



20 April 2018

The Australian Prudential Regulation Authority
Via email

Email: newdatacollectionsolution@apra.gov.au

Dear Sir/Madam,

Re: A New Data Collection Solution

In brief:

AIST submits that implementation should be integrated with a review of existing documentation and forms. It should also form part of a whole of government approach to financial services reporting; this approach should be articulated by government as a priority. We emphasise the importance of appropriate communication during transition and implementation.

AIST thanks APRA for engaging the industry in this consultation. We support this opportunity to modernise APRA's data collection mechanism and consider that the opportunity to assist with ensuring that this is a modern and non-intrusive mechanism which delivers benefits to the industry through the widespread dissemination of data has been valuable. We note however that this project is related to the much-delayed implementation of aspects of the 2011 Stronger Super reforms.

This submission will remain at a high level and contains several efficiency improvements. We believe that the time is opportune to examine the improvements being discussed as part of this project with a few other data gathering processes in place with other regulators.

We complement efforts that have been made by APRA to engage with AIST's member funds on this consultation and believe that further information provided by funds in response to the discussion questions will ensure that a better picture is provided in respect of the package.

APRA data collection solution for a D2A replacement

AIST has welcomed participation in APRA's roundtables and discussions in relation to APRA's new data collection solution. This submission does not repeat all of the matters that comes out of forums with industry although we are generally in agreement with the comments that have been made to date. This submission will instead focus on a small number of key themes.

AIST believes that the priority of project should not just be about improving speed and efficiency of data lodgement, although we consider that these are important objectives at an operational level.

This project should be integrated with reviews of associated APRA documentation, and with a whole of government approach to the collection of data – that extends beyond just the commitment to use SBR taxonomies.

Fundamentally, the overall approach should be about improving member outcomes by increased efficiencies – and removal of obstacles to efficiency - greater transparency and capacity to interrogate and report on data.

Integrate with review of forms

AIST recommends that, ideally, the development of a new data collection solution should integrate with a review of forms, and be an interim step towards the replacement of forms.

We note that the data collection forms were themselves substantially revised and extended in 2012-13 and that it is prudent for these to be reviewed. It is noted that APRA prudential standards will shortly be reviewed, and forms should be included in this process. The review process should be integrated with this project.

This process should include a review of the data being collected, and identification of the purpose and use to which each item is being put. This could and should result in the consolidation of the number of data items, and consideration of where the provision of bulk data can replace data collected on an aggregated basis.

Take a whole of government approach

AIST recommends that APRA take a whole of government approach in relation to this project. Superannuation funds already provide a large amount of data to regulators, and simplification should consider what data is being collected at other points to minimise data collection inconsistencies.

One of the reasons that superannuation data is collected differently to other APRA-regulated areas is due to SuperStream. As discussed at the 11 April workshop, AIST agrees that key areas of focus for this project should include:

- A focus on member outcomes;
- Building on an accepted standard;
- Removal of obstacles to efficient uploading;
- A more holistic view on data use;
- Simple and cost-effective implementation processes;

- A flexible solution which is simple, future-proof and meets industry needs;
- Increased standardisation across superannuation reporting; and
- Covers all reporting.

Develop a roadmap for the replacement of forms with data dumps

As we foreshadowed earlier, the provision of bulk data could see many forms replaced with data dumps provided centrally to Government. AIST believes that this necessarily requires the development of a business case and an associated roadmap for change.

Part of this roadmap should consider the competing pressures of other regulatory change elsewhere. This should consider restrictions such as the timing and size of implementation requirements and should have at least 12 months' notice prior to implementation.

Fundamentally, AIST submits that this and related projects are an opportunity for Government agencies to build solutions that take steps toward a whole of government approach to data. While applauding the use of SBR and XBRL, we ask submit that clear steps toward the rationalisation of data provisions need to be considered for each data project. It is unnecessary red-tape for super funds to have to provide the same or similar reporting to different agencies, especially when different forms and formats are involved.

Allow multiparty access to D2A

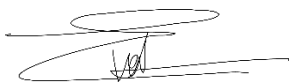
AIST recommends that multiple parties have access to D2A for uploading data.

Rather than primarily having access from fund trustees, portals should be provided so that other parties such as administrators, custodians and technology solution providers are able to submit information on behalf of trustees. In order that trustees maintain their ultimate responsibility for the data provided, this should be supplemented by a trustee approval process built into the D2A replacement.

Other implementation issues that we see include a need for clear communication of design and implementation requirements, the availability of a timely and meaningful test environment, training and support provided and possible staggered implementation to reduce bottlenecks.

For further information regarding our submission, please contact Richard Webb, Policy & Regulatory Analyst at 03 8677 3835 or at rwebb@aist.asn.au.

Yours sincerely,



Eva Scheerlinck
Chief Executive Officer

The Australian Institute of Superannuation Trustees is a national not-for-profit organisation whose membership consists of the trustee directors and staff of industry, corporate and public-sector funds.

As the principal advocate and peak representative body for the \$700 billion profit-to-members superannuation sector, AIST plays a key role in policy development and is a leading provider of research.

AIST provides professional training and support for trustees and fund staff to help them meet the challenges of managing superannuation funds and advancing the interests of their fund members. Each year, AIST hosts the Conference of Major Superannuation Funds (CMSF), in addition to numerous other industry conferences and events.