

Accomplish

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Code Compliance Committee:

- Dr Sue-Anne Wallace,
Chairperson
- Anita Schut,
Industry Representative
- Carolyn Bond,
Consumer
Representative

Dr Sue-Anne Wallace re-
appointed as Chairperson
until 18 February 2019.

Committee meetings in 2016:

8 March, Sydney
2 June, Melbourne
5 October, Melbourne
29 November, Melbourne

Committee and Secretariat activities over the past three months

News from the Committee

The Customer Owned Banking Association (COBA) and the Financial Ombudsman Service (FOS) Australia have jointly re-appointed Dr Sue-Anne Wallace in her position as independent Chairperson on the Customer Owned Banking Code Compliance Committee (the Committee) for a further term of three years in accordance with 5.4(b) and 5.7 of the Customer Owned Banking Code Compliance Committee Charter.

Over the past three months, the Committee and Secretariat have consulted with a range of stakeholders throughout Australia as part of our ongoing work to monitor Code compliance and effect positive change in the financial services industry.

Attending conferences and positive engagement is about playing an active role within the industry and the consumer advocate sector, staying informed, and taking the time to talk directly with stakeholders to understand how we can best support them and their customers.

In September, Secretariat staff attended the Victorian Financial Counsellors Conference, an annual event convened by the Financial and Consumer Rights Council. Community and industry delegates taking part in the conference discussed in particular the challenges currently facing consumers in financial hardship.

Mid-September, the Committee attended the COBA Conference in Darwin. Key themes that emerged during the conference – such as building consumer trust and enhancing professionalism – reinforced the critical importance of the Customer Owned Banking Code of Practice for both customer owned banking institutions and their customers.

In October, Secretariat staff presented at the Small Business Development Conference in Melbourne and engaged with small business and their

issues with banking services. Staff also participated in a panel discussion at the Risk Culture and Regulation Conference in Sydney and engaged with delegates about risk and compliance, with a focus on digital interruption.

In November, FOS General Manager, Code Compliance & Monitoring, Sally Davis, attended the Governance Risk & Compliance Institute Conference in Melbourne, including presentations from the Australian Prudential Regulatory Authority regarding risk and privacy.

Secretariat staff presented at the Financial Consumer Rights Council Code Training Day in Melbourne, which was developed in co-operation with the Telecommunications Industry Ombudsman and the Electricity and Water Ombudsman Victoria. The presentation used codes of practice to address financial abuse including financial hardship, access and transparency, preventing unmanageable debt, debt collection procedures, credit reporting and dispute resolution.

Other key engagement activities for the past quarter included meetings with:

- COBA's Board of Directors and independent Chairperson Wendy Machin
- Australian Securities and Investments Commission
- Consumer Representatives and Industry Representatives of all four codes administered by the Financial Ombudsman Service (FOS) Australia, and
- FOS Lead Ombudsman Philip Field.

2014–15 Annual Report

The Customer Owned Banking Code Compliance Committee has published its Annual Report for 2014–2015, which is available at http://www.cobccc.org.au/uploads/2015/12/COBCCC-AR-2014_15-2Dec2015.pdf.

The 'Year at a Glance' section on page 5 sets out the Committee's key achievements in monitoring the activities of customer owned banking institutions that voluntarily subscribe to the Customer Owned Banking Code of Practice.

The report also outlines the Committee's work to influence improvements in the standards of practice and service of the customer owned banking industry and how the Committee plans to build on that work in the future.

The Committee's main focus in 2014–15 was to develop Code monitoring and enforcement frameworks informed by a risk model in order to identify emerging risks for industry. This included implementing a positive breach

**2014–15 Annual Report
published at**
[http://www.cobccc.org.au/
uploads/2015/12/COBCCC
C-AR-2014_15-
2Dec2015.pdf](http://www.cobccc.org.au/uploads/2015/12/COBCCC-AR-2014_15-2Dec2015.pdf)

and complaints reporting framework for Code Subscribers to achieve consistent reporting that reflects a true position of industry performance.

While the Committee acknowledges Code Subscribers' genuine and ongoing commitment to help their customers who are experiencing financial difficulty, service standards in this area remained a significant source of consumer complaints in 2014–15. The Committee therefore issued guidelines on best practice in this area to Code Subscribers and also published further information to assist consumers to understand their relevant rights under the Code.

Throughout the year, the Committee promoted the strengthened consumer protection offered under the 2014 Code to consumer representatives, and extended consumer advocacy training to community lawyers in all states.

We trust you will find the Annual Report of interest. The Committee welcomes any feedback or comments to info@codecompliance.org.au.

2015 Annual Compliance Statement Verification Program

Our Compliance Verification Program has begun, following analysis of breach and complaints data received via the 2015 Annual Compliance Statement (ACS). Twelve Code Subscribers have been selected to take part in the program based on their 2015 ACS responses, which showed signs of inconsistent or inaccurate complaints and breach data reporting.

The audit will take place early next year to identify any specific non-compliance issues, understand how institutions manage and monitor their compliance with the Code, and share examples of good industry practice.

Results will be published in the next edition of *Accomplish*.

Difference between FOS external dispute resolution and FOS Code

FOS Code is a separately operated and funded business unit of FOS. We support the Customer Owned Banking Code Compliance Committee to monitor compliance with the Customer Owned Banking Code of Practice to achieve service standards people can trust.

Our aim is to support customer owned banking institutions that subscribe to the Code to:

- strengthen relationships with their customers
- improve complaints handling, and
- reduce the number of customer disputes through improved service delivery.

Compliance Verification Program underway

Know what you signed up for

This is different to FOS's external dispute resolution (EDR) function, which offers a free, accessible and independent dispute resolution service to help consumers resolve individual complaints with participating customer owned banking institutions.

The main differences between FOS EDR and FOS Code are:

EDR	Code Monitoring
<ul style="list-style-type: none">•investigates complaints•resolves disputes•monetary compensation for consumers•individual provider•individual consumer	<ul style="list-style-type: none">•undertakes inquiries•monitors compliance•no monetary compensation for consumers•corrective actions•across the industry•complaint not needed to instigate inquiry

Website Review

We are updating the Committee's website www.cobccc.org.au to make our Code monitoring and investigation services even more accessible. Initiatives include a plain English review of website content, developing a user-friendly online feedback form for consumers and their representatives, and strengthening our Code awareness program for consumer advocates and community lawyers. The enhanced website will be published in early 2016.

Contact us

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

You can write to, call or email us using the details to the left.

If you have a media enquiry –

All media enquiries should be referred to Sally Davis, FOS General Manager, Code Compliance & Monitoring, at:

sdavis@codecompliance.org.au.

Copies of the Code and information about the Code are available on [our website](#) and the [COBA](#) website.

**Revised website
launching early 2016**

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