

Senior Leadership Salary Review

To:	Board of Directors
Category:	For Decision
Purpose:	To seek approval for the 2026 salary cycle review to the Executive General Manager's (EGM) salaries effective 1 January 2026.
Synopsis:	<p>This paper recommends a 3.1% salary increase for the Senior Leadership Team (SLT) effective January 1, 2026, to maintain market competitiveness, support engagement, and retain key talent.</p> <p>The proposed adjustments are based on salary market data from 2022, inflation trends, and the current economic landscape. This strategic review aims to ensure the College remains competitive in attracting and retaining top leadership talent to drive future success.</p> <p>This proposal seeks to maintain external market alignment, internal relativities, and leadership stability during a period of strategic and organisational complexity.</p>
Draft Resolution:	The Board of Directors RESOLVED approving a 3.1% salary increase for the six Executive General Managers outlined in this report effective 1 January 2026.
Submitted:	Steffen Faurby, Chief Executive Officer

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Notice Period for Senior Leaders

To:	Board of Directors
Category:	For Approval
Purpose:	To seek Board endorsement to introduce a six-month mutual notice of termination period for designated senior leader roles.
Synopsis:	<p>This paper seeks Board endorsement to introduce a six-month mutual notice of termination period for designated senior leadership roles through voluntary deed of variation.</p> <p>Current notice periods across the senior leadership cohort range from one to three months. In the context of significant organisational transformation, regulatory oversight and governance complexity, the proposed change is intended to strengthen leadership continuity, support strategic delivery, and reduce operational and reputational risk associated with sudden executive departures.</p>
Draft Resolution:	<p>The proposal does not increase base remuneration, does not create tenure, and does not alter existing performance or misconduct provisions. It creates a contingent notice obligation designed to provide structured transition time in defined circumstances. Board endorsement is sought to ensure appropriate governance oversight and alignment with the College's charitable and financial stewardship obligations.</p> <p>The Board RESOLVED to:</p> <ol style="list-style-type: none">endorse the introduction of a six-month mutual notice of termination period for the designated senior leader roles as outlined in the paper.approve implementation of the revised notice period through individual voluntary deeds of variation.delegate authority to the Chief Executive Officer to finalise and execute the deeds of variation and to report back to the Board on uptake and any material implications arising from implementation.
Prepared:	Wayne Clark, Head of People and Culture
Submitted:	Steffen Faurby, Chief Executive Officer

Notice Period for Senior Leaders

1 Background

The College continues to operate within an environment of change and external scrutiny through accreditation, regulators and members. This includes embedding the 2026 to 2030 Strategy, ongoing operating model refinement, digital transformation initiatives, and evolving governance dynamics. In parallel, the College continues to discharge its positive duty obligations under work health and safety legislation, including the management of psychosocial risk across the organisation including at senior leadership and Board interface levels.

Current notice periods across the senior leadership cohort are varied and in most cases are shorter than six months. In a stable environment this may be appropriate. However, in the current context, shorter notice periods increase the risk of abrupt leadership transitions, loss of knowledge, disruption to strategic initiatives, and instability across employees and stakeholders.

Extended executive notice periods are a common governance mechanism in comparable professional membership bodies, health organisations, and complex not for profit entities. They operate as a continuity safeguard.

2 Purpose

This paper seeks Board endorsement to offer senior leaders identified in this brief an opt in variation to their employment contracts to increase both termination and resignation notice periods to six months. This change will strengthen organisational continuity, strategic focus, and risk management during a period of important transformation and heightened governance complexity.

The extended notice period does not create an automatic payout; it applies only in defined termination scenarios and may be worked in full or in part at the discretion of the College on a case-by-case basis.

3 Rationale

The primary rationale for the proposed adjustment is continuity of leadership. The College operates within a strict governance environment, with complex committee structures and member engagement frameworks. Senior leaders hold significant institutional knowledge and strategic oversight responsibilities. A six month notice period provides sufficient time for structured succession planning, recruitment processes, stakeholder communication, and knowledge transfer. This materially reduces operational and reputational risk.

From a risk management perspective, extended notice periods function as a stabilising control. Sudden executive departures can create regulatory exposure, particularly where leaders hold accountability for financial oversight, digital systems, education accreditation, member services, or governance compliance. A longer notice period allows for orderly transition and reduces the likelihood of reactive decision making under time pressure and loss of business-critical corporate knowledge.

The proposal also supports strategic delivery. The College is currently progressing multi-year initiatives including operating model refinement, digital transformation, and cultural safety reform. Leadership consistency across these initiatives increases the probability of successful implementation and reduces the risk of program delay or loss of momentum.

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In addition, a mutual six month notice period can support attraction and retention. It signals organisational maturity and stability while offering reciprocal protection to senior leaders. In a competitive executive labour market, structured contractual stability can operate as a retention lever without increasing fixed remuneration.

Importantly, the model is balanced. The extended notice period applies equally to the College and the executive. It does not restrict termination for serious misconduct, nor does it remove the ability to manage performance concerns. It provides predictability and structured transition without limiting legitimate managerial discretion.

4 Leadership roles impacted

The below table outlines the roles proposed to be included in this proposal with mutual notice period arrangement and sets out their current contractual notice provisions. As reflected, existing notice periods across this cohort range from four weeks to twelve weeks.

The proposed change would standardise these arrangements to a six-month mutual notice period, subject to individual agreement via deed of variation. This approach provides consistency across the executive and senior leadership group while supporting organisational continuity and stability.

Name	Position	Current Notice Period
Inam Haq	EGM Education, Learning & Assessment	3 months
Kudzai Kanhutu	EGM Office of the Dean	3 months
Louise Rigby	EGM Member Engagement & Support	3 months
Lalesh Chand	EGM Shared Services & CFO	1 month
Nicole Willico	EGM Professional Practice	1 month
Brett Wilson	Chief Information Officer	1 month
David Ibrahim	General Counsel	1 month
Wayne Clark	Head of People & Culture	1 month
Gillian Dunn	Head of Strategy & Transformation	1 month

5 Financial considerations

There is no immediate financial impact arising from this proposal. In circumstances where notice is worked, costs remain unchanged. In circumstances where payment in lieu of notice is elected, there may be extended salary exposure compared with current arrangements. However, these costs must be considered against the risk and cost of leadership instability, urgent executive search processes, disruption to strategic initiatives, and potential reputational impact.

The extended notice period does not create an automatic payout, it applies only in defined termination scenarios and may be worked in full or in part at the discretion of the College.

6 Risk Assessment

The key risks associated with this proposal include potential perception of executive entrenchment and extended financial exposure in termination scenarios. These risks are mitigated by the voluntary nature of the model, its mutual application, and the retention of existing misconduct provisions.

The proposal aligns with governance practices observed in comparable organisations and is proportionate to the complexity and scale of the College. Overall, the risk profile of implementation is considered low and outweighed by the continuity and stability benefits.

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7 Governance and Approval Pathway

The proposed contractual variation has governance and financial implications and is therefore being brought to the Board for endorsement. While notice periods are a contractual matter, any extension creates a contingent financial exposure in circumstances where termination without cause or resignation occurs. Seeking Board endorsement ensures transparency and alignment with the College's governance framework.

Clause 3(g) of the People and Culture Remuneration Committee (PCRC) By-Law provides that the functions of the Committee include approving remuneration adjustments for members of the Senior Leadership Team on recommendation of the Chief Executive Officer. While the proposal does not involve an increase to base salary, it does alter contractual notice provisions which may give rise to additional salary exposure in specific circumstances. Given the financial and governance considerations, and noting the current quorum status of the PCRC, it is appropriate that the Board consider and endorse the proposal directly.

The Board is also required to ensure that the College, as a registered charity, manages its resources prudently and in pursuit of its charitable purpose. The proposed extension of notice periods does not represent an immediate increase in fixed remuneration. Rather, it creates a contingent obligation that would only arise in defined termination scenarios. The intent of the proposal is to reduce operational, reputational and regulatory risk associated with sudden senior leadership departures, thereby supporting continuity of strategic delivery and safeguarding the College's charitable objectives.

The timing of the proposal has also been considered. The model is voluntary and mutual and does not create tenure or restrict the CEO's ability to manage performance, misconduct, or serious misconduct in accordance with existing contractual and legislative provisions. It is designed as a stability mechanism during a period of organisational transformation and governance complexity, rather than as a structural entrenchment of executive roles.

For these reasons, Board endorsement is sought to ensure clear authority, appropriate oversight, and alignment with the College's governance obligations.

8 Recommendation

It is recommended that the Board endorse the introduction of a twenty six week, or six month, mutual notice of termination period for the designated Senior Leadership Team roles outlined in this paper, approve implementation of the revised notice period through individual voluntary deeds of variation, and delegate authority to the Chief Executive Officer to finalise and execute those deeds, determine the sequencing of implementation, and report back to the Board on uptake and any material implications arising.

9 Draft Resolution

The following resolution is proposed:

'The Board RESOLVED to:

- a) endorse the introduction of a six-month mutual notice of termination period for the designated senior leader roles as outlined in the paper.
- b) approve implementation of the revised notice period through individual voluntary deeds of variation.
- c) delegate authority to the Chief Executive Officer to finalise and execute the deeds of variation and to report back to the Board on uptake and any material implications arising from implementation.'

Member Requisition for EGM

To:	Board of Directors
Category:	For Decision
Purpose:	For the Board to approve the date for holding the member requisitioned Extraordinary General Meeting (EGM) that has been received.
Synopsis:	<p>On 23 February 2026 a requisition to call a general meeting was submitted to the Board of the RACP which sought the following ordinary resolution:</p> <ul style="list-style-type: none">• That Prof Jennifer Martin be removed as a director (and President) of the Royal Australasian College of Physicians. <p>The requisition has been verified and meets Constitutional requirements for the removal of a director to be put forward to an EGM.</p> <p>Professor Martin has an actual conflict of interest regarding this matter as she is named to be removed in the proposed EGM resolution.</p> <p>It is recommended that the EGM be held on 23 April 2026 and that it be held online only, televised from the Sydney office.</p>
Draft Outcome or Resolution:	<p>The Board RESOLVED to:</p> <ol style="list-style-type: none">consider and comment on the proposed resolution;approve the date the Extraordinary General Meeting to be held on 23 April 2026 and that it be held online.
Prepared:	Kim Davis, Company Secretary
Reviewed:	Venus Amoro-Njuguna, Senior Legal Counsel
Endorsed:	Steffen Faurby, Chief Executive Officer
Submitted:	Dr Sharmila Chandran, President-elect

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Supporting Statement to EGM to remove Prof Jennifer Martin as RACP Director

The Members signatories are requesting an Extraordinary General Meeting (EGM) to remove Prof Martin as President and Chair of the Royal Australasian College of Physicians (RACP) for the reasons described below.

We, the undersigned members have lost confidence in the leadership of Prof Martin as President and Chair of RACP Board. Many members called for the President's resignation after 4 failed EGMs in 2025. There was no accountability evident to Members.

There are now media articles that substantiate findings of bullying and harassment by Prof Martin.

The College, in its statement on the 12 Feb 2026 acknowledges the report. In an article on the 30 December 2025, Michael West Media refers to the Centium report and the bullying and harassment by Prof Martin towards staff. In its reply to the article, the College did not deny the existence or findings of the Centium report. The report should be provided to members.

It is a serious requirement that the President and Chair of the Royal Australasian College of Physicians, as leader of the College, behaves in accordance with the governing policies and the law.

It is not acceptable for the President to have findings of bullying and harassment towards staff members who are in a less powerful position. Such findings damage the reputation of the College and results in an unacceptable position for the President to continue as President, Chair and a Director of the College.

Instability of the board

As President and Chair of the Board, Prof Martin has the duty to foster a healthy culture within the Board and College as well as maintain board stability. There have been many destabilising Board and Presidential communications. These include a misquotation of ACNC recommendations. A high number of board Directors have resigned within a period of 6 months. It is clear to members that there is serious dysfunction at board level. As the President and Chair, Prof Martin carries ultimate responsibility and has shown inability to lead a Board.

Poor Oversight of Expenditure

It was recorded by the College on the 12 February 2026 that there has only been one proper meeting of the Technology/IT board committee between July 2025 and January 2026 and a circular resolution in November 2025. This is in the face of a \$40 million investment of the College in IT projects.

A circular resolution is not a formal meeting of a board committee and does not allow for any debate between senior management and the board.