when the person holding the office is, or is expected to be absent or for any reason is unable to perform the functions of the office.

The acting period must not exceed 12 months.

An acting opportunity for a period of more than 5 days must be governed by a letter directing the employee to act. Where an employee will be acting in a health executive office for more than 5 days, the CE must submit an appointment form (remuneration up to midpoint) (available section 5 – related documents) to W&E. The W&E will draft and forward the letter to the CE for signing by the parties. The CE must return the signed letter to W&E.

The Director General has determined that additional remuneration will only be paid when an employee is acting in a health executive office for a period of 5 or more business days.

Remuneration for acting in a health executive office is on the basis of a cash allowance calculated on a per annum basis and paid fortnightly in arrears. The cash allowance will be the difference between the employee's substantive salary (inclusive of any additional allowances being paid) and a remuneration value determined by the CE from the minimum up to the midpoint of the office's applicable remuneration grade.

If the employee is currently being paid more than the midpoint remuneration value for the acting position, the employee will continue to be paid at their current remuneration.

3.12 AMA HES allowance

Where a medical practitioner is appointed to a Health Professional office, the medical practitioner is entitled to receive an AMA HES allowance.

The AMA HES allowance will be the difference between the remuneration grade applicable to the Health Professional office and the medical practitioner's current remuneration (including all allowances) under the AMA Agreement.

The AMA HES allowance for a medical practitioner external to the WA health system will be calculated by the CE considering the medical practitioner's current role and determining an equivalent level position, appropriate to the practitioner's experience under the AMA Agreement. The medical practitioner's equivalent "current remuneration" will be based on the remuneration (including allowances) payable to that equivalent position under the AMA Agreement.

3.13 Health Professional on-call allowances

A health executive is not automatically entitled to receive an on-call allowance; the receipt of an on-call allowance is discretionary and must be approved by the CE in accordance with this clause.

A CE may approve the payment of an on-call allowance by submitting a HES on-call allowance form (available section 5 – Related Documents) to W&E confirming:

- the health executive is employed in a Health Professional role under the Structure;
- the on-call duties for which the allowance is sought are in addition to the health executive's duties as set out in the job description form for the health executive's position; and

- the health executive is or will be rostered on an emergency control roster (or similar) within a health service provider.

If approved, the health executive will be entitled to receive on call allowance payments in accordance with the applicable roster and the applicable industrial instrument through submission of relevant documents to Health Support Services.

3.14 District allowances

District allowances are payable to health executives in accordance with the terms of the District Allowance (Government Officers) General Agreement 2010 and any agreement that amends or replaces that Agreement.

3.15 Request to classify a new or existing HES office

Where a CE proposes that a new office be included within the HES or that an existing HES office be reclassified (**proposal**), the CE must discuss the proposal with the Director General. Following this discussion, the CE may forward a request for the proposal (HES office reclassification form for existing HES offices and HES office creation and classification form for new HES offices) (available section 5 – Related Documents) to the Director, W&E.

The Director, W&E will determine whether an external consultant needs to be engaged to assess the proposal. Prior to engaging an external consultant, the Director, W&E will contact the CE with an estimate of costs. The Health Service Provider must pay the external consultant's costs associated with the proposal.

The Director General will determine whether the proposal will be implemented, which may require amending or revoking the determination (see section 3.1 above). CEs will be notified of the Director General's decision.

Before a new HES office is able to be included in a determination, the Health Service Provider must create the office in accordance with usual classification and creation processes through Health Support Services. The Health Service Provider must notify W&E the new HES office has been created.

3.16 Vacant health executive office

Health executive offices should be advertised and filled through an open merit selection process within 12 months of becoming vacant.

4. Compliance Monitoring

Health Service Providers must ensure and monitor compliance with this Policy.

W&E is responsible for recording all relevant information relating to the employment of health executives in the WA health system and is the custodian of all health executive employment contracts.

W&E on behalf of the Director General is responsible for:

- maintaining a database recording all HES contracts;
- maintaining the Structure in line with the Director General's written determination;

- monitoring and reporting on health executive employment across the WA health system;
- advising the Director General in relation to the classification, remuneration and management of health executives; and
- undertaking audits to ensuring compliance with this Policy.

Health Support Services is responsible for processing HES contracts.

5. Related Documents

The following documents are mandatory pursuant to this Policy:

- [Health Executive Classification and Remuneration Structure](#)
- [Consolidation of determined executive offices in the HES](#)
- [Medical practitioner only HES offices](#)
- [HES appointment/acting form \(remuneration up to midpoint\)](#)
- [HES on-call allowance form](#)
- [HES office reclassification form](#)
- [HES office creation and classification form](#)
- [HES Health Professional Grade C and D inter-jurisdictional remuneration \(red values\) request form](#)
- [HES rationale for remuneration above midpoint form](#)
- [HES remuneration increase form \(midpoint and below\)](#)

6. Supporting Information

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

- [HES Intranet \(WA Health Staff only\)](#)
- [HES cessation of health executive employment process, including the relevant form \(WA Health Staff only\)](#)

7. Definitions

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

Term	Definition
Health Executive	A person holding an office referred to in section 105(1)(b) of the Act but does not include a Health Service Provider Chief Executive.

8. Policy Contact

Enquiries relating to this Policy may be directed to:

Title: Director, Workforce and Employment Unit
 Directorate: Governance and System Support
 Email: EmploymentPolicyFramework@health.wa.gov.au

9. Document Control

This mandatory policy will be reviewed and evaluated as required to ensure relevance and recency. At a minimum it will be reviewed within one year after first issue and at least every two years thereafter.

Version	Effective from	Effective to	Amendment(s)
MP 0075/17	11 December 2017	11 April 2018	Original version
MP 0075/17 v.2.0	11 April 2018	19 November 2018	<p>The following amendments have been made to clarify:</p> <ul style="list-style-type: none"> - CEs have the power to direct an employee to act in a health executive role for a period not exceeding 12 months - Circumstance a CE may determine health executive to receive on call allowance - Health executives entitled to received district allowances - HSPs must arrange new HES office through HSS processes - Amendments to Related documents <i>Appointment form</i>, <i>HES on-call allowance form</i> and <i>Health Executive Classification and Remuneration Structure</i>. - Related document <i>Health Executive Classification and Remuneration Structure</i> amended to incorporate the Director General's determination on 8 August 2018 to increase the annual salary component for each health executive office specified in the <i>Health Executive Classification and Remuneration Structure</i> by \$1,000, effective from 1 July 2018.
MP 0075/17 v.3.0	19 November 2018	9 May 2019	<p>Major amendments made to Related documents:</p> <ul style="list-style-type: none"> - <i>Medical practitioner only HES offices</i> - <i>Consolidation of determined executive offices in the health executive service</i> - <i>Health Executive Classification and Remuneration Structure</i> <p>To reflect changes to the composition of the HES.</p>

MP 0075/17 v.4.0	9 May 2019	1 July 2019	<p>Major amendments made to Related documents:</p> <ul style="list-style-type: none"> - <i>Health Executive Classification and Remuneration Structure</i> - <i>Consolidation of determined executive offices in the health executive service</i> - <i>Medical practitioner only HES offices</i> - <i>HES appointment form (remuneration up to midpoint)</i>, to become HES appointment / acting form (remuneration up to midpoint) - <i>HES office creation and classification form</i> - <i>HES rationale for remuneration above midpoint form</i> - <i>HES remuneration increase form (midpoint and below)</i>. <p>To reflect changes to the composition of the HES, and to clarify some matters in the forms.</p>
MP 0075/17 v.5.0	1 July 2019	31 July 2019	<p>Published 28 June 2019: Major amendment: Related document <i>Health Executive Classification and Remuneration Structure</i> amended to incorporate the A/Director General's determination on 7 June 2019 to increase the annual salary component for each health executive office specified in the Health Executive Classification and Remuneration Structure by \$1,000, effective from 1 July 2019.</p>
MP 0075/17 v.6.0	31 July 2019	22 August 2019	<p>Major amendments made to Related documents:</p> <ul style="list-style-type: none"> - <i>Consolidation of determined executive offices in the health executive service</i> - <i>Health Executive Classification and Remuneration Structure</i> <p>To reflect changes to the composition of the HES.</p>
MP 0075/17 v.7.0	22 August 2019	18 November 2019	<p>Major amendments made to Related document <i>HES rationale for remuneration above midpoint form</i> to remove reference to supporting attachments and clarify the effective date for new health executive appointments.</p>

MP 0075/17 v.8.0	18 November 2019 and 19 November 2019	12 December 2019	Major amendments made to Related documents: <ul style="list-style-type: none"> - <i>Consolidation of determined executive offices in the health executive service</i> - <i>Health Executive Classification and Remuneration Structure</i> To reflect changes to the composition of the HES.
MP 0075/17 v.9.0	12 December 2019	14 January 2020	Major amendment made to Related document <i>Health Executive Classification and Remuneration Structure</i> to reflect one change to the composition of the HES. Hyperlink amended to correct version for Related document <i>HES remuneration increase form midpoint and below</i> .
MP 0075/17 v.10.0	14 January 2020	2 April 2020	Major amendments made to Related documents: <ul style="list-style-type: none"> - <i>Consolidation of determined executive offices in the health executive service</i> - <i>Health Executive Classification and Remuneration Structure</i> To reflect changes to the composition of the HES. Minor amendment made to the Policy document to transition to the current Policy template.
MP 0075/17 v.11.0	2 April 2020	23 December 2020	Major amendments made to Related documents: <ul style="list-style-type: none"> - <i>Consolidation of determined executive offices in the health executive service</i> - <i>Health Executive Classification and Remuneration Structure</i> To reflect changes to the composition of the HES. Minor amendment made to <ul style="list-style-type: none"> - Section 6.0 to list new Supporting information <i>HES intranet</i> and <i>HES cessation of employment process</i>. - Section 9.0 and Policy webpage to update details related to previous amendments.

MP 0075/17 v.12.0	23 December 2020	4 May 2021	Major amendments made to Related documents: <ul style="list-style-type: none"> - <i>Consolidation of determined executive offices in the health executive service</i> - <i>Health Executive Classification and Remuneration Structure</i> To reflect changes to the composition of the HES.
MP 0075/17 v.13.0	4 May 2021	3 June 2021	Major amendment to Related document <i>Health Executive Classification and Remuneration Structure</i> to reflect approved changes to the composition of the HES.
MP 0075/17 v.14.0	3 June 2021	19 July 2021	Major amendments made to Related documents: <ul style="list-style-type: none"> - <i>Consolidation of determined executive offices in the health executive service</i> - <i>Health Executive Classification and Remuneration Structure</i> To reflect changes to the composition of the HES.
MP 0075/17 v.15.0	19 July 2021	28 October 2021	Major amendment to Related documents: <ul style="list-style-type: none"> - <i>Health Executive Classification and Remuneration Structure</i> - <i>HES appointment-acting form (remuneration up to midpoint)</i> - <i>HES remuneration increase form (midpoint and below)</i> to incorporate the Director General's determination of 2 July 2021 to increase the total remuneration values outlined in the Health Executive Classification and Remuneration Structure effective from 1 July 2021. The determination includes a \$1,000 per annum increase to the annual salary component and increases the superannuation rate to 10% of the annual salary component.

MP 0075/17 v.16.0	28 October 2021	17 May 2022	Major amendments made to Related documents: <ul style="list-style-type: none"> - <i>Consolidation of determined executive offices in the health executive service</i> - <i>Health Executive Classification and Remuneration Structure</i> To reflect changes to the composition of the HES.
MP 0075/17 v.17.0	17 May 2022	4 July 2022	Major amendments made to Related documents: <ul style="list-style-type: none"> - <i>Consolidation of determined executive offices in the health executive service</i> - <i>Health Executive Classification and Remuneration Structure</i> - <i>Medical Practitioner Only HES Offices</i> To reflect changes to the composition of the HES.
MP 0075/17 v.18.0	4 July 2022	12 August 2022	Major amendment made to Related document: <ul style="list-style-type: none"> - <i>Health Executive Classification and Remuneration Structure</i> To incorporate the Director General's determination of 4 July 2022 to increase the total remuneration values effective from 1 July 2022. The determination includes an increase to the superannuation rate from 10% to 10.5%.
MP 0075/17 v.19.0	12 August 2022	Current	Major amendments made to Related documents: <ul style="list-style-type: none"> - <i>Consolidation of determined executive offices in the health executive service</i> - <i>Health Executive Classification and Remuneration Structure</i> To reflect changes to the composition of the HES. Amendment to update the Policy Contact Section from Executive Director, Governance and System Support to Director, Workforce and Employment.

10. Approval

Approval by	Dr David Russell-Weisz, Director General, Department of Health
Approval date	11 December 2017

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

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