



17 September, 2021

[REDACTED]
Senior Analyst, Financial Advisers
Australian Securities and Investments Commission (ASIC)

Dear [REDACTED],

RE: Superannuation Consumers Centre community benefit payments - report to ASIC

This letter and attachment outlines what the Superannuation Consumers Centre (trading as Super Consumers Australia) has achieved between the March to August 2021 reporting period. It also includes the challenges faced, mitigation strategies, risks and financials as requested by ASIC in letters dated 8 August 2018.

Yours sincerely,

[REDACTED]
Xavier O'Halloran
Director
Super Consumers Australia



Super
Consumers
Australia

Super Consumers Australia Activity Update

March - August, 2021

Our goals



Advocacy	Engagement & research	Shining a light
<p>We will work independently and with others to advocate the consumer interest and help create a fairer superannuation system for low and middle income Australians.</p> <p>Where important data is missing, underutilised or hidden we will advocate for its provision</p>	<p>We will work with our sector to maximise the impact of our collective work.</p> <p>We will work with consumers to ensure that people's experience of the system is amplified.</p> <p>We will build a strong evidence base for our advocacy and consumer help through original research and amplifying people's experience of the superannuation system.</p>	<p>We will find, investigate and tell powerful stories that shine a light on issues, are based on strong evidence and inspire change.</p> <p>We will provide information to help people to make better decisions about their superannuation</p>

Key results FY20/21

- Number of high impact stories to show that key stakeholders know and respect us for our advocacy work
- We have achieved wins in our policy areas, including law reform, industry change or key stakeholder support of our work.

High impact media stories

- In April we [featured](#) in Nine/Fairfax 'Money Makeover' column, which looked at the importance of keeping super fees low. We pitched the idea when we released our research showing fund mergers led to fee drops.
- In April the AFR covered our appearance at the Your Future, Your Super senate hearings. The article centred on our call to include admin fees in the proposed performance test.
- In July we worked with the ABC on a story about [how high fees erode super balances](#), providing data analysis on which funds charge the highest fees. We were interviewed by the ABC News and [News.com](#). We appeared on Sunrise's segment on the YourSuper tool off the back of our [media release](#).

Policy wins

- The government passed the *Your Future, Your Super Bill*, with several of the amendments [we recommended](#). Several key politicians publicly showed support for our work.

Key results FY20/21

- Produced 4 investigations relevant to people's needs in navigating the superannuation market.
- Directly reach more people by further developing our audience on the CHOICE platform
- Our content is reproduced and repurposed for external audiences: Measured through media reach and qualitative reporting on external use of our resources.

Produced 1 new investigation to help people navigate the superannuation market (5/4)

- In June we produced an investigative piece on whether [super funds can improve their performance](#), exceeding our target of 4 investigations in FY 2021 (5/4)

Other consumer assistance pieces

- [Should superannuation be used for housing?](#)
- [How an outdated rule could be holding back your retirement savings](#)
- [Passive versus active management](#)
- [Junk insurance in super: 'I struggle week to week'](#)
- [Will recent changes to super help first home buyers?](#)
- [How much money do you need to retire?](#)
- ['Stapling' in super could save Australians a lot of money](#)
- Budget series: [Changes to super in the 2021 budget](#), [Budget 2021: paid parental leave](#), [Government's new economic security measures for women](#)
- [Why carers are missing out on retirement savings](#)

Reaching audiences

Our content over this reporting period has collectively drawn over **74,366** views from March to August. The [YourSuper comparison tool explainer](#) was the most popular article over the period.

Key results FY20/21

- Produced 4 investigations relevant to people's needs in navigating the superannuation market.
- Directly reach more people by further developing our audience on the CHOICE platform
- Our content is reproduced and repurposed for external audiences:
Measured through media reach and qualitative reporting on external use of our resources.

Media: External use of resources

ABC's 730 used our modelling on underperformers caught by test, and stats on number of people in default funds, and how much underperformance costs.

Nine/Fairfax drew on our work in its [article](#) on the YourSuper comparison tool. Sunrise also covered our work on the YourSuper tool. We worked with them to create visuals and graphics based on our content. The ABC's [piece](#) on super fees featured Super Consumers data analysis drove a large traffic increase to our website where the detailed breakdown of the research was available.

Key results FY20/21

- Completed four research projects which support an advocacy or consumer help objective.
- Research is peer reviewed by the research reference committee or other relevant experts.
- Research is utilised by strategically important outlets (e.g. media reporting, government, industry and regulator reviews)

Research projects: in progress

We reached our goal of **4/4** research projects in the last financial year.

We have released analysis on the quality of super funds' [member outcomes assessments](#). The study looked at how accessible and accurate the reports are, including whether their prominence on super fund websites. We found the assessments are hard for consumers to find and interpret, with funds often using self-serving metrics and failing to identify room for improvement.

We are also continuing our campaign for fair insurance in super. We have followed up with super funds that we corresponded with last year regarding restrictive terms in default Total and Permanent Disability insurance. We have expanded our investigation to include occupational exclusions in default insurance in super, ahead of the implementation of account stapling in November 2021. This research is being used as an evidence base for our response to Treasury and industry consultations on occupational exclusions.

In July we released the first part of our ongoing research on [retirement income standards](#), including a consumer explainer, media release and research report.

Key results FY20/21

- Utilised (e.g. in submissions, reports, media) 20 strategic and diverse sources of information collected from experts.
- Utilised (e.g. in submissions, reports, media) 20 strategic and diverse sources of information collected from the public (consumers)

29/20 Utilisations of information collected from experts

In FY 2021 we exceeded our goals, with **29/20** utilisations of information collected from experts, including an expert consulted in June for our article on [how the federal budget affects women](#).

In FY 2022 we have consulted **8/20** experts for our articles on [retirement income standards](#) and whether [recent changes to super help first home buyers](#).

8/20 Utilisations of information collected from the public

We have recently drawn on the case study of a [TPD insurance claimant](#), to explain how these policies can be poor value for consumers. This metric has continued to be difficult to deliver upon given our lack of direct case work function. We are remedying this by calling for cases from our policy reference committee, made up primarily of case workers. We are also beginning to gain insights from members of the CHOICE supporter list for our 'member outcome assessment' research.

We have begun supplementing these case studies with data from nationally representative surveys and qualitative research. We have already released some nationally representative research on retirement planning as well as ethical investing. We plan to release further research on retirement planning in October.

Challenges and mitigation

The pandemic continues to create challenges to our ability to work in a safe and productive way. We continue to mitigate this challenge via our work from home policy and having a COVID safe work environment for when it is safe to return to the office. We continue to make use of technology to overcome the challenges associated with remote work. We have encouraged staff use of employee assistance programs. We continue to use new ways of working and socialising as a team in a COVID safe way.

Risks

There are no risks to note.

Financials



We continue to partner with CHOICE to deliver the project. Due to the short term contract nature of the funding, Super Consumers employs staff and has access to office space and equipment via CHOICE. CHOICE is paid a consultant fee to recoup the cost of providing these services to Super Consumers. The Federal Government made a funding commitment to the organisation in the 2021 Federal Budget for \$1.6 million across two years. This funding agreement is in the process of being finalised and is therefore not represented in the financials below.

Profit & Loss

Superannuation Consumers Centre LTD For the year ended 30 June 2021

	ACTUAL	YTD ACTUAL
Income		
Community Benefit Payment	-	104,167
Fee for service - consulting, training	395	395
Interest Income	1	3,069
NFP/NGO Grants	-	250,000
Total Income	396	357,631
Expenses		
Accounting & Audit Fees	342	4,093
Bank Fees	-	140
Service Fees	-	479,441
Dues & Subscriptions	-	350
Insurances Operating (bus stock ops-interrupt)	-	2,078
Interest Paid	-	50
Legal Fees	-	1,000
Meals Travelling	-	569
Secretarial Fees	-	12,000
Total Expenses	342	499,719
Profit/(Loss)	54	(142,089)

Balance Sheet

Superannuation Consumers Centre LTD As at 30 June 2021

	30 JUN 2021	30 JUN 2020
Assets		
Current Assets		
Business Account #3174	25,381	67,360
Community Fee Saver #3190	154,648	561,579
NAB Term Deposit 4763 6OCT20	1,000,000	1,000,000
Total Current Assets	1,180,029	1,628,939
Receivables		
Prepayment	-	3,000
Total Receivables	-	3,000
GST	14,225	40,192
Total Assets	1,194,254	1,672,131
Liabilities		
Current Liabilities		
General Accruals	-	8,924
Income Received in Advance	-	104,167
Trade Payables	-	222,697
Total Current Liabilities	-	335,788
Total Liabilities	-	335,788
Net Assets	1,194,254	1,336,343
Equity		
Retained Earnings		
Current Year Earnings	(142,089)	493,584
Retained Earnings	1,336,343	842,760
Total Retained Earnings	1,194,254	1,336,343
Total Equity	1,194,254	1,336,343