

Melbourne University Sport Clubs Governance Review

Panel report and recommendations

4 November 2016



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Melbourne University Sport Clubs Governance Review

Purpose of the review

The purpose of the Melbourne University Sport Clubs Governance Review is to review of the governance arrangements between Melbourne University Sport and the sporting clubs associated or affiliated with The University of Melbourne

By way of background, Melbourne University Sport (MU Sport) is a semi-autonomous department of the University of Melbourne, reporting to the Vice Principal (Engagement) and the Melbourne University Sport (MU Sport) Board. MU Sport provides high-level policy, business and financial advice to the University on the development and management of sport and recreation opportunities at the University.

The vision for sport is that the University of Melbourne is the leading Australian university in sporting performance, participation and quality of facilities. Sport has a special significance for the University through the performance of sporting clubs, teams and high profile athletes that enhance the reputation of the University.

MU Sport provides the professional management of the fitness, sports and recreation facilities, programmes and activities of the University and works closely with all stakeholders and external strategic partners in delivering sport and physical recreation opportunities for the University community in accordance with strategic and operational plans.

MU Sport is also responsible for, and oversees the operations of, the sporting clubs. To ensure 'best practice' for managing relationships, the University and MU Sport have appointed an Advisory Panel to review current arrangements and processes and where applicable, make recommendations to the University and the MU Sport Board for change.

There are currently 40 sports clubs affiliated to the University via MU Sport. They operate in different regulatory environments, vary greatly in size from approximately ten members to in excess of six hundred members and broadly fall into three categories:

- a. Instructional
- b. Competitive
- c. Recreational

Membership of the clubs includes current and former students, staff and members of the community. Clubs are primarily run by volunteer committees with some of the larger clubs

receiving financial support from MU Sport for the provision of a club managers or administrators.

A Panel of suitably qualified persons has been convened to oversee the governance review.

The Panel members are:

- Mr Adrian Collette, Vice Principal (Engagement) - Melbourne University
- Mrs Kim Brennan – Former MU Sport Club member
- Mr Brendan Lynch – ExSport Consulting
- Ms Hana Dalton - Melbourne University student representative

The Director of Sport and other staff of the University may also be in attendance as required to assist in the deliberations of the Panel.

Terms of Reference

The terms of reference of the project are as follows:

1. Examine the current relationship between the University, MU Sport and the sporting clubs from a governance, risk management and legal perspective.
2. Determine “best practice” for managing these relationships, taking into consideration:
 - a. structure for the club (i.e. incorporated association vs no independent legal status)
 - b. formal arrangements, e.g. legal documentation to govern the relationship
 - c. administrative assistance
 - d. other support provided by the University and MU Sport (eg. insurance for members, supply/ownership/maintenance of sporting equipment and access to facilities).
 - e. reporting by sporting clubs to MU Sport
3. Examine “best practice” for managing any risk which may arise for the University from the clubs’ activities, for example reputational risk.
4. Provide recommendations to the University and the MU Sport Board regarding:
 - a. Appropriate identification and management of risk associated with full range of activities conducted by each sporting club;
 - b. Appropriate governance structure for managing the relationship with the sporting clubs.
5. The Panel is to meet at least twice during the period of the review.

The Important Role of University Sport & Recreation

Sport and recreation has always had a special significance at the University through the performance of sporting clubs, teams and student athletes and in the range of opportunities and facilities that engage the students and staff. The opportunity to represent the University and don the colours develops a sense of esprit de corps that builds lifelong connections to the University.

Students have participated in informal and organised sporting and physical recreation activity since the formation of the University in 1853. Students came together to form clubs and teams to compete in weekly or regular community competitions. Over time a vast range of sport, recreation and fitness opportunities and facilities has developed and activities as diverse as dance classes, rock climbing and martial arts now reflect the constantly evolving interests of the University community.

The link between regular physical activity, emotional and physical wellbeing and improved academic performance are comprehensively documented and skills learnt whilst volunteering in clubs and sporting teams enhances employability. Sport also provides a platform to showcase and develop exceptional leadership and student athletes are articulate and engaging spokespeople for the University, their sport and club.

The 2015 the Student Wellbeing Survey found that 77 percent of students participate in regular physical activity and over 80 percent felt that it was important that the University provide sport, fitness and recreation programs and facilities. In 2015 there were over 18,000 students accessing University sport programs and facilities with total visitor numbers increasing to over 900,000 student visits. The Wellbeing Survey and the participation data clearly indicated that it is the expectation of students, both local and international, that sport, recreation and fitness facilities and programs are an essential part of the campus experience.

The Growing Esteem Strategy 2015 - 2020 commits the University to increasing the student population and number of students living in residential accommodation and to provide campus infrastructure and programs to enrich the student experience. Sport and recreation is therefore clearly aligned with the Growing Esteem Strategy and the demand for sport and recreation programs and facilities will continue to increase as the student population climbs towards 50,000 (including 6,000 plus students in residential accommodation) who utilise sport and recreation programs and facilities in greater numbers.

Professional staff and University appointed Boards have replaced many activities once managed by volunteer students as the complexity and scale of the activities has increased.

Melbourne University Sport (MU Sport) has steadily emerged from the volunteer Sports Union model into a professionally managed sport department and in 2008 the University established the Board for Sport to provide strategic direction and oversight of University sporting activities and advise University Council on sport and recreation strategy and policy.

A significant proportion of the support provided to teams and clubs continues to be delivered by dedicated student and alumni volunteers. There are over 1000 club and program volunteers who lead, manage and coach over 400 competitive sporting teams on a weekly basis and provide a diverse range of recreational trips and instructional activities. This extraordinary volunteer contribution equates conservatively to over 160,000 volunteer hours at \$4.8 million of in-kind value per year.

The responsibility of the University is to ensure that the appropriate duty of care is being met in providing these opportunities that in future will require increased oversight including determining how high risk activities are undertaken, coaching and instructor training, management of equipment and increased volunteer support and training. These changes need to be adopted carefully however to ensure the continued involvement of the volunteers as they will remain an essential element of the delivery of many club activities and sporting programs.

The Panel are very clear that the intent of this project is to make recommendations that strengthen the nexus between the University and its affiliated sport and recreation clubs. This is done with the full intent of continuing to recognise the important contribution sport and recreation has made for many years in enhancing the university experience for students, as well as enhancing the university brand.

Melbourne University Sport Clubs Governance Review

Governance

1.1 Governance arrangements – Melbourne University & Melbourne University Sport

Under Regulation 8.1.R7, *MELBOURNE UNIVERSITY SPORT (MU Sport)* is a department of the University operating as a semi-autonomous body with a board.

According to STATUTE 8.1, a semi-autonomous body remains a department of the University, whether or not within a faculty or other division of the University, where control and management are exercised by or under the direction of a board on behalf of Council, subject to any specific direction of Council.

Although each such body has a semi-autonomous status, it is not a separate legal entity. It is a body within the University, and the creation of a board for each body is a consequence of the legislative basis set out in Statute 8.1.

Whilst members of the board are not directors in the formal sense, they nevertheless have (by virtue of the legislative framework), a responsibility to act in a similar manner, given that the control and management of each semi-autonomous body is exercised by or under the direction of the board on behalf of Council, subject to any specific direction of Council.

Although MU Sport has its own governing board as outlined above, as a semi-autonomous body it has no separate legal status in its own right and is therefore ultimately governed by, and is responsible to, the University. In accordance with the current directive from Council, *‘the MU Sport Board reports to Council through the Vice-Chancellor, who has in turn with Council’s approval, directed the Provost to include such matters in the Provost’s report to Council, as part of the responsibilities of the Provost.’*

In the context of governance therefore, it is understood MU Sport is in effect a ‘sub-division’ of Melbourne University and as such is ultimately responsible to the University. As the governing body, the University would be expected to provide such relevant support, including funding support, to ensure MU Sport is able to fulfil its obligations and objectives as agreed.

The objectives of Melbourne University Sport (as made effective by Council on 22nd December, 2009) are to-

- (a) promote the benefits of healthy exercise;

- (b) provide a wide range of sporting opportunities for all staff and students, including competition at the highest level;
- (c) provide professional management of sport and recreation at the University;
- (d) develop and maintain sporting and recreational facilities consistent with the University's aspiration of being one of the finest universities in the world;
- (e) be recognised as a leading provider of sport and recreation, and health and fitness opportunities;
- (f) enable sporting clubs to maintain and develop their historical contribution to University life;
- (g) provide opportunity for engagement with alumni and the wider community; and
- (h) adopt appropriate business management practices that support the achievement of these objectives.

According to the Melbourne University Sport Terms of Reference as approved by University Council, it is the responsibility of the MU Sport Board to:

- (1) approve the development of an operational plan for sport and physical recreation, in the context of the University's strategic plan and the student services plan, and monitor performance against the plans;
- (2) approve the preparation of business plan and annual budget for Melbourne University Sport and monitor performance against plan and budget;
- (3) oversee the operations of Melbourne University Sport in a manner consistent with plans and budgets approved by the Board for that purpose;
- (4) submit regular operational and financial reports to the Finance Committee of University Council;
- (5) advise the vice-chancellor and Council on sport and physical recreation policy;
- (6) advise on medium and long term planning for the development and maintenance of University sport and physical recreation programs and facilities;
- (7) advise the Director on the implementation of policy matters concerning sport and physical recreation;
- (8) monitor and advise on industry developments relevant to the provision of University sport and physical recreation;
- (9) make a recommendation on the appointment of the Director and provide advice on any particular terms that may be applicable to the appointment;
- (10) monitor, in collaboration with the Provost, the performance of the Director subject to the terms of his appointment, and receive reports from the Director at its meetings on the operation and management of Melbourne University Sport;
- (11) advise on the promotion of a wide range of University sport and physical recreation activities within the University and, as appropriate, the external community;
- (12) foster excellence in competitive activities through both organised sporting clubs and individual users; and

- (13) monitor communications between the Director on the one hand, and The Melbourne University Sports Association, the residential colleges and any other stakeholders, on the other hand.

With regard to the governance structure of MU Sport itself, Statue 8.1 clearly notes that although Board members are not Directors in a formal sense as MU Sport has no separate legal status, the University expects that Directors will act in a manner similar to that expected of any Director of a Company or similar legally recognised entity.

It is evident that Directors appointed to the MU Sport Board are clearly aware of the expectation to act in a manner consistent with best practice as required of any Company Director, and that the responsibilities of the MU Sport Board are clearly outlined in the Terms of Reference.

As such, there is no action recommended at this time regarding the governance arrangements between the University and MU Sport.

1.2 Governance arrangements – Melbourne University Sport & Sporting Clubs

Although the MU Sport objectives as listed above outline the high-level requirements of MU Sport's role, they do not go as far as to clarify any specific details as to the expected level of direct governance or responsibility for overseeing the delivery of sport via affiliated club activities.

The critical governance link between a club and the University is created via *Affiliation* and it is essential this is clear to all parties (the University, MU Sport and in particular sporting clubs). Affiliation establishes the governance connection that obliges the University through MU Sport to deliver on stipulated obligations, and in turn, obliges the affiliated club to abide by their obligations. The affiliation process also clearly distinguishes those clubs that have the right to use the University brand and access a range of additional benefits, from those who do not (to be taken in the negative to indicate that entities not appropriately affiliated do not have access to the full range of these rights).

At this time, the obligations of MU Sport to affiliated clubs and in turn, the obligations of affiliated sporting clubs to MU Sport and through them the University are outlined in the Sporting Club Service Agreements, Facility Access Agreements and Operational and Capital Support Agreements.

The most critical governance link between a club and the University is created via Affiliation. The Sporting Club Service Agreement notes the agreement ‘recognises the affiliation of the ‘Club’ to the University of Melbourne through Melbourne University Sport’, however it goes no further in outlining exactly why affiliation to MU Sport is important, and in fact for many reasons, is necessary.

Affiliation creates the formal link between the University and the sporting club, and agreed affiliation is a necessary requirement for Clubs to use the Melbourne University brand. The University itself takes on reputational risk in allowing clubs to use the University brand. As such, and as noted previously, clubs need to be fully aware that by becoming affiliated they take on an important responsibility as representatives and ambassadors for the University brand. Bringing to the fore this key obligations and benefits of affiliation highlights the importance of this link.

In addition to being granted permission to use the University brand, it is necessary for clubs to be affiliated if they wish to:

- Access the full range of University insurance policies
- Access operational funding and/or capital support provided by the University through MU Sport
- Access MU sporting facilities

Affiliation establishes the governance link between MU sporting clubs and the University proper, and as such is a key aspect of any agreement and should be acknowledged accordingly. Affiliation is also the key element in distinguishing between those clubs that have the right to use the University brand and access a range of additional benefits from those who do not. It is important that this is well understood across the University.

In exchange for being granted the right to the above via affiliation, clubs in turn are obliged to:

- Conduct their activities so as to maintain the good reputation of the University
- Abide by University and MU Sport policies, guidelines and agreements

These are important obligations for the Club to fulfil, and from a reputational brand and risk management perspective are key priorities for the University. As such it is suggested that further clarity needs to be provided for affiliated clubs around expectations for maintaining the ‘good reputation’ of the University. Without providing at the least some high-level guidelines around the standards of conduct the University considers minimum for

maintaining its ‘good reputation’, the importance of this requirement is both understated, and left open to interpretation by the club, interpretations which are likely to vary greatly.

In addition, to round out the document, it is also suggested that a range of additional and important items be added to the formal document, which may include but not necessarily be limited to:

- A note on cancellation of Affiliation, including what breaches of duties may lead to grounds for disaffiliation and the outcomes of disaffiliation.
- A note on disciplinary action, including an outline of inappropriate activities or actions may lead to suspension of activities (and in turn potentially to disaffiliation) and the process for undertaking disciplinary action and the outcomes.

To highlight the importance link created via affiliation, Monash University for example, place emphasis on this connection via a comprehensive CLUB AFFILIATION AGREEMENT (see Appendix 1), which is formally agreed to by both the University through Monash Sport, and the individual club.

It is strongly recommended that a comprehensive Club Affiliation Agreement is developed by MU Sport in conjunction with the University that all clubs are required to sign.

Compliance

There are a range of legal and other compliance requirements referred to in various schedules that affiliated clubs are expected to abide by. For example, the Facility Access Agreement requires that the club agrees to comply with the requirements of the:

- Food Act 1984
- Liquor Control Reform Act 1998
- Local Government Act 1989 and
- Respective relevant Regulations or Local Laws (as amended from time to time) and shall be liable for any breach of such Acts, Regulations or Local Laws

Industry best practice also indicates there are a range of other important areas where appropriate policies should be developed to outline the requirements that the University, as a minimum, expects affiliated clubs to abide by. Important areas to consider include (but are not necessarily limited to):

- discrimination and discriminatory practices
- sexual harassment
- code of conduct
- drug and alcohol policies
- privacy

Best practice and due diligence on behalf of the University would indicate that at the least, ready access to relevant documents outlining the University's key expectations under each policy is provided, and that a note clearly directing clubs to these policies is included in the Affiliation Agreement.

While the onus may be on the Club to seek out and appropriately interpret their requirements and obligations under these Acts, Regulations and Laws, from the perspective of good governance, and for practical reasons (in the interest of relieving some of the administrative burden placed on clubs), it is important for documents outlining the relevant obligations, responsibilities and limits as deemed acceptable by the University, to be developed and made readily accessible to Clubs.

Operational

A range of important operational obligations are detailed in the agreement, such as the obligation for MU Sport to provide:

- operational funding and support
- financial services
- recruitment and payroll services, and the like.

In turn, clubs are required to provide:

- membership information
- concur with branding requirements
- conduct equipment audits
- submit a budget and the like

From an operational perspective, the various schedules in place appear to cover off those necessary reporting obligations around membership information, budget and the like, as they relate to current practices. It is essential that the Affiliation and associated agreements place the onus on clubs to provide and regularly update this information, and on MU Sport to ensure it is collected in full and on time.

It is assumed the details of these agreements are agreed to by both MU Sport and the relevant Affiliated club, however in the absence of signatories to these agreements from both parties, this is an assumption only. Given the important role these Agreements play in outlining the obligations of both MU Sport and the Club itself, it is recommended that going forward,

Service Agreements require appropriate signatories from both parties to ensure they are considered binding.

Panel Recommendations:

- 1.2.1 A comprehensive 'Club Affiliation Agreement' be developed to clarify the governance link between the sporting club and the University through MU Sport as their nominated agent. This Agreement should be signed by both parties to indicate their acknowledgement of the terms of the Agreement. The terms of the agreement should be regularly reviewed, and the Agreement should be re-signed by both parties at times when there are significant changes to the Executive of any club to ensure clubs always remain aware of their obligations and those of MU Sport under the terms of the Agreement.
- 1.2.2 As part of the governance arrangements, ensure the Affiliation Agreement clearly highlights the importance of affiliation of a club to MU Sport and through them the University proper, noting that affiliation grants the rights for clubs to:
- Use the University brand
 - Access the full range of University insurance policies
 - Access operational funding and/or capital support provided by the University through MU Sport
 - Access MU sporting facilities
- And the obligation of the Club to:
- Conduct their activities so as to maintain the good reputation of the University
 - Abide by University and MU Sport policies, guidelines and agreements
- 1.2.3 In addition to the general reference to good behaviour under point 2.2 of the Club Affiliation Agreement, provide further clarity around expectations for maintaining the 'good reputation' of the University.
- 1.2.4 Ensure all relevant governance, compliance and operational elements are covered in appropriate Service Agreements.
- 1.2.5 Copies of all relevant University policies and guidelines and agreements clubs as a minimum are required to abide by must be made readily accessible for clubs.

There are a range of existing sources from which policies currently in use could readily be adapted. The University for example, already has a range of policies that could readily be adapted, and many University Clubs already have policies in place based on

requirements from other external entities such as State Sporting Organisations and the Australian Sports Commission, that could also be readily adapted.

- 1.2.6 For legal compliance requirements, such as Acts, Regulations and Local Laws, provide readily accessible documents outlining relevant obligations, responsibilities and limits as deemed acceptable by the University.
- 1.2.7 Ensure that the requirement for clubs to provide up-to-date information regarding funding details, membership information, club officer contacts, approved budget and the like is included in relevant agreements and that both MU Sport and the Club deliver on their obligations in these areas.
- 1.2.8 Ensure the Club Affiliation Agreement and any Service Agreements are signed by both the club and MU Sport as the representative of the University.
- 1.2.9 Club Membership agreement: ensure there is an appropriate and up-to-date standard club member agreement that all members sign outlining the priority standards members are expected to abide by, such as code of conduct, drug and alcohol policy, harassment policy and the like.

1.3 Melbourne University Sports Association (MUSA)

As has been raised in previous reviews, there is ongoing confusion over the role of MU Sport and MUSA.

According to Regulation 15.1.R2, The Melbourne University Sports Association recitals note that:

1. *The Melbourne University Sports Union ("the Sports Union") was formed in 1904 as an independent unincorporated association by affiliation or association of the sports clubs of the University.*
2. *The Sports Union has received de facto recognition by the University since its inception and its Constitution was recognised by statute on 28 May 1985.*
3. *On 3 April 1995 the Council approved the change of name of the Sports Union to "The Melbourne University Sports Association" and recognised its revised constitution.*
4. *In early 2009 Council agreed to consolidate into one statute matters governing recognition of student organisations, and to provide for recognition of individual student organisations by regulation.*

Recognition of the Sports Association

With regard to Council recognition of MUSA, pursuant to statute 15.1 as made effective by Council on 16th June, 2010:

Council hereby recognises the Melbourne University Sports Association ("the Sports Association") as a student organisation of the University and, for so long as Council, after considering the constitution of the Sports Association, and the role of other student organisations it recognises, is of the opinion that the Sports Association remains capable of representing the sports clubs of the University and is carrying out all of the obligations imposed on it by legislation or by any agreement with the University, Council will continue to recognise the Sports Association.

Although it is recognised by the University as a Student Organisation of the University, Council itself has not gone so far as to clarify the specific role of MUSA and how it relates to MU Sport. It is clear from the decision made effective by Council on 7th September 2009 that MU Sport, as a semi-autonomous body, is charged with the responsibility of, and authority to, manage the operation of affiliated University sporting clubs.

The lack of clarity around the roles and responsibilities of these entities, in particular with regard to governance arrangements and insurance requirements creates confusion for MU Sport, for MUSA and for University Sporting Clubs.

Key issues to consider with respect to this review are the responsibilities and obligations of MU Sport and MUSA from a governance and risk perspective.

A 2010 memo from Wendy Mason – Senior Lawyer – Compliance indicates that:

"It is now necessary to consider, in consultation with MUSA, what role MUSA should have going forward - and to ensure such role is complementary to the role and responsibilities of MU Sport. MUSA should then revise its constitution to ensure that it properly reflects MUSA's role and submit it to Council for endorsement."

"The issue of effective management of Clubs and the risks inherent in Club activities is a significant one. The University has a duty of care to Club members and compliance responsibilities as outlined in our previous memo of advice dated 20 June 2008. While there exists any confusion as to whose responsibility it is to manage clubs and the processes by which that happens, the effective management of Clubs and the risks associated with their activities will be compromised in my view."

Further, according to a letter to Paul Rogers, President of MUSA from Chris Penman, General Council dated 17 May 2011, with regard to the relationship between MU Sport and MUSA:

“Some clarification as to the respective roles and responsibilities would be desirable from a governance perspective in both cases. MUSA in particular may wish to clarify that it has no responsibility in relation to the operation of clubs and their duty of care responsibilities, with affiliation being limited to representational and advocacy purposes.”

“To the extent it is a recognised student organisation of the University, more clarity may be needed as to any specific responsibilities and whether those responsibilities are being undertaken on behalf of the University. One such responsibility is the oversight of sporting clubs for the purposes of affiliation, and whether MUSA has any ongoing responsibilities in that area or whether this comes more under the responsibilities of MU Sport.”

Chris Penman further notes:

“The role of MUSA seems largely to be focused in representational, advisory and promotional activities for sport and the various University clubs.”

“To the extent MUSA may be exposed to general law duty of care obligations, those matters may be more properly allocated to MU Sport, which is clearly part of the University, particularly on matters dealing with student and player safety.”

There is currently a draft Agreement between MU Sport and MUSA, dated 06/03/2013 (as provided by MU Sport), that outlines a range of obligations for both MU Sport and MUSA, however this document at this time, has not been agreed by the parties. In addition, the current MUSA Constitution as approved by the University Council on 3 April 1995, contains items that have since been superseded with the establishment of MU Sport.

It is clear there is confusion and uncertainty over the specific role and responsibilities of MUSA, however it is clear from current governance arrangements that it is MU Sport who holds the responsibility for club affiliation and through that, the right for sporting clubs to use the University brand, and to access insurance, funding and facilities, and this should be definitively clarified so that clubs are aware of their need to be affiliated via MU Sport.

Panel Recommendations:

1.3.1 As a matter of priority that the role of MU Sport as the entity responsible for management of affiliation of clubs, and through that affiliation responsibility for issues

including insurance and risk management, be clarified and agreed by University Council.

- 1.3.2 That the respective roles of MU Sport as the entity charged by the University with the responsibility of, and authority to manage club affiliation on behalf of the University, and the role of MUSA as a student association, be clarified and agreed by University Council. Failure to clearly define these roles, and the responsibilities and limitations of each entity creates ongoing confusion, and potentially leads to duplication of roles or, in the worst case scenario, creates loopholes or gaps in best governance practice.

1.4 Incorporation of clubs

A review of individual clubs indicates there are currently a number of Melbourne University sporting clubs that are Incorporated entities in their own right:

- Athletics (affiliated with Athletics Victoria)
- Baseball (affiliated with Baseball Victoria)
- Basketball (affiliated with Basketball Victoria)
- Boat (affiliated with Rowing Victoria)
- Cricket (affiliated with Cricket Victoria)
- Hockey (affiliated with Hockey Victoria)
- Mountaineering (affiliated with Bushwalking & Canoeing Victoria)
- Ski (affiliation unknown)
- Snowboard (affiliation unknown)
- Soccer (affiliated with Football Federation Victoria)
- Underwater (affiliated with Scuba Divers Federation of Victoria Inc.)

There are also a range of University clubs that are not Incorporated in their own right, but that are affiliated with external entities, such as Badminton (Badminton Victoria), Men's (VAFA) and Women's (VWFL) Australian Rules Football, Netball (Netball Victoria) and Rugby Union (Australian Rugby Union) for example.

Overall, there appears to be no uniformity around University club incorporation in terms of size of club or type of activity. Further, affiliation to external entities such as State Sporting Associations does not appear to create a standard requirement for a club to be an individual incorporated association.

It is surmised therefore that the Incorporation of a selection of clubs over time has been driven by a range of factors, such as:

- A requirement from an external affiliated body for a club to be a legal entity in its own right.
- A requirement for a club to be a legal entity in its own right for the purposes of receiving funding grants.
- An individual choice by a club to establish itself as a separate legal entity.

From the governance perspective, Incorporation does create an entity that has its own formalised legal structure. With incorporation also comes a set of governance requirements as outlined in the relevant Incorporations Act relating to the State in which the entity is incorporated (note that unlike Company Laws, Incorporation requirements vary between Australian States and Territories). As such, the requirements for the Governance Committee to manage the operations of an Incorporated entity would be higher than those required of an unincorporated association, and potentially the administrative compliance workload higher.

Although incorporated clubs have their own legal status and in effect are therefore responsible for their own operations and governance, there are a range of connections to the University that implies a stronger governance link than may be the case for other similar links between sporting organisations, for example a club and state sporting body; including:

- affiliation with MU Sport and through them the University
- granted permission to use the University name as part of their brand
- access to use of facilities
- access to a range of funding grants

A key consideration for MU Sport and through them the University proper, is to understand what exposure they have in a legal and compliance sense for affiliated clubs, regardless of incorporation.

In a letter from University General Counsel Chris Penman to MUSA dated 17 May 2011, Chris Penman notes that irrespective of incorporation:

“the University still has a general law duty of care which could see it exposed to third party liability where loss or injury is sustained in the context of any such club activities.”

This would indicate that the University carries some exposure for the operations and actions of affiliated clubs, regardless of incorporation, and as such has a duty of care to ensure all legal and compliance requirements are being met.

While there are quite specific requirements for Incorporated entities under the relevant State Act, Unincorporated entities have no formally recognised legal structure and there are no governing requirements for unincorporated entities.

Given the lack of legal status, it is assumed there would be an increased expectation for the University via MU Sport, to exercise more governance oversight to an unincorporated club given that any liability for operations of unincorporated clubs would presumably fall back to the University.

Improving Governance Support

The laws governing incorporation regulate to some extent a range of compliance issues and there are a range of obligations clubs are required to fulfill, (for example in regard to conducting annual general meetings and producing financial statements) and, for some entities, such as prescribed Incorporated Associations, audit of financial statements.

Given the close link University Sporting Clubs have to the University direct, in both a legal sense in the context of general duty of care as well as in the context of brand reputation, it would be appropriate for the University via MU Sport to require some reporting process that indicates Incorporated Associations are fulfilling their compliance requirements on an annual basis.

For Unincorporated entities with no legal status in their own right, the link between the entity and MU Sport from a governing perspective would suggest that MU Sport has an increased responsibility to play a role in ensuring these entities are appropriately governed.

Irrespective of legal status, there must be a clear understanding of the requirement of the Board/Committee to understand and deliver in their obligations with regard to:

- Incorporating good governance and ethical standards that meet the expectations of the University as the parent body into daily activities
- Plan and provide for the organisation's continuity
- Ensure all risks are identified and managed appropriately
- Ensure compliance with policies, laws and regulations
- Approve, monitor and review the financial performance of the organisation

Panel Recommendations:

- 1.4.1 Incorporation – although the historical reasons for the incorporation of some clubs is not clear, once established as Incorporated entities these clubs do have their own legal status, and would require an agreement by members to revoke that legal status.

With this in mind, it is recommended that those entities that are currently Incorporated and either need to, or wish to remain so, continue to be supported as Incorporated entities.

- 1.4.2 Given that incorporation does not appear to remove risk for the University in terms of requirement to provide an expected level of oversight of any affiliated club that uses the University brand, and in addition in many ways adds an unnecessary additional administrative burden for clubs, it is recommended that in future, University Clubs do not become Incorporated entities in their own right unless there is some specific requirement from an external affiliated body, and that an agreement is granted from the University via MU Sport for their affiliation to include Incorporated status.

- 1.4.3 Governance and Compliance support: Irrespective of incorporated status, the University ultimately holds some degree of risk and in turn responsibility for the appropriate governance and compliance of clubs.

As such, it is recommended the University, through MU Sport, provide the guidance and support required to assist clubs deliver on their governance, compliance and risk management requirements. This would include those types of requirements that are not specific to Incorporation requirements, but are important to the University, for example expected codes of conduct as a representative of the University, minimum requirements to maximise participant safety (particularly for high risk activities), financial management and risk.

- 1.4.4 It is further recommended funding for additional resources be provided by the University to ensure suitable standards are being met. Lack of supporting resources are major barrier to MU Sport providing the appropriate level of support to clubs to achieve best practice with only one staff member currently working across 40 clubs who provide more than 60 different types of sporting, recreational and instructions activities.

Operations

There are a range of important operational obligations and expectations placed on clubs in their role as providers of sport and recreation activities that involve varying degrees of risk. In essence, risk identification and management is the foundation for sound operational management of any entity.

Managing risk is one of the key responsibilities for all entities and awareness of legal obligations and commitment to quality and safety are critical.

Risk management is often overlooked in its importance, being seen as an additional administrative burden and often is reactive in response to an issue or incident arising. Too often, risk management takes place only after an incident of some significance arises, however managing risk in this manner is far from what would be considered minimum best practice in today's environment.

A shift in culture is required so that risk management is seen as a proactive and effective means of creating the safest possible environment to both conduct activities, and to create more effective operational procedures that meet with both legal compliance obligations and best practice standards.

In the past, risk management has been viewed simply as the course of action you take to reduce potential legal liability, however there is a swift and significant change in this thinking across a range of industries in response to a range of events that have highlighted the exposure organisations face, irrespective of whether not they hold any legally recognised status in their own right.

Far from being an onerous and unnecessary burden, sport and recreation groups (whose activities by their nature carry with them varying degrees of personal injury risk), should first and foremost view risk management as a mechanism for maximising safety for participants, officials, spectators and volunteers. Improving operational standards and efficiency is an added benefit of using a risk management process to define best practice procedures and limiting liability risks.

In essence, risk management is the process of thinking systematically about as many of the possible risks, problems or incidents as is realistically possible, that may arise before they happen and realistically evaluating the true level of risk for each issues or incident. Having determined which risks needs to be dealt with, a prioritised process for setting up procedures

that will either avoid the risk, minimise its impact, or cope with its impact in the event of an incident arising are the critical next steps.

A good risk management process will:

- Reduce the risk of accident or injury
- Help ensure equipment and facilities are safe for use
- Help ensure compliance with relevant legal requirements, for example Child Protection legislation
- Improve compliance with regulations and other formal requirements
- Reduce financial risk and exposure
- Reduce the opportunity for discrimination and harassment offences
- Reduce the risk of negative impact on image and reputation
- Reduce the possibility of negligence claims
- Reduce employment liability (which extends to volunteers), for example unfair dismissals.

Sound risk management practices are also important from an insurance perspective. While insurance should in no way be seen as a replacement for sound risk management, insurers are increasingly focusing on requiring organisations and entities they do cover to demonstrate sound risk management practices and prove that they do not present a 'high risk'. If it can be demonstrated that your organisation is effectively implementing safe practices and has taken appropriate steps to deal with major risks, insurers will also potentially be more likely to provide cover, and do so at a more reasonable cost.

Risk management is also critical in limiting the probability of members and officers of clubs, either incorporated or unincorporated, incurring liability if a personal breach of duty by them causes personal injury or damage to property.

Regardless of legal status of an entity, individuals can be found liable if they directly caused the loss or damage or if they authorised and directed the actions which caused the event giving rise to liability, and these actions were considered negligent. Strong risk management procedures will first and foremost, assist in ideally limiting the number of such incidents arising by ensuring best practice, and secondly, assist in ensuring individuals are not found personally liable as they followed accepted industry practice.

Ensuring appropriate risk management practices are in place also has implications for the University from both a duty of care perspective, as well as from a reputation perspective. By actively working to limit risks, the University (through MU Sport), is fulfilling its duty of care obligations. In addition, actively supporting, and in fact, requiring best management practices, also clearly demonstrates the value placed on everyone's participation and involvement.

This enhances the opportunity to promote and market the University and its affiliated clubs as organisations that have sound management practices and strong standards of behaviour; and that care for students, staff and others associated with club operations and activities, in a professional manner.

There is potentially a long list of operational practices and procedures that present risks to any organisations, and identification of the full suite of risks is an ongoing process. Reviewing industry best practices relevant to sport and recreation organisations, there are however, a number of areas where it is recommended priority focus is placed. The following provides further detail in the areas of:

- i) Activities
- ii) Insurance
- iii) Financial
- iv) Legal
- v) Working with Children
- vi) Volunteers
- vii) Reputation

2.1 Activities

Sport and recreational activities by their nature carry varying degrees of personal injury risk. In most cases accidents and injuries are relatively minor and are accepted as being ‘part of playing the game.’ When minor injuries occur, cover under the University’s personal accident insurance is readily available.

In a relatively small number of cases however, there are instances of severe injury resulting in permanent disability and in a recent case death. Although the University’s insurance policy does provide cover for severe injury or death, in these cases the additional consideration of negligence and associated liability becomes an added concern, as does the issue of reputational risk.

One of the most common reasons why sport and recreation organisations are found to be liable is that they have demonstrated negligence, or the failure to act at a level deemed appropriate by industry standards.

Proof of negligence requires that the following are proven:

1. A duty exists - an organisation cannot be found negligent unless it has a duty to exercise care.
2. The duty is breached - an organisation that does not meet its duty of care may be found negligent.
3. An injury occurs - negligence will not be found unless someone is physically, mentally or financially hurt or something is damaged.
4. The breach of duty caused the injury - in order for an organisation to be found negligent, the injury must be tied directly to the entity's breach of its duty of care.

Every organisation, regardless of the type of work done, must exercise the level of care necessary to protect people from harm. Failure to provide the requisite level of care required under the circumstances will potentially expose your organisation to serious consequences.

Unfortunately, there is no single simple answer as to what constitutes duty of care, and what constitutes negligence. The required standard of care will vary with the activity, the situation in which it is taking place, and the skills and abilities of the people involved.

For some sport and recreational activities, there are few, if any, industry standards that can be applied. Some of the more well-structured sports have comprehensive policies around facility standards, responses to on-field incidents such as blood rules and concussions procedures, and also have industry accepted coaching and instructional accreditation courses. In general, MU sporting clubs that are affiliated with peak bodies have standardised safety and operating procedures built in to their competitions.

Across the MU Sport sporting clubs, there are some activities that would be considered to carry much higher levels of risk than others. Rock climbing and snow-boarding for example inherently carry more risk than table tennis and dancesport. Unfortunately, it is often those activities that are considered to be higher in risk, that also tend to have less stringent industry standards that would be considered commensurate with the standards set by better structured sports.

It is important to note that risk management is primarily about safety and protection of people, be they participants, officers of clubs or volunteer staff. From the University's perspective, the most important consideration regarding their duty of care must be to ensure that at the very least, minimum reasonable standards for the safe conduct of activities are established and adhered for every club activity. Currently, feedback from MU Sport indicates there does not appear to be a formal risk management system in place to guide the operations of some club specific activities.

It is not suggested that a complex formal process of providing mandatory statements and procedures that strangle the operations of clubs with administrative complexity is appropriate, however there are clearly some risk strategies that need to be prioritised and formally supported by the University.

It is also important that the University are comfortable that any activities undertaken by clubs fits within their risk appetite. A recent review of club activities by Monash University for example, resulted in a number of activities that were ultimately deemed by the University itself to be outside their acceptable risk parameters, being no longer conducted. While this note is not included to indicate that MU Sport should necessarily apply the same limits to activities that Monash University does, it is important that a similar comprehensive risk management review of activities be conducted to ensure operations:

- meet with industry standards and/or best practice where applicable
- are covered by insurance as agreed with the insuring agency
- are considered to be acceptable by the University

In a significant step forward in this space, MU Sport has recently undertaken a review of Melbourne University Mountaineering Club rope based activities. This review, completed by an external independent party, was prioritised following a number of significant accidents and near miss incidents during MUMC roping activities.

The Ropes review sought to determine a set of minimum standards (that are captured in written operating procedures), to govern the safe conduct of rope based activities. The review recommended base operating procedures for all aspects of rope based activities that were considered appropriate to have a protocol to manage risk. In particular, the review addressed leader training, pre-trip planning, management of participants and activities during trips, and use and care of equipment for beginners through to more experienced participants.

It was correctly noted in the Ropes review that although being largely volunteer based in many ways makes managing risk more difficult for clubs than would be the case for a workplace, it is no less important. As the Ropes review notes, in a legal context, the volunteer nature of an organisation will in no way limit the expectation to responsibly manage risk:

“the challenge of developing safe practices differ significantly from those in a workplace. Volunteer organisations frequently cite a lack of time for training, lack of access to training resources, discontinuity of membership, and lack of compulsion/obligation upon volunteers, as significant hurdles for developing safe practices; each of these aspects were mentioned in my first meeting with MUMC executive members. However, the risks associated with adventure participation and consequences of misadventure do not discriminate between career professionals and volunteers.”

The review of roping activities highlighted two important issues:

- i) there are no mandatory operating procedures for roping activities enforceable by law in Australia.
- ii) there are a range of complex and somewhat confusing guidelines in place from a variety of industry groups.

In the absence of clear legally binding requirements, and further clearly defined best practice industry standards, it is critical that the University is comfortable with the standards set for their own affiliated clubs, and that these standards are acceptable to the relevant insurance body.

There is no doubt undertaking risk management reviews of ‘high risk’ activities, particularly those that have limited industry specific guidelines, will require a significant commitment from the University in terms of provision of appropriate resourcing support, and from the club itself to commit to entering into the process. This commitment should be viewed as a benefit to ensure that activities are conducted as safely as possible for all participants, rather than from a view point of such a review being simply another administrative burden.

The rope based activity review indicated that if undertaken for the reasons of participant safety and risk management, the club itself will be a more than willing participant:

‘Members of the current executive of MUMC, “have been pro-active in developing and documenting new operating procedures for participation and trip leadership in rock-climbing. Their initiative and work is to be applauded and augers well for the future activities of the club in this regard.’

In addition to general best practice operating procedures, the review of rope based activity also identified best practice principles for trip approval and management and it is critical these considerations form part of any risk management review of activities.

Development of best practice principles and minimum requirements for trip approval and management should not be limited to specific high risk activities, there should be rigorous procedures developed for any trip that is undertaken by a sporting club, or any trip that is organised by the University that involves members of sporting clubs, such as University Games.

Trips and Offsite Activities

Any club or entity (including MU Sport) organising trips and other activities has an obligation to establish and follow appropriate risk management procedures and implement risk

management policies for the safe conduct of trips and offsite activities. It is particularly important to note that this must include not only the safe conduct of an activity itself, but also look to the safe management of the trip itself, in particular trips which include overnight stays.

To meet with industry best practice standards, the University, through MU Sport should have in place policies that identify the key principles all clubs must follow when preparing and conducting trips or activities and procedures are in place to ensure clubs follow these protocols. It should be noted that these requirements will be generic guidelines that pertain to all events and activities and as such are not a set of specific procedures for safe management of specific activities.

As such, in addition to the generic event and activity guidelines, as part of the risk management process, specific protocols for the conduct of trips and activities should be developed by the member clubs (with appropriate assistance of relevant experts), to suit their specific risk management needs and conditions for each activity. Note the process of developing specific protocols for conduct of individual activities should be developed as part of an activities risk assessment process.

It is understood that sport and recreational activities, in particular those that involve natural environments, have many hazards and it is impossible to completely remove risks. The aim of developing these protocols is first and foremost to provide safe and enjoyable experiences and to minimise incidents that may lead to injury, as well as limiting the opportunity for other negative events to arise such as harassment and issues associated with inappropriate drug and alcohol use for example.

It is also acknowledged that in many instances events and activities are auspiced by other controlling bodies, such as a State League competition and University Games. In instances where there are already policies and procedures in place for the safe conduct of events and activities, it is not considered necessary to duplicate specific operating procedures for the conduct of these events. However, all persons who are engaged in that event or activity as a member of a Melbourne University affiliated sports club will be required to abide by the University's general code of behaviour for those events.

It is also important to be clear when the club or university has some responsibility for the conduct of activities, and when they do not. Responsibility for activities, events and tours arranged by the club rests with the club. It is imperative therefore that all clubs clearly define what are 'official' club events that are approved and conducted by the club and the university, and what are not. This must be clearly communicated to all members to ensure no confusion exists as to what are official club activities, and what are events and activities that may involve one or more club members as participants, but are not official club events.

As a minimum, the following elements should be considered for incorporation into the management of risk for events and activities-

- i) Risk Assessment - a full assessment of the potential risks and processes for managing risks. This includes risks associated with the activity itself, as well as risks associated with travel to and from an activity and risks associated with overnight stays for example.
- ii) Leadership – clear requirements around the levels of leadership, qualification and/or experience required for the safe conduct of the activity. Trip leaders should be prepared to adjust trip objectives to suit the capabilities of participants.
- iii) Participant Experience – clear requirements around the relevant experience of participants, including any minimum requirements, and in the case of novice or beginners, the numbers and level of experience required for instructors/supervisors. Participants should also be made aware of what risks are involved. Those with less experience will require more guidance on what to expect and how to prepare themselves.
- iv) Safe conduct of activities – must always be the primary priority and established processes for assessing safety, including environmental conditions must be clearly understood and adhered to.
- v) Duty of care responsibilities for safe conduct of the trip itself, in particular for trips that involve overnight stays
- vi) Accident/Incident response – accidents and incidents will arise even with the best risk management practices in place. A clearly defined critical response process for accidents and incidents must be in place and be appropriately ready for action as part of the safe conduct of activities. All participants must be aware of what the incident response plan entails for the proposed activity. Accident and incident reporting is also a valuable tool that can be used to refine safety procedures and processes.

Panel Recommendations:

- 2.1.1 Risk management reviews of activities be undertaken, with a view to ensuring that MU Sport and through them the University, are confident that clubs do have in place appropriate practices to ensure safe activities.

- 2.1.2 Reviews should engage the club as the ‘expert’ group and the group who conducts activities.
- 2.1.3 Recommendations of the review (including any recommendation to suspend any activities considered too high risk or that are uninsurable), are agreed by the University (through MU Sport) as the entity ultimately responsible for risk.
- 2.1.4 As a matter of priority, a review of those activities deemed to be ‘high risk’, are undertaken first. Those activities that have notionally been categorised as high risk following an internal review by MU Sport are:
- Mountaineering (under review)
 - Scuba Diving (Underwater Club)
 - Ski
 - Snowboard
 - Surf riding
- 2.1.5 As part of their affiliation requirements, all clubs are required to maintain a qualifications register and/or experience log for all officers or other persons who are responsible for leading activities. A good example of this concept was provided as part of the Mountaineering Club review.
- 2.1.6 As a matter of priority, specific guidelines that outline the general expectations for duty of care for all clubs or other organisations conducting trips be developed. This includes guidelines for trips conducted by sporting clubs, including overnight trips, as well as University organised activities such as University Games.
- 2.1.7 As part of the general risk management review for clubs, specific protocols and procedures for conduct of trips and activities undertaken as part of those trips be established.

2.2 Insurance

Insurance is often seen as a substitute for risk management and can create a false perception of security. Insurance should however really be seen as a backstop for unexpected incidents that occur despite the best possible risk minimisation practices and procedures being put in place.

Sporting and recreational activities by their nature carry varying degrees of risk of accident or injury, and most participants accept that sprained ankles, torn ligaments and

bruised shins are part of the game. Even the most prudent and effective organisations can't foresee everything and prevent accidents from occurring and as such, appropriate insurance is an essential component of risk management.

A key question for MU Sport is to understand exactly what types of insurance cover is required to account for the full range of risks arising from club operations, and to ensure that appropriate cover is in place to ensure the club and its officers and participants are covered where possible for any potential liability, injury or loss, and that any equipment, materials and property are protected.

As insurance costs money, it is important to verify that you are insured for exactly what you need, while minimising items that add to the premium but are not essential. For many clubs, who have multiple links to governing bodies, such as State and National Sporting Organisations, or who are parts of structured leagues and competitions, there may be areas where insurance is being paid for more than once, and this may just be an unavoidable circumstance.

Of much greater importance is ensuring that all relevant activities, all relevant participants, and all relevant operational and equipment requirements are covered by appropriate insurance whenever those activities and participants are, and that equipment is, in any way linked to the University. As the following wording from the *University of Melbourne Insurance Policy* indicates, any body appropriately affiliated with MU Sport (regardless of their state of Incorporation) is covered by the University's Insurance Policy:

"The University of Melbourne, including but not limited to, All Affiliated bodies and any Corporation wholly owned or controlled by the institution, and/or its/their subsidiary all related corporations as defined in the Corporations Law, acquired or incorporated during the policy period, as may be declared and required to be covered by the insured, for their respective rights and interests."

In this regard, it is essential that all sporting clubs are fully aware of their need to be affiliated with MU Sport to be appropriately covered by the University's insurance policies.

With regard to specific insurance requirements, the following identifies a range of areas where provision of insurance cover is considered important with regard to the operation of clubs and their associated activities:

- a) **Public and Product Liability Insurance** - provides cover against claims of negligence made by third parties in relation to injury or property damage arising from the club's operations. The University holds a public liability insurance policy that it is understood, extends protection to appropriately affiliated sports clubs.

Product liability covers incidents arising from products sold or supplied by an organisation. It is not clear if this is relevant for clubs. It would be relevant in cases for example where clubs sell food or products as part of their day-to-day activities or for fundraising that need to be covered. The University holds product liability insurance that it is assumed provides appropriate cover for relevant activities, however this requires clarification.

- b) Personal Accident Insurance** – generally covers members, volunteers, officials or participants for any out-of-pocket expenses following accidental injury, disability or death while carrying out their work on behalf of the organisation. Personal accident injury insurance often covers loss of income as well if the injured person is unable to work as a result of the incident.

Under the University policy, this cover is provided to all students and is the most heavily utilised of the University insurance covers. There is a need however to clarify in broad terms exactly what is covered. Many competitive clubs require their members to hold private health cover for competition purposes, and it would be helpful for clubs and their members to more fully understand what types of injuries will be covered, and when students are covered.

It is also important to clarify if and when members of affiliated clubs who are not current students, are covered under this policy.

- c) Professional Indemnity Insurance** – Professional indemnity insurance covers individuals against breach of professional duty arising out of any negligent act, error or omission committed during the conduct of professional activities. The University holds a professional indemnity insurance policy, and while this insurance is usually relevant to organisations like health care services, or those providing advisory services, further advice is required to ascertain if this insurance is necessary for instructors who may be teaching as part of club activities, particularly those that are considered high risk, and if yes, does the University policy provide appropriate cover.
- d) Directors and Officers Liability Insurance** – D&O insurance is one of the most spoken about, yet least understood policies. In essence a D&O policy provides liability cover for ‘company managers’ to protect them from claims which may arise from the decisions and actions taken within the scope of their regular duties.

While the University does hold Directors and Officers Liability insurance, it is unclear if this cover would extend to director's/committee members of unincorporated groups, or if it will cover director's/committee members of incorporated entities affiliated with the University (even though these entities have their own legal status). It is important to clarify which entities and within them which Directors and Officers, are covered under the University policy.

- e) **Property Insurance** – property insurance covers an organisation's physical contents against fire, storm damage, accidental damage or theft.

Under the University policy, all University assets are covered. It is important to note that \$5,000 excess applies, so any items under that amount are effectively not insured, which would include a range of sporting goods.

- f) **Building Insurance** – provides cover for damage to buildings and all University owned buildings are insured under the University's building insurance.

It is unlikely that any clubs in their own right will own buildings and therefore this insurance is not relevant specifically to University Clubs. It is relevant however in the context of clubs that utilise facilities hired from council or some other entity. It is assumed the owner of that facility will have their own appropriate insurance, but it is important that MU Sport is confident there is appropriate insurance coverage for external facilities by requiring that a relevant policy is provided prior to a club entering into any lease or hire agreement to be sure.

- g) **Travel Insurance** – the University travel insurance policies insures affiliated club members who may be involved in either domestic and international travel for club activities. Club members need to be clear when they are covered and when they need to seek their own cover, for example partaking in activities while overseas during semester break that are not planned or organised as part of the club's activities.
- h) **Workers' Compensation** - all paid University staff, including casual staff are covered by the University worker's compensation policy. It is not clear if this cover would extend to coaches who are employed directly by Clubs rather than directly by the University via MU Sport, in particular Incorporated entities. Further clarification is required around the extent of cover provided to persons employed by clubs as existing advice indicates there are a number of persons engaged directly by clubs who would not be covered by workers' compensation.

- i) **Fraud (Fidelity) Insurance** - covers an organisation against misappropriation of funds by employees or committee members. There is currently no insurance policy in place for Fraud. The need for this style of insurance should be assessed by taking into consideration the cost of this type of insurance, in relation to your budget versus the assessed risk of misappropriation to determine if this is deemed to be a necessary insurance cover.

Volunteers. As a note, volunteers are not clearly identified as being covered under a range of insurance policies. The University does have dedicated personal accident insurance for volunteers who would not normally be covered by the student cover. It is not entirely clear how volunteers who are not current Melbourne University students are covered by the full range of insurance policies. As such, it is important to clarify to what extent both students and other non-student members who may be officers of a club or who hold roles which carry with them responsibilities that may require cover, such as instructors and who are in unpaid positions, are covered.

Claims Procedure - it is important that all clubs understand the procedure involved in making a claim under any policy and can readily access the information necessary to make a claim. Currently information regarding making an insurance claim is provided on the Club Resources webpage of the MU Sport website, and this information should be regularly reviewed and updated to ensure it remains relevant

No one can definitively say what type of insurance policy an organisation needs, and ultimately the adequacy of your policies is only ever really tested when something unexpected arises. It is essential however that MU Sport fully assesses and understands the risks that need to be covered and to ensure appropriate cover is in place.

Although the University holds an extensive range of insurance policies, in some cases it is unclear if clubs, directors and officers of clubs, non-student members of clubs and some employees of clubs are appropriately covered and if so to what extent.

Insurance, while it should not be seen as an alternative to sound risk management practices, is important, and it is critical to ensure the full suite of appropriate insurance cover is in place to meet best practice standards for risk management.

It is important to instill in all clubs an understanding of the importance of ensuring all activities in which they engage are covered by insurance. While most policies simply note they cover all 'regular' activities, the only test of what will be considered a 'regular' activity will arise when something goes wrong, by which time it is too late.

Both the University and all clubs must be confident the activities they provide both fit within the risk appetite for safety, and are covered by insurance. While there are a range of factors that relate to risk appetite that will come into play in determining if the University itself feels an activity is considered safe enough to be provided by a university club, a definitive guiding principle for consideration must be insurability. Ultimately the key determining factor for any activity must be if it is not insurable, then it is not on.

Panel Recommendations:

- 2.2.1 Ensure it is clearly articulated to all sporting clubs, including those already affiliated, as well as to those who may wish to become affiliated in the future, that the University requires that any Melbourne University sporting club must be appropriately affiliated to MU Sport as the body deemed responsible by the University under Regulation 8.1.R7, to be covered by the full range of University insurance policies.
- 2.2.2 As part of the process of providing stronger governance and compliance support to MU Sport affiliated sporting clubs, it is recommended:
 - an audit of insurance cover be undertaken to ensure all essential insurance cover is being met.
 - as part of this process a comprehensive yet easily understood insurance cover summary, including the type of insurance cover and the extent of the cover be completed and made readily accessible to all clubs.
 - this insurance summary should clearly note any exclusions in a policy.
 - this summary should also include information on how to make a claim.
- 2.2.3 An insurance audit of all activities provided by clubs should be completed. This is an important element in the process of establishing best practice risk management, and instilling the ethos that if it is not insurable, then it is not on.
- 2.2.4 Clubs are required to gain approval for any new activities they wish to undertake from MU Sport who will clarify that activity is appropriately insured. While most policies are vague in this regard upfront, simply noting that activities that are considered to be 'normal' activities are covered, they will usually tend to be more thorough in their assessment of 'normal' activities in the event of an incident. Clarifying that activities are covered up front ensures you are covered, and is preferable to attempting to make a claim and finding out that you are not covered.
- 2.2.5 A review of insurance cover as it pertains to cover for volunteers who are not current Melbourne University students but who hold positions or undertake roles that would

require relevant insurance cover be conducted to ensure appropriate cover is provided.

- 2.2.6 A review of workers' compensation cover provision be conducted given specific concerns have already been raised over a lack of workers' compensation cover for some persons engaged directly by clubs.

2.3 Finance

Managing financial risk is a key priority for any organisation, and all clubs, regardless of size, should be expected to achieve a minimum standard of sound financial management, including understanding the club's financial obligations, and effectively managing funds.

Best practice effective management of funds includes keeping appropriate records of income and expenses, cash flow and budgeting processes, as well as including best practice financial controls to limit the risk of insolvency or misappropriation of funds.

Some of the basic best practice financial controls clubs should be required to follow include:

- a) Budget preparation:** All clubs should have a budget. This is important for cash flow planning given that most clubs will run on a 'wool check' style basis, i.e. most membership money comes in a specific period, for example at the start of the year/season, that must fund expenses for the whole year.

For clubs, important budgetary considerations are:

- Understanding the timing and volume of membership income from a cash flow perspective. Despite membership fees being due in a certain month, it may take another few months for all the fees to be paid.
- Understanding what other income is expected, and does it arrive in lump sums or regular intervals.
- Making realistic estimates for expenses, including timing considerations.
- If expenses are dependent on the number of members, scope to adjust the budget (up or down) for any differences in member numbers.
- Ensuring there is capacity to pay debt on time.
- Ensuring there is a contingency sum kept on hand (minimum bank balance) for any emergencies that arise.

b) Cash Controls: Appropriate cash controls are one of the most important operational considerations for any entity. As a starting point, appropriate processes must be in place to:

- ensure that all cash that comes into the club is collected, receipted and subsequently banked
- club records identify which cash comes from memberships versus sponsorship, fundraising or other areas, for example MU Sport grants
- ensure two signatories are required for all bank withdrawals or for authorisation of cheques. This is essential in particular if it is common practice for cheques to be made out to cash, which is often the case when clubs are topping up petty cash balances.
- Ensure there are appropriate receipts and associated documentation for funds expended.
- Ensure there is separation of duties where possible, for example, the officer who collects cash should not be the same person who prepares the accounting entries recording it or the same person who subsequently banks the money.
- Manage petty cash. Traditionally clubs have kept petty cash on hand to pay for minor expenses, however any time there is direct access to cash, there is increased opportunity for fraudulent activity.

At a time when most transactions can easily be conducted with use of a credit/debit card, in the interests of best practice the use of petty cash should be limited to absolute essentials if not eliminated entirely. While the issuing of cards may be problematic for sporting clubs given the relatively rapid change over in management, the advantage of cards over petty cash is that all transactions can be tracked electronically. As a note however with regard to credit cards, there are risks associated with cash withdrawals via card and consideration should be given to ensuring cash withdrawals cannot be made.

If petty cash is to be used, there should be clear reporting processes and record keeping or monitoring to ensure that all money in and money out is appropriately accounted for. Records of all transactions should be kept for example via the use of petty cash slips, for example when money is removed from petty cash a slip should be filled out detailing who took the money and why. The receipt should be returned (along with any change) and stapled to the petty cash slip.

When financial statements are prepared, a summary of the petty cash transactions should be prepared so the income and expenses can be incorporated into the financial statements. Petty cash transactions should be regularly checked by someone other than the person directly responsible for petty cash to ensure they are satisfied all monies are

accounted for, and that all transactions made under petty cash are appropriately related to genuine club expenses.

Financial management is complex and time consuming at any level. In the university club environment, there is often limited access to skilled financial persons to act as club officers and the additional administrative workload required by undertaking financial management detracts from the opportunity to focus efforts elsewhere. In an effort to support clubs and relieve some of the administrative burden, MU Sport currently provide financial services to Clubs, specifically, all Clubs receive Financial Statements.

In addition, a Shared Services Model is currently being rolled out to provide full finance/HR support to Clubs. Two Clubs (Tai Chi and Kendo) are trialing the new model. The potential to extend this Shared Services Model as an option for all clubs will be considered pending the outcomes of this trial.

- c) **Statutory considerations:** there are a range of obligations clubs, in particular those that are Incorporated under the Incorporations Act, are required to fulfill. It is important to ensure that clubs are aware of any rules and requirements they must meet in relation to producing financial statements, what needs to be produced, and who requires or is entitled to a copy.

For some entities, such as prescribed Incorporated Associations, an audit of financial statements may be required. If audits are required, it is important they are being appropriately conducted as and when required.

There are additional concerns, for example are clubs (some or all) providing services that require them to be registered for GST? If so, are clubs fully aware of their obligations relating to GST such as BAS completion and tax invoices, and are these being completed as and when they are required?

d) **Asset Management**

Although in its broadest context assets include plant, cash at bank and accounts receivable, in the sporting club context the term 'asset' generally refers to equipment.

With regard to assets, a full register of all new, depreciating and written-off assets should be kept accurately and should be monitored and regularly updated. MU Sport maintains an asset registry of 'valuable' items that includes all relevant information regarding that asset. The complete asset register is updated annually by Clubs as a requirement to confirm the amount of insurance required.

Best practice asset management also indicates that an asset replacement schedule should form part of the asset management process and should be included as part of the asset register. Internal feedback indicates it is unlikely clubs themselves or MU Sport maintain an asset replacement schedule that is regularly reviewed and updated. Going forward this should be included as part of the risk management register.

As part of its support of sport clubs, the University purchases assets on behalf of clubs through their tax concession process, and any asset purchased through the University is automatically covered for insurance. As a general rule the University does not lease equipment unless approved by Tender Board.

Although equipment purchased as an asset via the University undergoes at least some form of informal approval process at the time of purchase through the purchase process itself, once the purchase process is complete, assets become the responsibility of the club.

In addition to keeping the updated asset register, MU Sport and Internal Audit undertake spot audits of asset from time-to-time to ensure assets are accounted for, and are in the general condition listed on the asset register, however this is not a comprehensive audit and is done infrequently due to lack of resources.

According to feedback provided by MU Sport, the issue of actual ownership of assets has been noted as a significant issue in a recent OHS Audit. According to the audit, from an OHS perspective, the assets belong to the University and therefore it is the responsibility of MU Sport as the nominated responsible entity, to ensure assets are maintained so as to be compliant with minimum standards for use, and are being used in accord with relevant standards.

Given that once purchased, the club takes responsibility for the asset, and there is limited oversight from MU Sport over the maintenance and use of the asset after this time, there is a risk that the University is not fulfilling its OH&S obligations with regards to assets, and this needs to become part of a broader risk management process.

Panel Recommendations:

2.3.1 MU Sport continue to provide financial services support to clubs, and going forward seek to extend that support in a range of suitable ways. This may include:

- Provision of basic financial management workshops to upskill club officers
- Resourcing for additional internal support within MU Sport be provided to assist Mu Sport to offer better oversight of club financial practices and obligations.

- 2.3.2 Following completion of the current trial of the Shared Services Financial Support model, it is recommended that the model be reviewed and if appropriate, funding be provided by the University to be develop a shared services financial support resource that all clubs are encouraged to utilise. This recommendation is made with a view to minimising the administrative burden on clubs and maximising best practice financial management.
- 2.3.3 As part of an assumed obligation by the University (through MU Sport) to ensure compliance with legal/statutory requirements, a process for identifying which clubs have financial reporting obligations is required. Further, a regular check is required to ensure these processes are being met as required.
- 2.3.4 Additional resourcing is provided for MU Sport to undertake more regular and comprehensive audits of assets. This is particularly important given the recent findings of the OH&S review regarding maintenance and compliance of equipment responsibilities.
- 2.3.5 A comprehensive equipment replacement schedule and process for replacing ageing equipment be developed as part of the asset audit and financial budgeting process.

2.4 Legal

Regardless of the size of the club, governance structure or activities offered, there are some laws that clubs will be expected to adhere to. While there is an expectation that clubs will be across these requirements and will ensure that members adhere to them, it is unlikely the majority of clubs will be fully across the complexity of understanding all their obligations. Assisting clubs to clearly understand their most relevant obligations will assist in mitigating risk to the clubs and the University.

There are a range of legal risks that require specific policies to be developed the clearly outline the expectations and requirements for clubs. There are already a number of policies in place via MU Sport, and in addition the University and other external agencies have resources available that could be suitably adapted for clubs.

In the context of developing policies, it is important that they do meet with the standards required by the University and as such it is recommended that policies in the first instance and where practical, are developed with the input of relevant University specialists, and

secondly, that policies are agreed by the University to be appropriate before they are provided to clubs.

While there is an extensive range of policies that will help improve best practice delivery, there are a number of areas where legal and other important obligations require that priority focus. These include but are not necessarily limited to:

a) Discrimination

There are a number of pieces of legislation that govern discrimination and all organisations (and individuals) are obliged to meet this legislation.

Under Victoria's Equal Opportunity Act, it is against the law to discriminate against or harass someone who is a member of a club or applying to become a member of a club because of a personal characteristic protected by law. This includes sexual harassment.

There have been instances of discrimination allegations made previously against MU sporting clubs or individual members, and given the difficulty in defining discrimination exactly, it is almost certain there will be instances arising in the future.

Given the largely volunteer nature of clubs and relatively short timeframe club officers hold governance roles, it is potentially unrealistic to expect club officers to take responsibility for developing and monitoring discrimination practices for their individual organisations.

There is potentially a need for MU Sport to play in both developing an appropriate set of guidelines that clubs should adhere to regarding discrimination, and further, a role for MU Sport to play in ensuring that clubs are aware of their obligation with regard to discrimination.

Issues around discrimination are referred to in the Club and Club Members Codes of Behaviour which is accessible on the Club Resources webpage of the MU Sport website, and there is a draft Member Protection Policy being completed for distribution.

Currently, the University relies on a process of providing clubs with access to policy documents with an expectation that clubs will undertake to review and understand these policies and adhere to their obligations through their own due diligence.

Best practice would indicate that in addition to providing readily accessible documents outlining acceptable and expected behaviours and practices to clubs, the University via MU Sport should take further steps to encourage clubs to understand their obligations and expectations and to abide by these expectations. This could be achieved by offering

appropriate education sessions for all club members, and more specifically by requiring a number of club officers or others who hold positions of responsible to attend education sessions.

b) Privacy

Privacy is becoming increasingly prominent as a legal issue of concern, particularly in the light of technological advancements that make it easier for breaches of privacy to occur. As clubs collect a range of personal information from members, they will be expected to adhere to the basic privacy requirements that relate to the collection and storing of personal details of club members.

While some clubs that are affiliated with external organisations may be required to abide by the privacy guidelines as stipulated by that external entity, it does not necessarily follow that these guidelines would meet the expectations of the University, and there will be many clubs who would not be required to abide by any external privacy guidelines.

There is a need to develop some general overarching privacy guidelines for clubs and for processes to be reviewed and tightened if relevant standards are not being met for the protection of both the club and the University.

The University has a Privacy Policies that could be used as a template to develop a suitable and relevant privacy policy for clubs (an example of the University Privacy Policy is attached).

c) Contracts

It is assumed there are a range of legally binding contracts clubs enter into, such as such as external lease agreements for facilities or binding agreements with other external organisations such as State or National Sport organisations or junior sporting clubs.

It is important that it is clearly understood and agreed to by both the clubs and the University exactly what, if any, legally binding contracts clubs can directly enter into given their legal status and their link to the University. This is particularly important for non-incorporated entities.

Incorporated entities, which have their own legal status, do have the capacity to enter into agreements, however it is unclear who would ultimately be considered responsible for agreements entered into by non-incorporated clubs. As it is surmised the University would be responsible, it follows that the University (through MU Sport), should at the least be a co-

signatory or have the responsibility to auspice, any legally binding agreement entered into with an external party.

d) Complaints

Complaints of all nature will arise, and even the most conscientious of clubs are unlikely to have the full range of skills or capacity to deal with them. Issues around discrimination, harassment, fair work and sexual conduct allegations are complex and can be very damaging. Complaints of these natures have arisen in the past, and without doubt will continue to arise in the future.

According to internal feedback, MU Sport does not currently have a formal grievance procedure for dealing with these types of complaints, but an increasing number of clubs are now asking MU Sport to mediate on internal club disputes. This is an important issue from both a member protection and reputational risk perspective and best practice would indicate that adequate support for dealing with these issues should be provided.

Panel Recommendations:

2.4.1 Discrimination: relevant policies outlining acceptable and expected behaviours must be made readily accessible to clubs. There are already a number of existing policies available while others require further development. In some cases this may require the development of specific policies of relevance to Melbourne University Sport, while in others it may involve adapting existing policies from a range of relevant sources such as the University proper, the Australian Sports Commission, National and State sporting organisations for example. All existing and developing policies should be reviewed by or developed in conjunction with relevant University staff to ensure they are contemporary and meet with the standard expected by the University. As a minimum, policies in the following areas are recommended:

- Discrimination and discriminatory harassment
- Sexual harassment
- Bullying
- Member protection
- Code of conduct
- Alcohol & Drug use

2.4.2 As discussed under the area of best practice for governance, ALL policies clubs are expected to abide by must be readily accessible at all times.

- 2.4.3 Given clubs collect and store personal information of members, it is recommended an appropriate privacy policy be developed to ensure personal information is treated correctly, and that officers responsible for collection of information of relevance to privacy requirements are appropriately informed of their obligations under the Privacy Act.
- 2.4.4 A review of the requirements for entering into legally binding agreements with external entities be completed with a view to clarifying what, if any, agreements can be entered into by Melbourne University sporting clubs directly. This would need to take into consideration the different legal status of Incorporated versus Unincorporated entities, as well as the desires of the University itself as the body potentially holding ultimate legal liability, and most certainly the reputational risk.
- 2.4.5 Pending the outcome of this review, guidelines are developed and are clearly articulated to clubs so they are fully aware of their requirements. In cases where it is agreed the University (or the University through some other entity, such as MU Sport or the University legal department), are required to oversight and/or co-sign external agreements, appropriate resourcing support for these additional duties (both in monetary and skills/knowledge terms as required) must be provided by the University.
- 2.4.6 In addition to clear policies around harassment and discrimination, sexual misconduct and codes of behaviour, a clear and well recognised procedure for people to make complaints, about the organisation or about its staff/volunteers, directly or anonymously must be clearly articulated. The University currently has a student and staff grievance procedure available. Further work is required to ascertain if this procedure is relevant for non-student and staff members of clubs, or if an alternative option is necessary.
- 2.4.7 In the instance of there being a credible case of discrimination, harassment or the like, that an appropriate process is in place to ensure a fair but effective investigation is carried out by skilled people.
- 2.4.8 To ensure clubs are aware of their obligations under these codes, it is recommended that a number of club officers (2 for example) from each club attend a suitable workshop provided by MU Sport (with appropriate funding support from the University). It is recommended this is a compulsory requirement for every club (attendance could be achieved by attaching this requirement to funding) rather than an opt-in option.

2.4.9 It is further recommended that an appropriately trained officer(s) who is independent of club committees, is engaged as a Club as an Investigations Officer. This person would be appropriately trained and supported by MU Sport and may be a volunteer from within the club membership, from within the University (for example a staff member(s) or student studying in an appropriate field, or a dedicated staff member of MU Sport. Fulfilling this important requirement will require additional resourcing.

2.5 Working with Children

Maintaining compliance with the Working With Children (WWC) requirements of Victoria is a legal requirement for any organisation that has staff, members or office bearers who may be directly involved in working with children.

In Victoria, a child is defined as under the age of 18. Given that some students are under the age of 18, there will almost certainly be instances where clubs are involved in interactions with ‘children’.

According to feedback there is currently no mechanism in place to ensure that Clubs comply with WWC requirements. As this is a legal requirement, this is a significant risk area and must be addressed as a matter of priority.

The following highlights the basic assumptions for determining whether or not a working with children check is required:

You do not need a WWC Check if you:

- work in an unpaid private/domestic arrangement for family and friends
- supervise a student in practical training organised by their educational institution
- take part in an activity with a child in the same way that a child participates e.g. as other players in your team.

You do need a WWC Check if you meet ALL 6 criteria listed below:

1. You are an adult working with under 18-year old's.
2. You are working as one of the following:
 - an employee
 - a self-employed person or an independent contractor
 - a volunteer
 - a supervisor of child employees (where the child is under 15 years of age)
 - a participant in practical training through an educational or vocational course

- a participant in unpaid community work under a court order
 - an officer of a body corporate
 - a member of a committee of management of an unincorporated body
 - a member of a partnership
 - a minister of religion or someone performing duties of a religious vocation
3. You are working in any of the occupational fields listed in the Act (which includes Clubs & associations of a cultural, recreational or sporting nature and Coaching and tuition)
 4. Your work involves direct contact with children, which means you are able to talk face-to-face or have physical contact with children.
 5. Your contact with children is part of your duties i.e. not incidental to your work
 6. Your contact with children is not directly supervised by another person. Direct supervision means immediate and personal supervision. It is possible for the person supervising the contact with children to leave the room briefly for example to take a phone call.

Panel Recommendations:

- 2.5.1 As a matter of priority guidelines regarding Working with Children compliance be provided to all clubs.
- 2.5.2 A Working with Children assessment be included as part of the risk management review process of clubs.

2.6 Volunteers

Volunteers are an integral to the delivery of MU sports club activities. The duties that they undertake are worth thousands of dollars.

The law considers volunteers to be (unpaid) staff, and as such the club as the 'employer' has responsibilities to the volunteer. As the 'recruiter', the club is considered to have given them the authority of your organisation, and are therefore expected to ensure they observe the rules, regulations and certain levels of behaviour expected of your employees.

There are some obvious difficulties involved in working with volunteers:

- They are not paid, and thus have no financial incentive to do what you say;
- They may not stay for long, so it's not financially viable to provide intensive training;
- If there is no competitive selection procedure, competence is often unknown

There are many club roles that have little possible downside where even if mistakes are made, they are of a minor nature. In other cases, such as instructing activities, handling monies or personal information or working with children, there is a very small chance of a very large amount of damage being done, therefore it is essential to take reasonable precautions.

The aim is to have procedures in place that as far as possible manage avoidable risks, without discouraging recruitment.

MU Sport currently provides subsidised volunteer training for First Aid and Responsible Serving of Alcohol, and clubs can, and do, apply annually for subsidies towards coaching accreditation, seminar and workshop attendances which all assist in upskilling volunteers to do their jobs.

As part of best practice management, it is recommended that MU Sport, in conjunction with clubs, identify any gap areas where additional support for volunteers is required to ensure they are able to meet the standards expected for them to fulfill their roles and responsibilities. Areas such as financial management, principles of good governance for office bearers, and risk management practices are areas where volunteers may require additional support.

Panel Recommendations:

- 2.6.1 Given the huge importance of volunteers to the operation of all sporting clubs, it is important the University, through MU Sport, make efforts to ensure volunteers are suitably supported to do their jobs (as would be the case with paid employees).

2.7 Reputation

Reputation risk arises from a wide array of actions. Failure to comply with regulatory or legal obligations, failure to deliver required standards of service, to abide by expected codes of conduct or involvement in illegal or unethical practices for example, can all impact reputation. As reputational events are tried in the court of public opinion, not the court of law, reputation risk is an uninsurable risk that requires careful nurturing and vigilance. Managing reputation risk is a top priority for the University, and university clubs, as representatives of the university brand should be fully aware of the role they play as ambassadors of that brand. As outlined previously, it is important to instill in clubs the important role they play as University brand

ambassadors as part of best practice good governance. Buy-in from the clubs is critical as they are an important part of the process.

As noted previously, it is not clear if the value of the University brand and importance of playing a role in protecting the reputation of the University is instilled in sporting clubs that carry the University name. As part of the process of developing best practice good governance structures, it is recommended that the privilege of carrying the University name and the responsibility for upholding the University's reputation be a focal point of the Affiliation agreement between the club and the University via MU Sport.

While good governance and best practice can help to limit the risk of damage to reputation, there are almost inevitably going to be crisis situations that have the potential to damage reputation. In addition to taking all steps possible and appropriate to limit risk arising, the University should see crisis management as a proactive rather than reactive discipline, and should be well-prepared to respond quickly in a crisis.

Panel Recommendations:

- 2.7.1 As noted previously, ensure appropriate policies are in place that identify expected standards of behaviour and minimum best practice requirements as an important element of limiting the risk of reputational damage.
- 2.7.2 Continue to ensure that there is a clear, well-understood and up-to-date crisis management response plan and that all clubs are aware of their role in the process. Additional training should be provided to clubs to ensure that procedure adhered is to. Best practice indicates important elements of the crisis management plan include:
 - The core crisis management team is identified and each member knows their role;
 - Key stakeholders/audiences have been identified, along with their likely concerns related to the most threatening vulnerabilities;
 - The most effective communication channels for each category of stakeholder have been identified and plans are in place to quickly access each channel;
 - A University spokesperson has been appointed and trained;
 - The plan is periodically reviewed and updated.

Closing Note

In undertaking this review, the key focus was to assess governance arrangements from the perspective of industry best practice, and comments and recommendations are made accordingly. It is noted that in some cases, there are already instances of industry best practices being undertaken by the University, by MU Sport and by affiliated clubs themselves.

As such, a comment or recommendation included in this review does not necessarily indicate this is a gap area within the established processes. Rather, all recommendations should be taken together as an indicator of industry best practice management.

Following the presentation of the final recommendations of the Panel to the University and the Board of MU Sport, it is envisaged further work will be undertaken to complete the process of ensuring that all recommendations from this report endorsed by the University are acted upon. In some cases, this may be a simple process of agreeing current practice meets acceptable standards. In other cases, there may be a need to update and existing, or develop a new protocol or policy. In these cases, it is acknowledged there are range of readily accessible procedural or policy documents both within clubs, the University or from other associated entities, that can be readily adapted to meet the needs of MU Sport affiliated clubs.

Further, amongst all the recommendations for best practice presented, there are varying degrees of urgency and necessity related to their implementation. With a view to prioritising recommendations, the Panel have completed a review of all recommendations and categorised them as critical, important and beneficial. A copy of the recommendations priority table can be found in Appendix 2.

Overall, the aim of this governance review is not to increase the administrative burden on clubs or to limit the opportunity for members to engage in club activities. Rather, it is to ensure that all activities are conducted safely and responsibly, and that governance and management processes meet with legal and other related compliance obligations.

Appendix 1: Monash University Affiliation Agreement Template Example

AFFILIATION AGREEMENT

Between

Monash University [ABN 12 377 614 012] of Wellington Road, Clayton in the State of Victoria **[Monash]**

And

Monash University **[insert club name]** Inc. **[ABN #]** of Wellington Road, Clayton 3800 in the State of Victoria **[Club]**

BACKGROUND

The Club has requested to become and Monash has agreed to the Club becoming an affiliated association of Monash, on the terms and conditions set out in this agreement.

Those terms that are capitalised in this agreement have the meaning set out in Schedule 1.

OPERATIVE PARTS

Term of Agreement

1. This Agreement is operative for the Term, unless brought to an end in accordance with the disciplinary action discussed at clauses 41 to 46, or by mutual written agreement between the parties.
2. At the completion of the Term, the parties will negotiate in good faith with a view to entering into a new affiliation agreement.

General

1. The Club will be known as 'Monash **University [insert club name]** Inc'.
2. The purpose of the Club is to be a student focused club providing opportunities for students to participate in the sport of **???????**
3. Upon satisfaction of its obligations under this agreement, Monash will provide support to the Club in one or more of the following forms:
 - a. Annual Base Funding, payable at the Annual Payment Times;
 - b. Additional Funding, payable at the Additional Payment Times;
 - c. Facility Access at a discounted rate; and/or
 - d. grants towards capital works**("Support")**.
4. Additional Funding will only be provided by Monash to the Club, upon fulfilment to Monash's satisfaction of the Additional Funding Requirements.
5. In return for Monash providing Support to the Club, the Club will provide to the currently enrolled students of Monash:

- a. Student Experience Activities; and
- b. the Discounts.

Membership

6. The Club must at all times have at least the Minimum Number of Members.
7. The Club must at all times have at least the Minimum Percentage of Members who are:
 - a. Currently enrolled students of Monash;
 - b. Current Monash staff; and/or
 - c. Monash alumni.
8. The Club must not unlawfully discriminate in its membership on the basis of age, race, gender, marital status, disability, carer's responsibility, sexuality, or discrimination based upon a person having HIV/AIDs, or on any other basis that is contrary to anti-discrimination legislation.
9. The Club will maintain a current database of members and will provide to Monash on or before the Membership List Due Date, a copy of its current membership list, in the form of the template at Schedule 2. The Club will obtain all consents necessary to collect personal information about its members and provide personal information about its members to Monash, including as required by the Privacy Act 1988 (Cth).

Governance

10. The Club will provide to Monash an up to date contact list for all office holders of the Club, in the form of the template at Schedule 3. The Club agrees and acknowledges that relevant information contained in this list will be displayed on a Monash website. The Club will obtain the acknowledgement and consent of the office holders to their relevant information being displayed on a Monash website.
11. The Club is and will for the Term remain an incorporated association under the Associations Incorporation Reform Act 2012 (Vic) or subsequent relevant legislation and a body registered with Consumer Affairs Victoria.
12. At the time of entering into this Agreement, the Club will provide to Monash a copy of its certificate of incorporation and its rules. Any proposed changes to the Club's rules or the Club's name during the Term must first be approved by Monash before being put to a vote of the Club's committee or members.
13. The office holders of the Club must at all times include as office holders at least the Minimum Number of Office Holders who are then currently enrolled students of Monash.
14. Office holder positions must be filled at all times. If a vacancy occurs between meetings it must be filled at the next General Meeting of the Club, which will take place not less than 1 month after the office holder position became vacant.
15. The Club will comply with all relevant state and federal law with respect to conduct of the Club.
16. This Agreement is governed by the laws in force in the State of Victoria, and the parties submit to the jurisdiction of the courts of Victoria.

Finance

17. The Club will remain solvent at all times.
18. The Club will maintain proper financial accounts and will make these available to Monash for its review, at Monash's discretion.

19. The Club will not establish or maintain bank accounts other than those approved by Monash. Each bank account must have two current office holders as signatories, with two signatories being required for the withdrawal of any funds from the account.
20. Prior to Support being provided for any calendar year, the Club must submit to Monash for its information, its proposed annual budget for that calendar year in the form of the templates at Schedule 4.
21. The Club must within one month after its Annual General Meeting, provide to Monash its annual accounts in the form of the template at Schedule 5.

Insurance

22. The Club must at all times maintain the Insurance, with copies of the relevant policies and certificates of currency being provided by the Club to Monash prior to the commencement of Club activities in each calendar year during the Term.
23. In addition, Monash will at its own expense, arrange for and keep current, public liability and directors & officers' liability insurance for the Club and its office holders.

Venue Use

24. The Club must adhere to the terms and conditions of use of the Facility, as amended and updated by Monash from time to time.

Branding

25. Where the Club competes in competitions at venues which are not located on the premises of Monash, it will only do so in an approved uniform which displays the appropriate logo and colours, as determined and advised by Monash. This requirement does not apply for those sports or activities that normally compete in unbranded uniforms as approved by the governing body of the sport or activity in which the Club participates.
26. Prior to the Club being entered or entering a team into a competition at a venue not located on the premises of Monash, the Club must be registered with the governing body of the sport or activity in which the Club participates as Monash University **[insert club name]** Inc.', unless Monash in its absolute discretion advises in writing that this requirement may be varied.
27. The Club may not produce, distribute or use any marketing material or signage incorporating the name 'Monash', 'Monash University' or the Monash University shield, or any other intellectual property owned by Monash without the prior written approval of Monash.
28. The Club must comply with Monash's Acceptable Use Policy and all other policies of Monash in relation to web content, as amended and updated by Monash from time to time.
29. The Club will comply with all requirements of Monash regarding the use of any name, word, brand or trade mark of or associated with Monash, and will immediately stop using that name, word, brand or trade mark (including on any goods or in relation to any services) after receiving a written direction from Monash.

Sponsorship

30. The Club may seek and obtain external sponsorship with appropriate individuals or bodies to support its activities provided:
 - a. The involvement of those external parties with the Club is in keeping with the mission of Monash and does not compromise Monash's reputation; and

- b. Monash has in its absolute discretion given its prior written approval to that sponsorship.
31. Potential sponsors that Monash considers are not appropriate sponsors of the Club include (but are not limited to) individuals or bodies from the industries or groups or with the characteristics listed in Schedule 6.
 32. For the avoidance of doubt, Monash retains the right to control sponsorship for all Monash facilities and reserves the right to sell naming rights and other sponsorship opportunities, including for its facilities.

Compliance

33. The Club must comply with:
 - a. all relevant Monash statutes, regulations, policies, guidelines and procedures and
 - b. the Special Conditions.

In the event of any inconsistency between clause 33(a) and clause 33(b), the provisions referred to in clause 33(b) will prevail.

34. The Club must at all times comply with the Rules and Regulations of the governing body of the sport or activity in which the Club participates.
35. The Club must at all times comply with and make sure that its members comply with (as necessary) any legislation, guideline or policy in relation to the affiliation of junior clubs, including the requirements of the “Working with Children Check”.

Behaviour

36. The Club must at all times foster an environment that encourages the positive values of fairness, respect, responsibility and safety.
37. The Club must make sure that its members at all times, when representing the Club or Monash (in the course of the Club's activities), behave in a responsible manner that honours the mission of Monash.
38. The Club must as far as practicable, take all necessary steps to ensure that its members abide by a policy of zero tolerance towards alcohol in relation to playing and training and zero tolerance to illegal or performance enhancing drugs at any time. If members consume alcohol at club sponsored events while not playing or training, they are expected to abide by the principles of the Responsible Service of Alcohol and the service of alcohol to minors and prevent drunkenness.
39. The Club must as far as practicable, take all necessary steps to ensure that its members abide by all relevant federal and state law, and all relevant Monash statutes, regulations, policies, guidelines and procedures.
40. Monash students and staff may be subject to disciplinary processes for any conduct contrary to the requirements of clauses 38 to 41, or other behaviour contrary to Monash statutes, regulations, policies, guidelines and/or procedures.

Disciplinary Action

41. Monash may in its discretion suspend the affiliation of the Club without notice for any of the following, if on reasonable grounds Monash considers the Club or (as appropriate) any of the Club's members (in the course of the Club's activities):
 - a. has engaged or may engage in activities that bring Monash into disrepute;
 - b. has engaged or may engage in activities that are illegal;
 - c. is unable to pay its debts;
 - d. has engaged or may engage in activities that compromise the safety of members;

- e. has intentionally misused Monash facilities or other assets;
 - f. has misappropriated funds; and/or
 - g. has otherwise breached this agreement.
42. Monash must advise the Club in writing of its suspension under clause 43, together with the reasons for the suspension and the necessary corrective action that must be taken by the Club.
43. If after 14 days of that notice being given by Monash, the Club cannot to Monash's reasonable satisfaction defend itself against the reason for suspension and has not taken the necessary corrective action required, Monash may cancel the Club's affiliation with Monash effective immediately, and will notify the Club in writing accordingly, within 14 days.
44. The Club may appeal to the Executive Director (Campus Community Division) of Monash against the suspension or cancellation of its affiliation with Monash. Such appeal must be in writing and be received by the Executive Director (Campus Community Division) within 14 days of the date of notification of suspension or cancellation. The Club will have the right to be heard by the Executive Director (Campus Community Division), whose decision will be final.
45. In the event of suspension of affiliation, no Support will be provided by Monash to the Club whether for a period prior to the date of suspension or otherwise, unless and until the necessary corrective action has been taken by the Club.
46. In the event of cancellation of affiliation:
- a. no Support will be provided by Monash to the Club whether for a period prior to the date of cancellation or otherwise;
 - b. the Club will repay to Monash so much of the Annual Base Funding and/or any Additional Funding paid to it during the prior 12 months still retained by the Club at the date of cancellation of affiliation; and
 - c. the Club will cause its members to pass a special resolution to change its name from 'Monash University **[insert club name]**' to a name that does not contain any reference to or imply any association with Monash, promptly file notice of that special resolution with the Registrar of Incorporated Associations (or other relevant authority) and take all other necessary steps to effect and record the change of the Club's name; and
 - d. this Agreement will automatically terminate.

EXECUTED as an Agreement

SIGNED for and on behalf of	)	.....
MONASH UNIVERSITY by	)	Signature
its authorised officer.)	
in the presence of:	)	.....
	)	Print Name
)	
.....)
Signature	)	Title
.....)
Print Witness Name		Date

SIGNED for and on behalf of	)	.....
MONASH UNIVERSITY [insert name])	
CLUB	)	Signature
by its authorised officer.)	
in the presence of:	)	.....
	)	Print Name
)	
.....)
Signature	)	Title
.....)
Print Witness Name		Date

SCHEDULE 1 : DEFINITIONS

Annual Base Funding:

Additional Funding:

Additional Funding Requirements:

Additional Payment Times:

Annual Payment Times:

Commencement Date: January 1, 2016

Discounts:

Facility:

Facility Access:

Insurance:

Membership List Due Date:

Minimum Number of Officer Holders:

Minimum Number of Members:

**Minimum Percentage of Members
(Student, Staff, Alumni):** 85%

Special Conditions:

Student Experience Activities:

Term: One calendar year

SCHEDULE 2: MEMBERSHIP LIST TEMPLATE

Club name:				
CLUB MEMBERSHIP DETAILS				
1	Name	Student/Staff/Alumni/Community	Student id number	Date of birth
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				

SCHEDULE 3: CLUB CONTACT LIST TEMPLATE

Club Name:			
Name	Position	Phone	Email

SCHEDULE 4: BUDGET TEMPLATES**Profit and Loss**

Actuals		Budget	
Income		Income	
	Bar/Canteen Sales		\$0
	Donations		\$0
	External Sources		\$0
	Fundraising - Club		\$0
	Fundraising - Social Event Income		\$0
	Interest Income		\$0
	Membership Fees		\$0
	Merchandise - Equipment Sales		\$0
	Merchandise - Social Apparel		\$0
	Monash Funding		\$0
	Non-Monash Funding		\$0
	Sponsorship		\$0
	Other Revenue		\$0
	<u>\$0</u>		<u>\$0</u>
Expenses		Expenses	
	Affiliation Fees		\$0
	Accountancy and Audit Fees		\$0
	Bank Fees		\$0
	Bar/Canteen Expenses		\$0
	Depreciation		\$0
	Equipment Hire		\$0
	Equipment Maintenance		\$0
	Facility Hire		\$0
	Instructor/Coaches Salaries		\$0
	Insurance		\$0
	Medical Supplies		\$0
	Office Expenses		\$0
	Registration Fees		\$0
	Social Event Expenses		\$0
	Trainers/Medical Staff Salaries		\$0
	Vehicle Expense		\$0
	Other Expenses		\$0
	<u>\$0</u>		<u>\$0</u>
Surplus/(Deficit)	\$0	Surplus/(Deficit)	\$0

Monash Sport - Club:		
Budgeted Balance Sheet		
ASSETS		
Current Assets		
Current Savings		
Operating Account		
Cheque Account		
Other Accounts		
Total Current Savings	\$0	\$0
Accounts Receivables		
Accounts Receivables		
Total Accounts Receivables	\$0	\$0
Other Current Assets		
Cash on Hand		
Clothing/Uniform Held		
Total Other Current Assets	\$0	\$0
Total Current Assets	\$0	\$0
Fixed Assets		
Equipment		
Club Rooms		
Furniture		
Other		
Total Fixed Assets	\$0	\$0
TOTAL ASSETS	\$0	\$0
LIABILITIES		
Current Liabilities		
Accounts Payable		
Accounts Payable		
Total Accounts Payable	\$0	\$0
Other Current Liabilities		
Tax Payable		
Total Other Current Liabilities	\$0	\$0
Total Current Liabilities		
Long Term Liabilities		
Bank Loans		
Total Long Term Liabilities	\$0	\$0
TOTAL LIABILITIES	\$0	\$0
NET ASSETS	\$0	\$0
EQUITY		
Opening Balance Equity		
Retained Earnings		
Net Income		
TOTAL EQUITY	\$0	\$0

SCHEDULE 5: REPORTING TEMPLATES

Profit and Loss				
Actuals		Budget	Actuals	Notes
Income		Income	Income	
	Bar/Canteen Sales	\$0		
	Donations	\$0		
	External Sources	\$0		
	Fundraising - Club	\$0		
	Fundraising - Social Event Income	\$0		
	Interest Income	\$0		
	Membership Fees	\$0		
	Merchandise - Equipment Sales	\$0		
	Merchandise - Social Apparel	\$0		
	Monash Funding	\$0		
	Non-Monash Funding	\$0		
	Sponsorship	\$0		
	Other Revenue	\$0		
	\$0	\$0	\$0	
Expenses		Expenses	Expenses	
	Affiliation Fees	\$0		
	Accountancy and Audit Fees	\$0		
	Bank Fees	\$0		
	Bar/Canteen Expenses	\$0		
	Depreciation	\$0		
	Equipment Hire	\$0		
	Equipment Maintenance	\$0		
	Facility Hire	\$0		
	Instructor/Coaches Salaries	\$0		
	Insurance	\$0		
	Medical Supplies	\$0		
	Office Expenses	\$0		
	Registration Fees	\$0		
	Social Event Expenses	\$0		
	Trainers/Medical Staff Salaries	\$0		
	Vehicle Expense	\$0		
	Other Expenses	\$0		
	\$0	\$0	\$0	
Surplus/(Deficit)	\$0	Surplus/(Deficit)	\$0	\$0
			Opening Cash at Bank	<input type="text"/>
			Current Cash at Bank	<input type="text"/>

SCHEDULE 6: INAPPROPRIATE SPONSORS

Sponsors from the following industries and groups or with the following characteristics:

- Tobacco
- Illicit drugs
- Publishers, distributors or promoters of racist, sexist, discriminatory, suggestive content
- Publishers, distributors or promoters of pornography/ adult content/content with adult themes
- Gambling
- Political entities or publishers, distributors or promoters of political messages
- Publishers, distributors or promoters of religious materials promoting conversion to or participation
- Publishers, distributors or promoters of material that violates laws, rules or regulations
- Publishers, distributors or promoters of messages that, in the opinion of Monash, are offensive or in poor taste

Appendix 2: TABLE OF RECOMMENDATIONS PRIORITISATIONS

No.	Recommendation	Priority Ranking & Resourcing (Critical; Important; Beneficial)
1. GOVERNANCE		
1.1	MU & MU Sport	Priority Ranking & Resourcing
	Although there were no recommendations in the report with regard to existing governance arrangements between Melbourne University and MU Sport, as there is currently a review of semi-autonomous bodies being undertaken by the University, the Panel felt it important to note to the University that it is important that MU Sport will continue to be recognised as being responsible for the good management of all MU Sporting clubs and associated events on behalf of the University.	Critical
1.2	MU Sport & MU Sporting Clubs	Priority Ranking & Resourcing
1.2.1	A comprehensive 'Club Affiliation Agreement' be developed to clarify the governance link between the sporting club and the University through MU Sport as their nominated agent. This Agreement should be signed by both parties to indicate their acknowledgement of the terms of the Agreement. The terms of the agreement should be regularly reviewed, and the Agreement should be re-signed by both parties at times when there are significant changes to the Executive of any club to ensure clubs always remain aware of their obligations and those of MU Sport under the terms of the Agreement.	Critical
1.2.2	As part of the governance arrangements, ensure the Affiliation Agreement clearly highlights the importance of affiliation of a club to MU Sport and through them the University proper, noting that affiliation grants the rights for clubs to: <ul style="list-style-type: none"> - Use the University brand - Access the full range of University insurance policies 	Critical

	<ul style="list-style-type: none"> - Access operational funding and/or capital support provided by the University through MU Sport - Access MU sporting facilities <p>And the obligation of the Club to:</p> <ul style="list-style-type: none"> - Conduct their activities so as to maintain the good reputation of the University - Abide by University and MU Sport policies, guidelines and agreements 	
1.2.3	In addition to the general reference to good behaviour under point 2.2 of the Club Affiliation Agreement, provide further clarity around expectations for maintaining the ‘good reputation’ of the University.	Important
1.2.4	Ensure all relevant governance, compliance and operational elements are covered in appropriate Service Agreements.	<p>Critical</p> <p>To service the needs of all clubs in a timely manner this potentially requires additional support in the form of staff resources within MU Sport</p>
1.2.5	Copies of all relevant University policies and guidelines and agreements clubs as a minimum are required to abide by must be made readily accessible for clubs. There are a range of existing sources from which policies currently in use could readily be adapted.	<p>Critical</p> <p>Recommend additional resourcing. This will potentially be achieved most readily by contracting this piece of work out externally.</p>
1.2.6	For legal compliance requirements, such as Acts, Regulations and Local Laws, provide readily accessible documents outlining relevant obligations, responsibilities and limits as deemed acceptable by the University.	<p>Important</p> <p>Recommend additional resourcing. This will potentially be achieved most readily by contracting this piece of work out externally. Could be done in conjunction with 1.2.5.</p>
1.2.7	Ensure that the requirement for clubs to provide up-to-date information regarding funding details, membership information, club officer contacts, approved budget and the like is included in relevant agreements and that both MU Sport and the Club deliver on their obligations in these areas.	Important/Beneficial

1.2.8	Ensure the Club Affiliation Agreement and any Service Agreements are signed by both the club and MU Sport as the representative of the University.	Critical
1.2.9	Club Membership agreement: ensure there is an appropriate and up-to-date standard club member agreement that all members sign outlining the priority standards members are expected to abide by, such as code of conduct, drug and alcohol policy, harassment policy and the like.	Critical

1.3	MUSA	Priority Ranking & Resourcing
1.3.1	As a matter of priority that the respective roles of MU Sport and MUSA with regard to management of affiliation of clubs, and through that affiliation responsibility for issues including insurance and risk management, be clarified and agreed by University Council.	Critical
1.3.2	That the respective roles of MU Sport as the entity charged by the University with the responsibility of, and authority to manage club affiliation on behalf of the University, and the role of MUSA as a student association, be clarified and agreed by University Council. Failure to clearly define these roles, and the responsibilities and limitations of each entity creates ongoing confusion, and potentially leads to duplication of roles or, in the worst case scenario, creates loopholes or gaps in best governance practice.	Critical

1.4	Incorporation	Priority Ranking & Resourcing
1.4.1	Incorporation – although the historical reasons for the incorporation of some clubs is not clear, once established as Incorporated entities these clubs do have their own legal status, and would require an agreement by members to revoke that legal status. With this in mind, it is recommended that those entities that are currently Incorporated and either need to or wish to remain so, continue to be supported as Incorporated entities.	Important

1.4.2	Given that incorporation does not appear to remove risk for the University in terms of requirement to provide an expected level of oversight of any affiliated club that uses the University brand, and in addition in many ways adds an unnecessary additional administrative burden for clubs, it is recommended that in future, University Clubs do not become Incorporated entities in their own right unless there is some specific requirement from an external affiliated body, and that an agreement is granted from the University via MU Sport for their affiliation to include Incorporated status.	Important
1.4.3	Governance and Compliance support: Irrespective of incorporated status, the University ultimately holds some degree of risk and in turn responsibility for the appropriate governance and compliance of clubs. As such, it is recommended the University, through MU Sport, provide the guidance and support required to assist clubs deliver on their governance, compliance and risk management requirements. This would include those types of requirements that are not specific to Incorporation requirements, but are important to the University, for example expected codes of conduct as a representative of the University, minimum requirements to maximise participant safety (particularly for high risk activities), financial management and risk.	Important
1.4.4	It is further recommended funding for additional resources be provided by the University to ensure suitable standards are being met. Lack of supporting resources are major barrier to MU Sport providing the appropriate level of support to clubs to achieve best practice with only one staff member currently working across 40 clubs who provide more than 60 different types of sporting, recreational and instructions activities.	Critical
2. OPERATIONAL		
2.1	Activities	Priority Ranking & Resourcing
2.1.1	Risk management reviews of activities be undertaken with a view to ensuring that MU Sport and through them the University, are confident that clubs do have in place appropriate practices to ensure safe activities.	Important Recommend additional resourcing. This will potentially be achieved most readily by contracting this piece of work out externally.

2.1.2	Reviews should engage the club as the 'expert' group and the group who conducts activities.	Critical
2.1.3	Recommendations of the review (including any recommendation to suspend any activities considered too high risk or that are uninsurable), are agreed by the University (through MU Sport) as the entity ultimately responsible for risk.	Critical
2.1.4	<p>As a matter of priority a review of those activities deemed to be 'high risk', are undertaken first. Those activities that have notionally been categorised as high risk following an internal review by MU Sport are:</p> <ul style="list-style-type: none"> - Mountaineering (under review) - Scuba Diving (Underwater Club) - Ski - Snowboard - Surf riding 	Critical
2.1.5	As part of their affiliation requirements, all clubs are required to maintain a qualifications register and/or experience log for all officers or other persons who are responsible for leading activities. A good example of this concept was provided as part of the Mountaineering Club review.	Important
2.1.6	As a matter of priority, specific guidelines that outline the general expectations for duty of care for all clubs or other organisations conducting trips be developed. This includes guidelines for trips conducted by sporting clubs, including overnight trips, as well as University organised activities such as University Games.	Critical Should be completed as part of the full risk review.
2.1.7	As part of the general risk management review for clubs, specific protocols and procedures for conduct of trips and activities undertaken as part of those trips be established.	Critical

2.2	Insurance	Priority Ranking
2.2.1	Ensure it is clearly articulated to all sporting clubs, including those already affiliated, as well as to those who may wish to become affiliated in the future, that the University requires that any Melbourne University sporting club must be appropriately affiliated to MU Sport as the body deemed responsible by the University under Regulation 8.1.R7, to be covered by the full range of University insurance policies.	Critical
2.2.2	<p>As part of the process of providing stronger governance and compliance support to MU Sport affiliated sporting clubs, it is recommended:</p> <ul style="list-style-type: none"> – an audit of insurance cover be undertaken to ensure all essential insurance cover is being met. - as part of this process a comprehensive yet easily understood insurance cover summary, including the type of insurance cover and the extent of the cover be completed and made readily accessible to all clubs. - this insurance summary should clearly note any exclusions in a policy. - this summary should also include information on how to make a claim. 	<p>Important</p> <p>Recommend additional resourcing. This will potentially be achieved most readily by contracting this work externally.</p>
2.2.3	An insurance audit of all activities provided by clubs should be completed. This is an important element in the process of establishing best practice risk management, and instilling the ethos that if it is not insured then it is not on.	<p>Important</p> <p>Recommend additional resourcing. This will potentially be achieved most readily by contracting this piece of work out externally.</p>
2.2.4	Clubs are required to gain approval for any new activities they wish to undertake from MU Sport who will clarify that activity is appropriately insured. While most policies are vague in this regard upfront, simply noting that activities that may be considered to be ‘normal’ activities, they are usually more specific in the event of an incident. Clarifying up front ensures you are covered, and is preferable to attempting to make a claim and finding out that you are not covered.	Important

2.2.5	A review of insurance cover as it pertains to cover for volunteers who are not current Melbourne University students but who hold positions or undertake roles that would require relevant insurance cover be conducted to ensure appropriate cover is provided.	Critical
2.2.6	A review of workers' compensation cover provision be conducted given specific concerns have already been raised over a lack of workers' compensation cover for some persons engaged directly by clubs.	Critical

2.3	Finance	Priority Ranking & Resourcing
2.3.1	MU Sport continue to provide financial services support to clubs, and going forward seek to extend that support in a range of suitable ways. This may include: <ul style="list-style-type: none"> - Provision of basic financial management workshops to upskill club officers - Resourcing for additional internal support within MU Sport be provided to provide better oversight of club financial practices and obligations. 	Important
2.3.2	Following the completion of the current trial the Shared Services Financial Support model be reviewed and if appropriate be funded by the University to be developed into an ongoing resource that all clubs are encouraged to utilise with a view to minimising the administrative burden on clubs and maximising best practice financial management.	Beneficial
2.3.3	As part of an assumed obligation by the University (through MU Sport) to ensure compliance with legal/statutory requirements, a process for identifying which clubs have financial reporting obligations is required. Further, a regular check is required to ensure these processes are being met as required.	Important
2.3.4	Additional resourcing is provided for MU Sport to undertake more regular and comprehensive audits of assets. This is particularly important given the recent findings of the OH&S review regarding maintenance and compliance of equipment responsibilities.	Important Recommend additional resourcing. This will potentially be achieved most readily by contracting this piece of work out externally.

2.3.5	A comprehensive equipment replacement schedule and process for replacing ageing equipment be developed as part of the asset audit process.	Beneficial
2.4	Legal	Priority Ranking & Resourcing
2.4.1	<p>Discrimination: relevant policies outlining acceptable and expected behaviours must be made readily accessible to clubs. There are already a number of existing policies available while others require further development. In some cases this may require the development of specific policies of relevance to Melbourne University Sport, while in others it may involve adapting existing policies from a range of relevant sources such as the University proper, the Australian Sports Commission, National and State sporting organisations for example. All existing and developing policies should be reviewed by or developed in conjunction with relevant University staff to ensure they are contemporary and meet with the standard expected by the University. As a minimum, policies in the following areas are recommended:</p> <ul style="list-style-type: none"> - Discrimination and discriminatory harassment - Sexual harassment - Bullying - Member protection - Code of conduct - Alcohol & Drug use 	<p>Important Recommend additional resourcing. This will potentially be achieved most readily by contracting this piece of work out externally.</p>
2.4.2	As discussed under the area of best practice for governance, ALL policies clubs are expected to abide by must be readily accessible at all times.	Critical
2.4.3	Given clubs collect and store personal information of members, it is recommended n appropriate privacy policy be developed to ensure personal information is treated correctly, and that officers responsible for collection of information of relevance to privacy requirements are appropriately informed of their obligations under the Privacy Act.	Beneficial/Important

2.4.4	A review of the requirements for entering into legally binding agreements with external entities be completed with a view to clarifying what, if any, agreements can be entered into by Melbourne University sporting clubs directly. This would need to take into consideration the different legal status of Incorporated versus Unincorporated entities, as well as the desires of the University itself as the body that potentially holds the ultimate legal liability, and most certainly the reputational risk.	Important
2.4.5	Pending the outcome of this review, guidelines are developed and are clearly articulated to clubs so they are fully aware of their requirements. In cases where it is agreed the University (or the University through some other entity, such as MU Sport or the University legal department), are required to oversight and/or co-sign external agreements, appropriate resourcing support for these additional duties (both in monetary and skills/knowledge terms as required) must be provided by the University.	Important
2.4.6	In addition to clear policies around harassment and discrimination, sexual misconduct and codes of behaviour, a clear and well recognised procedure for people to make complaints, about the organisation or about its staff/volunteers, directly or anonymously must be clearly articulated. The University currently has a student and staff grievance procedure available. Further work is required to ascertain if this procedure is relevant for non-student and staff members of clubs, or if an alternative option is necessary.	Important
2.4.7	In the instance of there being a credible case of discrimination, harassment or the like, that an appropriate process is in place to ensure a fair but effective investigation is carried out by skilled people.	Critical
2.4.8	To ensure clubs are aware of their obligations under these codes, it is recommended that a number of club officers (2 for example) from each club attend a suitable workshop provided by MU Sport (with appropriate funding support from the University). It is recommended this is a compulsory requirement for every club (attendance could be achieved by attaching this requirement to funding) rather than an opt-in option.	Important

2.4.9	It is further recommended that an appropriately trained officer(s) who is independent of club committees, is engaged as a Club as an Investigations Officer. This person would be appropriately trained and supported by MU Sport and may be a volunteer from within the club membership, from within the University (for example a staff member(s) or student studying in an appropriate field, or a dedicated staff member of MU Sport. Fulfilling this important requirement will require additional resourcing.	Important Recommend additional resourcing.
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2.5	Working with Children	Priority Ranking & Resourcing
2.5.1	As a matter of priority guidelines regarding Working with Children compliance be provided to all clubs.	Critical
2.5.2	A Working with Children assessment be included as part of the risk management review process of clubs.	Important

2.6	Volunteers	Priority Ranking & Resourcing
2.6.1	Given the huge importance of volunteers to the operation of all sporting clubs, it is important the University, through MU Sport, make efforts to ensure volunteers are suitably supported to do their jobs (as would be the case with paid employees).	Important

2.6	Reputation Risk	Priority Ranking & Resourcing
2.7.1	As noted previously, ensure appropriate policies are in place that identify expected standards of behaviour and minimum best practice requirements as an important element of limiting the risk of reputational damage.	Important
2.7.2	Continue to ensure that there is a clear, well-understood and up-to-date crisis management response plan and that all clubs are aware of their role in the process. Additional training should be provided to clubs to ensure that procedure adhered is to. Best practice indicates important elements of the crisis management plan include:	Important

	<ul style="list-style-type: none">• The core crisis management team is identified and each member knows their role;• Key stakeholders/audiences have been identified, along with their likely concerns related to the most threatening vulnerabilities;• The most effective communication channels for each category of stakeholder have been identified and plans are in place to quickly access each channel;• A University spokesperson has been appointed and trained;• The plan is periodically reviewed and updated	
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