

# Banking Code Compliance Committee

## 2020–21 Business Plan

The Banking Code Compliance Committee (BCCC) is an independent monitoring body established under clause 207 of the 2019 Banking Code of Practice (Code). Its purpose is to monitor and drive best practice Code compliance.

To do this, the BCCC will:

- examine banks' practices
- identify current and emerging industry wide problems
- recommend improvements to bank practices, and
- consult and keep stakeholders and the public informed.

The BCCC's 2018–21 Strategic Plan sets out how the BCCC will fulfil its purpose.

This Business Plan is intended to be read together with the Strategic Plan and sets out the BCCC's key priorities and focus areas during the 2020–21 period.

The BCCC's priorities and focus areas may change as any impacts of COVID-19 become apparent.

Focus		2020–21				Key Activities	Outcome
		Q1	Q2	Q3	Q4		
<b>Objective: To monitor and investigate banks' compliance with the Code and improve practices and outcomes for customers</b>							
1.1	Data Collection					Conduct the Banking Code Compliance Statement program. <sup>1</sup>	Assess and report publicly on banks' compliance during the reporting period. Provide individual banks with a Code compliance benchmark report. Publish guidance to improve data consistency and quality issues. Identify instances of serious and/or systemic non-compliance. Obtain intelligence for the BCCC's Code Monitoring Priority Framework. <sup>2</sup>
1.2	Risk based monitoring					Identify potential instances of serious and/or systemic non-compliance through the BCCC's Code Monitoring Priority Framework. Conduct inquiries and investigations into issues that may represent serious and/or systemic non-compliance.	Instances of identified non-compliance are adequately addressed. Publicly report on insights and findings. Publish guidance where appropriate.
1.3	Customers experiencing vulnerability					Monitor banks' compliance with Code obligations regarding customers experiencing vulnerability. Work with key stakeholders to identify key areas for improvement.	Identify instances of serious and/or systemic non-compliance, to ensure appropriate remediation and prevent further breaches. Identify key areas for improved practice. Publish guidance to assist banks working with customers experiencing vulnerability, including sharing good industry practice. Increase awareness of the Code's obligations and options available for customers experiencing vulnerability. Obtain insights for the BCCC's Code Monitoring Priority Framework.

<sup>1</sup> Information about the Banking Code Compliance Statement is available in [Guidance Note 1](#).

<sup>2</sup> Information about the BCCC's Code Monitoring Priority Framework is available in the [Operating Procedures](#).

1.4	Small Business and farming					<p>Monitor banks' compliance with Code obligations regarding small business and farming customers.</p> <p>Work with key stakeholders to identify key areas for improvement.</p>	<p>Identify instances of serious and/or systemic non-compliance and ensure appropriate remediation.</p> <p>Identify key areas for improved practice.</p> <p>Publish guidance to assist banks working with small business and farming customers, including sharing good industry practice.</p> <p>Increase awareness of the Code's obligations and options available for small business and farming customers.</p> <p>Obtain insights for the BCCC's Code Monitoring Priority Framework.</p>
1.5	Financial Difficulty					<p>Conduct follow up inquiries to assess:</p> <ul style="list-style-type: none"> <li>• Bank's compliance with Chapters 39, 40 and 41 of the Code.</li> <li>• Changes made to banks' policies and procedures following the CCMC's Financial Difficulty Inquiry Report published in November 2018.</li> </ul>	<p>Identify instances of serious and/or systemic non-compliance and ensure appropriate remediation.</p> <p>Identify opportunities for improved processes and procedures.</p> <p>Publish guidance on compliance with financial difficulty obligations.</p> <p>Obtain insights for the BCCC's Code Monitoring Priority Framework.</p>
1.6	Guarantees		Continuing project from 2019–20			<p>Complete inquiries into banks' procedural and operational compliance with clause 31 of the 2013 Code.</p>	<p>Report publicly on banks' compliance with guarantee obligations.</p> <p>Identify instances of serious and/or systemic non-compliance and ensure appropriate remediation.</p> <p>Identify opportunities for improved processes and procedures.</p> <p>Publish guidance on compliance with guarantee obligations.</p> <p>Obtain insights for the BCCC's Code Monitoring Priority Framework.</p>
1.7	Direct Debits					<p>Monitor banks' compliance with clause 135 of the 2019 Code.</p>	<p>Identify instances of serious and/or systemic non-compliance, ensure appropriate remediation and where applicable, apply sanctions.</p> <p>Report publicly on banks' compliance.</p> <p>Publish guidance for improved practice.</p>

The BCCC's monitoring activities are determined with reference to its Code Monitoring Priority Framework.

The nature and number of monitoring activities conducted is subject to the priorities identified.

The BCCC is likely to conduct:

- the Banking Code Compliance Statement program twice a year
- up to three major inquiries, and
- approximately 10 to 15 targeted inquiries or investigations.

Focus		2020-21				Key Activities	Outcome
		Q1	Q2	Q3	Q4		
<b>Objective: Build strong relationships with consumer, small business and agribusiness advocacy groups</b>							
2.1	Engage with key consumer stakeholders					<p>Regular engagement with key consumer stakeholders.</p> <p>Provide support and education on the Code.</p> <p>Identify areas of concern within the banking industry.</p> <p>Consult and collaborate on improved banking standards and guidance.</p>	<p>Obtain insights for the BCCC's Code Monitoring Priority Framework.</p> <p>Report and communicate outcomes of BCCC monitoring activities that support improved practices and outcomes for customers.</p> <p>Increase awareness of Code obligations.</p>
2.2	Engage with small business and farming stakeholders					<p>Regular engagement with the BCCC's Small Business and Agribusiness Advisory Panel.</p> <p>Provide support and education on the Code.</p> <p>Identify areas of concern within the banking industry.</p> <p>Consult and collaborate on improved banking standards and guidance.</p>	<p>Obtain insights for the BCCC's Code Monitoring Priority Framework.</p> <p>Report and communicate outcomes of BCCC monitoring activities, that support improved practices and outcomes for small business and agribusiness customers.</p> <p>Increase awareness of Code obligations.</p>
2.3	Engage with other key stakeholders					<p>Regular engagement with key stakeholders, including the Australian Financial Complaints Authority, Australian Securities and Investments Commission, and other government agencies.</p> <p>Identify areas of concern within the banking industry.</p> <p>Consult and collaborate on improved banking standards and guidance.</p>	<p>Obtain insights for the BCCC's Code Monitoring Priority Framework.</p> <p>Report and communicate outcomes of BCCC monitoring activities that support improved practices and outcomes for all bank customers.</p> <p>Increase awareness of Code obligations.</p>

Focus		2020-21				Key Activities	Outcome
		Q1	Q2	Q3	Q4		
<b>Objective: Lead the transition to the new Code</b>							
3.1	Code Transition					<p>Monitor banks' transition to the 2019 Code by focusing obligations that are new or amended in this and any updated version of the Code.</p> <p>Identify areas of non-compliance with the 2019 Code.</p> <p>Provide training and ongoing guidance and support to all stakeholders as required.</p>	<p>Non-compliance with the 2019 Code identified and appropriately addressed.</p> <p>Publicly report on insights and findings.</p> <p>Guidance published where appropriate.</p> <p>Increased awareness and understanding of the 2019 Code and its obligations.</p>

Focus		2020-21				Key Activities	Outcome
		Q1	Q2	Q3	Q4		
<b>Objective: Review the BCCC's 2018-21 Strategic Plan and assess the BCCC's performance</b>							
4.1	Strategic review					<p>Conduct an independent review of the BCCC's performance in meeting its purpose and role under the Charter.</p> <p>Identify the BCCC's strategic priorities for 2021-24.</p>	<p>Publish the BCCC's 2021-24 Strategic Plan and Business Plan.</p>