

## Advice to Department of Health to pay the Chief Executive Officer, Hospitals Victoria above the remuneration band

Advice reference            2024/33  
Date requested            18 September 2024  
Date provided            24 September 2024

This advice is provided under section 37 of the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* (Vic).

### Details of proposal

The Department of Health requested advice on a proposal to pay the following executive above the maximum of the relevant remuneration band set by the *Remuneration bands for executives employed in public service bodies (Victoria) Determination No. 01/2024*.

<b>Executive</b>	██████████
<b>Position</b>	Chief Executive Officer, Hospitals Victoria
<b>Remuneration band</b>	SES-3
<b>Maximum of band</b>	\$557,435
<b>Proposed TRP</b>	██████████
<b>Proposed percentage above the band</b>	████
<b>Contract period</b>	19 August 2024 — 18 August 2029

## Advice

- 1 The Victorian Independent Remuneration Tribunal advises the Department of Health that an appropriate total remuneration package (TRP) for an executive in the position of Chief Executive Officer, Hospitals Victoria is \$573,921 per annum.
- 2 The Tribunal considers the TRP, which is above the relevant remuneration band for the position, to be appropriate for the following reasons:
  - (a) The functions of the position, noting that this is a new executive position established to lead a new business unit with the Department and the scope, complexity and risk management responsibilities of the position have not been fully determined.
  - (b) The information available to the Tribunal on current labour market conditions for executives with the required skills, capability and experience. The Tribunal notes that a market testing process was not undertaken, which would have provided additional information on the appropriate remuneration for an executive in this position.
  - (c) Remuneration relativities for other senior executive positions in the Victorian public sector, including positions for which the Tribunal has previously provided remuneration advice and the remuneration arrangements for the chief executives of public hospitals.
- 3 The Tribunal also notes that its advice must be sought again for a mid-contract remuneration adjustment, reappointment, new appointment or temporary appointment if it is proposed to continue paying the executive above the maximum of the remuneration band.