



# Guide to Developing Governance Policies and Procedures

This guide aims to support arts and cultural organisations to develop, document and review governance policies and procedures and embed them in organisational culture.

*This guide may assist boards and board members of all arts organisations to engage in better practice and meet their legal obligations. All organisations should check relevant state, territory and federal legislation for any specific legal requirements.*

Effective governance policies and procedures support decision-making and set expectations about conduct. They provide a foundation for efficient and effective governance and ultimately strengthen organisations.

When determining what governance policies or procedures are essential, arts and cultural organisations should consider their organisation's context, scale, art form and capacity to comply. Organisations should also consider how their policies and procedures are documented and used, and by who.

Implementing, adapting and revisiting governance policies and processes can bolster long-term sustainability of organisations by enhancing accountability and consistency, mitigating risks, upholding ethical conduct, ensuring legal compliance and, integrally, supporting the safety and wellbeing of staff, board members and stakeholders.

## Definitions

- **Policies:** Set by the board in collaboration with staff
- **Procedures:** Developed by the staff to guide day to day implementation of policies

## Key principles for developing and reviewing policies and procedures

Policies and procedures are effective when they are clear, accessible and easily engaged with by all they affect. Developing key policies and procedures is an opportunity to have the right stakeholders in the room, collectively deciding on how to make systems and processes more applicable, effective and appropriate.

Periodically revisiting these documents is an opportunity to refine systems and practices and improve organisational governance and competency. Below are some key things to consider when developing and reviewing governance policies and embedding them in organisational culture.

### Alignment with values and mission

- Ensure governance policies align with the core values, mission and strategic goals of your organisation. Policies should reflect your organisation's unique characteristics and priorities.

## **Adaptability and appropriateness**

- Develop policies that are proportionate to the size, nature and complexity of your organisation. This includes ensuring the content is suitable for the user, that it is easily accessible and that changes can be made efficiently and responsively to changes in your organisation or the sector's operating environment.

## **Inclusivity and collaboration**

- Closely involve boards in developing and approving policies that guide your organisation.
- Involve key stakeholders, including staff, volunteers, artists and relevant community members in the development and review of governance policies where appropriate. This can involve capturing feedback on draft policies and procedures from people who will use them, and sharing the final versions to validate their relevance. This supports organisation-wide ownership and compliance by including people in the process of developing and reviewing rules that affect them.
- Consider if additional resources are necessary to support engagement and understanding of documents by all stakeholders (for example, Easy English, translation into key languages, audio versions, visuals).

## **Clarity and simplicity**

- Clearly define roles, responsibilities and reporting procedures to ensure accountability and transparency of governance practices.
- Consider where administration can be minimised. Aim to strike a balance between governance requirements and the organisation's capacity to comply. (For example: How many board meetings are appropriate for the board? Can board papers be made available on an online platform? Can policy review dates be streamlined and automatically prompted?).
- Craft policies using clear and concise language that is easily understood by all stakeholders, avoiding unnecessary jargon or complexity.

## **Monitoring and enforcement**

- Emphasise the importance of compliance, balanced with a supportive approach that encourages learning and improvement.
- Set aside time to review policies to ensure they remain relevant, effective and up-to-date. A board committee can be established to do this work annually.
- Establish a mechanism for monitoring policy adherence and potential breaches. Consider how the organisation will approach these.

## Essential policies and procedures

The following documents are considered foundational to good governance.

**Table: Binary logistic regression (odds ratios) (for reference)**

|  |  |
|--|--|
| <b>Board charter</b>                     | <ul style="list-style-type: none"> <li>This document defines the roles, responsibilities and expectations of the board, including decision-making processes, board composition, term limits and meeting protocols.</li> </ul>  |
| <b>Code of conduct</b>                   | <ul style="list-style-type: none"> <li>A code of conduct establishes expected standards of behaviour for board members, staff, volunteers and stakeholders, and promotes ethical conduct, professionalism and integrity.</li> <li>There are often significantly different expectations for the organisation and the board, so this may be two separate documents.</li> </ul> |
| <b>Conflict of interest policy</b>       | <ul style="list-style-type: none"> <li>This policy outlines how board members must disclose and manage any conflicts of interest that may arise in their role. It prevents personal or financial interests from influencing decision-making.</li> </ul>  |
| <b>Financial management policies</b>     | <ul style="list-style-type: none"> <li>These include policies on financial controls, budgeting, financial reporting and auditing. They ensure transparency, accountability and sound financial practices.</li> <li>Examples include: financial controls policy, financial monitoring and reporting policy, reserve and fund management policy.</li> </ul>                    |
| <b>Risk management framework or plan</b> | <ul style="list-style-type: none"> <li>This identifies and manages risks specific to the organisation, such as reputational risks, legal compliance, financial risks, health and safety risks, and other potential threats.</li> <li>See Creative Australia's <i>Guide to Risk Management Frameworks</i>.</li> </ul>   |
| <b>Workplace safety policy</b>           | <ul style="list-style-type: none"> <li>This policy outlines how the organisation will meet its obligations under Workplace Health and Safety legislation. Board members have specific legal responsibilities that should be covered in this policy.</li> </ul>   |
| <b>Succession and recruitment policy</b> | <ul style="list-style-type: none"> <li>This policy outlines the key responsibilities of the Board when recruiting and appointing the CEO.</li> </ul>   |

**Note on organisation size:** A small community-based arts collective might have essential policies such as a code of conduct and conflict of interest policy, while a larger national arts organisation may require additional policies on board composition, risk management, and financial stewardship.

## Essential resources

### Institute of Community Directors: Tools and Resources

This includes a suite of templates, plans and policies.

## Suggested policies

### Discrimination, harassment and bullying policy

- This policy defines discrimination, harassment and bullying at work and outlines how instances should be managed, ensuring a respectful environment for the board and staff of an organisation.
- For guidance, see the Australian Human Rights Commission's [Workplace discrimination and harassment policy template](#).
- See also, Live Performance Australia's [Code of Practice resources](#).

### Equity, access and inclusion policy

- This policy provides a framework to help ensure fair and equal opportunities, remove barriers and foster a diverse and inclusive environment for all stakeholders within the organisation or community.
- It can also set out organisational standards and minimum training requirements related to diversity and inclusion.
- Ideally, policies addressing issues such as access, inclusion and cultural protocols would involve collaboration with community representatives.
- For guidance, see the Institute of Community Directors' [Access and equity policy template](#).
- See also, Diversity Arts Australia's [Equity and inclusion checklist](#).

### Intellectual property policy

- This policy includes guidelines and rules that govern an organisation's approach to managing and protecting its intellectual property assets, including patents, copyrights and trademarks.
- For guidance, see Arts Law's [Cultural and intellectual property policies](#) and sample agreements.

### Cyber and data protection policy

- This policy outlines protocols for protecting sensitive information, preventing data breaches, addressing cyber threats and promoting safe digital practices, as well as guidelines for mitigating risks related to cybersecurity and the use of technology.
- See our *Guide to Developing a Cyber and Data Security Policy*.

### Policy for engaging with First Nations communities

- This policy is to help ensure culturally safe, respectful and collaborative relationships for working with First Nations people and communities, considering their culture, knowledge and rights.
- Creative Australia's [Protocols for Using First Nations Cultural and Intellectual Property in the Arts](#) should be used as a framework to guide policy development.
- See also, NAVA's [Summary of good practice recommendations](#) for engaging with First Peoples.

### Whistleblower policy

- This policy sets out a mechanism for reporting unethical behavior or wrongdoing within the organisation, ensuring protection and confidentiality for whistleblowers.
- For guidance, see the Institute of Community Directors' [Whistleblowing policy](#).

**Note:** Multi-Year Investment Organisations and National Performing Arts Partnership Framework Organisations should check their funding agreements for a list of principles and policies they must adopt and maintain.

## Sector specific policies

Each organisation should consider the specific nature of its work and operating context and whether any additional governance documents or policies are needed for specific risks to be aware of and account for.

When considering the need for additional governance policies or documents, it is critical to consider who your organisation engages and works with, the nature of the activity or art form and the organisation's size. This analysis should also consider the community's needs and values.

Examples of policies which may respond to these considerations include the following.

### Working with children and young people policy

- This policy will be necessary whenever an organisation is engaged in projects involving children under 18, including creating artworks, performances and exhibitions, and distributing images.
- This policy should comply with relevant laws and safeguards for children's wellbeing, and outline procedures for obtaining consent and handling sensitive content.
- In developing policy and procedures to help ensure the safety and wellbeing of all children the organisation engages with, refer to Creative Australia's [Protocols for Working with Children in Art](#).
- See also, the Australian Human Rights Commission's [Child safety and wellbeing tools](#) which include a policy template.

### Indigenous Cultural and Intellectual Property policy

- This policy will be necessary whenever an organisation is collaborating with First Nations artists or communities, exhibiting First Nations artworks, managing or engaging with First Nations cultural material, licensing First Nations works, using digital platforms, engaging in educational programs, or applying for funding that involves or is targeted at First Nations artists and communities.
- In developing policy and procedures to ensure ethical engagement with Indigenous Cultural and Intellectual Property, Creative Australia's [Protocols for Using First Nations Cultural and Intellectual Property in the Arts](#) should be used as a framework.
- See also, the First Nations Media Assembly's [Indigenous Cultural and Intellectual Property policy template](#).

### Sponsorship and private funding policy

- This policy outlines criteria for accepting sponsorships and partnerships to ensure alignment with organisational values.
- See Creative Australia's *Guide to Developing an Ethical Decision-Making Policy* for more information.
- For further guidance, see the Institute of Community Directors' [Ethical fundraising policy template](#) and [Sponsorship policy template](#).

**Note:** These documents are considered base-level compliance in relation to governance. Where subject matter is *central* to the organisations' strategic objectives, communities engaged, art form/s or nature of activities, organisations may choose to develop and implement more detailed documents. These might exist as action plans or roadmaps that integrate the organisation's goals, with key actions and outcomes, mapped over a period of time.