



Code Compliance Monitoring Committee

Work Plan 2015 to 2017



1. Background

The CCMC's Purpose

The purpose of the Code Compliance Monitoring Committee (CCMC) is to monitor compliance with the Code of Banking Practice (the Code) and thereby contribute to the improvement of standards of practice and service by Code subscribing banks (banks). Its aim is to be a trusted and valued partner, assisting banks to comply with their Code obligations, ultimately creating a better banking experience. To achieve this, the CCMC Secretariat adopts a responsive, focussed and collaborative approach to working with participating banks.

The CCMC's Powers and Functions

The CCMC's powers and functions are set out in its Mandate. The Mandate is published by the Australian Bankers Association (ABA) along with the Code. By adopting the 2013 version of the Code, the subscribing banks have endorsed this Mandate. The Code framework states that the CCMC has the following functions:

- to monitor banks' compliance with the Code's obligations;
- to investigate, and to determine, an allegation from any person that a bank has breached the Code; and
- to monitor any aspects of the Code that are referred to the CCMC by the ABA.

The Code

The ABA is responsible for the Code. The Code prescribes the minimum standards that each Code subscriber is required to uphold when providing services to individuals and small businesses in the provision of retail banking services. Code subscribers have made a commitment to work continuously to improve the standards of practice and service in the banking industry, promote better informed decisions about their services and act fairly and reasonably in delivering those services.

The 13 Banking Groups that have subscribed to the Code represent over 95% of the Retail and Small Business banking sector. The principles and obligations set out in the Code therefore apply to the majority of retail banking services delivered to individuals and small businesses across Australia. The Code forms an important part of the broader national consumer protection framework and the financial services regulatory system.

Once a bank has subscribed to the Code, it becomes part of the enforceable contract between the customer and the bank. A breach of the Code by a bank is a breach of that contract.

Clause 36(d) of the Code (2013 version) requires subscribing banks to ensure the CCMC has sufficient resources and funding to carry out its functions satisfactorily and efficiently. Each subscribing bank therefore, contributes to the funding of the CCMC.

2. The Work Plan

This work plan has been designed to assist the CCMC to achieve its purpose and to undertake its key functions in a focussed, efficient and effective manner. It is the second year in a three year strategic plan developed by the CCMC. It is regularly reviewed and revised to ensure that the highest priority work is always completed first. The key features of the work plan are:

- A. continuing to be a trusted and valued partner by engaging with stakeholders;
- B. demonstrating value to our stakeholders by providing excellent Code monitoring services, including investigating complaints; and
- C. assisting banks to improve the standards of banking practice.

Appendix 1 provides the Work Plan and timetable for the reporting period of 1 July 2015 to 30 June 2016.

Appendix 2 provides the Work Plan and timetable for the period 1 July 2016 to 30 June 2017.

The activities listed in the appendices below represent the likely tasks that will be completed by the CCMC. These may, however, be subject to change, depending on the regulatory and economic landscape.

3. The CCMC Secretariat

Team Role	Responsibilities
CEO	Program delivery, Stakeholder liaison and Secretariat support
Compliance Manager	Compliance management and execution
Investigations Manager	Case investigations management and execution
Compliance Analyst	Execution/Reporting
Compliance Analyst	Reporting and Secretariat support

4. Approvals

Prepared by



Dr June Smith
Chief Executive Officer

Approved by



Christopher Doogan AM
Chairperson

Appendix 1: The 2015/16 Work Plan

The objectives and activities outlined below are listed according to the order in which they appear in the Mandate and not presented in order of priority.

Objective 1		Investigate any allegation that a subscribing bank has breached the Code in accordance with clause 1.2 (a) of the Mandate.					
Activities		2015/16				Measure	
		Q1	Q2	Q3	Q4		
1.1	Investigate and finalise any allegation that a Code subscriber has breached the Code under clause 6.1(a) of the Mandate.					No more than 3 cases, or 10% of the total number of cases whichever is the greater, where the investigation is not completed within 90 days.	
1.2	Investigate and finalise any issues identified by the CCMC under clause 6.1(b) of the Mandate.					No more than 3 cases, or 10% of the total number of cases whichever is the greater, where the investigation is not completed within 90 days.	
1.3	Review and, where appropriate, amend all decision making templates used by the CCMC					All templates reviewed and, where appropriate, revised by 30 June 2016.	

Objective 2		Monitor subscribing banks compliance with the Code in accordance with clause 1.2(b) of the Mandate.					
Activities		2015/16				Measure	
		Q1	Q2	Q3	Q4		
2.1	Enhance the efficiency and focus of Code monitoring activities undertaken by the Committee through : <ul style="list-style-type: none"> the enhancement of the risk monitoring framework through forward facing risk modelling; and the enhancement of the online data submission application to improve the effectiveness and timeliness of analysis of compliance data. 					Enhance forward facing risk model provided by 31 March 2016. Reporting templates from online portal developed by 31 March 2016.	
2.2	Conduct the 2014/15 Annual Compliance Statement (ACS) program.					100% of Annual Compliance Statements returned by banks by 31 August 2015.	

Objective 2		Monitor subscribing banks compliance with the Code in accordance with clause 1.2(b) of the Mandate.					
Activities		2015/16				Measure	
		Q1	Q2	Q3	Q4		
						Analysis of ACS data completed by 7 October 2015.	
2.3	Conduct an onsite ACS verification visit with each Code subscribing bank.					Onsite visits completed by 31 October 2015.	
2.4	Develop the 2015/16 Annual Compliance Statement Program.					<p>Distribute a draft ACS to banks for consultation by 1 April 2016.</p> <p>Hold workshops with two individual banks by 30 April 2016.</p> <p>Committee approval of the final ACS by 30 May 2016</p> <p>Final ACS distributed to banks for completion by 1 June 2016.</p>	
2.5	Conduct an Own Motion Inquiry into the Provision of Credit under clause 27 of the Code.					<p>Inquiry Scope document issued to banks by 28 February 2016</p> <p>Data gathering conducted by 30 April 2016.</p> <p>Final report approved and issued by 30 June 2016.</p>	

Objective 3		Monitor any aspects of the Code that are referred to the CCMC by the ABA in accordance with clause 1.2(c) of the Mandate.					
Activities		2015/16				Measure	
		Q1	Q2	Q3	Q4		
3.1	Monitor any matters referred to the CCMC by the ABA. Where appropriate, conduct investigations of any matters referred by the ABA under clause 6.1(c) of the Mandate.					No more than 3 cases, or 10% of the total number of cases whichever is the greater, where the investigation is not completed within 90 days.	

Objective 4		Conduct the activities of the CCMC in accordance with the requirements of the Mandate through:					
Activities		2015/16				Measure	
		Q1	Q2	Q3	Q4		
<ul style="list-style-type: none"> the setting of operating procedures (clause 1.4); the development of an annual business plan (clause 1.6); and the discharge of its responsibilities (clause 4.1). 							
4.1	Publish a Guidance Note regarding Financial Difficulty					Guidance Note provided by 31 December 2015.	
4.2	Publish guidance regarding the CCMC's interpretation of its Mandate and Code obligations, where a need for such guidance is identified.					Ongoing identification of topics for Guidance Note development. Consultation with stakeholders where appropriate. Publish Guidance Notes on the CCMC website as appropriate	

Objective 4		Conduct the activities of the CCMC in accordance with the requirements of the Mandate through:					
		<ul style="list-style-type: none"> the setting of operating procedures (clause 1.4); the development of an annual business plan (clause 1.6); and the discharge of its responsibilities (clause 4.1). 					
Activities		2015/16				Measure	
		Q1	Q2	Q3	Q4		
4.3	Review the Committee's Strategic Plan and develop the Work Plan activities for 2016/17.					<p>Draft work plan provided to the Committee by 31 March 2016</p> <p>Committee approval of Work Plan by 15 June 2016. Work plan submitted to FOS and ABA by 30 June 2016.</p>	
4.4	Develop the 2016/17 annual budget.					<p>Anticipated major budget items identified and draft budget provided to Committee by 31 March 2016.</p> <p>Approval of budget by 15 June 2016. Budget submitted to FOS and ABA by 30 June 2016.</p>	
4.5	Conduct meetings and the Committee's activities in accordance with good governance practice.					<p>Meetings of the CCMC convened in accordance with clause 4.1 of its Mandate.</p> <p>Meeting papers provided on time and in requested format. Minutes issued in line with Key Performance Indicators.</p> <p>Provision of accurate action list in a timely manner for each meeting.</p>	

Objective 4	<p>Conduct the activities of the CCMC in accordance with the requirements of the Mandate through:</p> <ul style="list-style-type: none"> • the setting of operating procedures (clause 1.4); • the development of an annual business plan (clause 1.6); and • the discharge of its responsibilities (clause 4.1). 					
Activities		2015/16				Measure
		Q1	Q2	Q3	Q4	
4.6	Utilise the functionality of Boardpad to improve the efficiency of decision making					<p>'Resolutions' function of Boardpad utilised to facilitate and record decision making outside Committee meetings.</p> <p>Reading Rooms populated with relevant background information in a timely manner.</p>
4.7	Consolidate and review the use of the online portal to improve data gathering and reporting activities.					<p>Enhanced survey questionnaires.</p> <p>Improved reporting and benchmarking abilities.</p>

Objective 5		Prepare and publish an Annual Report in accordance with clauses 12.1 and 12.2 of the Mandate.					
Activities		2015/16				Measure	
		Q1	Q2	Q3	Q4		
5.1	Prepare and publish an Annual Report about the CCMC's 2014/15 activities.					<p>Consult with banks about the draft content concerning the Annual Compliance Statement results by 20 October 2015.</p> <p>Final draft version of the Report to be provided to the Committee for approval by 21 November 2015.</p> <p>Annual Report published by 1 December 2015 on the website and by email.</p> <p>Printed copies to be distributed to key stakeholders by 5 December 2015.</p>	

Objective 6	To achieve objectives 1 to 5, the CCMC will engage and collaborate with key stakeholders.					
Activities		2015/16				Measure
		Q1	Q2	Q3	Q4	
6.1	<p>Engage with consumer advocates about the CCMC's operations and promote the CCMC's ability to investigate allegations of a breach of Code obligations through engaging and conducting training with:</p> <ul style="list-style-type: none"> • Financial Counsellors; • State based legal aid centres and community legal organisations; • relevant Ombudsman Scheme; and • other organisations identified throughout the year. 					<p>Participate in consumer advocate 'Code Day' activities in partnership with TIO and EWOV.</p> <p>Conduct two training sessions as part of FCRC Diploma in Financial Counselling.</p> <p>Attendance and presentation at consumer advocate conferences.</p> <p>Develop and distribute Code e-learning module via Financial Counselling Australia / state organisations by 30 June 2016.</p> <p>Ensure engagement with community legal centres to provide understanding of the CCMC's activities and operations.</p> <p>Prepare at least two articles for inclusion in newsletters and bulletins issued by relevant consumer advocacy organisations.</p>

Objective 6		To achieve objectives 1 to 5, the CCMC will engage and collaborate with key stakeholders.						
Activities		2015/16				Measure		
		Q1	Q2	Q3	Q4			
6.2	<p>Increase the awareness amongst small business of the CCMC's operations and promote the CCMC's ability to investigate allegations of a breach of Code obligations through engaging with:</p> <ul style="list-style-type: none"> • Small business advocates and associations; • State and regional Business Chambers; and • other organisations identified throughout the year. 					<p>Identify appropriate stakeholders and meetings held by 30 September 2015.</p> <p>Training of small business advocates as requested by 30 June 2016</p> <p>Develop small business Code toolkit by 30 June 2016.</p>		
6.3	Engage with Australian Securities and Investment Commission (ASIC,) the Financial Ombudsman Service (FOS) and other relevant Forums to create a common understanding of respective roles where jurisdictions overlap.					<p>Meetings held with FOS on a quarterly basis.</p> <p>Meetings held with ASIC on a quarterly basis.</p>		
6.4	Regularly engage with key industry stakeholders through onsite meetings, the Annual Bank Forum quarterly bulletins and our website.					<p>Meetings held as required or requested by stakeholders.</p> <p>Annual Bank Forum to be held on 26 February 2016.</p> <p>Quarterly meetings with the ABA</p> <p>Quarterly stakeholder liaison group</p> <p>Bulletins to be issued in September 2015, December 2015, March 2016 and June 2016.</p>		
6.5	Review and amend the CCMC website to ensure content is appropriate for each stakeholder group and is easily accessed and understood. Develop an online guidance library within the website to include de-identified Determinations, and guidance Notes.					Website restructured and content rewritten by 31 December 2015		

Appendix 2: The 2016/17 Work Plan

The activities listed below represent the likely tasks that will be completed in the period 1 July 2015 to 30 June 2017. These may, however, be subject to change, depending on the regulatory and economic landscape.

Objective 1: Investigate any allegation that a subscribing bank has breached the Code in accordance with clause 1.2(a) of the Mandate					
Activities		2016/17			
		Q1	Q2	Q3	Q4
1.1	Investigate and finalise any allegation of a breach of the Code by a Code subscriber under clause 6.1(a) of the Mandate.				
1.2	Investigate and finalise any issues identified by the CCMC under clause 6.1(b) of the Mandate.				

Objective 2: Monitor subscribing banks compliance with the Code in accordance with clause 1.2(b) of the Mandate.					
Activities		2016/17			
		Q1	Q2	Q3	Q4
2.1	Conduct the ACS program including onsite verification visits.				
2.2	Develop the ACS program, including comparative analysis of banks' compliance performance, in consultation with the banks.				
2.3	Conduct an Own Motion Inquiry in respect of remote Indigenous Communities.				
2.4	Conduct an Own Motion Inquiry in respect of Dispute Resolution				
2.5	Review Risk Model basis and amend this as appropriate.				

Objective 3: Monitor any aspects of the Code that are referred to the CCMC by the ABA in accordance with clause 1.2(c) of the Mandate.					
Activities		2016/17			
		Q1	Q2	Q3	Q4
3.1	Monitor any matters referred to the CCMC by the ABA.				

Objective 4: Conduct the activities of the CCMC in accordance with the requirements of the Mandate through:					
<ul style="list-style-type: none"> the setting of operating procedures (clause 1.4); the development of an annual business plan (clause 1.6); the discharge of its responsibilities (clause 4.1); and arrange a periodic review of the CCMC (clause 14.3). 					
Activities		2016/17			
		Q1	Q2	Q3	Q4
4.1	Review current Guidance Notes and amend where necessary.				
4.2	Provide guidance on Remote Indigenous Communities.				
4.3	Publish guidance regarding the CCMC's interpretation of its Mandate and Code obligations, where a need for such guidance is identified.				
4.4	Review the Committee's Strategic Plan and develop the Work Plan activities for 2017/18.				
4.5	Develop the 2017/18 budget.				
4.6	Identify areas where guidance is required and develop Guidance Notes as appropriate				
4.7	Undertake stakeholder consultation and industry data review to inform the strategic plan for the period 2017-2020.				

4.8	Benchmark the operations of the CCMC against comparable domestic and international monitoring organisations. Incorporate areas of identified good practice into the operations of the CCMC.				
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Objective 5: Prepare and publish an Annual Report in accordance with clauses 12.1 and 12.2 of the Mandate.					
Activities		2016/17			
		Q1	Q2	Q3	Q4
5.1	Prepare and publish an Annual Report.				

Objective 6: To achieve objectives 1 to 5, the CCMC will engage and collaborate with key stakeholders.					
Activities		2016/17			
		Q1	Q2	Q3	Q4
6.1	Maintain and enhance the stakeholder engagement strategy detailed in the 2015-16 work plan				
6.2	Develop, and update as required, brand statements and key messages, to be used consistently across all internal and external communications, including presentations, seminars, conferences and websites.				