

# Regulations

## Corporate Governance and Risk Committee



<b>Authorising Committee / Department:</b>	Board
<b>Responsible Committee / Department:</b>	Corporate Governance and Risk Committee
<b>Document Code:</b>	<b>REG OPCEO Corporate Governance and Risk</b>

### Background

In May 2013, the Governance and Risk Committee was replaced by the Corporate Governance and Risk Committee (CGRC). This change was as a result of the implementation of a new governance model that was passed by the Fellowship in August 2012.

Prior to May 2013, the functions of the CGRC were undertaken by the Governance and Risk Committee (August 2009 – May 2013) and the Governance Review Working Party and the Internal Review Committee from 2008 – 2009.

### 1. ROLE

The role of the CGRC is to advise and recommend to the Board policies, procedures and guidelines which maintain the health and effectiveness of the organisation, manage risk effectively and ensure governance and compliance in satisfying legal responsibilities as set out in the Corporations Act 2001 and the College's Constitution.

The CGRC provides advice and recommendations to the Board, in order to carry out its function in guiding the Board to govern effectively.

The Committee is to serve as a focal point for understanding, managing and monitoring the election processes across the College, any remuneration responsibilities and risk management.

### 2. RESPONSIBILITIES

- a) To develop a governance framework and principles, including ongoing evaluation and improvement of governance systems and processes.
- b) Identifying and overseeing risks associated with all College Committees and its own committee, in accordance with the College's Risk Management Policy, and for reporting high level risks to the Board.
- c) Monitoring the College's exposure to fraud and risks in general.
- d) Reporting to the Board, twice a year, a summary of the major operational risks facing the College (this may occur more often if a material risk is identified), with recommendations for mitigation.
- e) To guide the Board on systems, processes and checks to assist in carrying out its legal duties, such as development and maintenance of minute and agenda formats, annual compliance calendar etc.
- f) To support the President and/or President Elect and the CEO to induct and educate the new Board members, including the development of an Induction Manual for Board Directors.
- g) To develop a process for the Board to review its performance and functions, and the performance of Board Directors and the Chief Executive Officer (CEO).
- h) To ensure systems are in place for the development and functioning of College committees.
- i) To develop and review Position Descriptions for the Board, the Board's constituent committees and other College committees.
- j) To ensure the College has appropriate operational policies and practices in place.

- k) To develop systems to ensure compliance with the Corporations Act 2001, the Australian Securities and Investment Commission, the Australian Charities and Not for profit Commission and the College Constitution, and manage the auditing of those systems.
- l) To oversee corporate governance matters and make recommendations concerning governance to the Board.
- m) To recommend to the Board, for its approval, a biennial process for identifying and evaluating all College Committees (composition and Regulations) including but not limited to Committees, Faculties, Sections and Special Interest Groups at a Bi-national and Branch level, including their 'fitness for purpose'. The Committee shall oversee this process.
- n) To oversee the nomination and election process for the appointment and/or election of members to College committees including but not limited to the Board, Branches, Committees, Subcommittees, Faculties, Sections and other Groups.
- o) Oversee election and constitutional ballots.
- p) To review relevant College documents in accordance with the College's Document Approval Pathway Procedure prior to submission to the Board.
- q) To develop and implement an annual work plan.
- r) Identifying and overseeing risks associated with all College Committees and its own committee, in accordance with the College's Risk Management Policy, and for reporting high level risks to the Board.

### **3. REPORTING RELATIONSHIPS**

- a) The Corporate Governance and Risk Committee is formally appointed by the Board of Directors and is responsible to the Board. It shall report on its activities to each meeting of the Board, or as required.
- b) The Committee will work closely with the Chief Executive Officer and Senior Management to ensure its responsibilities are met.

### **4. COMPOSITION / MEMBERSHIP**

Membership of the Corporate Governance and Risk Committee will comprise:

- a) A Board Director – Chair
- b) An additional Board Director may be appointed by the President in consultation with the Board. The term will be for 12 months and will be reviewed in May of each election year.
- c) Five (5) Fellows
- d) A Trainee representative, of appropriate seniority
- e) An overseas trained psychiatrist (OTP) (Affiliate)

All Members of the Committee should have appropriate skills and experience suitable to a governance role.

The Committee should comprise at least one RANZCP Fellow from Australia and one RANZCP Fellow from New Zealand.

## **5. ELECTIONS AND APPOINTMENTS**

### **5.1 Chair**

- a) The Chair shall be elected by the Board from amongst the Board members.

The term of office for the Chair shall be in accordance with the Board Director's term and shall commence from the conclusion of the Annual General Meeting in the election year in which he/she was elected or such later date, when a successor is elected.

- b) The initial term for the first Chair of the CGRC will be three years due to the Board transition phase (refer to Article 25 of the Constitution).
- c) The Chair will be eligible for re-appointment to this position to serve a maximum three (3) consecutive terms i.e. six (6) years, (noting that the first Chair may serve up to up to seven (7) years during the transition phase).

### **5.2 Fellows**

- a) Nominations are called from amongst the Fellows of the College, and will be appointed by the Board.
- b) The term of office of shall be two (2) years from the conclusion of the Annual General Meeting in the election year in which he/she was elected or such later date when a successor is appointed.
- c) Fellows will be eligible for re-appointment to this position to serve a maximum of three (3) consecutive terms i.e. six (6) years.
- d) Where possible, the appointment process shall give due recognition to ensuring the adequacy of gender balance.

### **5.3 Trainee Representative**

- a) The trainee representative is appointed in accordance with the Procedure for appointing trainee representatives to College committees.
- b) The term of the trainee representative will commence in May each year at the conclusion of the Annual General Meeting and will be for 12 months.
- c) The trainee representative will be eligible for re-appointment to this position to serve a maximum of five (5) consecutive years.
- d) In the event that the trainee is admitted to Fellowship during their term on a committee, they may complete their annual term, but they are not eligible for appointment thereafter.
- e) In the event that the trainee resigns from the committee, a casual vacancy will arise and the vacancy will be filled for the remainder of the term as per the Procedure for appointing trainees to College committees

### **5.4 Overseas Trained Psychiatrist Representative**

- a) Nominations are called from amongst the overseas trained psychiatrists of the College, recommended by the Overseas Trained Psychiatrists' Representative Committee (OTPC) and then appointed by the Corporate Governance and Risk Committee. To nominate, the overseas trained psychiatrist does not need to be a member of the OTPC.
- b) The process for nomination, endorsement and appointment is in accordance with the Procedure for appointment of trainees to College committees.
- c) The term of office of shall be the same as the overseas trained psychiatrist's term on the OTPC and shall commence from the conclusion of the Annual General Meeting in the election year in which he/she was elected or such later date when a successor is appointed.
- d) The overseas trained psychiatrist representative will be eligible for re-appointment to this position to serve a maximum of six (6) years.
- e) In the event of the resignation of the representative, a call for nominations for a casual vacancy to fill the vacancy for the remainder of the term will be made. Appointment will be made in consultation with the OTPC and the Corporate Governance and Risk Committee. Nominations will be called for from current overseas trained trainees.

- f) Upon appointment to the Corporate Governance and Risk Committee, the overseas trained psychiatrist representative shall provide a written report to the OTPC in relation to their representation on the Corporate Governance and Risk Committee.

### **5.5 Co-opted Members**

- a) The Committee may co-opt additional members with particular specified knowledge and/or expertise from time to time.
- b) The number of co-opted members shall be a maximum of two. The need for co-opted members shall usually be reviewed by the Committee each two years at the time of elections to the committee, but may be reviewed more frequently as considered necessary.
- c) Co-opted members of the Committee shall not have voting rights.
- d) Co-opted members would be expected to maintain confidentiality of the meetings' proceedings.

### **5.6 Casual Vacancies**

- a) In the event of the resignation of the Chair, the Board shall appoint an interim Chair.
- b) In the event of the resignation of a member of the Committee, whose term is not due to finish for 12 months or more, a call for nominations from the College Fellows shall take place. The nomination(s) will be considered by the Committee with the preferred candidate approved by the Board.
- c) In the event of the resignation of a member of the Committee whose term is due to finish within 12 months, the Committee shall appoint a casual vacancy, in consultation with the Board.
- d) In the event of the resignation of the Trainee representative, the Board shall appoint a casual vacancy recommended by the TRC.
- e) In the event of the resignation of the overseas trained psychiatrist, the Board shall appoint a casual vacancy recommended by the OTPC.
- f) The casual vacancy appointment shall be for the remainder of the term.
- g) A person appointed as a casual vacancy shall be eligible for appointment in accordance with this Regulation. For the purposes of this Regulation, the period of time served as a casual vacancy shall not be counted as a period of membership.

### **5.7 Observers**

- a) The CGRC may invite persons from time to time to attend some or parts of a Committee meeting as an Observer.
- b) Observers would be expected to maintain confidentiality of the meeting's proceedings.
- c) The number of observers will be at the discretion of the Committee.
- d) Observers shall not have voting rights.
- e) The need for observers shall be reviewed by the Committee each year.

## **6. POWERS AND DELGATION**

The Committee shall observe any regulations or directions that may from time to time be imposed upon it by the Board.

Pursuant to Article 8.2 of the Constitution –

- “The Board may delegate any of its powers (other than that of delegation) to any person or Committee”.
- “The Board may revoke any delegation of its powers by ordinary resolution”.
- “Any Committee exercising the delegated power of the Board shall comply with all Regulations and any conditions or limitations that may be imposed by the Board”.

## **7. LIMITATION ON POWERS**

Pursuant to Articles 14.1, 14.3, 14.4 and 14.5 of the Constitution –

- “The Board may establish committees comprising such persons as the Board determines or otherwise determined in accordance with the Regulations”.
- “The Board shall determine the powers and duties of each Committee (its Regulations or Terms of Reference) and each Committee shall in the exercise of its powers comply with the Regulations or the Committee Terms of Reference”.
- “Unless specifically provided for in the Regulations or its Terms of Reference, a Committee may not make any determination of policy for the College, but may provide advice to the Board on any area falling within its Terms of Reference to assist the Board”.

## **8. COMMITTEE SUPPORT**

The Committee shall be supported by relevant staff of the College. In particular, the Chief Executive Officer, Manager, Governance and Office of the President and CEO and Governance Officer shall be available to attend meetings of the Committee. Other staff members may be requested to attend on an as-required basis. No employees of the College have voting rights on any College committee.

## **9. REVIEW**

- a) Pursuant to Article 14.8 of the Constitution, “The Board shall review the need for each Committee and the members thereof at least every two years”.
- b) These Regulations shall be reviewed two (2) years from commencement.

## **10. OPERATION OF THE COMMITTEE**

### **10.1. Meetings**

- a) The Committee may meet for the transaction of business and adjourn and otherwise regulate its meetings as it thinks fit, taking into account budget implications. The Committee shall meet face-to-face twice a year.
- b) Meetings of the Committee may be in person, by telephone or other telecommunications or electronic means at the discretion of the Chair.
- c) The Chair may convene a meeting of the Committee by written notice to members of the Committee. An agenda shall be circulated in advance of the meeting.

### **10.2. Meeting Attendance**

- a) If a Chair is unable to attend three consecutive Committee meetings, the Chair should raise this with the Chair of the relevant parent committee and/or appropriate Board constituent Committee Chair.
- b) It is expected that a Committee member will attend all meetings of the Committee. However, it is acknowledged by the College that an individual’s work and family commitments/responsibilities may prevent a member from attending a meeting.
- c) If a committee member is unable to attend a meeting, the Chair and/or relevant staff member should, where possible, be advised as soon as possible in advance of the meeting.
- d) Non-attendance at three consecutive meetings will be reviewed by the Chair in consultation with the individual member concerned. If it is agreed that the committee member needs to step down from the committee, a casual vacancy shall arise.

### **10.3. Notice of Meetings**

- a) At least 24 hours notice of a meeting of the Committee must be given to each Committee member specifying the place, time and date of the meeting.
- b) Notice may be given in writing, by email, by fax, by telephone or other electronic and appropriate means.

### **10.4. Chair**

- a) The Chair shall preside at all meetings of the Committee.
- b) If the Chair knows prior to a meeting they will not be able to attend, they can delegate a Committee member to Chair that meeting.
- c) If the Chair is not present at any meeting of the Committee within fifteen minutes after the time appointed for holding the meeting the members present shall elect a Committee member present to be Chair of the meeting.

#### **10.5. Quorum**

- a) For items involving a change or establishment of policy/procedure/process or matters of great complexity, as determined by the Chair, the quorum for a meeting shall be 50% whether held face-to-face, via teleconference or out-of-session by email vote. Decisions will be recorded in the minutes and circulated within the College's usual processes.
- b) For items which are deemed to apply an already approved policy/procedure/process to a set of facts or extending an established decision, the Chair in consultation with any other committee members present (face-to-face, teleconference or email), shall make the decision, in consultation with the Senior Manager, or Chief Executive Officer. Decisions will be recorded in the minutes and circulated within the College's usual processes.
- c) The Committee may act notwithstanding any vacancy on the Committee.

#### **10.6. Proxies**

- a) Committee members are unable to appoint a proxy to attend a meeting on their behalf.

#### **10.7. Voting**

- a) All Committee members, except co-opted members, observers and those without authority to vote, shall have full voting rights.
- b) Decisions arising at a meeting of the Committee shall be decided by a majority of votes of members present and voting.
- c) A decision by a majority of the members present and voting is for all purposes a decision of the Committee.
- d) The Chair of the meeting has a casting vote in addition to a deliberative vote where there is an equality of votes.

#### **10.8. Written Resolution**

A written resolution signed or approved by electronic mail by 50% of all members (other than any member on leave of absence) is taken to be a decision of the members passed at a meeting of the Committee duly convened and held.

#### **10.9. Minutes of Meetings**

- a) A written record of all proceedings of Committee meetings shall be kept by the College.
- b) Draft minutes of all meetings should be promptly circulated to all Committee members.
- c) The minutes of the Committee's meeting will be submitted to the Board meeting held immediately following the Committee's meeting.

#### **10.10. Defects in Appointment or Qualification of a Committee Member**

All acts done in good faith by a meeting of the Committee or by any person acting as a Committee member will be valid and effective notwithstanding that it is afterwards discovered that there was some defect in the appointment of that person or that the person was disqualified from acting for any reason.

#### **10.11. Conflict of Interest and Confidentiality**

- a) All people attending a meeting of the Committee must declare any conflicts of interest to the Chair. Conflicts of interest will be managed and declared in accordance with the College's Conflict of Interest Guideline.
- b) The Committee must maintain a Conflict of Interest Register.

- c) Each member of the Committee, including co-opted and observer members, must sign a Deed of Undertaking relating to Confidentiality and Conflict of Interest.
- d) The Deed is valid for the period of time the member is part of the Committee and after they have finished on the Committee, particularly in relation to confidentiality.
- e) All signed Deeds must be forwarded to the College's Governance Officer.

#### **10.12. Other Committees of the Corporate Governance and Risk Committee**

The Corporate Governance and Risk Committee may establish Subcommittees or Working Groups. This must occur in consultation with the relevant Executive Manager. Approval to establish a Subcommittee or Working Group must be sought from the Finance Committee (for budget purposes) and the Board.

#### **10.13 Financial Responsibility**

- a) The Committee must develop an annual budget based on the budget process developed by the College in conjunction with the College's Finance Department.
- b) The Committee is required to operate in accordance with College Policy, processes and within the budgetary constraints as determined by the Board. Any spending above and beyond the allocated budget requires explicit authorisation in accordance with the College's Delegation of Authority Policy.

### **11. MEDIA & AUTHORISED STATEMENTS**

- a) With respect to making media or other external comment or representation, the College's Media and Communications Policy (available on the RANZCP website) should be consulted and adhered to.
- b) Pursuant to Articles 8.4.1 and 8.4.2 of the Constitution, "the President or the Board may authorise any Committee or individual to represent the College before any government or governmental body or committee or to make statements or express views on behalf of the College. The authority may be given generally or for a specific situation and may be given on such conditions as the President or the Board thinks fit. Unless duly authorised to do so under this Article, no Member may make any statement or express any view which purports to be a statement or view of the College or as having been made or expressed on behalf of or with the concurrence of the College".

### **12. INTERPRETATION**

The Regulation shall be known as the "Corporate Governance and Risk Committee".

- "Article(s)" means an article or clause of the Constitution.
- "Affiliate" means a Member admitted pursuant to Article 3.5 of the Constitution.
- "Associate" means a Member admitted pursuant to Article 3.4 of the Constitution.
- "Board" means the board of the College established under the Constitution, each member of which shall be a Director of the College.
- "Carer" - a family member, friend or another whose life, because of their active caring and supporting role, has been affected by their close association with an individual who has, or who has had experience of mental illness.
- "Casual Vacancy" means a position that becomes vacant before the expiration of the term for which the holder was elected. A successor shall, if the term has not then expired, be appointed to hold the place from the date of his/her appointment until the expiration of the original term or the next election/appointment period (whichever is first). The period of time served as a casual vacancy shall not be counted as a period of office. A Casual Vacancy has voting rights.
- "Co-opted" means a person that has been co-opted for their area of expertise or knowledge of a particular area. A co-opted member is a nonvoting member.
- "College" or RANZCP means The Royal Australian and New Zealand College of Psychiatrists
- "Committee" means the Corporate Governance and Risk Committee.

- “Community Member” encompasses Carers, Consumers and Community organisation Representatives as defined here.
- “Community Organisation Representative” – a representative (s) of non-government, community based or mental health-based organisations or volunteer organisations.
- “Consumer” means an individual who has, or has had experience of mental illness.
- “Constitution”, means the Constitution of The Royal Australian and New Zealand College of Psychiatrists (August 2012).
- “Election Year” means the year the College Constitution came into effect and every second year thereafter.
- “Ex-officio” means a member of a body (the Board, Committee, Faculty, Section etc) who is part of it by virtue of holding another office. Ex-officio (excepting College staff) members are voting members.
- “Elected” means the formal election process undertaken to elect a member. Call for nominations (from amongst the Fellows) must be undertaken and conducted in accordance with this Regulation. If a ballot is required, the method of voting will be “first past the post”.
- “Fellow” means a Member who holds Fellowship of the College pursuant to Article 3.3 of the Constitution.
- “Financial year” shall be defined in the same manner as for the activities of the Board of the College.
- “General Meeting” means a general meeting of the College.
- “Terms of Reference” are the powers and duties of each Committee and are determined by the Board.

### 13. ASSOCIATED DOCUMENTS

- Board Regulations and Position Descriptions
- Corporate Governance and Risk Committee Position Descriptions
- RANZCP Constitution, Media and Communications Policy, Code of Conduct, Code of Ethics, Conflict of Interest Guideline and Conflict of Interest Register, Risk Management Policy and Risk Register, Document Approval Pathway Procedure, and website.
- Deed of Undertaking in relation to Confidentiality and Conflict of Interest
- Procedure for the appointment of trainees to College Committees

### APPROVAL / REVISION RECORD

<b>Contact: Senior Manager, Corporate Governance and Risk</b>			
<b>Date</b>	<b>Version</b>	<b>Approver</b>	<b>Description</b>
17/11/2012	1.0	GC2012/4 R48	New document
29/11/14	1.1	B2017/7 R18	Amended to include - an OTP representative under membership, changing clause 10.7 from 75% to 50% (as per the CGRC's decision made in June 2014, removing “qualifications” to reflect the CGRC's decision made in January 2014 and adding NZ National Committee to section 11c).
22/1/015	1.2	CGRC 22/1/15	Amended to clarify appointment process for the trainee representative and overseas trained psychiatrist.
22/9/16	1.3	CGRC 22/9/16	Regulations updated to include new and updated wording relating to conflicts of interest, meeting attendance, quorum, written resolutions, other committees, additional Board Director on constituent committees, trainee and overseas trained psychiatrist representatives on College committees and associated documents.
18/10/16	1.4	B2016/7 – Directors' only section	Amended to remove the CGRC's responsibility to make recommendations to the Board for setting the CEO's remuneration level as it was agreed by the Board that this was a Board function.
<b>28/11/17</b>	1.5	Senior Manager,	Updated to reflect administrative changes and appropriate related resources.



		Corporate Governance and Risk	
<b>05/2018</b>			<b>Next review</b>