



COMPLIANCE FRAMEWORK POLICY

Purpose

The purpose of Lincoln Education Australia's (LEA) *Compliance Framework Policy* is to provide an overarching framework for the policies, procedures, structures and tools that are aimed at identifying and managing LEA's compliance obligations.

LEA's Compliance Framework ('Framework') aims to create an integrated, strategic and consistent approach to the management of LEA's compliance obligations and articulates the process for identifying, recording, evaluating, prioritising and monitoring the LEA's compliance obligations. The Framework details a structure for responsibilities and accountabilities and specifies the broader compliance management approach that the LEA has adopted.

Principles

For the purposes of this Framework "compliance" is defined as "adhering to the requirements of laws, industry and organisational standards and codes, principles of good governance and accepted community and ethical standards" (AS 3806-2006, Australian Standard: Compliance programs). Compliance is central to good governance.

LEA's compliance obligations refer to the laws, regulations, codes, policies and procedures with which the LEA is required to comply.

Scope

LEA has a range of obligations with which it is required to comply. The bodies, both internal (e.g. Finance, Risk and Audit Committee) and external (e.g. TEQSA), that govern LEA's operations expect that LEA is fully conversant with its obligations and risks able to demonstrate that it is meeting and managing these obligations in a consistent and appropriate manner.

Compliance management is important because compliance obligations and their associated risks are continually evolving. Therefore, a strategic approach is required to facilitate the implementation of sound practices aimed at keeping abreast of this evolution. Remaining well-informed regarding LEA's compliance requirements and obligations and ensuring that there are strategies in place to guide LEA and its staff on matters of compliance, is a vital task and one that is critical to the success of LEA. The development of a strategic, effective and consistent approach to compliance management is essential as it will assist to reduce and/or mitigate a range of risks, including financial loss and reputational damage.

Compliance Management Process

LEA's compliance management process consists of the following steps:



- **Identify** – Identify compliance obligations and maintain the Compliance Register.
- **Assess** – Evaluate and treat compliance risks to limit the impact and likelihood of occurrence.
- **Manage** – Actively manage changes to obligations, breach reporting, investigation and remediation.
- **Monitor** – Continually monitor and evaluate the risks and treatments in order to maintain the effectiveness and appropriateness of the LEA’s risk management.
- **Report** – Provide regular reports and updates in order to assure LEA and key stakeholders that the risks are being appropriately managed and treated.

Compliance Risk Management

Compliance obligations, when breached, pose risks to LEA achieving its strategic objectives. Some of these risks will have the potential to have a major impact on LEA and therefore may require more specialised attention. By expressing these risks as compliance risks, it allows LEA to more closely monitor the obligation and to ensure that any negative impact is minimised.

All key compliance obligations are managed through the risk management process to effectively mitigate the risk —to LEA’s strategic objectives and/or the risk of non-compliance with obligations. Compliance risks are not only risks of non-compliance, but also specific incidents/events that are particular to an act or policy that would have an adverse effect on the LEA. For further details on the risk management process, please refer to the *LEA Risk Management Framework*.

Breaches

An important component of the Compliance Management Framework is to promote a culture at LEA where compliance is valued and, as such, the reporting of compliance breaches is a critical element of this framework.

A breach or “compliance failure” is an act or omission leading to LEA failing to meet its compliance obligations. A compliance breach can be unintentional or deliberate. It should be noted that deliberate or negligent breaches of LEA’s compliance obligations will not be tolerated, and offenders may be subject to disciplinary and/or legal proceedings (if appropriate).

All compliance failures are required to be reported, particularly those that are systemic and/or reoccurring issues. However, even a small failure, if not reported, can lead to the view that the failure does not matter or is not taken seriously, and this may result in non-compliance becoming a systemic problem. All staff are encouraged to report breaches of LEA’s compliance obligations and other incidents of non-compliance. Through the identification and reporting of breaches, LEA is able to identify systemic issues, address them and therefore improve its internal processes to ensure they are more robust.

Potential breaches may be identified from a number of sources including:



- Reporting by staff
- Self-assessments by Executive Management
- Audit reports
- Fines, penalties, damages or legal costs
- Adverse publicity or media attention
- Inquiries from regulators or other Government bodies
- Allegations, complaints from stakeholders or whistleblowing reports
- Death, injury or disability
- OH&S incidents
- Systemic errors/problems.

Non-Compliance Register

LEA's *Non-Compliance Register* is used to record LEA's compliance breaches and to ensure that LEA is able to effectively and consistently manage the risks associated with non-compliance. The *Non-Compliance Register* contains the results of the compliance management process and documents the identified compliance obligations, any associated compliance risks and controls and action plans to mitigate the risks, along with an assessment of the cause and consequence of these risks.

All compliance breaches are risk-assessed and prioritised according to their inherent risk ratings, consistent with LEA's Risk Assessment Matrix and the Risk Management Framework. All compliance risks are subject to the risk management process as prescribed by the LEA's *Risk Management Plan*.

The *Non-Compliance Register* is continually reviewed and updated to ensure that appropriate and current obligations (and any associated risks) are recorded, along with the relevant key controls and the progress of action plans where appropriate. This continual review is also a chance to identify any new and emerging compliance obligations which should also be monitored.

Roles and Responsibilities

The Compliance Management Framework promotes a culture where compliance is valued and as such every LEA staff member has an important role to perform in establishing and maintaining a robust compliance management culture and process.

The Corporate Governance Board is ultimately responsible for the LEA's compliance management, ensuring that a comprehensive compliance management framework is formulated, implemented and regularly updated.

The Finance, Risk and Audit Committee is responsible for reviewing the risk and compliance management practices of LEA and assessing the effectiveness of the risk management framework.

The Chief Executive Officer and the Executive Management team are responsible for:



- Supporting the ongoing implementation of compliance management in all areas of the LEA's operations;
- The identification, analysis, treatment, monitoring and evaluation, and reporting of significant breaches in their relevant areas of LEA;
- Ensuring that staff understand their responsibilities with respect to compliance management; and
- Fostering a positive compliance-aware culture within their areas of responsibility and LEA.

The Executive Management shall coordinate, facilitate and periodically review the LEA's *Compliance Framework Policy* and supporting documentation.

Managers shall ensure that staff within their areas understand their responsibilities and assist in fostering a compliance-aware culture. Training and assistance shall be provided as required, to relevant staff to assist with compliance and risk management. Staff are responsible for adhering to the LEA's *Compliance Framework Policy*, *Risk Management Plan* and other related documentation.

All staff and students have a role in the management of compliance within their area of influence.

Monitor and Review

For compliance management to be effective, performance of the processes that make up the Framework are continually monitored and reviewed.

Compliance breaches and risks are reviewed by the Finance, Risk and Audit Committee through the annual risk registers review. More frequent reviews of very high regulatory and operational risks occur, with a particular focus on the progress of mitigation strategies and treatment plans.

Compliance

All staff and students at LEA are required to comply with this policy and its procedures, and with related policies and procedures. Non-compliance may result in disciplinary action.

File Number	LEA-GEN-COR-70015-D
Responsible Officer	Chief Executive Officer
Contact Officer	Chief Operating Officer
Legislative Compliance	<ul style="list-style-type: none">• <i>Higher Education Standards Framework (Threshold Standards) 2015</i>• <i>Tertiary Education Quality and Standards Agency Act 2011</i>
Supporting Documents	<ul style="list-style-type: none">• <i>Non-Compliance Register</i>
Related Documents	<ul style="list-style-type: none">• <i>Risk Management Plan</i>



	<ul style="list-style-type: none">• <i>Risk Management Policy</i>• <i>Risk Register</i>• <i>Critical Incident Management Plan</i>
Superseded Documents	
Effective Date	1 January 2022
Next Review	3 years from the effective date

Definitions

Compliance: Adhering to the requirements of laws, industry and organisational standards and codes, principles of good governance and accepted community and ethical standards. Compliance is central to good governance.

Compliance breach: An occurrence of non-compliance with legislation, regulations, codes of practice and standards, as well as LEA's policies and procedures.

Compliance obligation: Laws, regulations, codes, standards, policies and procedures LEA is required to comply with.

Compliance risk: Specific incidents/events of non-compliance with requirements to a particular piece of legislation, or industry and organisational standards (including LEA's policies and procedures) that would have an adverse effect on LEA.

Regulatory authority: Any government body of other organisation responsible for regulating or enforcing compliance with legislative and other requirements (e.g. TEQSA).

TEQSA: Tertiary Education Quality and Standards Agency.

Review Schedule

This policy shall be reviewed by the Corporate Governance Board every 3 years.



Version History			
Version number:	Approved by:	Approval Date:	Revision Notes:
1.0	Corporate Governance Board	Draft	New policy