

Council Policy

Legislative Compliance Policy

Policy Statement

To outline Council's commitment to a legislative compliance management program which provides assurance and builds the capacity of Northern Beaches Council to meet its key compliance obligations, promote a compliance culture and uphold good corporate governance practices.

Northern Beaches Council's legislative compliance policy and legislative compliance program enables the Northern Beaches Council to:

- understand and comply with its legislative obligations
- conduct business and activities in a lawful and responsible way by integrating legislative requirements into the everyday running of Council
- develop, implement and monitor internal controls to manage and provide assurance on legislative compliance obligations
- assign responsibilities for meeting specific compliance obligations
- assess and improve compliance performance.

Principles

The breadth of Council's operations results in a large number of Commonwealth and State legislative compliance obligations. The imposition that this legislation has on the day-to-day activities of Council varies greatly, with some having broad application across Council whilst other legislation only applies to a small number of Council areas.

Recognising the varying scope and impact of legislation on Council's operations, and the risk and severity of the potential impact of non-compliance, Council has taken a risk based approach to managing legislative compliance.

The various components of Council's compliance management system, together promote the importance of compliance to all staff. Key components include:

- legislative compliance policy
- legislative compliance register - a register of key compliance obligations with responsibilities assigned to each obligation
- management sign-off to report against the key compliance obligations
- policy register - lists key Northern Beaches Council policies, policy owners and policy review dates
- regular reporting on legislative compliance obligations and/or exceptions to the Chief Executive Officer and the Audit Risk and Improvement Committee
- assurance activities involving regular risk assessments, conducted in accordance with the Northern Beaches Council's Enterprise Risk and Opportunity Management Framework
- an embedded compliance culture led by senior management that is committed, proactive, visible, consistent, and promotes staff awareness

- subscription services made available to senior management to flag changes to compliance obligations
- delegations register
- training and awareness program through Code of Conduct training, timely communication of amended or new obligations, and targeted staff training to ensure they meet obligations within the scope of their roles.

Scope and application

The Northern Beaches Council Legislative Compliance Policy conforms to international standard AS/ISO 19600:2015 Compliance Management Systems – Guidelines.

This policy applies to all areas of Council and to all staff commensurate with their roles, functions, authority and span of control.

Key roles and responsibilities

All staff must:

- understand and comply with relevant obligations within the scope of their roles. Behaviours that compromise compliance are not tolerated
- be aware of legislation changes which affect their area of work and ensure their work complies with new or modified obligations
- report to their manager or supervisor instances where they consider obligations are not being complied with
- actively identify and seek additional support in understanding their compliance obligations.

Senior managers have responsibility for ensuring compliance with obligations within their teams and within their area of responsibility. Senior managers are required to:

- understand compliance obligations for their area of responsibility
- role model and promote a compliance culture by (i) supporting behaviours that create a compliance environment, (ii) providing resources, support, communication and training so that their teams are able to identify, understand and respond to compliance obligations, (iii) establishing and maintaining procedures and systems to support compliance and allow for better identification, monitoring and reporting on compliance and (iv) encouraging reporting of non-compliance without fear of reprisal
- monitor compliance with relevant codes, practices, laws and directives
- consider compliance risks as part of their operational risk registers
- ensure controls are designed, implemented and are in place to minimise the risk of non-compliance
- support continuous improvement of the compliance management system
- investigate, respond to and report on incidents of non-compliance in a timely manner

The Chief Executive Officer is ultimately operationally responsible for the Northern Beaches Council's legislative compliance program and ensures that adequate resources are allocated to meet compliance obligations.

The Governance and Risk unit:

- reviews and reports on updates from the Office of Local Government and other pronouncements likely to impact Northern Beaches Council
- maintains a watching brief on selected legislation and updates senior management of any changes
- ensures a relevant subscription service is available to key staff to provide active alerts for changes to legislative compliance obligations
- reports to the Chief Executive Officer and the Audit Risk and Improvement Committee on the effectiveness of the compliance management program
- coordinates the policy register to ensure that policies are monitored and are periodically reviewed and updated
- manages the delegations register to ensure that delegations are periodically reviewed and updated
- provides advice to senior managers and other staff on the compliance management program.

Internal and external audit functions are responsible for auditing compliance with the legislative compliance framework.

The Audit Risk and Improvement Committee independently reviews the legislative compliance program at the Northern Beaches Council, by:

- determining whether management has appropriately considered compliance risks as part of its governance framework
- reviewing the effectiveness of the program for informing and monitoring Council's compliance with applicable laws and regulations, and its policy register
- reviewing and advising on the Legislative Compliance Policy to ensure that it contributes to the risk management processes of Council.

The Council, as the governing body, commits Northern Beaches Council to the Legislative Compliance Policy and sets the expectations, direction and tone of the legislative compliance program. Councillors will do this by:

- supporting a positive compliance culture
- complying with all relevant legislation and policies that are endorsed by Council
- satisfying themselves, through examining appropriate assurance processes and through the advice of its independent committees and the Chief Executive Officer, that the legislative compliance program is effectively managing the risk exposures of non-compliance across the organisation.

References and related documents

- AS/ISO 19600:2015 Compliance Management Systems – Guidelines
- AS/ISO 31000:2018 Enterprise Risk Management – Guidelines
- Northern Beaches Council Legislative Compliance Business Rules
- Northern Beaches Council Enterprise Risk Management Policy
- Northern Beaches Council Risk and Opportunity Management Framework

- NSW Treasury Guide for Audit & Risk Committees: Compliance Management (June 2017)
- Northern Beaches Council Code of Conduct
- Northern Beaches Council Public Interest Disclosures Policy

Definitions

In the context of this policy and in line with AS/ISO 19600:2015:

| | |
|--|---|
| <i>Compliance</i> | refers to adhering to the requirements of laws, regulations, government directions, industry and organisational standards and codes, principles of good governance, requirements for certain certifications, accepted community and ethical standards and Northern Beaches Council policies and frameworks. |
| <i>Compliance culture</i> | refers to the values, ethics and beliefs that exist throughout Council and how they interact with the structures and control systems to produce behavioural norms that are conducive to compliance outcomes. |
| <i>Compliance management program</i> | refers to the various functions and practices including the roles and responsibilities of key staff or areas, and the activities they undertake which, when combined, are intended to provide assurance that Council complies with its obligations. |
| <i>Compliance risk</i> | is the effect of uncertainty on compliance objectives. It is characterised by the likelihood of occurrence and the consequence of non-compliance. |
| <i>Legislative compliance register</i> | is a list of the key legislative compliance obligations of the Northern Beaches Council. Each obligation is assessed and is assigned a responsible manager to ensure compliance to the obligation |
| <i>Risk Management</i> | is the systematic application of management policies, procedures and practices to the tasks of communication, consultation, establishing the context, and identifying, analysing, evaluating, treating and monitoring and reviewing risk – as outlined in the Northern Beaches Council Enterprise Risk Management Policy. |
| <i>Staff</i> | refers to a person working at or on behalf of the Northern Beaches Council and includes part-time, full-time, and temporary staff and also includes contractors. |
| <i>Senior managers</i> | includes the Chief Executive Officer, Directors, Executive Managers, and management positions which may be deemed as senior due to the size, nature or risk profile of the portfolio they manage. |

Responsible Officer

Executive Manager Governance and Risk

Review Date

It is intended that this policy will be reviewed every three years or earlier if significant new information, legislative or organisational change warrants an update to this policy.

The next review is scheduled for June 2025.

Revision History

| Revision | Date | Status | TRIM Ref |
|----------|------------------|--|-------------|
| 1 | 28 May 2019 | Legislative Compliance Policy adopted by Council | 2019/027602 |
| 2 | 24 February 2022 | Revised draft Legislative Compliance Policy submitted to ARIC. | 2021/176041 |
| 3 | 24 May 2022 | Legislative Compliance Policy adopted by Council. | 2022/326735 |