



South West Music

Policy and Procedures Manual

SECTION 2

GOVERNANCE

ENDORSED BY:

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2013

VERSION 1

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2.1 GOVERNING BODY

2.1.1 OBJECTIVE

South West Music will ensure that the governing body has the skills, experience and support to fulfill their obligations and undertake the effective governance of the organisation in achieving its mission “To promote, foster and develop the playing, learning, appreciation and availability of music throughout the region.”

2.1.2 SCOPE

This policy relates to all staff and volunteers undertaking the operations of South West Music.

2.1.3 PRINCIPLES

This policy is based on the ASX’s Principles of Good Corporate Governance:

- i. Laying solid foundations for management and oversight
- ii. Structuring the Board to add value
- iii. Promoting ethical and responsible decision making
- iv. Safeguarding integrity in financial reporting
- v. Making timely and balanced disclosures
- vi. Respecting the rights of members
- vii. Recognising and managing risk
- viii. Remunerating fairly and responsibly

2.1.4 LINKAGES

SWM Constitution

2.1.5 GOVERNING BODY

- The governing Body shall be accountable to the membership of the Association.
- The Constitution of South West Music outlines the eligibility for membership of the Association, the process to become a member and the powers and responsibilities of members.
- The membership shall democratically elect a Board of Management to govern the operations of the Association. See Constitution of South West Music Incorporated.
- The organisation will undertake regular reviews of the membership of the Board of Management to ensure in so far as possible it is inclusive of the skills required to competently govern the organisation.
- To ensure adequate skills of the representatives on the Board of Management the Association shall encourage and resource members to attend appropriate training where possible.

2.2 GOOD GOVERNANCE

2.2.1 OBJECTIVE

South West Music will ensure that the governance of the association has clearly defined purpose, undertakes good practice at all times and is accountable for all aspects of its work.

2.2.2 SCOPE

This policy relates to all staff and volunteers undertaking the operations of South West Music.

2.2.3 PRINCIPLES

This policy is based on the ASX's Principles of Good Corporate Governance:

- i. Laying solid foundations for management and oversight
- ii. Structuring the Board to add value
- iii. Promoting ethical and responsible decision making
- iv. Safeguarding integrity in financial reporting
- v. Making timely and balanced disclosures
- vi. Respecting the rights of members
- vii. Recognising and managing risk
- viii. Remunerating fairly and responsibly

2.2.4 LINKAGES

SWM Constitution

SWM Board of Management Kit

Code of Conduct

SWM Strategic Corporate Calendar

2.2.5 LEGISLATION

- i. The Board of Management will ensure that the organisation complies with all relevant legislation effecting its operations and activities.
- ii. Major legislation applying to the organisation includes but is not limited to:

INCORPORATION

- Corporations Act 2001 (Cth)
- Associations Incorporation Act 2009 (NSW)
- Co-operative Act 1992 (NSW)
- Australian Corporations (Aboriginal and Torres Strait Islander) Act 2006 (Cth)

EMPLOYMENT AND CONDITIONS

- Industrial Legislation and Awards
- Industrial Relations Act 1996 (NSW)
- Fair Work Act 2009 (Cth)
- Employment Protection Act 1982 (Cth)
- Annual Holidays Act 1944 (NSW)
- Workers Compensation Act 1987 (NSW)
- Superannuation Guarantee Act (Cth)
- Work Health and Safety Act 2011 (NSW)

DISCRIMINATION

- Anti-Discrimination Act 1977 (NSW)
- Sex Discrimination Act 1984 (Cth)
- Race Discrimination Act 1975 (Cth)
- Age Discrimination Act 2004 (Cth)
- Australian Human Rights Commission Act 1986 (Cth)
- Disability Discrimination Act 1992 (Cth)

OTHER

- Contracts Review Act 1980 (NSW)
- Fair Trading Act 1987 (NSW)
- Privacy Act 1988 (Cth)
- Freedom of Information Act 1982 (Cth)
- Government Information (Public Access) Act 2009 (the GIPA Act) (NSW)
- Copyright Act NSW

2.2.6 RESPONSIBILITIES

- i. Roles and responsibilities of the Office Bearers and Board of Management are outlined in Part 3 of the SWM Constitution.
- ii. Individual Board of Management members will inform themselves of their general and legal responsibilities in relation to employees of the association, the local community and the Regional Conservatorium Association.
- iii. All Board of Management members shall receive a Board of Management Kit, undertake induction training and sign off that they have read and understood the information and will abide by the code of conduct.
- iv. Board of Management members will ensure that in so far as is possible they gain access to the relevant information needed to carry out their role effectively and make informed choices.

2.2.7 BOARD OF MANAGEMENT PROCEDURES

- i. South West Music Board of Management shall conduct its business in accordance with the procedures outlined in the SWM Constitution.
- ii. The Director shall prepare reports as directed by the Board of Management on the operations of the organisation and outcomes against strategic goals.
- iii. The Director shall ensure that the business papers for Board of Management meetings are issued in a timely manner prior to arranged meetings to allow time for reading and consultation.
- iv. An Annual General Meeting of the Association shall be held in accordance with the Constitution each year.
- v. An Annual report shall be presented to the association membership at the AGM and shall include the following:
 - i. Achievements and Innovations
 - ii. Outcome of planned activities
 - iii. Audited Financial Report
 - iv. Key information on the organisation and its structure.
- vi. After the AGM has been held an Annual Statement must be submitted to the Department of Fair Trading within 30 days.
- vii. A Public Officer shall be appointed at the Annual General Meeting each year. If the Public Officer changes the Department of Fair Trading must be informed no later than 14 days after the new appointment.

2.2.8 GOVERNANCE REVIEWS

- i. The Board of Management will undertake a review at least annually to assess the effectiveness of its operations.
- ii. The results of this review will be reported to the membership of the association.

2.3 MANAGEMENT

2.3.1 OBJECTIVE

South West Music will ensure that effective management provides accountability to the association membership and the delivery of outcomes consistent with the goals and aims of the organisation.

2.3.2 SCOPE

This policy relates to all staff and volunteers undertaking the operations of South West Music.

2.3.3 PRINCIPLES

This policy is based on the ASX's Principles of Good Corporate Governance:

- i. Laying solid foundations for management and oversight
- ii. Structuring the Board to add value
- iii. Promoting ethical and responsible decision making
- iv. Safeguarding integrity in financial reporting
- v. Making timely and balanced disclosures
- vi. Respecting the rights of members
- vii. Recognising and managing risk
- viii. Remunerating fairly and responsibly

2.3.4 LINKAGES

SWM Organisational Structure

SWM Sub Committee Structure and Terms of Reference

SWM Schedule of Delegation

SWM Strategic Corporate Calendar

2.3.5 MANAGEMENT STRUCTURE

- i. The democratically elected Board of Management is accountable for the management of South West Music Incorporated.
- ii. In line with the organisations Constitution, the Board of Management will establish and maintain a Sub Committee structure to oversight the operations of the organisation.
- iii. The Sub committee structure, membership and Terms of Reference shall be reviewed annually for currency and amendments made as required.
- iv. Day to day administration is the responsibility of the Director who is appointed by the Board of Management.
- v. Delegation and responsibility shall follow the Schedule of Delegation determined and signed off by the Board of Management.

- vi. The Schedule of Delegation shall be annually reviewed by the Board of Management to ensure its appropriateness and currency.

2.3.6 REPORTING PROCEDURES

- i. South West Music shall adhere to the reporting schedule as specified in any funding agreement or any other contractual or legal obligations entered into.
- ii. Compliance with reporting requirements will be scheduled and delegated within the organisations operations and reported to the Board of Management.

2.3.7 CORRESPONDENCE

- i. All incoming and outgoing correspondence shall be dated and recorded in the correspondence register for tabling at meetings of the Association.

2.3.8 MANAGEMENT REVIEWS

- i. The Organisation shall conduct an Annual Planning session to evaluate the year's performance, review policy documents to ensure best practice is occurring and develop targets and priorities for the ensuing year.

2.3.9 DISPUTE RESOLUTION

- i. All persons having dealings with SWM will have the right to access all mechanisms in place to assist in the resolution of any disputes as they arise.
- ii. In the event of a dispute arising, parties to the dispute may have advocates to assist them. Advocates may be appointed from the Board of Management or other persons nominated by the complainants.
- iii. Complaints relating to service provision shall be handled quickly and efficiently. *See Section 4.3.13 Grievances and Complaints Policy.*
- iv. In the event where the matter cannot be handled at this level then a sub committee from the Board of Management will be formed, with members of the Executive, to review and where possible, resolve the issue.
- v. All parties are entitled to follow up matters beyond the organisation, seeking advice, help or advocacy from relevant bodies relating to the issue, be it Discrimination, Award issues, etc.

2.3.10 BOARD AND EMPLOYEE TRAVEL

- i. The travel policy applies to all staff and Board of Management members.
- ii. The most cost and time effective method of travel will be undertaken. Factors to consider are: the fastest available method of travel, the next best alternative and the cost of both methods including the value of overnight accommodation and meals.
- iii. Use of Organisation's vehicle is preferred over private transport.
- iv. Use of private transport is to be approved by the Director or Chairperson with the staff or Board member making the request supplying a copy of current comprehensive and third party insurance on the vehicle to be used.

- v. Accommodation expenses will be paid for necessary overnight stays. For example when meeting/training session runs over two days, or when travel plus meeting time exceeds twelve hours in any one day.
- vi. If staff or management choose to stay with friends or relatives an allowance may be negotiated by prior agreement with the Director or Board of Management.
- vii. Meals and other incidental expenses will be paid in conjunction with approved overnight travel.
- viii. Reimbursement for meals expenditure will be paid to a ceiling of \$75 per day. No payment will be made for meals that are provided as part of another arrangement, eg: conference, airline travel or accommodation package. Tax invoices are required to justify expenses and claim reimbursement.
- ix. Travelling time is to be approved by the appropriate level of management and where appropriate paid as extra hours worked or taken as time in lieu by staff. Where staff elects to remain at the destination for personal reasons, 50% of the actual travel time will be discounted.
- x. The Director or Board of Management must approve all travel in advance.
- xi. Wherever possible advantage will be taken of any travel subsidies that are offered by funding bodies or other organisations.

2.4 BUSINESS PLANNING

2.4.1 OBJECTIVE

South West Music will ensure the organisation has a suite of interconnected plans which outline the objectives and targets for the organisations operations and how resources will be used to achieve these plans.

2.4.2 SCOPE

This policy relates to all staff and volunteers undertaking the operations of South West Music.

2.4.3 PRINCIPLES

- Accessibility of services
- Respect for diversity
- Equality of access
- Client driven service delivery
- Holistic approach to service delivery
- Culturally and contextually appropriate service delivery
- Ongoing review and evaluation
- Building sustainability

2.4.4 LINKAGES

SWM Strategic Plan 2013-2016

SWM Operational Plan

SWM Risk Management Plan

SWM Annual Budget

2.4.5 PLANNING

- i. The Board of Management, staff and membership of the organisation will consult effectively and extensively with key stakeholders and the broader community in the establishment of the strategic direction and goals of the organisation.
- ii. Feedback from service users and partner agencies will be utilised in the planning process.
- iii. The planning process will include the establishment of key priorities both long and short term with measurable performance indicators for the organisation to be able to assess its progress.
- iv. The governing body will review and monitor the risks involved in delivering on the strategic direction and where possible establish control options to mitigate the risks and successfully achieve the desired outcomes.

- v. The organisation's strategic direction and key priorities will be accessible and widely distributed to stakeholders and interested community members.
- vi. An annual operational plan and budget will be established and endorsed by the Board of Management.
- vii. See Section 2.5 below for the organisations strategic planning schedule.

2.5 ORGANISATIONAL REVIEW

2.5.1 OBJECTIVE

South West Music will ensure the organisation regularly reviews and evaluates its operations to ensure the most effective and efficient achievement of its goals and plans.

2.5.2 SCOPE

This policy relates to all staff and volunteers undertaking the operations of South West Music.

2.5.3 PRINCIPLES

- i. Accessibility of services
- ii. Respect for diversity
- iii. Equality of access
- iv. Client driven service delivery
- v. Holistic approach to service delivery
- vi. Culturally and contextually appropriate service delivery
- vii. Ongoing review and evaluation
- viii. Building sustainability

2.5.4 LINKAGES

SWM Strategic Corporate Calendar

Section 2.2.8 – Governance Review

Section 2.3.8 – Management Review

2.5.5 STRATEGIC PLANNING SCHEDULE

- i. The organisation will establish a corporate calendar of key activities to ensure that effective review and integrated strategic planning is occurring within the organisation. [See SWM Strategic Corporate Calendar.](#)
- ii. The organisation will annually review the Corporate Calendar to ensure that is appropriate and fit for purpose.

2.6 CODE OF CONDUCT POLICY

2.6.1 OBJECTIVE

The Code of Conduct is a public statement of the standards of conduct and integrity expected of members of the Board, Management and Staff (paid and voluntary) of South West Music. It forms part of SWM's accountability framework and offers guidance and direction in identifying and resolving a range of ethical issues that may be confronted by all in the day-to-day execution of their duties. Implementation of the Code assists in maintaining public trust and confidence in the integrity of South West Music.

2.6.2 SCOPE

The Code of Conduct covers all staff and volunteers, including Board members, of South West Music. Staff and members of the Board will be asked to sign a statement that they have read and understood the Code of Conduct and agree to abide by it and implement any actions necessary to uphold the Code. [See South West Music Sign off on Policy and Procedures and Code of Conduct Agreement.](#)

2.6.3 PRINCIPLES

The Code of Conduct is based on the following principles, which require Board members and staff to:

- i. Operate with the highest level of probity
- ii. Strive for best practice
- iii. Avoid conflicts of interest
- iv. Be accountable
- v. Be professional in their work and in their dealings with others
- vi. Demonstrate a commitment to service quality
- vii. Be mindful of confidentiality issues
- viii. Report corrupt or unethical behaviour

2.6.4 LINKAGES

Fraud and Corruption Policy

Donation and Gift Policy

Whistleblower Policy

Breach of Code of Conduct Procedure

South West Music Sign off on Policy and Procedures and Code of Conduct

Confidentiality & Security Agreement

2.6.5 CODE OF CONDUCT

Board members, staff and volunteers agree to adopt the following Code of Conduct when undertaking their duties and the business of the organisation. The Code does not supersede other policies and agreements that South West Music has in place nor can it cover every possible situation.

2.6.6 CONFLICT OF INTEREST

All staff and Board members are obligated to declare any actual or perceived conflict of interest in undertaking their duties and making decisions.

All staff and Board members have an obligation to bring to the attention of management any potential conflicts of interest relating to other staff or Board members.

Staff will be required to inform the Director, Board members will inform the Chairperson, of any financial, personal or other interest or potential interest which could directly or indirectly compromise the performance of their duties. For example Board members or staff must not participate in any decisions concerning people with whom they have a personal or financial relationship.

Staff and Board members agree to adhere to the actions proposed by management to address the conflict of interest. Actions may include

- i. limiting the person's involvement in the matter
- ii. the person having no involvement in the matter
- iii. removing the source of the conflict

2.6.7 GIFTS AND BENEFITS

- i. All staff and Board members will not solicit or accept gifts, bribes, hospitality, benefits, services or favours in connection with their duties for SWM.
- ii. All staff and Board members will not use their position to obtain or encourage a private benefit or advantage for themselves, colleagues, friends, family members, business acquaintances and other individuals through the obtaining of contracts or purchasing of goods and services connected with SWM.
- iii. Gifts of nominal value or moderate acts of hospitality may be accepted, particularly where the rejection may cause unnecessary distress or offence, as long as the situation does not give rise to a perception that it is given to secure favours from the staff or Board member of SWM.
- iv. Where a staff or Board member is offered or receives gifts, benefits or inducements of more than nominal value or is concerned that the nominal gift or benefit could be viewed as a possible act of bribery or corrupt behaviour, they should terminate the conversation and report their concerns to the Director or the Chairperson, immediately.

2.6.8 DECISION MAKING

- i. Staff and Board members agree to follow policies and procedures, as prescribed by SWM, in carrying out their duties.
- ii. Staff and Board members agree to adhere to the rules of the organisation and ensure that all applicable legislation is abided by.
- iii. Staff and Board members will always make decisions within the agreed and documented frameworks.

2.6.9 PUBLIC COMMENT

- i. Staff and Board members agree not to make public comment on behalf of the organisation. Only the Director and Board Chairperson, or delegates, have the mandate to make public comment on behalf of the organisation.
- ii. Public comment by the Director or Chairperson will only be in accordance with previously agreed policy or decisions.
- iii. Public comments made in a private capacity will not be attributed as official comment of SWM. In this regard use of official stationery for private correspondence or for purposes not related to official duties will not be permitted.
- iv. Staff or Board members shall not use information of any confidential manner in any public comment whatsoever.

2.6.10 CONFIDENTIALITY AND SECURITY OF INFORMATION

- i. Staff and Board members will maintain the confidentiality, integrity, and security of all organisational information for which they are responsible.
- ii. Staff and Board members will prevent unauthorized persons accessing confidential information and will not discuss confidential information with unauthorized persons.
- iii. Staff and Board members will not use confidential information with the intention to cause harm or detriment to SWM or any other person or body.
- iv. All information related to South West Music will be used for the intended work-related purposes and not for personal use or benefit.
- v. Unless formal authority is granted, staff and Board members will not disclose or use official information which would not normally be available to the public other than as part of official duties (formal disclosure mechanisms include Freedom of Information Legislation, Court Orders, Subpoenas and Mandatory Reporting procedures).

2.6.11 USE OF RESOURCES

1. Staff and Board members will ensure that all organisation resources are used ethically, effectively, efficiently and economically in the course of undertaking their duties.
2. Staff and Board members will not use the organisation's resources for any private or commercial activity or for financial gain.

3. Staff and Board members will be scrupulous in their use of SWM property, inclusive of intellectual property, official services and facilities, and will not permit their misuse by any other person or body.
4. Any action or situation that could be perceived as abuse of SWM property and official services for the benefit of the employee or Board member will be avoided at all costs.

2.6.12 POLITICAL AND PERSONAL ACTIVITY

- Staff and Board members will be mindful that their involvement with activities, outside of their official duties, is not perceived to reflect badly on their ability to contribute to the organisation's activities.
- Staff and Board members will bring to the attention of the Director or Chairperson any activities or association that may impact on their work or the reputation of the organisation.

2.6.13 EXTERNAL ACTIVITY

- 2 Staff members shall not engage in outside employment or conduct business that might interfere with the proper performance of their official duties and could give rise to a conflict of interest.
- 3 Board members will ensure that they bring to the attention of the Director and Chairperson any activity which may be perceived or directly interfere with the proper performance of their duties.

2.6.14 EXPECTATIONS AT THE END OF THE RELATIONSHIP

- i. At the cessation of staff employment or engagement of Board members confidential information obtained in the course of their duties at SWM shall not be relayed to anyone else. The information shall not be used to advantage any prospective employer or disadvantage SWM.
- ii. On leaving SWM all documentation and equipment obtained, as part of work requirements will be returned.
- iii. Intellectual property relating to an official's work will remain with SWM unless there is an agreement in writing to the contrary.
- iv. During subsequent employment ex-SWM Staff and Board members will respect the confidentiality of information gained in their official capacity and not use it to their personal advantage.

2.6.14 APPROPRIATE BEHAVIOUR

- i. Staff and Board members will treat everyone with courtesy and respect, in a fair and non-discriminatory manner, appropriate to their role as a professional and in accordance with relevant legislation.
- ii. Staff and Board members will not be under the influence of alcohol or drugs during working hours or when undertaking the organisation's activities or representing the organisation at public events.

- iii. Staff and Board members will under no circumstances participate in any activities that are fraudulent or give the perception of being fraudulent whether within the organisation or not and will notify the Director or Chairperson if any fraudulent activities come to their attention.
- iv. Staff and Board members will always represent and present the organisation in a positive way.
- v. Board members will not interfere with the day-to-day operations of the organisation, which have been delegated to the Director and staff.

2.6.15. BREACHES OF THE CODE OF CONDUCT

DISCLOSING BREACHES

- i. Every individual has a responsibility for ensuring that the organisation maintains the highest level of probity and that the organisation is not brought into disrepute. As such each person has an individual responsibility to report possible breaches of the Code of Conduct to the appropriate persons so that it can be fully investigated.
- ii. Breaches of the Code can be reported in person, writing or by email.
- iii. All disclosures will be kept confidential until initial investigations are completed and an action plan to address the breach is implemented.
- iv. Any person who discloses breaches of the Code of Conduct will be given a guarantee of anonymity if they desire. See Whistleblower Policy.
- v. The appropriate person to notify will vary depending on the nature of the conduct and the persons believed to be involved.
- vi. If the suspected fraud or corrupt conduct involves:
 - one or more staff members – report to the Director
 - the Director - report to the Chairperson
 - one or more Board members – report to the Chairperson
 - the Chairperson – report to the other Board Executive members
 - more than one Board member involving the Chairperson - contact the Chairperson of the Regional Conservatorium Association.(the peak organisation).

INVESTIGATING BREACHES OF THE CODE OF CONDUCT:

- i. Investigations will be handled discreetly. Information will be shared on a 'need to know' basis only and all people questioned should be reminded of their responsibilities to maintain confidentiality.
1. Any investigation should be handled with a view that a person who is alleged to have breached the code of conduct:
 - i. will be presumed innocent till proven guilty
 - ii. should have a right to respond to allegations made against them.
2. Depending on the nature of the breach the outcome may be as follows:

- iii. Counselling or training
 - iv. Additional supervision or mentoring
 - v. Formal warning (staff or board member)
 - vi. Dismissal (staff or board member)
3. If the breach is serious it shall lead to legal action being taken by the organisation.

REPORTING BREACHES:

- i. All breaches of the Code of Conduct and the outcome of investigations will be reported to the Board of Management by the Director or Chairperson, in strict confidence, in a timely manner. See Breach of Code of Conduct Agreement.

2.7 FRAUD & CORRUPTION POLICY

2.7.1 OBJECTIVE

The policy is designed to prevent, detect and manage fraud and corruption at South West Music (SWM). The organisation is committed to maintaining a culture of strong values, good corporate governance and compliance with all legal obligations. To deliver upon the organisation's mission statement "to promote, foster and develop the playing, learning, appreciation and availability of music throughout the region" it requires the absence of fraudulent, illegal or corrupt behaviours.

2.7.2. SCOPE

This policy relates to all staff, Board members, members, clients, volunteers, contractors and suppliers.

2.7.3. DEFINITIONS

- Fraud - Any dishonest activity causing actual or potential financial loss to the organisation or any person or organisations connected with the organisation, and where deception is used at the time, immediately before or immediately following the activity.
- Corruption – Any dishonest activity in which a director, executive, manager, employee, volunteer or contractor acts contrary to the interests of the organisation and abuses his/her position of trust in order to achieve some personal gain or advantage for him/herself or another person or entity.

2.7.4 PRINCIPLES

The Policy is based on the following principles, which require Board members, staff, clients, contractors and suppliers to:

- i. Operate with the highest level of probity
- ii. Be accountable
- iii. Be professional in their work and in their dealings with others
- iv. Report corrupt or fraudulent behaviour
- v. Have a zero tolerance to fraudulent or corrupt activity
- vi. Understand that suspected fraudulent activity will be fully investigated
- vii. Understand that fraudulent acts constitute a criminal offence and as such will be prosecuted.

2.7.5 LINKAGES

Code of Conduct Policy

Donation and Gift Policy

Whistleblower Policy

SWM Fraud and Corruption Investigation Procedure

2.7.6 FRAUDULENT ACTIVITIES

- i. SWM will not tolerate fraudulent or corrupt activity within the organisation and in its business transactions with customers, contractors or suppliers.

Examples of fraudulent activity include but are not limited to:

- Accepting donations, gifts or favours to gain access to services
- Misappropriation of client payments
- Unauthorised use of organisational assets
- Stealing organisational assets
- Falsifying time sheets or expenses
- Conspiring with others to falsify documents
- Conspiring with others to gain financial advantage from the organisation (e.g. to win a tender)
- Running a private business in working hours
- Sending false or duplicate invoices
- Sending invoices for work not done or not completed

2.7.7 DETECTING FRAUDULENT AND CORRUPT ACTIVITY

- i. Certain indicators can often detect fraudulent and corrupt activity. Examples include, but are by no means limited to:

- conflicts of interest not declared
- undue secrecy and lack of transparency in transactions and processes
- illogical excuses and reasons for unusual events and actions
- staff who do not take holidays for extended periods
- missing documentation or alterations on documentation
- unusual, unexpected or unexplained large transactions
- anonymous complaints or rumours from reputable sources
- agreed policies and procedures not being followed

2.7.8 PREVENTING AND MANAGING THE RISK OF FRAUDULENT ACTIVITY

- i. While no organisation can ever be immune from potential fraudulent activity controls can be put in place to prevent and manage the risk.

South West Music controls include but are not limited to:

- ensuring that all staff, volunteers and Board members annually sign off on a Code of Conduct that they are aware of their responsibility to always operate with the highest level of probity
- having clear guidelines on donations and gifts

- ensuring adherence by management to policies and procedures designed to minimise the risk of fraud
- an annual review of the organisation's Risk Management Plan and Risk Register including a review of the effectiveness of control measures for fraud risk
- ensuring separation of high risk duties across staff and Board members

2.7.9 DISCLOSING FRAUDULENT ACTIVITY

- i. Every individual has a responsibility for ensuring that the organisation maintains the highest level of probity and that the organisation and sector is not brought into disrepute. As such each person has an individual responsibility to report any suspected or actual fraudulent activity to the appropriate persons so that it can be fully investigated.
- ii. Disclosure can be done in person, writing or by email.
- iii. All disclosures will be kept confidential until initial investigations are completed and an action plan to address the fraudulent activity is implemented.
- iv. Any person who discloses fraudulent activity will be given a guarantee of anonymity if they desire. *See 2.8 Whistleblower Policy.*
- v. The appropriate person to notify will vary depending on the nature of the activity and the persons believed to be involved.

If the suspected fraud or corrupt activity involves:

- one or more staff members – report to the Director
- the Director - report to the Chairperson
- one or more Board members – report to the Chairperson
- the Chairperson – report to the other Board Executive members
- - more than one Board member involving the Chairperson - contact the Regional Conservatorium Association.

2.7.10 INVESTIGATING FRAUDULENT ACTIVITY

- i. Investigations will be handled discreetly. Information will be shared on a 'need to know' basis only and all people questioned should be reminded of their responsibilities to maintain confidentiality.
- ii. Any investigation should be handled with a view that a person who is alleged to have undertaken the fraudulent activity:
 - will be presumed innocent till proven guilty
 - should have a right to respond to allegations made against them.
 - Internal investigations and reporting will follow SWM Fraud and Corruption Investigation Procedure.
- iii. Depending on the nature of the activity the outcome may be as follows:
 - Counselling or training

- Additional supervision or mentoring
- Formal warning (staff or board member)
- Dismissal (staff or board member)
- If the breach is serious it will lead to legal action being taken by the organisation.

2.7.11 REPORTING OUTCOMES OF FRAUDULENT ACTIVITY

- i. All notified fraudulent activity and the outcome of investigations will be reported to the Board of Management by the Director or Chairperson, in strict confidence, in a timely manner. [See SWM Fraud and Corruption Investigation Procedure.](#)

2.8 WHISTLEBLOWER POLICY

2.8.1 OBJECTIVE

South West Music (SWM) is committed to establishing and maintaining a culture of good governance and corporate compliance with ethical behaviour. This includes the ability for people within and outside of the organisation being able to come forward with complaints of fraud, corruption or general misconduct and not fear retribution. The policy aims to encourage people to report an issue if they genuinely believe someone has contravened the Code of Conduct or engaged in illegal or inappropriate activity.

The objectives of the whistleblower policy may be defined as:

- ii. encourage the reporting of matters that may cause loss or damage to the organisation
- iii. to protect staff and Board members, or other people who report, either anonymously or not, actual or suspected fraudulent activity
- iv. assist in developing a positive internal culture to encourage disclosure by protecting the identity of the reporter/s.

2.8.2 SCOPE

This policy relates to all staff, Board members, members, clients, volunteers, contractors, suppliers and members of the public.

2.8.3 DEFINITION

- i. A whistleblower is defined as any person who, acting in good faith, reveals any wrong doing or malpractices that are taking place within an organisation.
- ii. The whistleblower could be reporting, but is not limited to, conduct by any person or persons which in the opinion of the whistleblower is dishonest, fraudulent, corrupt, illegal (including theft, violence or threatened violence, harassment, drug use or criminal damage to property), legislative breaches, unethical and improper conduct, unsafe work practices or any conduct which may cause financial or non financial loss, or be detrimental to the operations of the organisation.

2.8.4 LINKAGES

Fraud and Corruption Policy

Code of Conduct Policy

Donation and Gift Policy

2.8.5 REPORTING WRONGDOING OR MALPRACTICES

- i. Any member of the management team, employee, volunteer or external party who has involvement with SWM can report wrongdoing and malpractices and be protected under this policy.
- ii. Refer to the Fraud and Corruption Policy and Code of Conduct Policy for disclosure of fraudulent or breach activity.

- iii. Alternatively, if anonymity and confidentiality of the whistleblower is required reporting can be either by
- a sealed written report placed in the Director's pigeon hole
 - a confidential report addressed to the Chairperson / or other Board
 - Member and posted to the organisation's postal address

2.8.6 ACTING IN GOOD FAITH

- i. Anyone filing a complaint concerning misconduct or suspected misconduct must be acting in good faith and have reasonable grounds for believing the information disclosed indicates misconduct, fraudulent or illegal activity.
- ii. Any allegations that prove not to be substantiated and have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offence.

2.8.7 PROTECTION OF THE WHISTLEBLOWER

- i. An individual who makes a report will not be penalised by dismissal, demotion, harassment, discrimination or any bias.
- ii. This applies if the matter is proven or not and regardless of whether it is reported to an external authority.
- iii. If reprisals are taken or claimed to have been taken against a whistleblower, the Director, Board or appropriate body will investigate the matter and recommend the appropriate action to be taken.
- iv. A whistleblower will be given a guarantee of anonymity bearing in mind, that in certain circumstances, the law may require disclosure of the identity of the whistleblower in legal proceedings and in other circumstances.
- v. Depending upon who receives the report and who the report is about, an appropriate Whistleblower Protection Officer (e.g. Director, Chairperson) will be appointed to safeguard the interests of the whistle blower in accordance with this policy.

2.8.8 WHISTLEBLOWER PROTECTION OFFICER

- i. The Whistleblower Protection Officer is responsible for investigating the substance of reports and determining whether to refer the report for further action.
- ii. The Whistleblower Protection Officer is to ensure that the whistleblower is kept informed of the outcomes of the investigation of their report, subject to the consideration of privacy of those against whom the allegations have been made.

2.8.9 INVESTIGATION OF REPORTS

- i. The **Whistleblower Protection Officer** will follow the policies and procedures as identified in the Fraud and Corruption Policy and Code of Conduct Policy, for investigating allegations.
- ii. The Whistleblower Protection Officer will report the outcome of investigations as per the Fraud and Corruption Policy and Code of Conduct Policy.

2.8.10 ENCOURAGING REPORTING

To encourage and support the reporting of misconduct, fraudulent or illegal activity, The Whistleblower Policy will be included in the Teacher Information Handbook.

5.8.11 GOVERNMENT LEGISLATION RELATING TO WHISTLEBLOWER PROTECTION

- i. A range of both State and Federal legislation provides for the protection of whistleblowers.

Relevant legislation includes:

- Federal - Corporations Act 2001
- Fair Work Act 2009
- NSW Protected Disclosures Act 1994
- Occupational Health & Safety Act 2000

2.9 DONATION & GIFT POLICY

2.9.1 OBJECTIVE

South West Music is entrusted by its stakeholders and a legislative framework to manage its operations in a prudent, fair and transparent manner. As a not for profit organisation SWM holds an Australian Taxation Office registered Public Fund. As such it can be offered and receive donations and gifts. However, it is extremely important that a donation or gift does not lead to a perception of corrupt conduct, inappropriate decisions or behaviour.

2.9.2 SCOPE

This policy covers all staff and volunteers, including Board members, and operations of South West Music.

2.9.3 PRINCIPLES

The Policy is based on the following principles, which require Board members and staff to:

- i. Operate with the highest level of probity
- ii. Avoid conflicts of interest
- iii. Be professional in their work and in their dealings with others
- iv. Report corrupt or unethical behavior

2.9.4 LINKAGES

Fraud and Corruption Policy

Code of Conduct Policy

Whistleblower Policy

SWM Donation and Gift Register

2.9.5 DONATIONS AND GIFTS

- i. Donations and gifts will only be accepted by the organisation where the donation or gift does not lead to the perception by the recipient, donor or an observer that favouritism or corrupt conduct will result.
- ii. Examples of donations or gifts include:
 - money
 - use of staff at no cost
 - contractors or suppliers providing goods or services at no or reduced cost.
- iii. Donations will not be accepted if there is any request or possible perception that:
 - the recipient or organisation is under obligation to the donor
 - the donor expects favour in business dealings

- the recipient may lack impartiality in the course of their duties.
- iv. All donations and gifts are to be reported the Director or Chairperson prior to acceptance.
- v. A Register of Donations and Gifts will be maintained by the organisation.

2.9.6 DONATIONS AND GIFT REGISTER

- i. All donations and gifts will be recorded in the organisation's Donation and Gift Register. See Donation and Gift Register.
- ii. The Register will record the description of the donation, value, name of donor, reason for accepting the donation or gift and be signed and dated by the Director or Chairperson.
- iii. The Donation & Gift Register will be monitored by the Board and publicly reported in the Annual Report.

2.9.7 PUBLIC FUND

- i. All monetary donations to the Public Fund over \$2 will be receipted separately and banked into the Public Fund bank account.
- ii. Donations to the Public Fund will be reported to the ATO as per their requirements.

2.10 RISK MANAGEMENT POLICY

2.10.1 PREAMBLE

Risk is inherent in all our corporate and personal activities, and we continuously manage risks. Formal and systematic approaches to managing risk have evolved and are regarded as sound business practice. South West Music Regional Conservatorium believes that the adoption of a formal approach to risk management will improve decision-making, performance and accountability.

The goal is not to eliminate risk, rather to manage the risks inevitable involved in many of the Conservatorium's activities to maximise our opportunities and minimise negative outcomes. Risk management requires:

Forward thinking and a proactive approach to management

Achieving a balance between the costs of managing a risk and the anticipated benefits

2.10.2 POLICY STATEMENT

SWM will maintain procedures that provide it with a systematic view of the risks it faces in the course of its activities. Where appropriate, these procedures will be consistent with the Australian Risk Management Standard AS/NZS 4360.

2.10.3 DEFINITIONS

Risk: Risk is the chance that an event will occur that will impact upon the Conservatorium's objectives. It is measured in terms of consequence and likelihood.

Risk Assessment: Risk Assessment is the process used to determine risk management priorities by evaluating and comparing the level of risk against predetermined acceptable levels of risk.

Risk Management: Risk management is the systematic application of management policies, procedures and practices to the tasks of identifying, analysing, assessing, treating and monitoring risk.

2.10.4 LINKAGES

Australian Risk Management Standard AS/NZS 4360

Risk Register

2.10.5 ROLES AND RESPONSIBILITIES

EVERYONE

- i. Everyone in or at the SWM Regional Conservatorium of Music is responsible for the effective management of risk. All staff are responsible for identifying potential risks. Management is responsible for developing risk mitigation plans and implementing risk reduction strategies. The risk management process should be integrated with other planning processes and management activities.

DIRECTOR

- i. The Director is responsible for ensuring that a risk management system is established, implemented and maintained in accordance with this policy. Assignment of responsibilities in relation to risk management is the prerogative of the Director.

RISK MANAGEMENT COMMITTEE

- i. The Risk Management Committee will consist of the Board Executive and will be responsible for the oversight of the processes for the identification and assessment of the general risk spectrum, reviewing the outcomes of risk assessments and for advising the Board of Management as necessary.
- ii. Meetings will be held once each school term or as required. Minutes of the meeting will be presented to the Board of Management.

2.10.6 RISK ASSESSMENTS

The Risk Management Committee will work to develop procedures to ensure that all activities undertaken by SWM are managed within suitable risk. Where necessary, SWM may develop documentation and reporting procedures to assess risk and determine appropriate action.

A Risk Register will be developed and regularly reviewed.

2.10.7 REPORTING**THE DIRECTOR**

- i. The Director will present an annual report to the Board of Management on the performance of the risk assessment system, as a basis for improvement.

RISK MANAGEMENT COMMITTEE

- i. The Risk Management Committee will receive regular reports on the identification and treatment of risk and will advise the Board of Management as necessary.

GENERAL SWM COMMUNITY

- i. All perceived risks may be reported to the Administration Officer or Director from the community, staff or students. SWM will develop an appropriate system of recording and dealing with perceived risks as they arise.
- ii. Staff will be provided with the opportunity to report risks and WH&S concerns to all staff meetings as a standard Agenda item.