

Purpose of Framework

The University undertakes teaching, research and commercial activities across a diverse spectrum of areas. With such a diverse range of activities and complex environment, comes an equally diverse and complex collection of regulatory requirements that apply to the University’s operations.

Compliance management helps the University to avoid a range of potential negative consequences including harm to students and staff, financial penalties or fines, damage to organisational or individual reputation and criminal prosecution.

The Compliance Framework sets out the University’s governance arrangements in relation to compliance, its approach to compliance, and responsibilities for managing compliance, in order to support University personnel in managing compliance obligations.

The Compliance Framework aligns with the Compliance Management Systems - Guidelines (ISO 19600:2014 and AS19600:2015¹).

Governance and Commitment to Compliance

Under the *Swinburne University of Technology Act 2010*, the University Council is responsible for establishing policy and procedural principles for the operation of the University consistent with legal requirements and community expectations and approving and monitoring systems of control and accountability at the University.²

Under the University’s Governance Framework, the University Council affirms its commitment to fulfilling the objects of the University and meeting Council’s responsibilities ‘consistent with legal requirements, the spirit of laws that apply to the University and community expectations and by ensuring the University’s compliance processes meet the requirements of the current Australian Standards’.³

The University’s People, Culture and Integrity Policy, approved by the Vice-Chancellor and acknowledged by Council, provides that staff, university officers and visitors must ensure that they comply with the law and the spirit of any legislation that applies to their roles and sets out the following responsibilities:

Role/Decision/Action	Responsibility	Conditions and limitations
Responsibility for fostering a culture of compliance	VC	
Submission of compliance reports to Audit and Risk Committee for review	VC University Secretary	
Reporting issues or concerns relating to the University’s compliance obligations	All staff	Should be reported to manager in the first instance
Administration of compliance program and compliance reporting process	University Secretary Director, Governance and Integrity	

¹ AS19600:2015 simply adopted ISO19600:2014.

² Section 8 *Swinburne University of Technology Act 2010*.

³ Part 11 Swinburne University Governance Framework.

The Audit and Risk Committee monitors and reviews the effectiveness of the University's systems for internal control, as well as systems for compliance with laws, standards, University legislation and policy, and other requirements. It also reviews attestations being made by management regarding compliance with relevant risk, financial and compliance reporting standards and requirements.⁴

Swinburne's Approach to Managing Compliance

With such a diverse range of activities and complex environment, the University has a significant number of compliance obligations. The University's approach to compliance is to focus on the key compliance risks. The regulatory landscape must be understood in order to make informed decisions about where to focus the University's compliance efforts. For example, the level of monitoring and escalation of breach reporting needs to be commensurate with the associated risk. Following an internal audit of the Compliance Framework in 2017, the Audit and Risk Committee confirmed that a risk-based approach to compliance was appropriate⁵ and this aligns with the Compliance Management Systems - Guidelines (ISO 19600:2014 and AS19600:2015).

Key compliance obligations need to be identified and reviewed regularly to see if their status changes, eg. a new key compliance obligation may emerge when a new legislative regime is introduced. Whereas other compliance obligations will always remain key, eg. health and safety obligations.

Compliance risk assessments should be conducted to analyse the key compliance risks based on the likelihood of a breach, the consequences of a breach, the existing controls and any new risk treatment plans required based on the evaluation of the risk. This should align with the University's existing Risk Management Framework (including existing risk definitions).

Swinburne has a decentralised model of compliance management in which subject matter experts (SMEs) and relevant personnel are allocated responsibility for managing key compliance obligations. This may be University-wide, eg. the University has SMEs in occupational health and safety who work across the institution in consultation with other staff to manage OHS obligations. Responsibility may also be allocated to relevant operational areas for ensuring compliance with key obligations, eg. the management of chemicals in a laboratory.

Administration of the compliance program and compliance reporting process has been delegated to the University Secretary within the Governance, Legal and Integrity unit (GLI).

The University has established a Compliance Network consisting of staff from GLI, compliance SMEs and University risk personnel. GLI also consults with other relevant staff across the University on compliance obligations.

Under this Compliance Framework:

- Key compliance risks are continually monitored by SMEs and relevant personnel and reported on to line management
- Key compliance training is mandatory for all relevant staff and refresher training must be undertaken at regular intervals. This program is overseen and implemented by People and Culture and effected through the delivery of online training modules.
- Information on occupational health and safety is reported directly to the Vice-Chancellor's Executive Group and Council throughout the year
- Specific key compliance risks which have been identified as appropriate to be reported to senior management and University-wide governance bodies are reported on every six months to the Vice-Chancellor's Executive Group and the Audit and Risk Committee. This involves a review of their risk ratings to assess if it has changed.

⁴ Audit and Risk Committee Terms of Reference.

⁵ Audit and Risk Committee meeting in May 2017.

- The regulatory landscape will be scanned annually to see if other regulatory risks have emerged, if existing risks have changed status and if reporting should be changed.
- The University's overall compliance risk is monitored and reviewed as part of its Risk-Management Framework which includes regular reporting to Audit and Risk Committee.

Responsibilities

Governance Legal and Integrity Unit (GLI)

- Administration of the compliance program and compliance reporting process including preparing reports to the Vice-Chancellor's Executive Group, the Audit and Risk Committee, and Council on complaints and compliance twice a year, with exception reporting as necessary for any material complaints or compliance issues as they arise.
- Maintenance, monitoring and review of obligations register
- Providing support and advice to SMEs and other staff on compliance activities and breaches as required
- Management of those compliance obligations for which GLI has direct responsibility, eg. Consumer Law
- Facilitation of the Compliance Network
- Facilitation of annual scans of the regulatory landscape to see if other regulatory risks have emerged, if existing risks have changed rating and if reporting should be changed
- In consultation with SMEs and other relevant staff, review and improvement of the Compliance Framework
- Ensuring outsourced agreements include clauses detailing compliance responsibilities, communication of breaches and avenues of periodic review

Subject Matter Experts (SME) and Relevant Personnel Allocated Responsible for Managing Key Compliance Obligations

- The identification, development and/or documentation of relevant procedures and processes necessary to ensure compliance, monitor compliance, and to manage non-compliance including
 - A systematic approach to continuous improvement of these procedures and processes on a regular basis
- The development and implementation of a targeted communications and training program (in addition to the mandatory online training modules) where this is deemed appropriate to ensure relevant personnel are properly informed of their obligations including in relation to breach reporting:
 - Competence and training needs should be identified and addressed to enable staff to fulfil their compliance obligations. Training needs assessment should include consideration of:
 - identified gaps in employee knowledge and competence
 - changes in staff positions or responsibilities
 - changes in internal processes, policies or guidelines
 - changes in statutory obligations
 - issues arising out of monitoring, auditing, reviews, complaints and incidents
 - Records of what communications have been sent and what training has been conducted and who has been trained are to be kept
- Breach identification, investigation, management, reporting and escalation, remediation (eg. compliance action plan required?), and record keeping for high risk breaches or repeated minor breaches and remedial actions taken to understand outcomes and trends

- Adequate recordkeeping of compliance issues and non-compliance incidents
- Assurance over compliance activities including control checks and the selection of compliance areas for internal auditing
- Recording key obligations, detecting and preventative controls, and treatment plans in the SME Compliance Reports and compiling regular reports
- Maintaining a sound knowledge of the compliance obligations and keeping abreast of regulatory changes, keeping relevant staff apprised of any changes, and updating materials and training as required
- Staying in contact with regulators and reporting incidents to regulators as required

Executive Accountability

Members of the Vice-Chancellor's Executive Group have high managerial responsibility for key compliance areas. For example:

- The Deputy Vice-Chancellor Academic has overall responsibility for the University's compliance with the requirements of the Tertiary Education Quality and Standards Agency (TEQSA).
- The Deputy Vice-Chancellor PAVE has overall responsibility for the University's compliance with the requirements of the Australian Skills Quality Authority (ASQA) and the Victorian Registration and Qualifications Authority (VRQA).
- The Deputy Vice-Chancellor Research and Development has overall responsibility for the University's compliance with requirements around research ethics and integrity.
- The Vice President (Students) has overall responsibility for the University's compliance with the Education Services for Overseas Students (ESOS) regulatory regime.
- The CFO/Vice President Operations has overall responsibility for compliance with legislation relating to financial management, infrastructure and capital works.

Staff Responsible for Managing Agreements with Third Parties

Those responsible for contract management should ensure that roles and responsibilities, and processes for the management of compliance breaches by outsourced providers are documented.

Obligations Register

The obligations register should record the major legislative frameworks and internal policies to which the University is subject. This allows the regulatory landscape to be scanned and understood.

However, the legislative frameworks and internal policies will have differing degrees of risk associated with them. A risk assessment needs to be undertaken to determine the degree to which active monitoring is required. Additionally, not all obligations within a legislative framework or an internal policy will entail the same risks, eg. within the Education Services to Overseas Students (ESOS) regulatory framework compliance risks that relate to student welfare should rate more highly than some more procedural compliance obligations. Informed decisions need to be made about which obligations within each regulatory framework and internal policy are recorded for active monitoring. Recording all possible obligations will denigrate from the focus on, and monitoring of, key compliance obligations.

Risk analysis must be undertaken in accordance with the University's existing Risk Management Framework and risk descriptors.

Adopting this risk-based approach, all key compliance requirements are to be included in the obligations register. The register will be subject to regular monitoring and review. Key controls and treatment plans are recorded in the SME Compliance Reports (which are reviewed biannually).

Third Party Compliance Obligations

GLI should ensure outsourced agreements include clauses detailing compliance responsibilities, communication of breaches and avenues of periodic review.

Those responsible for contract management should ensure that roles and responsibilities, and processes for the management of compliance breaches by outsourced providers are documented.

Review of Compliance Framework

This Compliance Framework is endorsed by Audit and Risk Committee and approved by University Council. It should be reviewed at a minimum every two years.

Review	Date of ARC Endorsement	Date of Council Approval
Development of framework document following internal audit	21 November 2017	11 December 2017
Review of framework by GLI taking account of how the framework is being implemented in practice and changes requested by Council	14 November 2019	09 December 2019