



# Compliance Management Framework

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<b>Related Policy/Procedure:</b>	<ul style="list-style-type: none"> <li>➤ Delegations Policy</li> <li>➤ Delegations Instrument</li> <li>➤ Risk Management Policy</li> <li>➤ Risk Register</li> </ul>		

# Compliance Management Framework

## Purpose

The purpose of the Compliance Management Framework is to ensure that Lyons College meets all of its regulatory requirements, and that lapses, or breaches of compliance are identified, rectified and reported appropriately.

## Scope

This Framework applies to all Lyons College activities and others directly associated with those activities.

## Background

The Australian Standard AS 3806:2006: Compliance Programs sets out the following:

Compliance is an outcome of an organization meeting its obligations. Policies and procedures to achieve compliance must be integrated into all aspects of how the organization operates. Compliance should not be seen as a stand-alone activity, but should be aligned with the organization's overall strategic objectives. An effective compliance program will support these objectives. Compliance should, while maintaining its independence, be integrated with the organization's financial, risk, quality, environmental and health and safety management systems and its operational requirements and procedures.

An effective organization-wide compliance program will result in an organization being able to demonstrate its commitment to compliance with relevant laws, including legislative requirements, industry codes, organizational standards as well as standards of good corporate governance, ethics and community expectations.

An organization's approach to compliance should be shaped by its core values and generally accepted corporate governance, ethical and community standards.

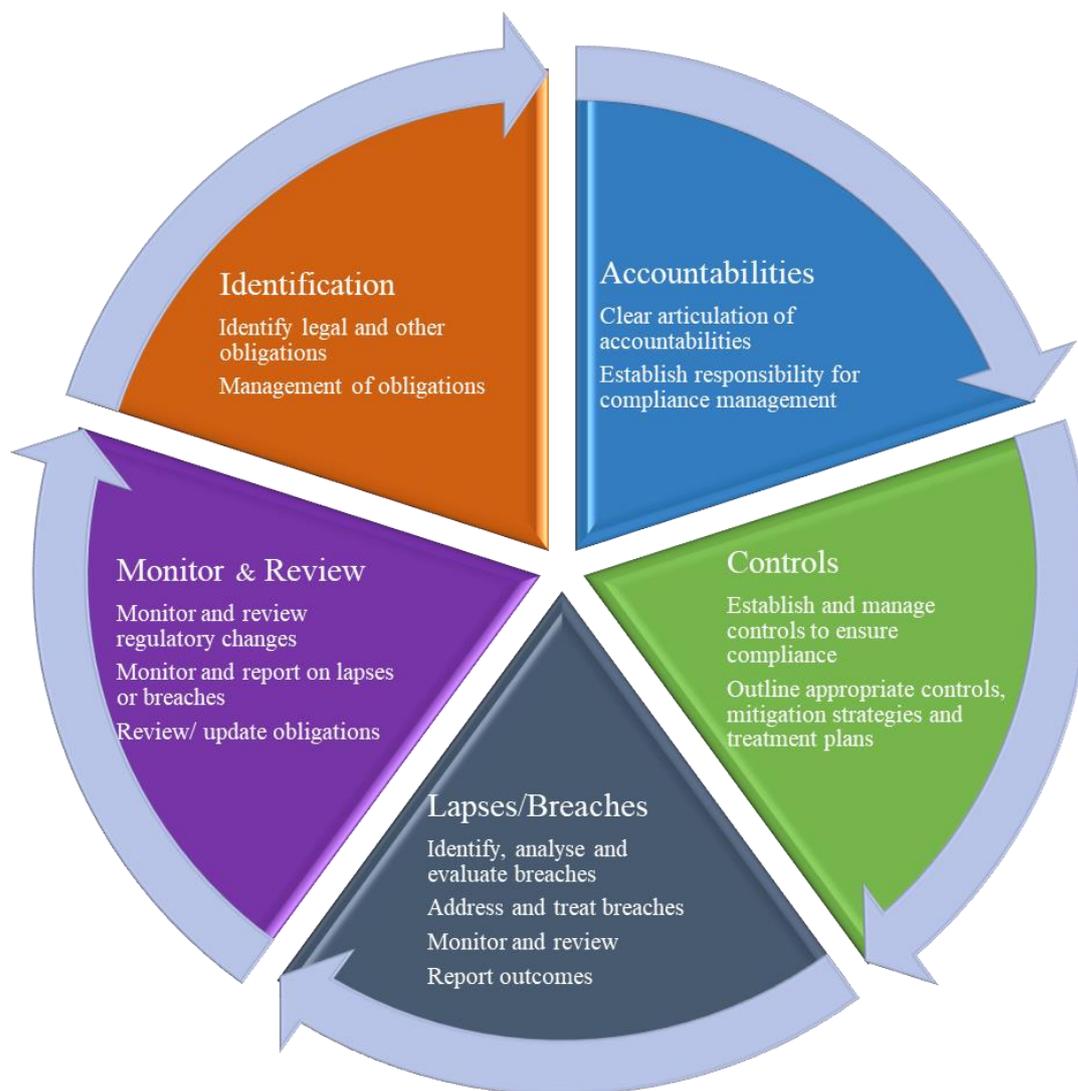
Lyons College understands the importance of maintaining a robust Compliance Management Framework. Along with this, Lyons College wants to ensure that in the unlikely event of a lapse or compliance breach, the matter is handled appropriately.

The consequences of Lyons College failing to comply with any obligation, or for breaching a legal requirement, are severe. Not only is there a risk of adverse compliance action, there is the reputational risk faced by Lyons College, as well as the reputational risk to the VET and higher education sectors.

## Compliance Management Framework

Lyons College uses Australian Standard AS ISO 19600:2015 Compliance Programs as a basis for the Compliance Management Framework. The key elements

The diagram below outlines the main aspects of Lyons College Compliance Management Framework.



## 1. Identify and Manage Compliance Obligations

Lyons College will develop and maintain an Obligations Register. This will record the legislation, regulations and industry guidelines relevant to the operations of Lyons College.

Lyons College will also use the Risk Management Policy and the Risk Register to inform the Compliance Management Framework. The risk consequences rating methodology contained within the Risk Management Policy will inform the Executive of how to categorise compliance risks, and how specific requirements of each obligation will be met.

Along with this, the Risk Management Framework will allow the Executive to determine what controls are required for obligations. This will include risk mitigation strategies and treatment or remedial plans for any lapses or breaches of compliance.

The Executive will be responsible for managing Lyons College's obligations. The CEO will be responsible for maintaining the Obligations Register.

All staff must be aware of their compliance obligations in their area of work or activities. They must ensure that their actions on behalf of Lyons College complies with all relevant laws, regulations and industry guidelines.

## 2. Accountabilities

Lyons College has the following Governance bodies and staff who are involved in compliance management. Their roles and responsibilities are outlined below.

Board	Responsible and accountable for ensuring Lyons College complies with all relevant obligations. Provide oversight of Lyons College's compliance management framework and breach reporting.
Academic Board	Responsible and accountable for ensuring Lyons College complies with the <i>Higher Education Standards Framework (Threshold Standards) 2015 Cth.</i> Provide oversight of Lyons College's compliance management framework and breach reporting in relation to academic matters.
Chief Executive Officer	Operational responsibility for implementing Compliance Management Framework. Responsible for managing operational compliance including maintaining the Obligations Register. Reporting to the Board and Academic Board on any lapses or breaches of compliance, and what actions were taken to treat the lapse/breach.
Executive Management and Senior Staff	Supporting the CEO in implementing the Compliance Management Framework. Understanding and ensuring compliance obligations are met within their area of responsibility.

### 3. Controls

Controls are the mechanisms developed to ensure compliance with obligations. Systems, procedures and controls will be implemented to support the monitoring of compliance obligations against the requirements of the Compliance Management Framework.

Controls include the Obligations Register, local management procedures, training and the management of compliance issues and breaches. Higher risk obligations may require additional oversight and controls to ensure the risk of any potential non-compliance in any of these areas is minimised.

Lyons College will use the following as controls as part of the Compliance Management Framework:

- Policies
- Procedures
- Processes
- Plans
- Staff training
- Compliance Management Software
- Internal Audit
- External Audit
- Delegations

Controls will also include the creation of mitigations strategies and remedial action plans for potential lapses or breaches of compliance. Mitigations strategies and remedial action plans may be linked to the Risk Register or as stand-alone items depending on the compliance risk.

Effective controls need to be maintained, periodically reviewed and assessed, monitored and tested to ensure they remain effective. The CEO and Executive will be responsible for managing controls, mitigation strategies and remedial action plans.

### 4. Lapses or Breaches of Compliance

The following is how Lyons College will deal with lapses or breaches of compliance obligations.



#### 1. Identifying lapses/breaches

Lyons College staff have a duty to report any lapses or breaches of compliance as soon as they are aware to their direct manager. Minor instances of non-compliance should be remedied by the staff member and relevant manager. However, instances of non-compliance identified with any obligations that are major and high-risk compliance obligations, must be reported to a member of the Executive.

Breaches or potential breaches can be reported anonymously.

## **2. Analysing and evaluating lapses/breaches**

The relevant member of the Executive will evaluate the impact of a lapse/breach and determine the appropriate course of action. They should take immediate, common sense steps to limit or contain the breach.

The relevant Executive should identify the root cause of the lapse/breach and verify whether a breach was an isolated incident or a systemic failure. They should also identify corrective and/or preventative actions to reduce the breach impact and likelihood of recurrence.

## **3. Address and treat lapses/breaches**

Any corrective and/or preventative actions required will be undertaken to address the lapse/breach. The relevant Executive will need to monitor by the remedial actions and ensure that the corrective and/or preventative actions are completed. Where predetermined remedial actions plans are in place, they will be actioned.

## **4. Monitor and review lapses/breaches**

Where the lapse/breach is identified as a systemic failure, a review of the control, policy and/or procedure will need to be conducted. This should highlight any improvement or amendments required to reduce the risk of recurrence. The relevant Executive will need to monitor and ensure corrective actions are completed.

## **5. Report lapse/breach outcomes**

All lapses/breaches of compliance need to be reported to the CEO. Depending on the impact of the lapse/breach, the CEO may report the matter to the Board or Academic Board. Lapses/breaches which could result in adverse regulatory actions must be reported to the Board.

## **5. Monitor and Review**

Lyons College will need to monitor and review the Compliance Management Framework annually. This will be the responsibility of the CEO with the support of the Executive. This will include:

- Reporting of any lapse/breach and actions taken
- Ensuring that regulatory changes are reflected in controls
- Review of Policy, Procedures and Plans as part of continuous improvement
- Maintaining the Obligations Register
- Reporting breaches to regulators where required

In addition to the annual review process, reassessment of controls, mitigation strategies and remedial plans should also be conducted whenever there is a new or changed activities or services or there is a change to the structure or strategy of Lyons College.