



Governance, Risk and Compliance within WA Independent Schools

Important briefing paper for Principals, Bursars and Business Managers

The Information in this whitepaper is current as at 10 November 2013. The legal and regulatory obligations in this area are in a constant state of change. Please visit www.complispace.com.au to ensure that you have the most up-to-date version of this briefing paper.

Sydney Level 1, 191 Clarence Street, Sydney NSW 2000 T: +61 2 9299 6105 F: +612 9299 2805

Perth Level 18, Central Park 152-158 St Georges Terrace, Perth WA 6000 T: +61 8 9288 1826 F: +61 8 9288 1827

contactus@complispace.com.au www.complispace.com.au CompliSpace Pty Ltd ABN 67 151 135 072

The Governance, Risk and Compliance Challenge for WA Independent Schools

Anyone who has ever been involved in the management of a school will immediately recognise the extent of the governance, risk management and compliance challenges that schools face.

Most independent schools do not have the human or financial resources of large corporations. Rarely do they have internal lawyers or experienced risk or compliance managers. As a result, time-poor Principals, senior staff, Bursars, Business Managers and Registrars are often forced to add risk management and compliance to their never-ending list of daily responsibilities.

Once responsible individuals scratch the surface of risk management and compliance, they quickly realise it is simply one piece of the jigsaw.

The real challenge for independent schools is to develop an integrated governance, risk and compliance framework which includes effective documentation of internal policies and procedures, staff training and the implementation of a system to monitor the school's overall performance and to provide meaningful reporting outcomes to the school executive and the governing body.

Properly implemented, such a framework will add real value to the school's operations and avoid a situation where compliance is viewed as an ongoing administrative burden.

The Compliance Environment for WA Independent Schools

Since the *Registration Standards for Non-Government Schools in Western Australia* (WA Registration Standards) were first published in January 2004, they have been amended no less than five times (on average once every 18 months). The latest iteration, published in January 2012, indicates there will be yet further refinement to the WA Registration Standards by the end of 2012. Given that many independent schools are only required to renew their registration once every four or five years, the speed of change is significant.

Add to this:

- the 56+ pieces of Commonwealth and State legislation that are listed within Criteria 12 of the WA Registration Standards as being relevant to independent schools; and
- the requirements of the new '*National Quality Framework for Early Childhood Education and Care*' which applies to schools offering preschool/kindergarten, or outside school hours care services;

and the extraordinary compliance burden of WA Independent Schools becomes self-evident.

The latest version of the WA Registration Standards (January 2012) are contained in a 46 page document which outlines the following 12 criteria that have been drawn from legislated registration requirements:

Criteria 1 – Governance and Accountability	Criteria 7 – Physical Environment
Criteria 2 – Student Learning	Criteria 8 – Enrolment and Attendance
Criteria 3 – Curriculum	Criteria 9 – Number of Students
Criteria 4 – Level of Care	Criteria 10 – Time for Instruction
Criteria 5 – Financial Management	Criteria 11 – Complaints Management
Criteria 6 – Staff and Management	Criteria 12 – Compliance with Laws

Detailed examination of the WA Registration Standards reveals over 120 discreet compliance obligations, with many of these obligations in themselves creating further obligations.

A classic case in point is the obligation in Criteria 12 to ensure the school complies with the legal requirements associated with its operation. As noted above, the WA Registration Standards then go on to list 56+ individual pieces of Commonwealth and State legislation which may apply to a school’s operation.

Also contained within the WA Registration Standards are obligations for schools to maintain a robust governance and risk management infrastructure which includes (but is certainly not limited to) the establishment, implementation and maintenance of:

- ✔ A **Risk Management Program** (Criteria 1.3)
- ✔ **Comprehensive Board Processes** (including procedures for evaluating Board performance and managing conflicts of interest) (Criteria 1.3)
- ✔ A **School Improvement Plan** (Criteria 2.3)
- ✔ A **School Curriculum Plan** (Criteria 3.1)
- ✔ A robust suite of **Student Welfare, Safety and Health Policies** (Criteria 4)
- ✔ A robust suite of **Staff Induction, Performance Management and Professional Learning Policies** (Criteria 6.4)
- ✔ An **Occupational Health & Safety Program** (Criteria 7.4)
- ✔ A comprehensive and accessible **Complaints Handling Program** (Criteria 11).
- ✔ A comprehensive **Compliance Program** (Criteria 12)

While, anecdotally, many schools (especially those with four to five year registration cycles), spend considerable time and expense bringing all their documentation up to speed in the period prior to inspection, it is important to recognise that the WA Registration Standards reflect a continuing compliance obligation, not a hurdle to be jumped every four or five years.

Additionally, the WA Department of Education Services supporting document “*Getting the most out of the Renewal of Registration process for your school*” states that the process of registration renewal is primarily designed to examine the extent to which a school is “maintaining a minimum standard of education and accountability for quality educational programs, the safety and welfare of students and legal compliance.”

Drawing the preceding paragraphs together, the WA Registration Standards make it clear that the obligation to comply is a continuing obligation to maintain minimum standards. That these *are* minimum standards is supported by the fact that the WA Registration Standards do not extend to cover areas such as Business Continuity Management and Fraud and Corruption Control, which are now regarded as key components in the governance programs of many Australian organisations.

A Practical Solution for a Complex Problem

So how can WA Independent Schools manage their huge compliance burden? Those responsible for a school's overall governance framework know how time consuming it is to consistently ensure all policies and procedures are up-to-date, available to staff and that training and testing has been done.

Many schools use spreadsheets to keep a register of all their compliance obligations and link these to the relevant policies. However, with constant updates to the WA Registration Standards, plus the requirements outlined in the relevant 56+ pieces of Commonwealth and State legislation, and the new National Quality Framework for Early Childhood Education and Care, it's easy to see that a simple spreadsheet can quickly become outdated and impossible to manage due to the sheer number of ever-changing compliance obligations.

CompliSpace is one of Australia's leading providers of governance, risk and compliance services. We currently count amongst our client base numerous ASX listed entities (including Top 100 companies), many of Australia's leading fund managers, a number of prominent Non-Government Organisations, as well as a wide range of not-for-profits.

CompliSpace is currently working with a "foundation group" of five leading independent schools in Western Australia to develop a comprehensive online program that ensures these schools are not only able to comply with the complexity of national and state-based legal and regulatory obligations on an ongoing basis, but also have in place best practice policies and procedures covering school governance, staff management, workplace health and safety and student welfare.

The central features of the CompliSpace WA Independent Schools governance, risk and compliance program are:

- ✔ A comprehensive suite of best practice, web-enabled programs, policies and procedures covering key areas such as:
 - **Board Governance** (managed through an online boardroom portal)
 - **Enterprise Risk Management** (developed in line with the international risk standard ISO 31000)
 - **Compliance** (developed in line with the Australian compliance standard AS 3806)
 - **Complaints Handling** (developed in line with the international standard ISO 10002)
 - **Human Resources** (compliant with the Fair Work Act and including best practice policies, such as social media)
 - **Workplace Health & Safety** (compliant with the Occupational Health Safety Act (WA) 1984 and also the new Harmonised WHS laws should they be introduced into WA)
 - **Student Care** (this policy suite, which is currently under development, includes a robust, practical-to-use excursion policy).
- ✔ Various mobility opportunities which allow members of a school community to access key information (including forms) through tablet and mobile devices. (The focus here is on practical application to ensure that policies can be used in everyday situations, and do not sit on a shelf gathering dust).
- ✔ An online risk, compliance and incident workflow management system which enables real-time monitoring and reporting to both the school executive and the board.
- ✔ Access to CompliSpace's comprehensive risk and compliance libraries which includes plain English mapping of key compliance obligations, such as the WA Registration Standards, legislation relating to the management of International Students and the National Quality Framework for Early Childhood Education and Care.
- ✔ The CompliSpace team monitors key legal and regulatory changes, and then provides your school with updated policies and procedures online for your review and sign-off, easing the compliance burden, and allowing you to focus on your core service deliverables.

To find out more information about CompliSpace's tailored governance, risk and compliance program for WA independent schools, call us on 08 9288 1826 or email contactus@complispace.com.au



Sydney Level 1, 191 Clarence Street, Sydney NSW 2000 T: +61 2 9299 6105 F: +612 9299 2805

Perth Level 18, Central Park 152-158 St Georges Terrace, Perth WA 6000 T: +61 8 9288 1826 F: +61 8 9288 1827

contactus@complispace.com.au www.complispace.com.au CompliSpace Pty Ltd ABN 67 151 135 072