

Accomplish

Contents

A message from the Code Compliance Committee Chairman, Jeff Whalan.....	1
A message from the Executive Manager, Dr June Smith.....	2
Annual Report 2010/2011	2
Code Training.....	2
Direct Debit Shadow Shop Follow Up Review	3
Annual Compliance Statement 2012.....	4
Future Projects.....	4
Contacting the CCC	5

Committee members:

- Jeff Whalan (independent Chair)
- Patricia Langham (Industry Representative)
- Prof. Gail Pearson (Consumer Representative)

Future CCC meetings:

- 18 April 2012 (teleconference)
- 1 June 2012
- 22 September 2012 (Abacus Convention)

A message from the Code Compliance Committee Chairman, Jeff Whalan

I am pleased to advise that the Committee's Annual Report for 2010-2011 was published in December 2011 and is available on the CCC website. The report includes a summary of results and outcomes from the 2011 Annual Compliance Statement (ACS).

The CCC has started work on the development of the 2012 ACS. See page 4 for further details. Based on the findings and feedback received from industry during last year's ACS, the focus this year will be on the identification and rectification of areas of industry non-compliance and breach monitoring and reporting. The questionnaire will be much shorter as a result. We will seek industry feedback about the ACS questionnaire during April 2012 and we welcome your involvement in this process.

Following the ACS program, the Committee plans to consult with Code subscribers, Abacus, Government and consumer groups about the development of guidelines regarding the monitoring, reporting and management of Code breaches to ensure a consistent approach across industry.



Key Projects:

- ACS follow-up work regarding T&Cs and websites Code requirements
- Follow-up shadow shopping exercise regarding Direct Debit obligations
- New project regarding compliance with Code training obligations
- Development of CODEX: a Code specific case management system

The CCC welcomes any [feedback](#) in regards to the Annual Report 2010/11.

A message from the Executive Manager, Dr June Smith

It has been a hectic start to 2012 for the Code compliance team. I thought you might be interested in some of our key projects.

We are currently following up with individual Code subscribers who reported during the 2011 ACS program that they were still in the process of reviewing and amending their Terms and Conditions (T&Cs) and websites to comply with their Code obligations. See page 4 for further details.

In March 2012, we will conduct a follow up shadow shopping exercise to assess Mutuals compliance with direct debits (Part D, Section 20.1). We expect to see an improvement in compliance across the industry since the last review was conducted in 2010. See page 3 for the details.

The Committee will also commence an own motion Inquiry on Mutuals' compliance with Code training obligations under Key Promises 5 and 10 and Part E, Section 2 of the Code in March 2012. See page 3 of this bulletin for full details.

In 2011, the CCC completed the first phase of development of procedures and processes for its Code monitoring operations. In 2012, the CCC will be developing a new internal case management and reporting system (CODEX) to capture data and information from Code subscribers regarding Code breaches, ACS returns, self initiated compliance investigations and compliance reviews. This will allow the Secretariat to record and analyse data more efficiently and provide industry with timely feedback.

Annual Report 2010/2011

The Annual Report for the year ended 30 June 2011 has been published on the CCC website: (<http://www.cccmutuals.org.au/2011/12/16/annual-report-2011/>). A copy was forwarded to all Code subscribers and other relevant stakeholders.

The Report sets out the Committee's key achievements in monitoring the Code compliance activities of Mutuals that have voluntarily subscribed to the Code. The Report also outlines the Committee's work to influence improvements in the standards of practice and service of the industry and how the Committee aims to build on that work in the future. The Committee welcomes any feedback by email to: info@codecompliance.org.au.

Code Training

The Committee will be examining compliance by Mutuals' with their Code obligations to adequately train staff on their Code obligations and ensure



Adequate training and communication regarding the Code and its provisions should potentially decrease the number of complaints registered by members and breaches of Code reported.

that they apply the training in their dealings with members. This review has been triggered to highlight the importance of training to the success of the Code. It will commence in March 2012 with an expected completion date of September 2012.

The review will include an examination of whether Code requirements under Key Promises 5 and 10 and Part E, Section 2 of the Code, have been incorporated into day-to-day procedures and processes.

The objectives of the review are to:

1. Develop a better understanding on how Mutualls manage their Code obligations to ensure adequate Code training for relevant staff
2. Benchmark the level of compliance across Mutualls in relation to their obligations under Key Promises 5 and 10 and Part E Section 2
3. Create a picture of current Code related training processes and any areas of improvement
4. Understand whether key controls are in place to ensure staff are up to date with their training related compliance obligations
5. Assess how often these key controls are monitored
6. Ensure a greater understanding of training compliance completion records across each Mutual, and
7. Verify that current breach recording practices in relation to training are accurate and effective.

All Mutualls will receive a short survey in April 2012, for completion and return to the Secretariat, seeking information about these types of matters. As a result Questions regarding code training will be excluded from the 2012 ACS. A report on the review will be published on the CCC website by September 2012.

The Inquiry should be of benefit to Mutualls as it will benchmark current industry practice and the performance of Mutualls with their Code obligations. It will highlight possible areas of non-compliance with Code obligations and areas of good industry practice.

Direct Debit Shadow Shop Follow-Up

In March 2012 the CCC will conduct another shadow shop exercise to review compliance with part D Section 20.1 of the Code 'stopping direct debit'.

This review follows up on previous examination of Mutualls' compliance with Part D, Section 20.1 of the Code 'stopping direct debit'.

The objectives of the follow up review are to gauge any improvement in the industry's compliance of Section 20.1 of the Code and examine if disclosure information in Mutualls T&Cs is consistent with the obligations under the Code.

A shadow shop will be conducted in March 2012 to assess these matters. Mutualls that did not take part in the 2010 direct debit shadow shop may be the subject of a shadow shop on this occasion. The CCC has decided that



questions regarding direct debits will be excluded from the 2012 ACS as result of this review.

The results of the review will be reported back to participating Mutuals in April 2012 and the report will be published on the CCC website in May 2012.

2012 Annual Compliance Statement

Please register your interest at:
info@codecompliance.org.au
if you wish to assist and provide feedback regarding the development of the ACS 2012.

The Committee is currently developing the 2012 ACS. It is proposed that the ACS format will change in part to reduce the number of questions asked of Mutuals and to exclude reference to areas of compliance that may have been the subject of a recent CCC Inquiry.

The main changes proposed are as follows:

- the ACS will be developed as a monitoring tool and as a tool by which Mutuals can self assess their own compliance with Code obligations
- the CEO or Chair of the Mutual will be asked to declare that the Mutual has complied with its Code obligations during the reporting year, and
- Mutuals will be asked to report on specific areas of non-compliance and provide details of any remediation plan or corrective action taken.

Members who are interested in providing feedback on the draft ACS prior to its release to all Mutuals, should email their interest to:

info@codecompliance.org.au .

Other activities:

In 2012- 2013, the CCC also proposes to:

- consult with industry in the first half of 2013 relating to compliance with Part D, Section 24 (financial difficulty), prompted by concerns voiced by consumer groups and other key stakeholder groups
- conduct on-site visits as part of the ACS verification program to address any issues related to Code compliance
- conduct workshops on Code compliance jointly with Abacus at its National Roadshow in May 2012, and
- further improve its liaison and collaboration with key stakeholders in order to achieve its objectives in improving compliance with the Code and to assist Code subscribers meet and exceed the standards of good industry practice, envisaged by the Code.

Project: Financial difficulty
2011 ACS verification
process and on-site field
visits

Code compliance and
monitoring workshops at
Abacus National Roadshow
in May 2012

Liaison with relevant
stakeholders



Email:

info@codecompliance.org.au

Phone: 1300 78 08 08

Address:

PO Box 14240
Melbourne Vic 8001

Website:

www.cccmutuals.org.au

Contacting the CCC

If you have a general enquiry or want to provide feedback –

You can write to CCC or call CCC using the details above.

You can also email your enquiry to info@codecompliance.org.au.

If you have a media enquiry –

All media inquiries regarding the CCC should be referred to Dr June Smith, Executive Manager, at jsmith@codecompliance.org.au.

Copies of the Code and information about the Code are available on the [CCC's website](#) and the [Abacus Australian Mutuals website](#) .

