# Assessor's Guide for Address Compliance Requirements for New Business Ventures

### Model Answers for Assessment 1: Compliance Procedure Implementation

### Taxation and Insurance Compliance:

#### **1. Ensuring Compliance with Taxation Laws:**

To ensure compliance with taxation laws for a new retail business in Victoria, the following steps would be taken:

* **Register for an Australian Business Number (ABN):** Essential for all business dealings, including taxation purposes.
* **Goods and Services Tax (GST) Registration:** If the business turnover is expected to be over $75,000, registration for GST is mandatory.
* **Record Keeping:** Maintain accurate and detailed financial records, including sales, expenses, and GST collected and paid. This can be managed through accounting software like Xero or MYOB.
* **Tax Filings:** Regularly file Business Activity Statements (BAS) for GST, Pay As You Go (PAYG) withholding, and other taxes. Engage a registered tax agent for professional advice and to ensure accurate and timely submissions.
* **Stay Informed:** Keep updated with any changes in tax laws and obligations through the Australian Taxation Office (ATO) website and newsletters.

#### **2. Arranging and Managing Business Insurance Cover:**

* **Identify Risks:** Assess the specific risks associated with the retail business, including property damage, theft, public liability, and employee-related risks.
* **Select Appropriate Insurance Policies:** Based on the risk assessment, choose relevant insurance policies. Common types include Public Liability Insurance, Product Liability Insurance, Professional Indemnity Insurance, Workers' Compensation Insurance, and Business Interruption Insurance.
* **Choose a Reputable Insurer:** Research and select a reputable insurance provider with experience in retail business coverage. Compare quotes and policy terms.
* **Regular Review:** Regularly review and update the insurance cover to ensure it remains adequate as the business grows and changes.
* **Compliance and Record Keeping:** Maintain all insurance documents, policy details, and renewal dates. Ensure timely premium payments and compliance with all policy conditions.

### Registration and Licensing:

#### **Registration and Licensing Requirements:**

* **Business Name Registration:** Register the business name with the Australian Securities and Investments Commission (ASIC), unless trading under a personal name.
* **Local Council Permits:** Obtain necessary permits from the local council, which may include planning permits, health and safety permits, and signage approvals.
* **Australian Consumer Law Compliance:** Ensure compliance with consumer laws, including fair trading and consumer guarantees.
* **Special Licenses:** Depending on the nature of the retail business, special licenses may be required (e.g., liquor license for alcohol sales).
* **Compliance Strategy:** Develop a compliance checklist and calendar to track renewal dates and ensure ongoing adherence to registration and licensing requirements.

### Work Health and Safety (WHS) Requirements:

#### **Implementing and Maintaining WHS Requirements:**

* **WHS Policy Development:** Develop a comprehensive WHS policy tailored to the retail environment, addressing potential hazards like slips, trips, manual handling, and emergency procedures.
* **Risk Assessment:** Conduct regular risk assessments to identify potential hazards in the workplace and implement control measures.
* **Employee Training:** Provide regular training to employees on WHS practices, including safe handling of merchandise, emergency response, and first aid.
* **Safe Work Environment:** Ensure the retail space is designed and maintained to meet safety standards, with clear signage, adequate lighting, and safe storage practices.
* **Monitoring and Review:** Regularly monitor the effectiveness of WHS measures and review them for improvements. This includes conducting periodic safety audits and consulting with employees on WHS matters.
* **Record Keeping:** Maintain records of all WHS activities, including training sessions, incident reports, and risk assessments, in compliance with Victorian WHS regulations.

### Industry Codes of Practice and Standards:

#### **Ensuring Adherence to Industry Codes of Practice and Standards:**

* **Research and Identification:** Initially, identify relevant industry codes of practice and standards for the retail sector. This includes the Australian Retailers Association (ARA) guidelines and the Consumer Affairs Victoria regulations.
* **Policy Development:** Develop internal policies that align with these codes and standards. Policies should cover areas like customer service, product quality, returns and refunds, and ethical sourcing.
* **Employee Training:** Conduct regular training sessions for all staff to ensure they are aware of and understand these codes and standards. Include practical examples and scenarios specific to the retail industry.
* **Regular Audits:** Implement a schedule for regular internal audits to check compliance with these standards. This could involve reviewing sales practices, customer feedback, and supplier agreements.
* **Stay Updated:** Keep abreast of any changes or updates in industry standards and codes of practice. Subscribe to industry newsletters, attend relevant workshops, and engage with retail associations for the latest information.

### Accessing Specialist Advice and Services:

#### **Strategy for Selecting and Accessing Specialist Advice:**

* **Identify Needs:** Determine areas where specialist advice is needed, such as legal, financial, HR, or marketing.
* **Research Options:** Research potential advisors or service providers. Look for specialists with experience in the retail sector and a proven track record.
* **Seek Recommendations:** Utilize networks and industry contacts for recommendations. Attend industry events and engage with peers for insights.
* **Evaluate Credentials:** Check the credentials, qualifications, and reviews of potential advisors. Ensure they are licensed and registered, if applicable.
* **Establish Relationships:** Build relationships with a selected group of advisors. This could involve initial consultations to discuss business needs and their service offerings.
* **Regular Consultation:** Schedule regular meetings or consultations with these advisors to stay on top of compliance issues and receive ongoing support.

### Industrial Relations Principles:

#### **Adhering to Industrial Relations Principles:**

* **Fair Work Compliance:** Ensure compliance with the Fair Work Act 2009. This includes adhering to national employment standards, award rates, and workplace rights.
* **Employee Contracts:** Provide clear and fair employment contracts to all staff. Contracts should detail job roles, wages, working hours, and conditions.
* **Open Communication:** Establish open lines of communication with employees. Encourage feedback and address any concerns related to workplace rights or conditions.
* **Training and Development:** Invest in employee training and development. This not only enhances skills but also demonstrates a commitment to staff welfare and career progression.
* **Dispute Resolution:** Implement a fair and transparent process for handling workplace disputes. This should include steps for mediation and resolution in line with industrial relations principles.
* **Regular Reviews:** Conduct regular reviews of HR policies and practices to ensure they align with current industrial relations laws and principles. Stay informed about any changes in legislation or workplace rights.

### Maintaining Legal Documents:

#### **Procedures for Updating and Maintaining Legal Documents:**

* **Document Inventory:** Maintain an inventory of all essential legal documents, including business registration, insurance policies, and employee contracts.
* **Regular Reviews:** Schedule regular reviews of these documents to ensure they remain current and compliant with legal requirements. This could be done semi-annually or annually.
* **Renewals and Updates:** Keep track of expiration dates and renewal requirements for documents like business registration and insurance policies. Set reminders to initiate renewal processes well in advance.
* **Legal Consultation:** Engage with a legal advisor to review and update documents as needed, especially when there are changes in business operations or legal regulations.
* **Secure Storage:** Store all legal documents securely, both physically and digitally. Implement access controls to ensure confidentiality and data protection.
* **Record Keeping:** Keep detailed records of any updates or changes made to legal documents, including dates and the nature of the changes.

### Investigating Areas of Non-Compliance:

#### **Steps for Identifying and Investigating Non-Compliance:**

* **Regular Audits:** Conduct regular compliance audits to identify any areas of non-compliance. This could involve checking adherence to workplace policies, legal regulations, and industry standards.
* **Employee Feedback:** Encourage employees to report any potential compliance issues. Implement a whistleblower policy to protect employees who report non-compliance.
* **Analysis of Reports:** Analyze customer feedback, employee reports, and audit results to identify patterns or recurring issues.
* **Investigation Process:** Once a potential non-compliance issue is identified, initiate a thorough investigation. This may involve interviewing staff, reviewing procedures, and examining relevant documents.
* **Expert Consultation:** Seek advice from legal or industry experts if the non-compliance issue is complex or involves legal implications.

### Monitoring Products and Services:

#### **Ensuring Compliance in Provision of Products/Services:**

* **Quality Control Checks:** Implement regular quality control checks to ensure products meet industry standards and consumer laws.
* **Customer Feedback Mechanisms:** Establish mechanisms for customer feedback, such as surveys or comment boxes, to gauge customer satisfaction and identify any compliance issues.
* **Staff Training:** Train staff on compliance aspects related to products and services, including consumer rights and product safety standards.
* **Supplier Audits:** Conduct audits of suppliers to ensure their products and services comply with industry standards and contractual agreements.
* **Compliance Reporting:** Maintain records of compliance checks and audits. Regularly review these reports to identify any areas needing improvement.

### Corrective Actions:

#### **Process for Addressing Non-Compliance:**

* **Immediate Response:** Once non-compliance is identified, take immediate steps to rectify the issue. This may involve halting the provision of a non-compliant product or service.
* **Root Cause Analysis:** Investigate to determine the root cause of the non-compliance. This could involve reviewing processes, employee actions, or supplier issues.
* **Action Plan:** Develop a corrective action plan to address the root cause. This plan should include specific steps, responsibilities, and timelines.
* **Implementation and Monitoring:** Implement the corrective action plan and monitor its effectiveness. Ensure that the issue is resolved and non-compliance is not recurring.
* **Policy Updates:** If necessary, update policies and procedures to prevent future instances of similar non-compliance.