



9 June 2015

Dear RSE licensee,

TRUSTEE RESPONSIBILITIES ARISING FROM CERTAIN SUPERSTREAM RELATED MEASURES

In consultation with industry, the Australian Tax Office (ATO) and the Australian Prudential Regulation Authority (APRA) have been supporting the implementation of the *Superannuation Data and Payment Standards 2012* ('the Standard') in relation to employer contributions. This letter is to update you on key expectations of RSE licensees and developments since we last wrote to you on 28 May 2014.

Fund readiness

All Registrable Superannuation Entities (RSEs) are expected to have completed induction and certification of their SuperStream contribution solution by 30 June 2015 and to have updated their status on the ATO's Fund Validation Service as ready to receive.

If your RSE is experiencing any issues in finalising your SuperStream implementation, please contact either APRA or the ATO if you haven't done so already. We can work with you to understand your plan to mitigate any compliance consequences and to ensure you communicate this appropriately to affected stakeholders.

Supporting employers with SuperStream beyond 30 June 2015

The ATO continues to support employers in their effort to implement SuperStream. This approach will not change from 1 July 2015.

It is expected that it will take a number of contribution cycles post 1 July for some employers to transition to SuperStream. RSEs are expected to work with employers and assist them in completing their transition, including helping to rectify issues where possible.

The ATO will continue to emphasise its help and education approach for large and medium employers until 31 October 2015. After this date, the ATO will begin to apply a more active compliance approach which will initially focus on systemic issues affecting the implementation of SuperStream – where we are seeing a cluster of issues in a payroll, clearing house or other channel/location. This will enable the development of a tailored compliance approach that can be applied across many employers.

Pass through

Default funds that offer a My Super product must offer to employers pass through of all contribution data from 1 July 2015. RSEs are expected to be proactive in communicating this change to employers and highlight the benefits that a single channel of entry brings to the superannuation system.

An employer may opt-in, by mutual agreement with its default fund, to use an alternative channel for pass through, such as a clearing house-assisted portal. Regardless, by 1 October 2015 all RSEs must also provide a messaging-only SuperStream solution for an employer wishing to use this pass through method. The ATO and APRA have adopted a flexible approach to the introduction of this service, so if a messaging-only solution is not ready before this date, breach reporting is not required.

Enduring alternative channel

Where an RSE supports pass through functionality in its alternative channel (such as a portal), employers may opt to use this facility on an ongoing basis. Therefore this channel can be considered to be of enduring value beyond the previously prescribed end-date of 30 June 2017. A recent update to Section 8 of the Contributions Message Implementation Guide (version 1.3) gives effect to this change.

Employers can use a withholding payer number (WPN)

Your RSE/s may receive contributions from a relatively small number of employers who are ineligible to obtain an Australian Business Number (ABN).

To enable such employers to send contributions using SuperStream, the Commissioner of Taxation has authorised the use of a Withholding Payer Number (WPN) as an employer identifier for SuperStream purposes. The ATO has published a [guidance note](#) (G032) on this change. You need to ensure your processes are updated and you are able to process incoming SuperStream contributions where an employer uses a WPN as a substitute identifier in the ABN field.

Response messaging

The sending and receiving of business error response messages was required under the SuperStream standard to be operative from 2 February 2015. However, to ensure an orderly introduction of this new functionality, the ATO has been coordinating a phased implementation process with industry involving limited trials followed by broader take-up.

The final phase of introducing business error processing is scheduled to be completed in early September and all RSEs will be expected to have implemented business error message processing from 14 September 2015. Further details of the phased-in approach are set out in this [guidance note](#) (G035)

Consequently, breach reporting that relates to error response messaging is not required until after 14 September 2015.

Breach reporting

APRA is responsible for administering sections of the *Superannuation Industry (Supervision) Act 1993* (SIS Act) that require RSE licensees to comply with the Standard. APRA recognises that compliance with the Standard in respect of contributions and member registration is a new obligation and that practices are likely to evolve over time.

From 1 July 2015, APRA will take a facilitative approach in relation to breaches by working with RSE licensees to ensure the appropriate actions are taken to address any shortcomings in processes. If this approach does not satisfactorily resolve the matter, APRA may take more formal action and has a range of regulatory tools available for this purpose.

For more information about the Standard visit www.ato.gov.au/superstream or email SuperStreamStandards@ato.gov.au

To discuss any SuperStream compliance issues, contact your responsible APRA supervisor.

Yours sincerely



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Helen Rowell
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