

ACFID Code of Conduct Committee Meeting

Melbourne, 10 November 2017

Economic valuation of the Code

The CCC held a discussion with a consultant from Ernst and Young, who is working in collaboration with researchers from the University of Technology Sydney (UTS) to undertake an economic valuation of the Code of Conduct. In this discussion, the CCC shared their ideas and opinions on the various aspects of the Code that create value for ACFID's members, and other stakeholders such as local stakeholders, the donating public, the Australian Government and other regulators. These contributions were noted through the discussion and will be used to inform the analysis to underpin the creation of value trees that show the Code's various value creation tranches, and subsequent valuation of the Code.

Code Compliance

The CCC discussed correspondence received by the Code Secretariat and previously provided to the Chair regarding a **member agency self-identifying and reporting a breach of the Code of Conduct** in relation to the use of an image placed in agency fundraising material. The CCC noted that the member had provided the details of the inadvertent breach to the Secretariat and Chair, along with a suggested action to update the process for the approval of images used in fundraising materials, and advice regarding the actions that had been taken to ensure that the inappropriate image was not circulated further. The CCC reviewed and endorsed subsequent correspondence from the Chair to the member agency, which noted the breach of the Code, confirmed that the actions to be taken by the member agency were sufficient to address the compliance issues raised by the breach, and requested that the Code Secretariat be updated when the required process and policy updates had been taken by the agency. The Chair further noted in this correspondence that the member agency should include the details of the instance of non-compliance in their annual exceptions report, and this was also agreed by the CCC.

In this discussion, the CCC reflected that it was not a regular occurrence for a member agency to self-report identified breaches of the Code directly to the Code Secretariat upon becoming aware of them, and that this practice should be encouraged across ACFID's members. The CCC was pleased that this practice had been self-initiated by the member, and agreed that it was a good reflection of the principles that the Code seeks to uphold, including transparency and accountability. The CCC wished to flag with all members that this process of transparently reporting issues directly to the Code Secretariat allows the work of the Committee and the membership to align directly with emerging issues in the sector, and encourages members to continue to do this.

The CCC also reviewed and discussed a **member compliance question regarding the application of child safeguarding compliance requirements** to partners, and whether these requirements needed to be applied retrospectively. Specifically, the member had requested clarification regarding whether staff of partners working with children would be required to review and amend pre-existing contracts, and conduct recruitment screening checks such as police checks or local equivalents as per the requirements set out for compliance at Commitments 1.4 and 9.1 of the Code, noting that this could be a time-consuming task for small partner agencies. The CCC discussed this issue in detail, including the Code's new requirements for MoUs to be in place with partners in relation to child safeguarding and other requirements under the Code, and that this is highly important compliance area, both for ACFID's members, and other stakeholders such as DFAT. The Committee

further noted that the Code's requirements on child safeguarding are not new, but rather an explicit clarification of the existing high standards of the old Code and expectations of ACFID's members in this area.

The CCC's response to this query is that:

- Whenever an MoU or partnership agreement is renewed/rolled over, Code requirements must be included and should apply to all staff working with children.
- A fit-for-purpose and common-sense approach to the timing of updating these agreements should inform members' application of the Code in relation to these requirements, and should reflect that this is a high-risk and highly important area of the Code. For example, if there are still 5 years to the expiration of an MoU this is too long, and will render the ACFID member potentially non-compliant. A 12-month time frame, however, may be reasonable if commensurate with the size and risk profile of the member and partner.
- The in-country partner should be actively encouraged to apply best-practice by reviewing and upgrading their child-safeguarding requirements to incorporate these Code requirements specifically, prior to any agreement negotiation concluding. The ACFID member can also assist the in-country partner by working with them to determine an action-plan to meet this compliance requirement.

CCC Governance

The composition of the members of the CCC has changed, with the resignation of committee member Eva Hall from her elected position, and the conclusion of specialist committee member Julie Mundy's second term. As per the process outlined in the committee Terms of Reference and Operational Guidelines, Eva's position will be filled by the next elected nominee from the results of the last CCC elections. The CCC also welcomes committee members Simon Miller and Greg Cadman's re-election to a second term in their positions on the committee as per the results of the November AGM. The CCC further discussed the nomination of a committee specialist to a position for Programs and Partnerships, which had been the specialist position occupied by Julie. The Committee endorsed the nomination put forward, with the details to be finalised once ratified by the ACFID President and the ACFID Board as required. The CCC re-elected committee members Michelle Pearce and Simon Miller to their positions as deputy Co-Chairs.

In response to the roll-out of the new Code, and the need for greater clarity regarding the Governance and policies of the CCC, the CCC also reviewed and endorsed a revised set of Code compliance policies that had been updated to meet these needs. The CCC further discussed options for streamlining and simplifying the Committee's own Terms of Reference to become a more fit-for-purpose document that is easier to use and update. The suggestions for these changes to the CCC's TOR will now be put forward to the ACFID Board for their endorsement at the December meeting as required by ACFID's constitution.

The use of images and messages in member fundraising and marketing

Building on the discussions held at their previous meeting, the CCC further discussed the use of images and messages in member fundraising and marketing materials. In this discussion, the Committee reflected on the need to provide resources to ACFID's members regarding the Code's requirements for the introduction and use of ethical decision-making frameworks within member agencies, and agreed that the Code Secretariat should continue to progress this work in collaboration with ACFID's learning and innovation team. The Committee further agreed that this

remained an issue of high importance to the Code and to the sector, and as such that this should become a Code focus area for the new Code, with a strategy for providing thought leadership, encouraging discussion and sharing of ideas, and driving good practice across ACFID's members. The Code Secretariat will now proceed with drafting a focus area strategy to this effect.

State of the Sector Briefing

The CCC received a briefing on the progress on selecting indicators and characteristics that will be used to inform a report into the overall health of the sector, with a view to producing an annual State of the Sector report. The CCC will continue to be engaged at various stages as this project progresses, and expressed their interest in contributing to the further development and refinement of the indicators and characteristics in their respective areas of expertise.

CCC Planning

As per their terms of reference, the CCC will continue to hold quarterly meetings and participate in various Code governance sub-committees throughout 2018. The Committee discussed some plans for the coming year, including the possible meeting dates, and how to make best use of their first meeting of the year, which will be held over 2 days. Some possible ideas generated in this discussion included engaging with regulators such as DFAT and the ACCC, holding a workshop on how other sectors are using ethical decision-making frameworks, receiving a briefing on the sector from ACFID CEO Marc Purcell, and discussing the outcome of the Fair Work Ombudsman inquiry into Third Party Fundraising (if this has been finalised by this time).

The CCC thanked the Code Secretariat for their work throughout 2017, welcomed Sarah Burrow's return to the position of Code and Standards Lead, and thanked outgoing Director of Development Effectiveness, Chris Adams, for his significant contribution to the work of the Committee throughout his tenure at ACFID.

The CCC is looking forward to continuing to work with ACFID's members in 2018 as they continue their compliance journey under the new Code of Conduct, and hope to continue to receive questions and feedback from across ACFID's members in the new year.

The next CCC meeting will be held in **February 2018**.

Information about the Code of Conduct Committee including Committee members and the Terms of reference can be found on the [ACFID Website](#).

For more information about the Code of Conduct Committee, contact ACFID Standards and Code Lead Sarah Burrows on (02) 8123 2222 or sburrows@acfid.asn.au