



Australian
Charities and
Not-for-profits
Commission

SUMMARY

SUSPENSION OF RESPONSIBLE PERSON UNDER SECTION 100-10 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 (CTH)

THE ROYAL AUSTRALASIAN COLLEGE OF PHYSICIANS ABN 90 270 343 237

INTRODUCTION

1. Under s 100-10 of the *Australian Charities and Not-for-profits Commission Act 2012* (Cth) (**ACNC Act**), the Commissioner may suspend any of the Responsible People of certain registered charities, if the Commissioner considers that doing so is necessary to address a charity's non-compliance with a Governance Standard.
2. The Commissioner's delegate has suspended Dr Sharmila Ramessur Chandran's appointment as a Responsible Person of The Royal Australasian College of Physicians ABN 90 270 343 237 (**RACP**) because it was considered necessary to address the RACP's noncompliance with Governance Standard 5.

BACKGROUND

3. Governance Standard 5 requires a charity to take reasonable steps to ensure that its Responsible People are subject to, and comply with, the duty to exercise their powers and discharge their duties with the degree of care and diligence that a reasonable individual would exercise if they were a Responsible Person of the charity.
4. In the delegate's view, it is reasonable to expect that in complying with Governance Standard 5 a charity will protect people from harm to their health, safety and welfare and otherwise comply with the lawful directions of work health and safety regulators, in accordance with applicable work health and safety laws.
5. On 20 March 2026 SafeWork NSW issued the RACP an Improvement Notice under s 191 of the *Work Health and Safety Act 2011* (NSW) (**WHS Act**) (**Improvement Notice**). The Improvement Notice set out why SafeWork NSW believed the RACP was not meeting its obligations under the WHS Act and directed the RACP to take measures to address those matters by no later than 20 September 2026.
6. On 5 May 2026 SafeWork NSW issued the RACP's Board a Prohibition Notice under s 195 of the WHS Act (**Prohibition Notice**). The Prohibition Notice directed each of the Responsible People of the RACP (and/or their delegates) to refrain from communicating with RACP staff except for the CEO (or Acting CEO) for the purpose of instructing them to undertake activities.
7. The ACNC was subsequently made aware that Dr Chandran was not complying with the directions set out in the Prohibition Notice. SafeWork NSW advised the ACNC that this behaviour was exposing RACP staff to immediate and serious risks to their psychological health and safety.

SUSPENSION

8. On account of the matters set out above, the ACNC does not consider that the RACP is complying with Governance Standard 5 at present.
9. The delegate's view is that suspending Dr Chandran's appointment as a Responsible Person of the RACP is necessary to address the RACP's non-compliance with Governance Standard 5.

10. Dr Chandran has been provided with advice by SafeWork NSW and the ACNC about her obligations, and has persisted to communicate in writing with RACP staff in contravention of the directions made in the Prohibition Notice.
11. Dr Chandran's appointment as a Responsible Person of the RACP has been suspended from 1:00pm on 18 May 2026 until 11:59pm on 20 September 2026.

RESOLUTION

12. During the period of Dr Chandran's suspension, the ACNC expects the RACP to take steps to ensure that its Responsible People can comply with ACNC Governance Standard 5 and the lawful directions of health and safety regulators and continue taking steps to address the matters raised in the Improvement Notice so as to meet its obligations under the WHS Act and the ACNC Act.
13. If, at the end of the suspension period noted above, the ACNC cannot be reasonably satisfied that the RACP will be able to meet its obligations under ACNC Governance Standard 5 and the WHS Act, the ACNC may extend this suspension, take steps to remove Dr Chandran as a Responsible Person of the RACP, or take other regulatory action against the RACP.

RESPONSE FROM THE RACP

14. The RACP board agrees to work with the ACNC to meet its obligations under the ACNC Governance Standards and to provide a safe work place for its employees and volunteers.
15. The Board also welcomes the ACNC Commissioner's appointment of Susan Pascoe AM as an Acting Responsible Person to assist the RACP to address the ACNC's concerns.
16. The Board will keep its members updated as to the actions it is taking to resolve these issues.