



Appendix B

Compliance Program Unit

Strategy* 2023-2026

**Based on the Compliance Institute's
Maturity Model of 12 Compliance Components and
International Standard 37301:2021 Compliance
Management Systems*

About the CPU

Our Purpose is to enable and assure of legislative operational compliance within the University's accountable units.

Our Vision is *guided* by Our Values

(Vision)

Secure, demonstrate, and continue a culture of integrity and socially responsible behaviour through:

(Values)

- Ethics & Integrity
- Commitment & Enhancement
- Relevance & Responsibility

Our Mission is *achieved* through Our Strategy

(Mission)

Enable and assure of the management of compliance to protect from legal, reputational, and financial risks by:

(Strategy)

- Connecting
- Calibrating
- Collaborating
- Communicating

Via the Compliance Institute's 12 Compliance Components

Our Objectives are *realised* in Our Action Plans

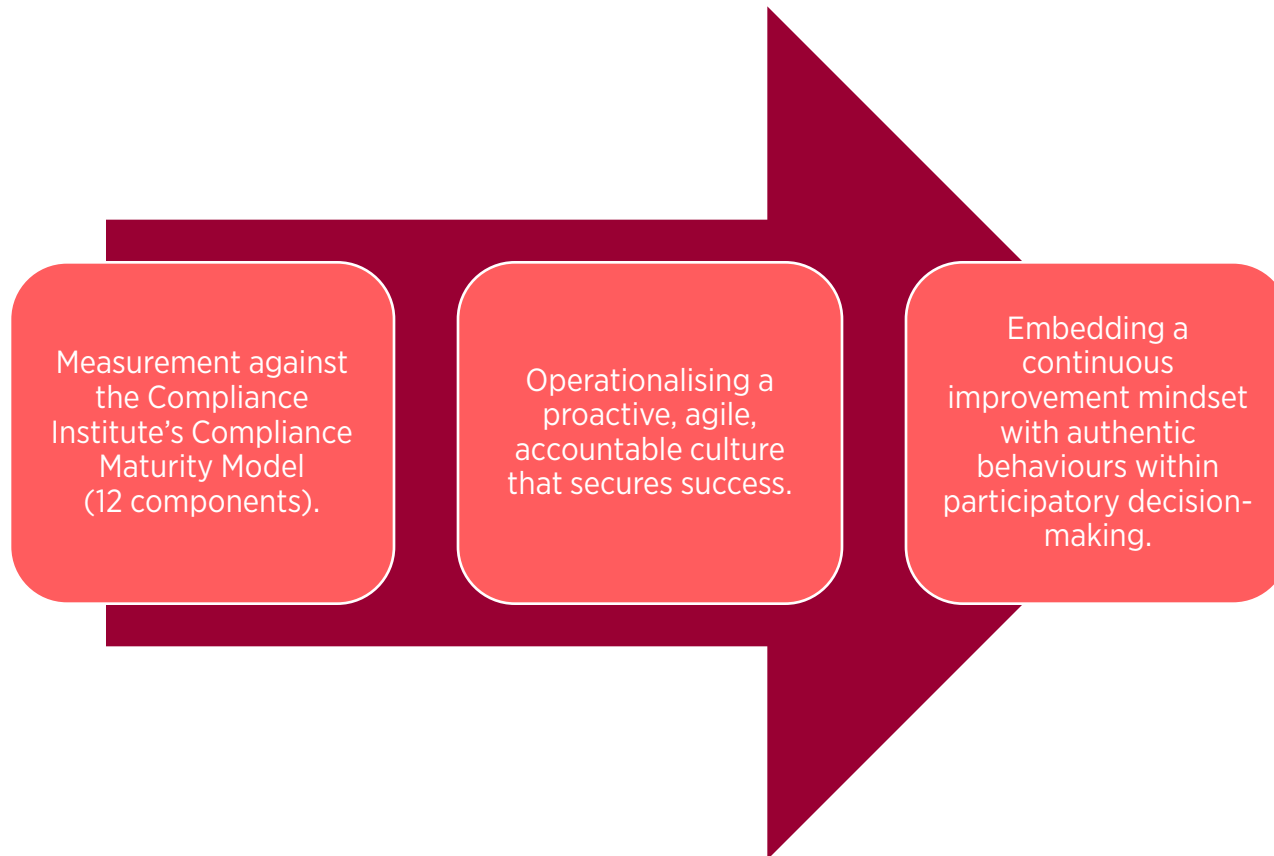
(Objectives)

Implement a positive compliance culture.
Integrate policies and procedures.
Initiate training and awareness.

(Action Plans)

Improve design effectiveness of controls.
Increase repository of compliance and control evidence.

Strategic Drivers



Priority focus areas

Autonomous Sanctions Act 2001 (Cth)

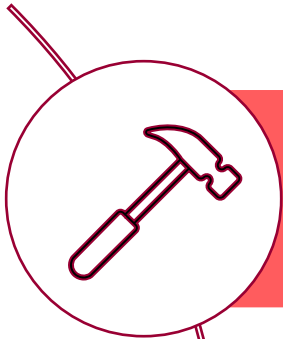
Privacy and Personal Information Protection Act 1998 (NSW)

Fair Work Act 2009 (Cth)

Tertiary Education Quality and Standards Agency Act 2011 (Cth)

Maturing from Level 3 (Foundation) to Level 4 (Proactive)

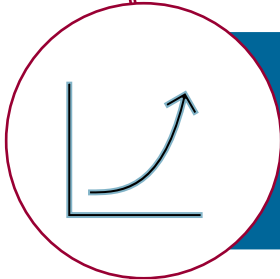
WESTERN SYDNEY
UNIVERSITY



MATURE compliance management framework

Certify against ISO 37301:2021.

Partner with ODVCE to operationalise TEQSA / HESF on the Compliance Management Program.



EVALUATE policies and procedures

Assess and align the Privacy Policy against sector and Commonwealth Privacy Act for controlled entities.

Consult on and/or develop University-wide policies in areas of conduct, and specific operational legislative activities.



MAINTAIN training and awareness

Compliance Management Program and Integrity Reporting are training modules by Induction and within the mandatory training suite for all University staff.

Ensure assessment of legislative assessment needs are embedded in the mandatory training modules for all University staff.



Maturity Measurement

From current Level 3 to aspired Level 4



“FOUNDATION

There is a commitment to have a basic compliance risk management program in place with some dedicated resources and a set of policies for ‘high risk’ areas. The program encompasses high-level on-going monitoring and measurement.”



“PROACTIVE

There is a commitment to have a strong compliance management program in place with dedicated resources and a clear assessment of all business areas. The organisation’s risk appetite has been established, the compliance program encompasses aspects of the business, includes identification, monitoring and measurement as well as proactive and preventative elements.”

Next stage of maturity must be achieved for all 12 components before advancing overall Program to the next level.

FINAL STAGE OF MATURITY - Level 5 - Embedded

The compliance management program pervades the organisation in every respect: strategically, culturally and operationally. Every staff member is aware of and takes appropriate responsibility for the effective implementation of the compliance management program and its on-going improvement.

Deep Dive per Component

| Driver & Established Maturity Level at 2023 (Level 3 – Foundation) | Maturity Level to Achieve by 2026 (Level 4 – Proactive) Targets to achieve in *BOLD* font Completed targets achieved in <i>*ITALICS*</i> font | Steps to take to achieve next level of maturity | Current status (August 2025) |
|---|---|--|---|
| <p>Component 1: Commitment by governing body and top management to effective compliance that permeates the whole organisation.</p> <p>Accountability for compliance is delineated at strategic and operational levels. Compliance is talked about from time to time at the governing body and top management particularly when new regulations or obligations are put in place. The structure for oversight exists and includes an independent perspective.</p> | <p>Compliance strategy and policy are annually reviewed by the governing body. Accountability for compliance is delineated at oversight, strategic and operational levels. Staff surveys include compliance related questions.</p> <p><i>The head of compliance is regarded as a senior position in the organisation.</i> <i>Compliance is regularly talked about at the governing body and top management levels.</i> <i>The structure for oversight exists and is controlled by an independent perspective.</i></p> | <ol style="list-style-type: none"> The Compliance Policy needs to change from a Vice-Chancellor approved policy to a Board of Trustees (via the Audit and Risk Committee (ARC)) approved policy. The ARC needs to endorse the Compliance Program Unit (CPU) 3-year strategy plan and review its status against it annually. Pulse surveys should include compliance-related questions. Annual compliance plans targeting top 3 compliance drivers and/or accountable units should be implemented and assessed against. | <ol style="list-style-type: none"> Pending approval on the DDS following Policy review in May 2025. Not yet endorsed, slated for endorsement in August 2025. Not yet actioned as collaboration with Office for People is needed and not yet initiated. Not yet actioned as more CPU human resources are needed. |
| <p>Component 2: <i>The compliance policy is aligned to the organisation's strategy and business objectives and is endorsed by the governing body.</i></p> <p>The organisation's compliance policy covers the main areas of the organisation's operations with a strong focus on 'high-risk' areas and legislative requirements. The organisation's governing body is aware this policy exists and has been provided documentation related to it. The governing body has 'endorsed' the compliance policy by not rejecting or questioning it.</p> | <p>The governing body has formally endorsed the compliance policy and has strong ownership of it.</p> <p><i>The compliance policy comprehensively addresses the scope of the organisation's activities.</i> <i>It is aligned with and supports the organisations business objectives and strategies.</i> <i>The compliance function is consulted in the process of setting business strategies and plans.</i></p> | <ol style="list-style-type: none"> The Compliance Policy needs to change from a Vice-Chancellor approved policy to a Board of Trustees (via the Audit and Risk Committee (ARC)) approved policy. | <ol style="list-style-type: none"> Pending approval on the DDS following Policy review in May 2025. |
| <p>Component 3: <i>Appropriate resources are allocated to develop, implement, maintain and improve the compliance program.</i></p> <p>Resources have been allocated to develop and implement a basic compliance program that ensures all high-risk areas are addressed and that parts of major legislative requirements are met. Reviews to improve the compliance program are carried out intermittently. Records indicate that suggested improvements to the compliance program are not all implemented.</p> | <p>Consistent allocation of resources and budget exists for the compliance program to be implemented throughout the organisation and for the plan to be independently reviewed.</p> <p><i>Adequate resources/budget exists to review and amend procedures where gaps and problems are identified as areas for suggested improvement or change.</i> <i>The record of effective implementation of suggested improvements to the compliance program indicates that most changes are implemented.</i> <i>The organisation offers some opportunities for professional development for compliance staff.</i></p> | <ol style="list-style-type: none"> Consistently apply a budget which exponentially grows with the Program. Certify Program against ISO 37301:2021 – more resources and further, consistent annual professional development is needed i.e. attendance Society of University Lawyers annual conference | <ol style="list-style-type: none"> 1&2. Not yet achieved as more CPU human resources are needed. |

Deep Dive per Component

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|---|---|--|---|
| <p>Component 4: <i>The objectives and strategy of the compliance program are endorsed by the governing body.</i></p> <p>The organisation's governing body have endorsed the compliance program, have been provided documentation related to it and have a basic understanding of the program.</p> | <p>Compliance KPI's form part of performance remuneration of all employees. <i>The organisation's governing body has reviewed, commented on and formally approved the objectives compliance program.</i></p> | <ol style="list-style-type: none"> Senior employee and positions with subject matter expertise in legislative operational compliance (whether HEW or senior employee classified) must have legislative compliance categories and accountabilities embedded into position descriptions. Employee induction should include Compliance Policy, and mandatory training suite should include or reference the Program. | <p>1&2. Not yet actioned as collaboration with Office for People is needed and not yet initiated.</p> |
| <p>Component 5: <i>Compliance obligations are identified and assessed.</i></p> <p>The compliance obligations are reviewed when there are changes to regulations or compliance obligations. The decision as to what the organisation's key compliance obligations are is made by taking only the advice of the people involved in the areas being impacted. The decisions made are based mainly on the judgement of managers and compliance experts. Some compliance risks are identified and resources may be allocated intermittently to mitigate compliance failure.</p> | <p><i>The regulatory compliance obligations have been identified, assessed, documented and are reviewed to a set schedule including some voluntary obligations.</i> <i>The decision as to what the organisation's key compliance obligations are is made by taking the advice of the people involved in the areas being impacted.</i> <i>The decisions made are based on available data combined with some external input or review.</i> <i>Most major compulsory and some voluntary compliance risks are identified and resources are allocated to mitigate compliance failure.</i></p> | <p>No steps to take.</p> | <p>Level 4 achieved (December 2022).</p> |
| <p>Component 6 <i>Responsibility for compliant outcomes is clearly articulated and assigned.</i></p> <p>Some attempt has been made to articulate and assign responsibility for compliant outcomes. Responsibility for compliance obligations sits solely with the compliance department or designated responsible officer. The organization's governing body has outwardly acknowledged the compliance program e.g. in annual reports, websites etc. The organisation has employed / contracted a resource to be responsible for compliance.</p> | <p>All business units are accountable for compliance outcomes and have this as part of their performance objectives. Compliance responsibilities are included in key staff KPI's. The organisation's governing body has outwardly acknowledged the compliance program e.g. in annual reports, websites etc. <i>Responsibility for compliant outcomes is clearly articulated and assigned from the top-down.</i> <i>The organisation has ensured someone appropriately qualified / experienced is employed / contracted to be responsible for the compliance program.</i></p> | <ol style="list-style-type: none"> Senior employee and positions with subject matter expertise in legislative operational compliance (whether HEW or senior employee classified) must have legislative compliance categories and accountabilities embedded into position descriptions. Employee induction should include Compliance Policy, and mandatory training suite should include or reference the Program. The Annual Report mentions compliance with specific legislation, but should mention the overall Program as an overarching umbrella. | <p>1-3. Not yet actioned as collaboration with accountable units (i.e. Office for People, Chief Operating Officer) is needed and not yet initiated.</p> |

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|--|---|---|---|
| <p>Component 7: <i>Competence and training needs are identified and addressed to enable employees to fulfil their compliance obligations.</i></p> <p>Employees likely to be impacted by legislation are given training to fulfil their future compliance obligations. Training needs are updated no less than every 2-3 years. Knowledge and skill gaps are addressed based on the training needs analysis.</p> | <p>All employees are given appropriate training to fulfil their current and future compliance obligations. Training needs are updated on a regular cycle e.g. Annually and training effectiveness is assessed. Knowledge and skill gaps are addressed based on the cyclical review. Compliance is part of induction training for key roles.</p> | <ol style="list-style-type: none"> The CPU should be allocated a dedicated Compliance Officer resource to ensure the Legal and Compliance Training Program (amongst other initiatives and maturity) can consistently be facilitated and training needs assessed annually. Employee induction should include Compliance Policy. Mandatory training suite should include or reference the Program. | <p>1. Not yet achieved as lack of CPU human resources has slowed maturity by stopping operations.</p> <p>2&3. Not yet achieved as implementation following consultation with Office for People in 2022 was stalled.</p> |
| <p>Component 8: <i>Behaviours that create and support compliance are encouraged and behaviours that compromise compliance are not tolerated.</i></p> <p>Compliance professionals and other key staff encourage the behaviours that create and support compliance. Behaviours that compromise compliance is discouraged by management. Some occurrences of punishment and rewards occur for non-compliant and compliant behaviour but are inconsistent. Policies exist to promote desired compliance behaviours (and deter those not desired) but are only intermittently applied.</p> | <p>Policies mandating compliant behaviour are actively enforced and incidences of noncompliance and reward for compliant behaviour are communicated to all employees on an ad hoc basis.</p> <p><i>Active effort is made by all not to tolerate the behaviours that compromise compliance. All leaders and managers encourage the behaviours that create and support compliance and a general culture of compliance appears to exist. Hiring procedures include pre-employment screening for desirable behavioural attributes around compliance and ethics for senior management and high risk roles. Consistent punishment and rewards occur for non-compliant and compliant behaviour.</i></p> | <ol style="list-style-type: none"> Policies with a legislative underpinning or connection must have a formal review by the CPU when revised by the policy owner. All such policies should include i) the compliance driver i.e. legislative instruments, and ii) consequences of non-compliance which should include staff misconduct disciplinary proceedings. | <p>1&2. Not yet achieved as lack of CPU human resources is needed.</p> |
| <p>Component 9: <i>Controls are in place to manage the identified compliance obligations and achieve the desired behaviours.</i></p> <p>Effective controls are in place to manage some of the identified compliance obligations. Intermittent data is collated and analysed on compliance breaches for future improvements.</p> | <p><i>Effective controls are in place to provide alerts and data to prevent future compliance breaches, manage the identified compliance obligations and achieve the desired behaviours. Controls are regularly monitored and the data is used to continually improve these controls. Systems are in place to facilitate reporting of incident management and escalations.</i></p> | <p>No steps to take.</p> | <p>Level 4 achieved (December 2022)</p> |

Deep Dive per Component

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|---|--|---|--|
| <p>Component 10: <i>Performance of the compliance program is monitored, measured and reported.</i></p> <p>There is some basic monitoring and performance reporting of the compliance program. Major breaches that occur in business units are usually disclosed to senior management or reported to the governing body.</p> | <p><i>An effective method of monitoring, measurement and reporting occurs. Major breaches are disclosed to senior management or reported to the governing body. Compliance reports are made available to all management, not just the compliance department. In key incidents, data is utilised by the compliance team to improve the compliance program.</i></p> | <p><i>No steps to take.</i></p> | <p>Level 4 achieved (December 2022)</p> |
| <p>Component 11: <i>The organisation is able to demonstrate its compliance program through both documentation and practice.</i></p> <p>Record keeping and procedures exist which enable the organisation to demonstrate some areas of the compliance program. Basic documentation that describes and details the program is available though is not fully comprehensive.</p> | <p><i>The organisation is able to demonstrate its compliance program through both documentation and by providing evidence that compliance is practiced. The organisation has begun to track its performance and activities to do with the compliance program, including outcomes from its recent reviews and any actions undertaken from the data. Most requests for information or documentation can be produced in a timely fashion.</i></p> | <p><i>No steps to take.</i></p> | <p>Level 4 achieved (December 2022)</p> |
| <p>Component 12: <i>The compliance program is regularly reviewed and continually improved.</i></p> <p>The compliance program is reviewed at least every 2-3 years. Reviews may be scheduled when a breach occurs or new legislation arises. Facets of the program may then be improved / amended.</p> | <p><i>The compliance program is reviewed on a regular cycle (e.g. annually). Regular reviews are scheduled when a breach occurs or new legislation arises or as business practices change. Reviews are conducted by external or independent parties. These reviews often lead to program improvements and upgrades.</i></p> | <p><i>No steps to take.</i></p> | <p>Level 4 achieved (December 2022)</p> |