

MC23-003532

Signature Due Date: 03/02/2023

**VIP PRIORITY – REVIEW OF PUBLIC SECTOR BOARD APPOINTMENTS PROCESSES**

**Prime Minister, we recommend you:**

**CC: Cabinet Secretary**

1. Sign the letter at Attachment A to Senator the Hon Katy Gallagher, Minister for the Public Service, agreeing to the Terms of Reference for the Review into Public Sector Board Appointments Processes, s 47C and to bring forward the final report s 47C

**Signed/ Not Signed**

ANTHONY ALBANESE

Date:

**Comments:**

**KEY POINTS**

1. Under the Government's Ambitious and Enduring Reform Plan for the Australian Public Service (APS), s 34(3) s 34(2) s 34(3) Senator the Hon Katy Gallagher, Minister for the Public Service (the Minister), received agreement to commission a review of arrangements and processes for appointments to public sector boards, to be completed by mid-2023. s 47C
2. The proposed Terms of Reference s 34(3) will focus on the following areas:
  - a. clarifying the role of public sector boards and how needed skills and standards are set
  - b. options for transparent processes to identify and recruit board members
  - c. how ministers are advised on selection of board members
  - d. improving the diversity of board membership (including in terms of gender, CALD, First Nations and geographic representation on public sector boards).
3. s 47C
4. The Minister has appointed Ms Lynelle Briggs AO to lead the Review. Ms Briggs brings extensive public sector experience in both the Commonwealth and other jurisdictions. She has served on several public and private sector boards and has conducted a number of reviews for various government agencies and ministers. Her extensive experience will offer an incisive view of current arrangements, positioning her well to make robust recommendations for Government consideration.

**Risks and Sensitivities**

Nil

**Financial Implications**

Nil

**Consultation**

PM&C Cabinet Division

**Ali Jenkins**

First Assistant Secretary

APS Reform Office

1 February 2023

**Policy Officer:** s 22(1)(a)(ii)

Phone no: s 22(1)(a)(ii)

**Circulation**

**PM&C** Secretary Davis; Secretary de Brouwer; Deputy Secretary, APS Reform, Bacon; Deputy Secretary, Governance & Corporate Group, Williamson; First Assistant Secretary, APS Reform, Jenkins, Assistant Secretary, Angie McKenzie, First Assistant Secretary, Ministerial Support, Martin

**PMO** Chief of Staff; Adviser s 22(1)(a) Adviser s 22(1)(a)(ii) Adviser s 22(1)(a)(ii) Senior Adviser s 22(1)(a)(ii)

**Cabinet Secretary** Senior Adviser, s 22(1)(a)(ii)

**ATTACHMENTS:**

**ATTACHMENT A DRAFT RESPONSE**

**ATTACHMENT B INCOMING CORRESPONDENCE**



PRIME MINISTER  
The Hon Anthony Albanese MP

Reference: MC23-003532

03 FEB 2023

Senator the Hon Katy Gallagher  
Minister for the Public Service  
Parliament House  
CANBERRA ACT 2600

Dear Minister

*Katy,*

Thank you for your letter dated 18 January 2023 regarding the Review into Public Sector Board Appointments Processes. This initiative forms an important part in our Government's Australian Public Service (APS) Reform agenda, and I am pleased to hear this work is now underway.

I agree to the proposed Terms of Reference for the Review <sup>s 47C</sup>  
<sup>s 47C</sup>

I support your appointment of Ms Lynelle Briggs AO to lead this Review and agree her public sector expertise positions her well to provide considered advice to the Government on this matter.

I note the Final Review Report is due to be completed by mid-2023. <sup>s 47C</sup>  
<sup>s 47C</sup>

Thank you for your work progressing our Government's commitments to strengthen the APS.

Yours sincerely

s 22(1)(a)(ii)

ANTHONY ALBANESE

~~PROTECTED CABINET~~



## Senator the Hon Katy Gallagher

Minister for Finance  
Minister for Women  
Minister for the Public Service  
Senator for the Australian Capital Territory

REF: MS23-000050

The Hon Anthony Albanese MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

*Dr A*  
Dear Prime Minister

I write to seek your agreement to the Terms of Reference for the Review into Public Sector Board Appointment Processes (the Review). s 34(3)

s 34(3)

s 34(3)

s 34(2)

s 34(3)

s 47C

The Review forms part of the Government's integrity agenda, and will help inform Government consideration of the Thodey Review recommendation to amend the Merit and Transparency guidelines for statutory appointments (Recommendation 39a).

Under the proposed Terms of Reference, the Review will examine transparent processes to identify and recruit board members, how ministers are advised on the selection of board members, the professional qualifications, experiences and expertise needed to fulfil particular roles, and options for improving the diversity of board membership (including in terms of gender, CALD, First Nations and geographic representation).

While not reviewing individual appointments, the Review will respond to concerns about transparency of appointment processes, and the need to ensure appointments to public sector boards are of the highest calibre.

I have appointed Ms Lynelle Briggs AO to lead this Review, with the Final Report expected to be completed by mid-2023. Ms Briggs brings extensive public sector experience in both the Commonwealth and other jurisdictions. Her expertise and experience position her well to make robust recommendations for Government consideration.

The proposed Terms of Reference for the Review are at Attachment A for your agreement.

Yours sincerely

s 22(1)(a)(ii)

Katy Gallagher  
18 JAN 2023

02 6277 7400 | Parliament House Canberra ACT 2600

~~PROTECTED CABINET~~



Australian Government

# **Review into Public Sector Board Appointments Processes 2023**

## **Draft Terms of Reference**

### **Context**

The 2019 review into the Public Service, *Our Public Service, Our Future: Independent Review of the Public Service* 2019 (the Thodey Review) emphasised the importance of maintaining the highest standards of public sector integrity, and the role these standards play in the 'APS's capacity to provide services to citizens, to regulate effectively and to provide well-informed and influential advice'<sup>1</sup>.

Since the Thodey Review, the importance of public trust in Government, and the transparency and integrity of public institutions, has come into even sharper focus in the face of COVID-19, natural disasters, and increasing economic uncertainty.

Minister for the Public Service, the Hon Katy Gallagher announced the first priorities of the Public Service Reform Agenda (the APS Reform Agenda) in October 2022. One of the activities under that Agenda was to undertake a review of arrangements and processes for appointments to public sector boards, to be completed by June 2023.

This Review forms part of the Government's integrity agenda and will consider the connections across that agenda, including the recommendation to amend the Merit and Transparency guidelines for statutory appointments made in Recommendation 39a of the Thodey Report. The review will examine how the appointment of members to public sector boards and relevant bodies may be used to enhance integrity and trust in the institutions of Government. It will also explore whether a renewed approach to diversity, including First Nations, gender, culturally and linguistically diverse, geographic and professional background and expertise, age and other inclusion matters might strengthen the outcomes for all Australians in the administration of Government.

### **Purpose of this Review**

The focus of this Review is to consider and propose appropriate standards for the processes by which Board members are appointed to Government Boards. In considering these processes, the Review will seek to consider how appointments to Boards can contribute to integrity and trust in the institutions of Government. The Review will include consideration of:

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<sup>1</sup> See 'Our Public Service, Our Future: Independent Review of the Public Service' 2019, p. 105.



## OFFICIAL SENSITIVE

- The process to identify suitable pools of candidates for consideration of different Board roles;
- The professional qualifications and experiences, lived experience and identification of skills and expertise required to fulfil particular roles;
- How expertise and professional qualifications are balanced across the composition of Boards;
- The diversity of board membership, including in terms of gender, culturally and linguistically diverse, First Nations and geographic representation;
- Review processes to track performance, behaviours and effectiveness of Boards;
- The role of the Chair and Board in selection processes;
- The role of APS staff in selection processes;
- The role of Ministers and the processes through which Board appointments are made; and
- The standards expected of private sector boards in Australia and whether Australian Government Boards should meet those, or a different standard. This may include legislative, policy or case law expectations.

The Review will not consider current appointments or appointment processes related to specific individuals.

### **Consultation**

The Reviewer will consult widely across the Australian Public Service, and with current and former Board members, and individuals from the public and private sectors with relevant insights on public sector boards to support this Review.

### **Appointment of Independent Reviewer**

The Review will be led by Ms Lynelle Briggs AO.

Ms Briggs will be supported by a small secretariat in the Department of the Prime Minister and Cabinet to assist with the administration of the Review.

### **Timeframes**

The Review will commence in February 2023, with the Final Report provided to the Minister for the Public Service mid-2023.

### **Publication of this Report**

These Terms of Reference and the Final Report to the Minister for the Public Service will be published on the APS Reform Website.

DEPARTMENT OF THE PRIME MINISTER AND CABINET

APS  
Commissioner  
de Brouwer  
PM&C  
Secretary  
Davis  
Dr Bacon  
Mr  
Williamson  
Ms Dolman  
s 22(1)(a)(ii)  
Mr Martin

MO  
s 22(1)(a)(ii)

PMO  
s 22(1)(a)(ii)

To: Minister for the Public Service

REVIEW OF PUBLIC SECTOR BOARD APPOINTMENTS PROCESSES

Recommendations - that you:

1. **Note** the Final Report on the Review of Public Sector Board Appointments Processes (the Report) at Attachment A.

Noted / Please discuss

2. **Sign** the letter to the Hon Anthony Albanese MP, Prime Minister (Attachment B),  
s 47C

Signed / Not Signed

3. **Note**, in accordance with the Review’s Terms of Reference, s 47C  
s 47C it will be published in full on the Australian Public Service (APS) Reform website.

Noted / Please discuss

KATY GALLAGHER

Date:

Comments:

Key Issues:

1. A Review into Public Sector Board Appointments Processes was commissioned as part of the Government’s Australian Public Service (APS) Reform Agenda, under the priority area of an APS that embodies integrity in everything it does. The Review responds to concerns about transparency of appointments processes and observations that mechanisms for the public service to advise on potential appointments could be strengthened.
2. Ms Lynelle Briggs AO was appointed as the lead reviewer and began consultations in February 2023. Ms Briggs provided her Final Report (Attachment A) on 4 August 2023. The Report proposes standards and transparent processes to identify and recruit board members, recommendations for the role of ministers, APS staff and board Chairs as part of this selection process, and how the diversity of board membership might be improved.



3. The recommendations in the Report would affect board appointments in all Australian Government portfolios. s 47C

s 47C

4. s 47C

- a. The Review has attracted significant public interest and the Report makes recommendations that affect appointments to boards and bodies across all Commonwealth portfolios.

s 47C

5. As stated in the Review Terms of Reference, s 47C

s 47C

it will be published on the APS Reform website.

6. The APS Reform Office will also prepare a draft media release to accompany the publication of the Final Review Report.

**Consultation:**

PM&C Cabinet Division, PM&C Government Division, Australian Public Service Commission

Dr Rachel Bacon  
Deputy Secretary  
APS Reform Office  
10 August 2023

Policy Officer: s 22(1)(a)(ii)  
Phone no: s 22(1)(a)(ii)

**ATTACHMENTS**

<b>ATTACHMENT A</b>	<b>FINAL REPORT ON THE REVIEW OF PUBLIC SECTOR BOARD APPOINTMENTS PROCESSES</b>
<b>ATTACHMENT B</b>	<b>DRAFT LETTER TO THE PM</b>
<b>ATTACHMENT C</b>	<b>OVERVIEW OF FINAL REVIEW REPORT RECOMMENDATIONS</b>



## Senator the Hon Katy Gallagher

Minister for Finance  
Minister for Women  
Minister for the Public Service  
Senator for the Australian Capital Territory

REF: MS23-000830

The Hon Anthony Albanese MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Prime Minister

s 47C

The proposal to conduct such a review was endorsed as part of my submission to Cabinet on *An Ambitious and Enduring Reform Plan for the APS* s 34(2) refers), and forms part of the Government's integrity agenda.

Ms Lynelle Briggs AO was appointed to lead this Review and provided me with her Final Report on 4 August 2023. The Report proposes standards and transparent processes to identify and recruit board members, recommendations for the role of ministers, APS staff and board Chairs as part of this selection process, and how the diversity of board membership might be improved.

As per the Review Terms of Reference, s 47C

s 47C

Ms Briggs' Final Report on the Review of Public Sector Board Appointments Processes is at Attachment A for your reference.

Yours sincerely

**Katy Gallagher**

s 22(1)(a)(ii)

### Review into Public Sector Board Appointments


- On 5 February the Government announced the appointment of Lynelle Briggs AO to lead a Review into Public Sector Board Appointment Processes. The review focussed on:
  - clarifying the role of public sector boards and how needed skills and standards are set
  - options for transparent processes to identify and recruit board members
  - how ministers are advised on selection of board members
  - improving the diversity of board membership (including gender, CALD, First Nations and geographic representation on public sector boards).
- Ms Briggs consulted widely across the public sector to inform the Review.

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Contact No: (s 22(1)(a)(ii))  
Division: APS Reform Office  
Date Updated: 3/11/2023  
Date Last Printed: 13/02/2024 10:37 AM

Cleared by: s 22(1)(a)(ii)  
Contact No: s 22(1)(a)(ii)  
Cleared by Adviser:  
PDR Number: QB22-000052

- The Review focussed on the process of board appointment arrangements; there is no intention to review current board appointments.
- Ms Briggs submitted her Final Report to the Government in August 2023 and until the Government has carefully considered the Report, it would be inappropriate to comment on findings.
- Consistent with our Government's commitment to transparency, we will publish the Review report in full.
- The Terms of Reference for the Review are available on the APS Reform website at [www.apsreform.gov.au](http://www.apsreform.gov.au).

s 22(1)(a)(ii)



Contact: s 22(1)(a)

Contact No: s 22(1)(a)(ii)

Division: APS Reform Office

Date Updated: 3/11/2023

Date Last Printed: 13/02/2024 10:37 AM

Cleared by: s 22(1)(a)(ii)

Contact No: s 22(1)(a)(ii)

Cleared by Adviser:

PDR Number: QB22-000052

**From:** [de Brouwer, Gordon](#)  
**To:** [Davis, Glyn](#)  
**Cc:** [Williamson, David](#); [Bacon, Rachel](#); [Easton, Deanna](#); s 22(1)(a)(ii); s 22(1)(a) [Dolman, Marianne](#);  
s 22(1)(a)(ii)  
**Subject:** Update on the Review of Public Sector Board Appointments Processes ~~[SEC=PROTECTED]~~  
**Date:** Wednesday, 3 May 2023 3:56:11 PM  
**Attachments:** [image002.png](#)  
s 47C

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Glyn

Lynelle Briggs has provided her draft interim report on the Review into Public Sector Board Appointments Processes. s 47C

s 47C

Happy to discuss any time.

Best

Gordon

**Dr Gordon de Brouwer PSM**

Secretary for Public Sector Reform

Department of the Prime Minister and Cabinet

p. s 22(1)(a)(ii) | m. s 22(1)(a)(ii)

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The Department acknowledges and pays respect to the past, present and emerging Elders and Traditional Custodians of Country, and the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples.