* + 1. **TEMPLATE: *Governance, conflicts of interest and financial arrangements* questions which the applicant association is required to complete**

The questions below are designed to help you demonstrate to the Professional Standards Councils that the association applying for a Professional Standards Scheme is capable of addressing the governance, conflicts of interest and financial arrangements that may affect the administration of a Scheme over its lifecycle.

To assist you, see Guidance 1.2.2 *Governance, Conflicts of interest and financial arrangements.*

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| 1. **QUESTION: *GOVERNANCE***
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| **Evidence / information required** | **Association’s response (including examples)**  |
| Provide evidence to demonstrate that:* 1. the association (including its governing body) acts in a manner that maintains the confidence of the public, professionals, employers, and other key stakeholders
	2. the association responds to its regulatory commitments with diligence or has the capacity to do so
	3. the association’s key documents are appropriately managed, including version control, and submit any examples of minutes outlining changes to governance documents such as the association’s Constitution.

If the association is a public company limited by guarantee:* 1. the Secretary must have qualifications or experience to undertake the Secretary responsibilities
	2. the Secretary must comply with the responsibilities ordinarily undertaken by the Secretary, such as organising annual general meetings of members
	3. the governing body must comply with statutory requirements, including those under section 250N of the *Corporations Act 2001* (Cth)
	4. the governing body must demonstrate an arm’s length process for tenders and service-level agreements, including having written policies.
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| 1. **QUESTION:**  ***CONFLICTS OF INTEREST***
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| Provide evidence to demonstrate:* 1. the mechanisms by which conflicts of interest are identified
	2. the mechanisms in place by which conflicts of interest are managed, including registers, policy documents and quality assurance systems
	3. any examples where the association has discharged its purpose as stipulated in those documents.
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| 1. **QUESTION:**  ***FINANCIAL ARRANGEMENTS***
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| Provide evidence to demonstrate:1. that financial statements do not report negative equity or satisfy any indicia of insolvency, including audited financial statements and a two (2) year cash flow forecast
2. that cash flow does not show:
3. ongoing reliance on loans from individual association members
4. associated entities controlled by other governing officers of the association (such as the President)
5. over-reliance on sponsorship from related entities which may have conflicts of interest consequences.
6. that financial resources appear to be sufficient, or sufficiently independent of the directors or governing officers, to support the association’s supervision of risk management strategies, oversight of disciplinary arrangements and representation of the interests of members of the relevant occupational group.
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| 1. **QUESTION: *IMPROVEMENTS***
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| * Outline the consequences for non-conformance with your governance documents & conflicts of interest policies
* Describe your association’s detailed plans to improve its policies, including the strategies to address consumer harms and risks
* Describe the role and responsibilities of your association’s executive and governing body in consumer protection. How does your governing body go about seeking relevant independent expert advice to support its decision-making?
* Describe the ways your governance, conflicts of interest and financial arrangements are communicated to your members and the public, and how you assess and improve the communication
* Describe the measures you use to assess the effectiveness of your policies to ensure professional conduct and their frequencies (eg qualitative metrics such as measures of satisfaction, or quantitative, such as actual numbers or dollar amounts), and how the measures contribute to continuous improvement of policies, and protect consumers of the services provided by your members.
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| 1. **QUESTION: *CONSUMER PROTECTION OUTCOMES***
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| Describe your association’s improvement cycle:* + 1. how emerging trends from the outcomes of conduct and competence processes (including but not limited to consumer claims, notification, and complaints data) are used to inform revisions of policies
		2. how your association identifies and incorporates best practice
		3. how the purpose for, and benefits of, the improvement is identified and confirmed, and how adequate resources are assigned to the improvement
		4. how the process is free of inappropriate or conflicted influence (including by government, the profession, employers, or other interested parties)
		5. process of engaging and consultation with stakeholders (e.g. members, public, consumers, regulators, related occupational associations) to assure alignment
1. development of practical measures of effectiveness of each improvement, for example, collection, collation, analysis and reporting to the governing body
2. what changes require governing body approval, and formal approval by a general meeting of members.
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