

# RG 271

And what that  
means for you...



# Agenda

- ▶ **Hall Advisory**
  - ▶ **Complaints in context**
  - ▶ **Expanded scope**
  - ▶ **Shortened timelines**
  - ▶ **IDR response content and customer advocate option**
  - ▶ **Managing systemic issues**
  - ▶ **ASIC reporting**
- ▶ **ReadiNow complaints module demonstration**
- ▶ **Hall Advisory**
  - ▶ **Policies, processes and systems**
  - ▶ **Lack of preparedness**
  - ▶ **Further information**
- ▶ **ReadiNow compliance module demonstration**
- ▶ **Q&A session**

# WELCOME

## **Natasha Quirk**

MBA(E), MAppFin, PRM, ANZIIF Fellow CIP

Managing Director & Governance,  
Risk Management, Compliance and  
Strategic Advisor at Hall Advisory.

## **Anurag Sharma**

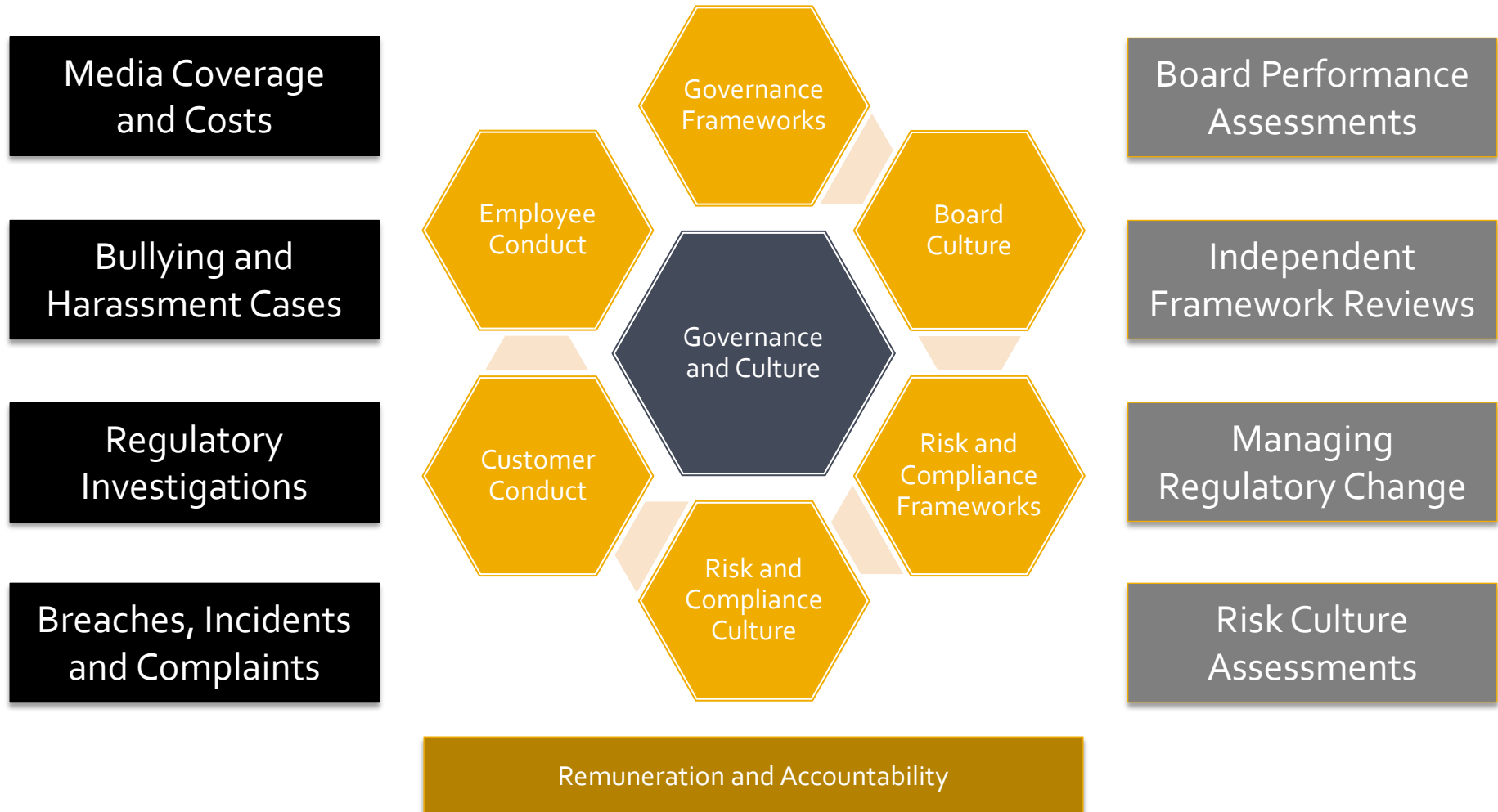
GRCP, CSM

Business Solutions Manager at  
ReadiNow, certified GRC  
(Governance, Risk and Compliance)  
practitioner and technology expert.

# RG 271 Internal Dispute Resolution (IDR)

ReadiNow Webinar  
14 September 2021

# Complaints in Context



# Expanded Scope

- RG 271 includes a broader definition of complaints relative to RG 165
- Aligned with Standards Australia definition of a complaint
  - Australian and New Zealand Standard Guidelines for complaint management in organizations (AS/NZS 10002:2014)
- Includes any expression of dissatisfaction, including those expressed on social media

# Shortened Timeframes

- Acknowledge complaint – within 24 hours / 1 business day
- Provide IDR response
  - Standard complaints – within 30 calendar days (previously 45)
  - Traditional trustee and superannuation complaints – within 45 calendar days (previously 90)

# IDR Response Content

- Final outcome of the complaint
- Steps taken to resolve the complaint
- Complainant's rights to escalate to AFCA if not satisfied
- Contact details for AFCA
- Can offer option to escalate to customer advocate prior to AFCA, if not satisfied with IDR response
- Cannot present the customer advocate process as a mandatory step in the complaints process



# Managing Systemic Issues

- ASIC views consumer complaints as a key risk indicator for systemic issues within a financial firm
- Boards are required to set clear roles and responsibilities for complaints handling, including how systemic issues identified through complaints are managed
- Systemic issues are to be managed by:
  - Encouraging the escalation of possible systemic issues identified from complaints
  - Analysing complaints data to identify systemic issues
  - Promptly escalating to the relevant areas to investigate and resolve
  - Timely internal reporting of investigation outcomes and actions taken

# ASIC Reporting

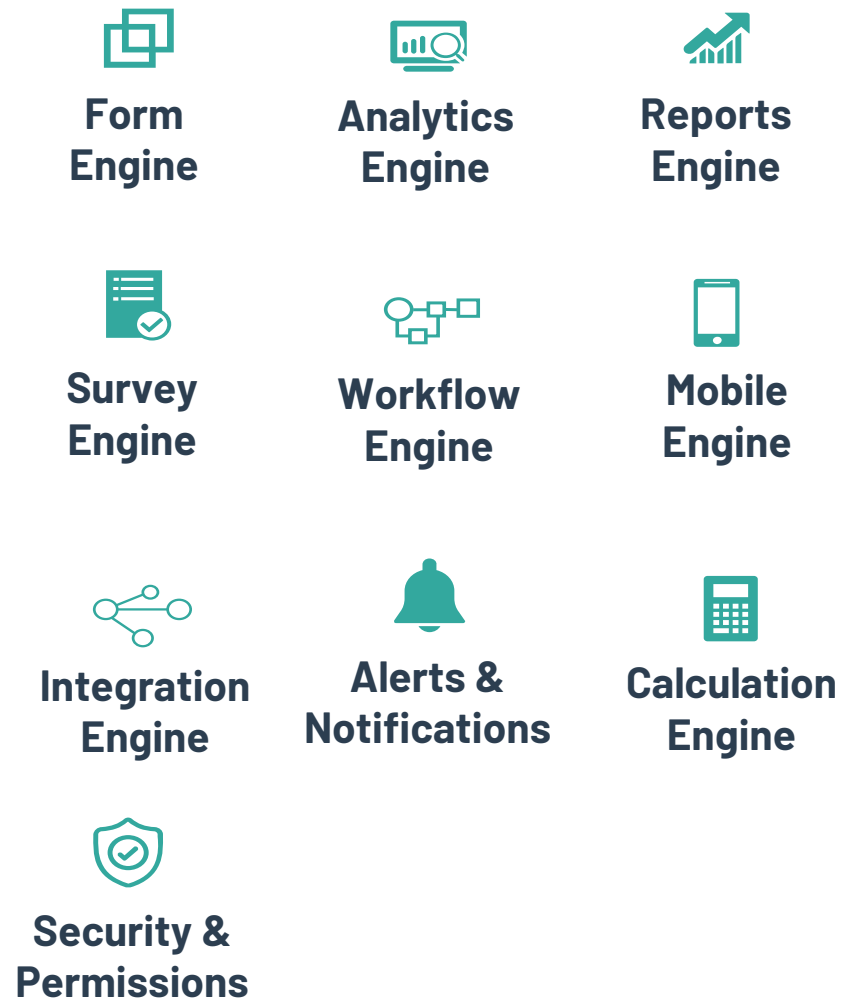
- Alignment of data capture, extraction and reporting processes with RG 271 and the Government's new mandatory IDR data reporting framework
- Mandatory IDR data reporting to ASIC is an outcome of the Ramsay Review of the financial system dispute resolution framework
- Intended to improve transparency in the IDR system, assist consumer decision making and allows firms to benchmark themselves against their peers
- Also intended to assist ASIC in identifying emerging issues
- The data dictionary sets out the information that financial firms will be required to collect and report to ASIC
- The data glossary provides explanations about the key terms in the data dictionary
- Financial firms should now consider how to map their own complaints systems to the data dictionary

# ReadiNow Complaints Module



# ReadiNow is a **No-Code Platform**

Platform features:



GRC Applications:



# ReadiNow Complaints Module Solution

- ▶ Complete Complaints management solution
- ▶ RG271 aligned data capture fields
- ▶ Shortened timelines
- ▶ IDR response content and customer advocate option
- ▶ Identifying and Managing systemic issues
- ▶ ASIC reporting

## Complaint Received



Complaint data  
RG271 aligned



Front Line Staff

## Initial Assessment

Offer resolution.

If complainant not satisfied,  
escalate to Complaints  
team and initiate IDR



Front Line Staff

## IDR Assessment

- Automatic acknowledgement of complaint
- Automatic creation of tasks to help keep with timeframes
- Offer Mediation by consumer advocate



Complaints team



## Escalation to AFCA

- Provide information on how to engage with AFCA
- ReadiNow automation to define word templates and email templates to send standardised responses



## ASIC Reporting

Complaint closed

## Resolution and Review

Submit for Review



Complaints Team Manager

# Policies, Processes and Systems

- Update complaints / internal dispute resolution policy and submit for committee / board review / approval
- Align internal reporting processes and templates to RG 271 requirements, including executive / committee / board reports
- Align data capture, extraction and reporting processes to RG 271 requirements, including ASIC and AFCA reporting processes
- Update complaints handling processes and procedures
- Update existing complaints handling systems
- Consider implementing new or enhanced complaints handling systems
  - Electronic complaints data capture and workflows
  - Automated communications with template wording (e.g. required acknowledgement within 24 hours)
  - System generated reports
- Consider automating your complaints management processes by tailoring RediNow to your internal requirements
  - Out-of-the-box module aligned with RG 271 with no-code solution enabling tailoring by RediNow, or your team (post RediNow configuration training)

# Lack of Preparedness

- ASIC recently surveyed superannuation trustees and released a summary of the outstanding areas for improvement adequate preparation.
- Governance
  - 29% of boards yet to be briefed on RG 271, despite significant changes and investment required to comply
  - Shift to member focus from risk and compliance focus, when reviewing complaints and root causes
  - Oversight of outsourced administrator preparedness
  - Periodic quality review by trustees
- Expanded definition of complaints
  - Need to integrate objections to death benefit distributions into IDR processes, data capture and reporting
- Shortened response timeframes
  - Need to identify potential barriers or risks to compliance within business or outsourcing arrangements, including IT system constraints, resourcing or delegations



# Lack of Preparedness (cont.)

- Systemic issues
  - Preparedness for systemic issue identification, ownership and reporting not as advanced as other areas
  - Need to clearly define and communicate what a systemic issue is, the role different staff will play in identification, escalation and management, and how they will be reported
- Data capture
  - Use of different IT systems to record complaints across various operational areas
  - Need to consider how data from each system can be integrated or extracted to give a holistic view of complaints handling and support identification of systemic issues
  - Need to keep the new requirements on IDR data reporting to ASIC in mind when preparing for RG 271 changes

# Further Information

- Contact us at Hall Advisory via [www.halladvisory.com](http://www.halladvisory.com)
- Attend AFCA's member webinar at 2.30pm 15 September 2021
  - Sarah Edmunston - Senior Executive Leader, Behavioural Research and Policy - ASIC
  - Diana Ennis - Executive General Manager, Operational Delivery - AFCA
- [ASIC RG 271 Internal Dispute Resolution – 2 September 2021](#)
- [ASIC Industry Survey Outcomes – RSE Licensee Preparedness for RG 271 – 2 September 2021](#)
- [ASIC IDR Data Dictionary – Pilot Version – 19 July 2021](#)
- [ASIC IDR Data Glossary – Pilot Version – 19 July 2021](#)
- Australian and New Zealand Standard *Guidelines for complaint management in organizations* (AS/NZS 10002:2014)



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# Compliance Management

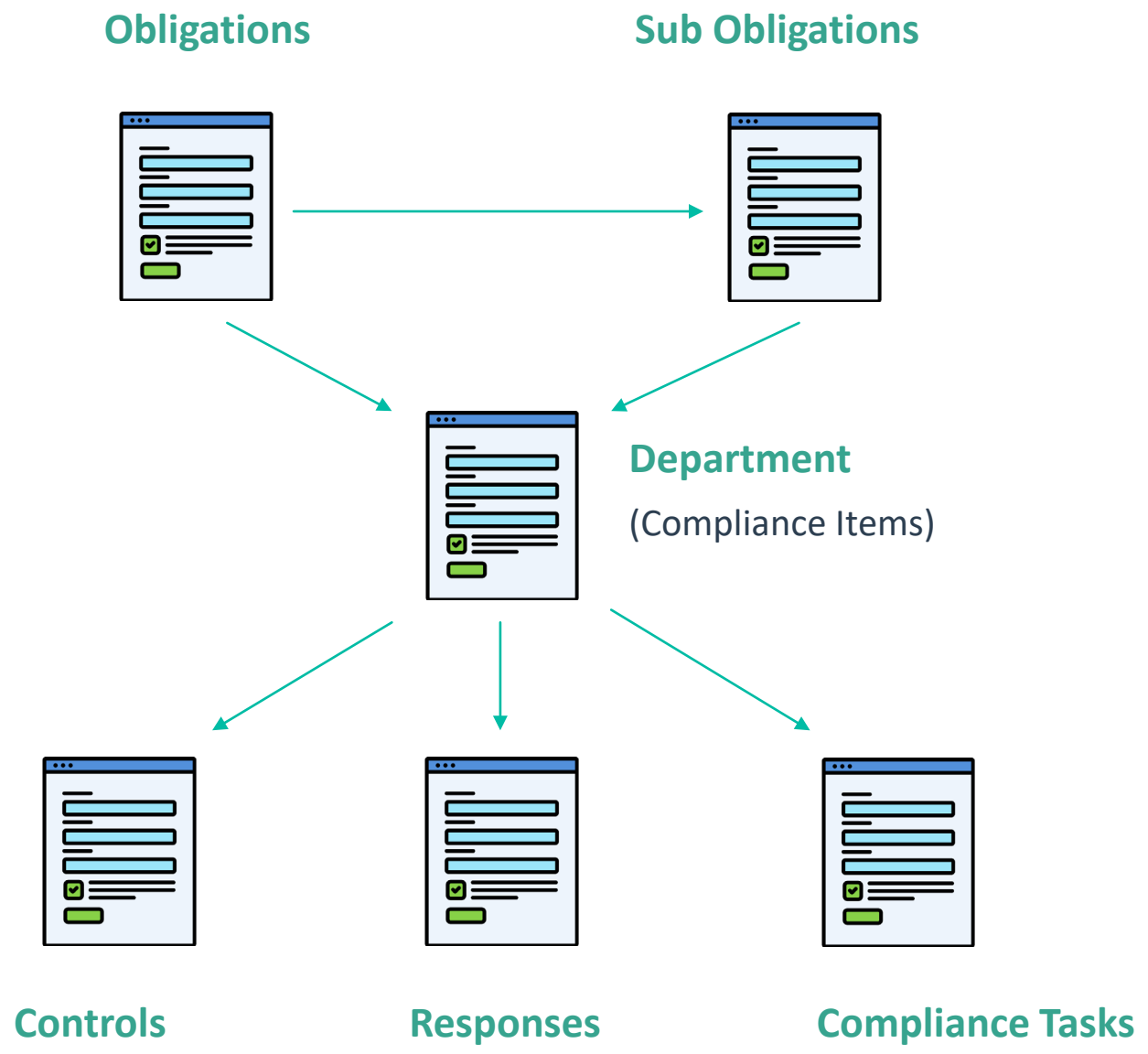
**ReadiNow**  
INNOVATE

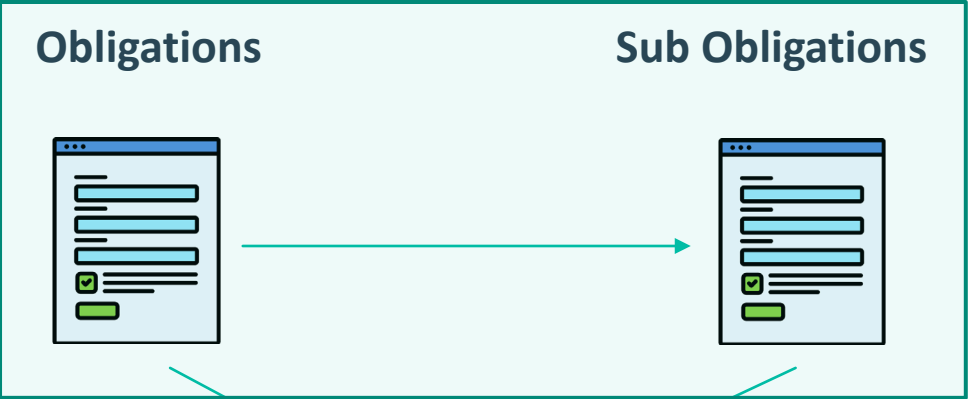


# ReadiNow Compliance Module Solution

## ► Compliance Management

- Maintain Policies and Obligations
- Approval process
- Assign Controls
- Integration with LexisNexis to stay up to date
- Risk assessments of regulatory changes





User Manual Input



LexisNexis®

Bulk import

ID	Description	Status
1	Active Banking Admin - 015	Pass
2	Active Banking Admin - 015	Pass
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Controls

Responses

Compliance Tasks

## Q & A Session

**Any questions we don't get to, will be addressed in email correspondence after the webinar.**

**Thank you for your participation.**

\* Webinar slides will be shared with registered participants after the webinar.





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