

## 1. Conflict of Interest Procedure

- 1.1 Policy number: CO-O-022.1
- 1.2 Category: Organisational
- 1.3 Approval date: February 2015
- 1.4 Revision date: February 2018
- 1.5 Unit responsible Office of the President and CEO

## 2. Procedure Declaration

This Procedure outlines the procedures required to implement the corresponding Policy.

**This Procedure is endorsed by Council.**

## 3. Definitions

In this Procedure:

- A. **Material Personal Interest** has the meaning used by Part 2D.1 of the Corporations Act;
- B. **Policy** means the RACGP Conflict of Interest Policy (CO-O-022.1); and
- C. **Procedure** means this procedure document.

All other capitalised but undefined terms have the meaning given in the Policy.

## 4. Procedure for declaring conflicts of interest

### 4.1 Initial declaration of compliance

Upon commencing with the RACGP, all prospective Councillors, members (to the extent they engage with the RACGP in a capacity other than as just a member) and employees must sign a form accepting their position.

This acceptance form must reference the Policy, and include provision to acknowledge the individual has read, understood and agreed to comply with the Policy.

### 4.2 Standing notices

Standing notices are ongoing declarations of the nature and extent of Interests. They are permitted under the Corporations Act, and may be used in lieu of re-declaring Interests prior to relevant discussions.

Their use is subject to ongoing obligations, however standing notices are not considered a "set and forget" form. Individuals must pay continual attention to their Interests and the declaration thereof.

A Declaration of Interests Form must be completed as part of a Councillor's or SLT member's acceptance.

The Declaration of Interests Form must be updated annually, and as and when an Interest arises or materially changes.

Councillors as RACGP directors must continually assess their Interests to determine whether Conflicts of Interest have arisen, or may arise.

### 4.3 During discussions and meetings

Individuals must disclose Interests prior to the commencement of any relevant discussion, unless the Interest:

- A. is documented in a standing notice (and remains materially identical to that documented), and
- B. has already been identified and raised by the meeting's chair (or in the absence of a chair, the person occupying a role equivalent to the chair).

Irrespective of any standing notice or any prior disclosure (written or otherwise), the relevant individual is responsible for ensuring their Interest is declared, minuted and managed (per below) prior to the commencement of any relevant discussion.

#### 4.4 **Additional requirements for Councillors**

In addition to the Policy's requirements, Councillors as directors of the RACGP have additional obligations concerning their Material Personal Interests.

These duties are articulated elsewhere, such as in the Councillor Handbook. Councillors must familiarise themselves with these duties.

## 5. Procedure for managing conflicts of interest

### 5.1 **Council**

#### A. **Obligations of Councillors**

Any Councillor with a Conflict of Interest must:

- i. take positive steps to inform the remainder of Council how harm arising from the Conflict of Interest could be reduced or limited
- ii. other than for 5.1a(i) above, not be present while the matter is being considered, or
- iii. not participate, directly or indirectly, in a Decision on the matter.

There are limited exceptions to these requirements.

Councillors must not knowingly and willingly condone any other Councillor with a Conflict of Interest to infringe their obligations under section 5 of the Policy, and must report any such Conflict to the Chair.

#### B. **Obligations of the Chair**

The Chair of Council is responsible for ensuring:

- i. a standing agenda item calling for all declarations of interests upon commencement exists, and is administered in all Council meetings
- ii. perusing standing conflict notices prior to each Council meeting to identify possible Conflicts of Interests in the proposed content
- iii. those Councillors with Conflicts of Interests are identified, and leave the room prior to the matter being considered until the matter has been voted upon
- iv. details of the Councillor's interest must be recorded in the minutes of meeting

If the Chair is conflicted in any matter (no matter how trivial), they must withdraw from that discussion, which will then be chaired by the President, or if the President is conflicted the Vice-President, or if the Vice-President is conflicted, those non-conflicted Councillors present may choose one of their number who is similarly non-conflicted to chair the meeting.

### 5.2 **Faculty Boards and Advisory Committees**

Faculty Board and advisory committee decisions feed the deliberations of Council, and are influential to Council's outcomes. Accordingly, the management of Conflicts of Interest must be consistent and the procedures outlined in section 5.1 above apply to both Faculty Boards and advisory committees.

Faculty Board Chairs should be cognisant that while they may represent the Faculty Board during Faculty events, they remain directors of the RACGP. The directors duties are personal and inalienable, and therefore may still apply during Faculty events and in particular, decision making. Accordingly when Conflicts of Interests are concerned, Faculty Board Chairs should conform to those requirements of Councillors in all situations. This includes satisfying those Chair obligations stipulated in section 5.1b above, but for the benefit being granted to their Faculty Board.

If the chair of a Faculty Board or advisory committee is conflicted in any matter, they must withdraw from that discussion, which will then be chaired by a Deputy Chair, or if all Deputy Chairs are conflicted those non-conflicted members present may choose one of their number who is similarly non-conflicted to chair the meeting.

### 5.3 **Organisational**

Employees or contractors (including members who are engaged in these capacities) with an Interest in a matter before the RACGP for which they may become a decision Maker, must disclose that Interest to their manager.

Their manager must then determine whether:

- A. the situation is immaterial or innocuous, and if so the manager should take no further action
- B. the situation presents a Conflict of Interest that is remote or of limited impact, and if so the manager must minute the Interest as having been reviewed
- C. the situation presents a Conflict of Interest which is material, likely or of significant impact, and if so the manager must:
  - i. reorganise the employee's duties to mitigate the Conflict of Interest, and/or
  - ii. establish processes and/or safeguards to ensure the employee's impartiality,
  - iii. proportionate to the materiality, likelihood or impact of the Conflict of Interest, or
- D. if the Conflict of Interest is significant, unresolvable or unmanageable (or could possibly become so), refer the matter immediately to the Chief Executive Officer for determination.

When receiving a referred Conflict of Interest, the Chief Executive Officer or their delegated authority may make such determinations as they consider warranted in the situation.

### 5.4 **Unclear conflicts**

If an individual is unclear whether an Interest represents a Conflict of Interest in a particular matter, the Interest must be raised with their chair or their direct manager, prior to the meeting. Where the Chair or direct manager is conflicted, the Deputy Chair or next more senior manager must be approached.

The Chair or manager is responsible for determining whether the Interest represents a Conflict of Interest.

In all such determinations, a rebuttable presumption the Interest represents a Conflict of Interest applies. Where it is unclear, it must be presumed the Interest represents a Conflict of Interest.

### 5.5 **Undeclared Conflicts of Interests**

If a Decision was made by an individual with a material but undeclared Conflict of Interest, or if a Conflict of Interest was insufficiently assessed or managed, the matter should be promptly investigated.

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If it is found a Conflict of Interest existed and the relevant Interest was undeclared, or insufficiently assessed or managed, disciplinary action against the responsible individual(s) may be considered.

Disciplinary decisions may include:

- A. a reprimand
- B. a formal warning
- C. directions individual receive counselling or further education
- D. expulsion from RACGP committees for a period of time, or in the case of employees, termination of employment, or
- E. any other determination deemed appropriate in the circumstances.

It is up to Council (including the Chair) to censor Councillors not declaring their Interests. This requirement is informed by legal obligations, and clause 69(j) of the Constitution.

It is up to the chairs of Faculty Boards or advisory committees to censor members not declaring their Interests.

It is up to the CEO (or their delegate) to censor employees not declaring their Interests.

A Decision is not voided merely because of the existence of an undeclared or unmanaged Interest. However, the RACGP may seek recompense from transgressors in exceptional circumstances (at the RACGP's discretion).

## 6. Gifts and Hospitality

### 6.1 Notification to provider

A Councillor, member or employee receiving any gift or hospitality which may reasonably be considered as connected to their position as a Decision Maker (or potential future Decision Maker) must immediately inform the provider they may not be permitted to retain the gift or hospitality.

### 6.2 Internal reporting

Any gift or hospitality received by a Councillor, member or employee must be immediately reported to their Chair or direct manager (as appropriate). Where the Chair or direct manager is conflicted, the Deputy Chair or next more senior manager must be approached.

The Chair or manager is responsible for determining whether the gift or hospitality is reasonable, or whether it represents (or may in the future represent) a Conflict of Interest. If the latter, the gift must be returned.

In all such determinations, a rebuttable presumption the gift or hospitality represents a Conflict of Interest applies. Where it is unclear, it must be presumed the gift or hospitality represents a Conflict of Interest.

## 7. Review of this Procedure

This Procedure will have a review cycle of three years.