

APRA and ASIC host Superannuation CEO Roundtables – March 2024

APRA and ASIC held Superannuation CEO Roundtables on Wednesday, 27 March and Thursday, 28 March 2024. The theme of these discussions was resilient and member-focused fund operations.

Hosted by Simone Constant, Commissioner, ASIC and Carmen Beverley-Smith, Executive Director, APRA, the Roundtables were attended by 20 superannuation chief executive officers (CEOs) and other executives, representing a broad cross-section of the industry across two separate roundtables (see Appendix I for the full list of attendees).

Resilient and member-focused fund operations

APRA and ASIC are working collaboratively to promote resilient and member-focused fund operations. APRA is committed to supporting superannuation trustees in their efforts to uplift their operational resilience, and ASIC is dedicated to ensuring member services are delivered efficiently, honestly and fairly. Both agencies are strongly committed to ensuring Australians are confident the superannuation system will support them in retirement.

The work on operational resilience is foundational and necessary for supporting robust fund operations, and both agencies encouraged trustees to maintain a strong focus on the interactions members have with their funds in undertaking this work. Regulatory changes under the Financial Accountability Regime (**FAR**) and Prudential Standard CPS 230 Operational Risk Management (**CPS 230**), in addition to the current Prudential Standard CPS 234 Information Security (**CPS 234**), will strengthen trustees' ability to swiftly respond in times of stress. The implementation work undertaken by trustees also provides an opportunity for improvement of their day-to-day servicing of members.

The CEOs discussed the importance of jointly considering FAR and CPS 230 to prevent duplication of work and promote clear accountability. Integrating these considerations into existing requirements is driving efficiencies and fostering a deeper understanding of the end-to-end member experience. The CEOs acknowledged that mapping these accountabilities has allowed business units to develop a clearer understanding of their processes and gain insight into how they operate together. Trustees acknowledged the need to identify process risks and the impact their respective controls and mitigation actions can have on the member experience as part of preparation and implementation of FAR and CPS 230. A number are already addressing this.

The CEOs noted that among the challenges identified by trustees was the receptiveness of service providers in responding to revised requirements driven by regulatory changes. Moreover, trustees and service providers have different approaches to regulatory requirements that can hinder collaboration. The CEOs observed that industry could work with service providers to standardise approaches and help streamline regulatory change implementation.

APRA and ASIC noted that the changing regulatory landscape is not unique to Australia. In the United Kingdom, for instance, reforms are being developed to address transparent and comparable service standards, as well as fees and performance. The regulators also identified opportunities for trustees to engage with other Australian financial institutions to improve accountability measures, including engaging with banks, which prior to FAR, operated under the Banking Executive Accountability Regime since 2018.

The CEOs acknowledged that CPS 230 is providing opportunities to strengthen the management of operational risk for service providers, and are considering the potential benefits and challenges of maintaining outsourced administration or moving some or all of these functions in-house. They indicated that the market dynamics, regulatory expectations, member preferences, and technological innovations would be key influences on their decision-making.

APRA and ASIC agreed that trustees can promote resilient and member-focused operations by having robust end-to-end business processes that put the member at the centre of their decision making. Both agencies reiterated the importance of fostering a strong risk culture of transparency, accountability, and consistency to drive these regulatory changes and improve member outcomes. Adopting clear accountability and designing and operationalising fit for purpose risk management frameworks, will enable trustees to better service members both on a day-to-day basis and in the event of disruption.

Appendix I – Attendees 27 March 2024

Superannuation executives

Superannuation executives	
Narelle Smith	Head of Governance, AustralianSuper Pty Ltd
Mark Oliver	Head of Superannuation, I.O.O.F. Investment Management Limited
Deanne Stewart	Chief Executive Officer, Aware Super Pty Ltd
Andrew Godfrey	Chief Executive Officer, Equity Trustees Superannuation Limited
David Elia	Chief Executive Officer, Host-Plus Pty. Limited
Debby Blakey	Chief Executive Officer, H.E.S.T.A. Australia Ltd
Wade Martin	Chief Risk Officer, UniSuper Limited
Vicki Doyle	Chief Executive Officer, Retail Employees Superannuation Pty. Limited
Kristian Fok	Chief Executive Officer, United Super Pty Ltd

APRA attendees

Name	Role
Carmen Beverley-Smith	Executive Director, Superannuation
Adrian Rees	General Manager, Superannuation
Sarah Burley	General Manager, Superannuation
Alison Bliss	General Manager Operational Resilience

ASIC attendees

Name	Role
Simone Constant	Commissioner
Jane Eccleston	Senior Executive Leader, Superannuation and Life Insurance
Jessica Spence	Senior Specialist, Superannuation and Life Insurance

Attendees 28 March 2024

Superannuation executives

Name	RSE licensee
Ross Piper	Chief Executive Officer, Australian Ethical Superannuation Pty Ltd
Damian Wills	Chief Executive Officer, BUSS (Queensland) Pty Ltd
Michael Dundon	Chief Executive Officer, Care Super Pty Ltd
Mark Smith	Chief Executive Officer, Perpetual Superannuation Limited
Damian Hill	Chief Executive Officer, Commonwealth Superannuation Corporation
Andrew Peterson	Chief Executive Officer, Diversa Trustees Limited
Jason Murray	Chief Executive Officer, Motor Trades Association of Australia Superannuation Fund Pty. Limited (Spirit Super)
Melinda Howes	Chief Executive Officer, N.M. Superannuation Proprietary Limited (AMP)
Ben Facer	Chief Strategy Officer and Deputy Chief Executive Officer, NGS Super Pty Limited
Paul Curtin	Chief Finance Officer, Telstra Super Pty Ltd
Scott Cameron	Chief Executive Officer, Togethr Trustees Pty Ltd (Equip Super)

APRA attendees

Name	Role
Carmen Beverley-Smith	Executive Director, Superannuation
Adrian Rees	General Manager, Superannuation
Sarah Burley	General Manager, Superannuation
Alison Bliss	General Manager Operational Resilience

ASIC attendees

Name	Role
Simone Constant	Commissioner
Jane Eccleston	Senior Executive Leader, Superannuation and Life Insurance
Jessica Spence	Senior Specialist, Superannuation and Life Insurance
Marita Hogan	Senior Executive Leader, Enforcement and Compliance, Portfolio Executive

Signed

Carmen Beverley-Smith

Executive Director,
Superannuation

Australian Prudential Regulation
Authority

www.apra.gov.au

Jane Eccleston

Senior Executive Leader

Australian Securities
and Investments Commission

www.asic.gov.au