

# Managing scheme compliance with professional standards legislation

## Overview

# Scheme compliance plan

## Starting this submodule

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This submodule will help you to develop your association's scheme compliance plan. This plan is one of our requirements to meet regulatory best practice.

## Understanding the scheme compliance plan

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We expect your scheme compliance plan to meet Australian Standard AS ISO 37301:2021 Compliance management systems (the Standard). The Standard defines compliance as follows:

Compliance is an outcome of an organisation meeting its obligations and is made sustainable by embedding it in the culture of the organisation and in the behaviour and attitude of people working for it.



# Overview of compliance areas

- ❖ Occupational association status - defined (NSW s 4)
- ❖ Scheme approval requirements - encouragement or advice from the Councils on approval
- ❖ Association professional risk management strategies - intended to be implemented (NSW s 36)
- ❖ Information requested by the Councils - in relation to risk management strategies on application (NSW s 36) and at anytime if requested (NSW s 37), and in relation to information required for exercise of functions (NSW s 44 – offence provision)
- ❖ Member compliance with standards, strategies and legislation – participants in scheme, insurance standards, notification of limitation, membership requirements, complaints & discipline, etc. (NSW ss 17, 27, 33 and 44A – offence provision, 34, 36, 38)
- ❖ Member compliance audit reports - with risk management strategies (VIC s 40)
- ❖ Annual Professional Standards Report (APSR) to the Councils - implementation, monitoring and effect of risk management strategies (NSW ss 37) and complaints (NSW s 38 and Model Code)
- ❖ Fees and interest – members subject to scheme and payments (NSW Reg 6 and 7)
- ❖ Changes – to risk management strategies (NSW s 36) – suggested areas include constitutional, insurance standards (NSW ss 10 & 27), complaints and disciplinary system (NSW s 38), claims exceeding caps, significant events, compliance plan

# Overview of compliance elements

APSR

AMAR

Risk  
management

Measuring and monitoring

Compliance  
calendar

Compliance plan



# Overview of action on non-compliance

- ❖ The Councils are committed to fostering and supporting voluntary compliance through encouragement and assistance while ensuring that non-compliance action is fair, foreseeable and consistent.
- ❖ If compliance is not achieved, the Councils may request information (regarding risk management strategies, compliance by members, or any information that the Councils reasonably require to exercise its functions), reiterate the statutory basis for the obligation to comply, advise of any penalty for failure to comply under the relevant Act and encourage or assist action required.
- ❖ The Councils may consider review, amendment or revocation of the relevant scheme as a consequence of non-compliance.
- ❖ The Councils may consider seeking prosecution of relevant offences

