

Professional Standards Councils

ANNUAL REPORT 2007-2008

AUSTRALIAN CAPITAL TERRITORY

NEW SOUTH WALES

NORTHERN TERRITORY

QUEENSLAND

SOUTH AUSTRALIA

TASMANIA

VICTORIA

WESTERN AUSTRALIA



TABLE OF CONTENTS

THE EVOLUTION OF THE PROFESSIONAL STANDARDS COUNCILS	2	SCHEMES IN FOCUS 2008	26
THE PROFESSIONAL STANDARDS COUNCILS' MAJOR ACHIEVEMENTS 2007-08	3	SCHEMES REQUIRED TO REPORT IN NEW SOUTH WALES 2008	27
THE ROLE OF THE PROFESSIONAL STANDARDS COUNCILS	4	<i>Who reports on what?</i>	27
CHAIRMAN'S REPORT	7	ANNUAL RISK MANAGEMENT REPORTS	29
SECRETARIAT REPORT	8	FINANCIAL REPORTS	39
THE PROFESSIONAL STANDARDS COUNCILS	10	<i>Consolidated Financial Performance Extract</i>	39
<i>Appointments to Councils</i>	10	<i>The Professional Standards Council of the Australian Capital Territory</i>	41
<i>Membership</i>	10	<i>The Professional Standards Council of New South Wales</i>	42
PROFESSIONAL STANDARDS COUNCILS' OPERATIONS	14	<i>The Professional Standards Council of the Northern Territory</i>	43
<i>Research and development</i>	14	<i>The Professional Standards Council of Queensland</i>	44
<i>Exchanging knowledge</i>	14	<i>The Professional Standards Council of South Australia</i>	46
<i>Corporate governance</i>	15	<i>The Professional Standards Council of Tasmania</i>	47
<i>Financial performance of the Councils</i>	16	<i>The Professional Standards Council of Victoria</i>	48
CO-OPERATION BETWEEN JURISDICTIONS	17	<i>The Professional Standards Council of Western Australia</i>	50
<i>Co-operation among Professional Standards Councils</i>	17	APPENDIX	51
<i>Legislative change</i>	17	GLOSSARY	52
<i>Commonwealth co-operation</i>	18	LIST OF TABLES	53
COVER OF EXCELLENCE® SCHEMES	19	DIRECTORY AND CONTACT DETAILS	54
<i>Cover of Excellence® Schemes in the Australian Capital Territory</i>	19		
<i>Current Schemes in New South Wales</i>	20		
<i>Current Schemes in the Northern Territory</i>	21		
<i>Current Schemes in Queensland</i>	21		
<i>Current Schemes in South Australia</i>	22		
<i>Current Schemes in Tasmania</i>	22		
<i>Current Schemes in Victoria</i>	23		
<i>Current Schemes in Western Australia</i>	23		
<i>Summary of Cover of Excellence® Schemes</i>	24		

THE EVOLUTION OF THE PROFESSIONAL STANDARDS COUNCILS

	Insurance market crisis
1994	New South Wales enacts the <i>Professional Standards Act 1994</i> (NSW) The Professional Standards Council of NSW is constituted
1995	The first meeting of the Professional Standards Council of NSW is convened NSW enacts the Professional Standards Regulation
1996	The first <i>Cover of Excellence</i> ® Schemes are approved for the CIRCEA and the LSNSW on 5 December 1996
1997	Western Australia enacts the <i>Professional Standards Act 1997</i> (WA) The Professional Standards Council of WA is constituted
1998	The first meeting of the Professional Standards Council of WA is convened Western Australia enacts the Professional Standards Regulation
2000	The first <i>Cover of Excellence</i> ® Schemes are renewed for the LSNSW (22 November 2000) and the CIRCEA (5 December 2000)
2001	HIH Insurance collapses
2003	Victoria enacts the <i>Professional Standards Act 2003</i> (VIC)
2004	Queensland enacts the <i>Professional Standards Act 2004</i> (QLD) South Australia enacts the <i>Professional Standards Act 2004</i> (SA) The Northern Territory enacts the <i>Professional Standards Act 2004</i> (NT) The Commonwealth government enacts the <i>Treasury Legislation Amendment (Professional Standards) Act 2004</i> (Cth) The Australian Capital Territory enacts the <i>Civil Law (Wrongs) Act 2002</i> (ACT) as amended by the <i>Civil Wrongs (Proportionate Liability and Professional Standards Act) 2004</i> (ACT) (commencing in March 2005)
2005	Tasmania enacts the <i>Professional Standards Act 2005</i> (TAS) The Professional Standards Council of VIC is constituted
2006	South Australia enacts the Professional Standards Regulation The Professional Standards Council of the NT is constituted The Professional Standards Council of SA is constituted The Professional Standards Council of TAS is constituted The NSW Bar <i>Cover of Excellence</i> ® Scheme becomes the first Scheme to be prescribed by the Commonwealth of Australia under the <i>Trade Practices Act 1974</i> (Cth)
2007	The Professional Standards Council of the ACT is constituted Queensland enacts the Professional Standards Regulation Victoria enacts the Professional Standards Regulation The Professional Standards Council of Queensland is constituted New South Wales enacts mutual recognition legislation under the <i>Professional Standards Amendment (Mutual Recognition) Act 2007</i> (NSW) The ICAA (NSW and WA), CPAA (NSW), EA (NSW), LSNSW (NSW), CIRECA (NSW) and AVI (NSW) <i>Cover of Excellence</i> ® Schemes are prescribed under the <i>Trade Practices Act 1974</i> (Cth)
2008	The Northern Territory enacts mutual recognition legislation under the <i>Professional Standards Amendment (Mutual Recognition) Act 2008</i> (NT) 13 <i>Cover of Excellence</i> ® Schemes are prescribed by the Commonwealth operating in several States and Territories: ICAA (VIC, SA, NT, ACT, QLD), CPAA (VIC, SA, WA, NT, ACT, QLD), VIC Bar (VIC) and the PSOA (NSW) The ACT enacts mutual recognition legislation under the Justice and Community Safety Legislation Amendment Act 2008 (ACT)

THE PROFESSIONAL STANDARDS COUNCILS' MAJOR ACHIEVEMENTS 2007-2008

- In addition to the existing *Cover of Excellence*® Schemes established in New South Wales, new Schemes commenced in the Australian Capital Territory, the Northern Territory, Queensland, South Australia, Victoria and Western Australia for the Institute of Chartered Accountants in Australia (ICAA) and the Certified Practising Accountants Australia (CPA Australia).
- The Professional Standards Councils worked in co-operation with the Commonwealth Treasury regarding the prescription of *Cover of Excellence*® Schemes under the *Trade Practices Act 1974* (Cth). Schemes were prescribed by the Commonwealth for the ICAA and CPA Australia in all mainland jurisdictions, as well as for the Victorian Bar Incorporated (Vic Bar). Further, in New South Wales, the Law Society of New South Wales (LSNSW), the Professional Surveyors Occupational Association (PSOA), the College of Remedial and Investigative Consulting Engineers of Australia (CIRCEA), and the Australian Valuers Institute (AVI) also had Schemes prescribed under the *Trade Practices Act 1974* (Cth).
- The Professional Standards Councils continued to promote the self-regulation of professionals, with information events held in Melbourne and Canberra.
- The Councils and all the State and Territory justice departments agreed to sign Inter-departmental Service Agreements before the end of the 2007-08 financial year. These Agreements will ensure effective Secretariat support provided by the NSW Attorney General's Department for all Councils throughout Australia.
- The Councils continued to monitor the implementation of risk management strategies of all occupational associations that enjoy the benefit of a *Cover of Excellence*® Scheme.

THE ROLE OF THE PROFESSIONAL STANDARDS COUNCILS

OUR VISION:

PROFESSIONAL EXCELLENCE — CONSUMER PROTECTION

OUR MISSION:

The Professional Standards Councils' mission is to promote consumer protection and excellence in professional standards by encouraging the self-regulation of occupational groups through the implementation of *Cover of Excellence*[®] Schemes (Schemes).

Cover of Excellence[®] Schemes operate for participating members of occupational associations, and:

- > recognise those who implement robust risk management strategies such as complaints and discipline systems, codes of ethics, and continuing occupational education
- > limit occupational liability for members of occupational associations who carry professional indemnity insurance and/or business assets to the limitation of liability amount, and
- > entitle members of the occupational association to enjoy the reputation of the *Cover of Excellence*[®] logo.

History and profile of the Professional Standards Councils

The New South Wales Attorney General established the Professional Standards Council in 1995 under section 39 of the *Professional Standards Act 1994* (NSW). It was created to help professional and other occupational associations improve the regulation of their members so that consumers of their services are better protected.

Similar Councils were created subsequently in other Australian jurisdictions. The Professional Standards Council of Western Australia was established in 1997 under section 8 of the *Professional Standards Act 1997* (WA). Professional standards legislation was passed in the remaining jurisdictions after 2003. In 2005, the Professional Standards Council of Victoria was established, while the Professional Standards Councils of Tasmania, the Northern Territory and South Australia were formed in 2006; the

Professional Standards Council of Queensland was formed in 2007. The Professional Standards Council of the Australian Capital Territory was formed this financial year under section 4.36 of the *Civil Law (Wrongs) Act 2002* (ACT).

The *Treasury Legislation Amendment (Professional Standards) Act 2004* (Cth) permits the Commonwealth to prescribe *Cover of Excellence*[®] Schemes so as to limit the liabilities of occupational associations pursuant to the *Trade Practices Act 1974* (Cth), the *Corporations Act 2001* (Cth) and the *Australian Securities and Investments Commission Act 2001* (Cth).

The New South Wales Bar Association (NSW Bar) *Cover of Excellence*[®] Scheme was the first Scheme to be prescribed under the *Treasury Legislation Amendment (Professional Standards) Act 2004* (Cth) in May 2006. The Institute of Engineers Australia (EA) New South Wales *Cover of Excellence*[®] Scheme



was prescribed in April 2007, followed by the ICAA New South Wales and the CPA Australia New South Wales *Cover of Excellence*® Schemes, effective from 25 October 2007. Since then, a further 16 Schemes have been prescribed during the 2007–08 financial year.

The Attorneys General of each of the States and Territories (SCAG), the Commonwealth Minister for Revenue, and the Commonwealth Assistant Treasurer signed the Professional Standards Agreement in October 2005. Under this agreement, all States and Territories have agreed to appoint the same members to each of the eight Professional Standards Councils. There are 11 members in total. New South Wales and Victoria have nominated two members each; the other States and Territories and the Commonwealth have nominated one member each.

The Professional Standards Councils approve and monitor the *Cover of Excellence*® Schemes, which aim to improve professional standards, protect consumers and limit the civil liability of professional and other occupational groups in certain circumstances.

Under the supervision of the Councils, the Secretariat assists occupational associations in the preparation of Scheme applications, administers the risk management reporting of occupational associations and on occasion, conducts research and forums to facilitate the improvement of occupational standards of professionals and associations.

It is the intention of all jurisdictions that the Councils will be self-funding, with revenue to be derived from application and annual fees. As an interim measure, all jurisdictions that do not currently generate income from application and annual fees have access to seed funds that may be repayable from future fees revenue.

***Cover of Excellence*® Schemes**

The Professional Standards Councils are responsible for approving and monitoring associations' *Cover of Excellence*® Schemes. Schemes limit the civil liability of members of associations that have the benefit of an insurance policy and/or business assets to the level of the limitation of liability. Participating associations are required to meet a range of criteria, including codes of ethics, codes of conduct, and complaints and disciplinary mechanisms. In addition, each association has a standard of insurance to which it must comply.

Approving *Cover of Excellence*® Schemes

Before approving a *Cover of Excellence*® Scheme, Councils must consider:

- public comments and submissions made in response to the public notification of a *Cover of Excellence*® Scheme
- the position of consumers who may be affected by limiting the occupational liability of members of the association
- the nature and level of claims relating to occupational liability made against members of an association seeking the *Cover of Excellence*® Scheme
- the association's standards of insurance
- the cost and availability of insurance, and
- the association's risk management strategies and how those strategies are intended to be implemented. Such strategies may include the adoption of a code of ethics, the establishment of a complaints and discipline system, and the provision of continuing professional development programs.

Determining limits of liability

The Professional Standards Councils are responsible for determining the limitation of liability of professional and/or other occupational associations. When doing so, the Councils must consider the nature and level of claims made against members of the association and the need to adequately protect consumers, that is, the risk that consumers may have to bear as a result of a certain level of capped liability being approved.

Monitoring associations' risk management strategies

Associations must demonstrate that they have the capacity to implement risk management strategies and to administer their *Cover of Excellence*[®] Schemes for the benefit of consumer protection. Participating associations must report annually to the Councils about the mechanisms used to implement their risk management strategies as well as the effectiveness of such strategies in improving the professional standards of individual professionals.

Improving professional standards

The Professional Standards Councils work together with associations to develop self-regulation mechanisms (meta-regulations) in order to improve their professional standards. The Councils conduct research, develop policies and guidelines, and organise events to promote debate and change, in the areas of professional standards, codes of ethics and conduct, and risk management in order to improve the standard of services received by consumers.

Protecting consumers

The Councils' goals are to continue to strengthen and extend professionalism of individuals within occupational associations, promote self-regulation across occupational groups, and to protect consumers by demanding high levels of professional standards and practices of those occupational associations seeking to gain a limited liability cap, as well as by expanding the number of *Cover of Excellence*[®] Schemes in operation. Once a particular *Cover of Excellence*[®] Scheme of an occupational association is approved, the Councils allow members of the association to use the *Cover of Excellence*[®] logo as a mark of the quality standards and practices that consumers can expect to receive.

CHAIRMAN'S REPORT



Back (L to R): Robert Beaton, Warwick Wilkinson, Madeleine Oglvie, Steven Cole, Iain Summers, Terry Evans
Front (L to R): Joanne Metcalfe, Esther Alter, Brian Rayment, Philippa Seagrave, Ronald Farrell
Missing from the photo is Council member Justin Harper.

Dear Attorneys General,

Having been fully constituted in all Australian States and Territories in 2006–07, the Professional Standards Councils during the 2007–08 financial year have continued to receive applications for new Schemes and renewals of existing Schemes.

The focus of the Professional Standards Councils this year has been to develop strong foundations for the future of the Councils through the signing of service agreements and co-operation between the States and Territories. Improvements to the professional standards legislative framework also continued during 2007–08 through amendments supporting the mutual recognition of inter-state Schemes. The Australian Capital Territory, New South Wales and the Northern Territory have since passed mutual recognition amendments. The implementation of these amendments has allowed the Professional Standards Councils to promote consistency in professional standards legislation across jurisdictions.

Of significance, in the 2007–08 financial year, the Councils received applications for the

implementation of *Cover of Excellence*® Schemes in all Australian States and Territories.

The Councils have also worked closely with the Commonwealth, which prescribed a further 19 Schemes under the *Trade Practices Act 1974* (Cth), highlighting the significant market demand for Professional Standard Schemes with Commonwealth prescription. This is a marked increase in comparison to previous years, and further gives testament to the growing awareness of the functions and services of the Professional Standards Councils, as well as the benefits to occupational associations and protection afforded to consumers.

The 2007–08 financial year has also presented an opportunity for the Councils to review their current internal practices in order to further fulfil the objectives of the professional standards legislation. An appropriate timetable and mechanisms for review are being considered, and it is envisaged that any such review will engage significant resources of the Councils and the Secretariat during the 2008–09 financial year.

The Professional Standards Councils were much assisted by the hard and diligent work performed in the leadership of the Secretariat by Ms Philippa Seagrave, who is acting as Executive Officer. Ms Seagrave and the Secretariat staff have made an outstanding contribution to the work of the Council and will continue to lead the Secretariat in the 2008–09 financial year while Dr Kate Sainsbury remains on leave.

Yours faithfully,

Brian Rayment QC

SECRETARIAT REPORT

The focus of the Secretariat during 2007–08 has been on the processing of Scheme applications for new and existing clients. This included the development and implementation of Schemes in jurisdictions other than New South Wales for the first time.

Structure and staffing within the Secretariat

Two Secretariat establishment positions (1.6 full time equivalent) were vacant during 2007–08. However, two new legal/policy positions have been created to assist the Secretariat to provide support to all the Councils. Recruitment is currently underway for these positions, with appointments expected to commence in the new financial year.

The Secretariat continued to participate in the Attorney General’s Department Graduate Program, and was assisted by Ms Veronica Chan and Ms Laura Joseph.

Ms Mary Abi-Younes continued to provide administrative support to the Secretariat.

The Executive Officer, Dr Kate Sainsbury, has extended her leave to June 2009.

Co-operation with the Professional Standards Legislation Working Group

The Secretariat continues to support the work of the Professional Standards Legislation Working Group (PSLWG). The PSLWG consists of a group of officers from each State and Territory responsible for the implementation of the equivalent professional standards legislation in each jurisdiction.

Co-operation with the PSLWG has allowed for progress in the negotiating and drafting of the Inter-departmental Service Agreement between the NSW Attorney General’s Department, the Councils and the Justice Departments in each jurisdiction. This co-operation has also allowed amendments to professional standards legislation across all Australian States and Territories in order to ensure that:

- Costs-inclusive insurance policies can be used to limit the liability of professionals under the legislation.
- Mutual recognition of *Cover of Excellence*[®] Schemes is established across jurisdictions.
- A fee structure can be implemented to ensure that the Professional Standards Councils are self-funding.



The Secretariat. Back (L to R): Rob Lawson, Hau Wong, Ben Lumdsane
Front (L to R): Philippa Seagrave, Mary Abi- Younes
Missing from the photo is Mary McCrudden

Policy development

The Secretariat conducted research and worked with clients to assist the Councils to review and develop a number of their policies to better achieve the aims of professional standards legislation and to meet their clients' needs more effectively.

The Councils' policies on annual fees, insurance standards, and compliance guidelines have all been revised. The Application Guidelines and Risk Management Reporting Guidelines continue to be reviewed.

The Secretariat commenced the implementation of the Marketing Strategy and the Website Strategy, which were endorsed by the Councils in 2006–07. The new website was launched in May 2008 at www.professionalstandardscouncils.gov.au.

Plans for 2008–09

The Secretariat is seeking to revise a number of its processes in the coming year. Key initiatives for the Secretariat during the year ahead include:

- mapping the *Cover of Excellence*® Scheme applications process in order to identify priority areas for improvement
- revising *Cover of Excellence*® Scheme Application Guidelines for all States/ Territories
- revising draft Guidelines for Associations' Annual Reporting
- developing revised Risk Management Guidelines for associations
- developing and implementing guidelines on insurance claims data
- implementing a feedback and complaints handling mechanism through the multi-jurisdictional Professional Standards Council website.

Philippa Seagrave
Acting Executive Officer

THE PROFESSIONAL STANDARDS COUNCILS

Appointments to the Councils

The Attorneys General of each State and Territory appoint members to the Professional Standards Councils who have skills, qualifications, experience and ability to contribute to the work of the Councils. The current Council members provide a solid base of experience in the fields of law, insurance, consumer affairs, corporate governance, auditing and architecture.

All States and Territories have agreed to appoint the same members to each Council. The Professional Standards Agreement 2005 allows each State and Territory (other than New South Wales and Victoria) and the Commonwealth to nominate one member. New South Wales and Victoria are entitled to nominate two members each to the Councils. The Professional Standards Agreement also entitles New South Wales and Victoria to nominate the Chairman and Deputy Chairman on an alternating basis.



Brian Rayment



Esther Alter

Membership

Brian Rayment QC, BA, LLB: Chairman (nominated by New South Wales)

Brian Rayment was admitted to the NSW Bar in 1970 and practises throughout Australia, specialising in insurance, transport law and general commercial law. From 1972 to 1974, he lectured in law (part-time) at the University of Sydney. Brian has also served as a member and Honorary Treasurer of the NSW Bar Council, Chairman of the Legal Aid Commission of New South Wales and a member of the NSW Legal Services Tribunal.

Esther Alter BEc, LLB, MBA, MAICD (nominated by Victoria)

Esther Alter brings a wide range of experience in consumer law and dispute resolution to the Councils. As a Member of the Victorian Civil and Administrative Tribunal (VCAT), she was involved in conciliating and adjudicating on consumer law matters. Esther has worked in a range of consumer, legal and management roles in the Victorian and Commonwealth governments. Her professional interests are in the areas of governance, management, service evaluation and organisational development. Previously, Esther has held the position of Board member of the Osteopaths Registration Board of Victoria. She is currently a Board member of the Chiropractor Registration Board of Victoria and the Pharmacy Board of Victoria.



Robert Beaton



Steven Cole



Terry Evans

Robert Beaton LLB, BArch (Hons), BSC (Arch), RAlA, ANZIIF (Senior Associate) (nominated by New South Wales)

Robert Beaton is currently the National Product & Underwriting Manager at CGU Professional Risks Insurance and has been dealing with professional indemnity insurance since 1976. He is also Chairman of the Professional Indemnity Committee of the Insurance Council of Australia (ICA), and has been involved with several other ad hoc committees and task forces set up by ICA in respect to amendments to the Insurance Contracts Act 1984 (Cth) and by Australian Prudential Regulation Authority (APRA) in respect of the National Claims and Policies Database.

Steven Cole LLB (Hons), FAICD: Deputy Chairman (nominated by Western Australia)

Steven Cole is a non-executive independent director and corporate consultant. He holds appointments as Chairman and Deputy Chairman on a number of ASX, private and not-for-profit boards. Until recently, Steven was a Senior Partner of Allens Arthur Robinson Lawyers. His experience includes corporate and strategic management within professional and general industry environments. Steven is also active in professional, business and community affairs, including the Australian Institute of Company Directors, the Chamber of Commerce & Industry (WA) and not-for-profit community-based organisations.

Terry Evans LLB, LLM (nominated by South Australia)

Terry Evans is engaged as Special Counsel for Minter Ellison Adelaide. Prior to that, he was the Deputy Chief Executive and then Acting Chief Executive for the Justice Department and South Australian Attorney General's Department (2004–06). He was the Chief Commercial Counsel for the Crown Solicitor's Office from 1996–2004. Before that Terry was a Partner with Minter Ellison. Terry holds a number of Board positions in the corporate, government and not-for-profit sectors.

Membership *continued*



Ronald Farrell



Justin Harper



Joanne Metcalfe

Ronald Farrell (nominated by Victoria)

Ronald Farrell provides professional advice to both the public and private sectors. Ronald's current positions include: Board member of the Victorian Managed Insurance Authority, member for Municipal Association of Victoria Insurance Committee of Management, and Australian Securities & Investments Commission (ASIC) 'Responsible Officer' for MAV Financial Services Licence. He has been a member of the Metropolitan Fire and Emergency Services Board and its Audit and Remuneration Committees (1994–2003). His 38-year insurance career culminated as General Manager of the Australian Eagle Insurance Group (General Division) until 1992, including directorship of subsidiary companies. During that time he was also involved in various industry committees. He was involved in the ground up establishment of a rural industry Occupational Superannuation Fund.

Justin Harper BA, LLB (nominated by Queensland)

Justin Harper is a barrister and a member of the Queensland Bar Association. He specialises in the areas of personal injuries, insurance, administrative law and defamation. He was counsel representing the Bundaberg Patient Support Group at the Queensland Public Hospitals Commission of Inquiry. He has worked as a senior policy advisor to the Queensland Attorney General, and as a policy officer and legal officer in a number of government departments.

Joanne Metcalfe BLArch (Hons), MBA (nominated by the Australian Capital Territory)

Joanne Metcalfe is the Canberra Business Group Manager for Buildings and Property of GHD Pty Ltd. She co-ordinates the architectural services of the professional services company GHD Pty Ltd. She has been an active member of the property industry in the Canberra region for the past 10 years, currently holding the position of Vice-President of the Property Council of Australia, ACT. She has formerly worked in landscape architecture with Team Design Australia and as a Principal at the architectural firm peckvonhartel (formerly Robert Peckvonhartel Trethowan). She has also served in the National Communications Unit and as State Manager of the ACT branch of the Royal Australian Institute of Architects.



Madeleine Ogilvie



Iain Summers



Warwick Wilkinson

Madeleine Ogilvie BA LLB, Grad Certificate of Business (AGSM), MAICD (nominated by Tasmania)

Madeleine Ogilvie is the principal of Ogilvie & Associates lawyers in Tasmania. Madeleine has a wide range of professional experience in Australia and abroad, including the provision of legal and strategic management advice to key private and public sector organisations. She has held senior roles in business, general management and the legal profession. Madeleine has particular expertise in infrastructure and major commercial contracts. Her key areas of professional interest are in the fields of IT&T, tenders and intellectual property commercialisation. Madeleine is a member of the Tasmanian Arts Advisory Board, member of the Board of Kidsafe (Tas), founder of Early Years Parents & Friends (Tas) and provides pro-bono support to a range of Tasmanian not-for-profit and arts organisations.

Iain Summers B Comm, LLB (Hons), Grad Diploma Management Psychology, FCA FCPA FAICD FAIM (nominated by the Northern Territory)

Iain Summers provides governance and management advice and assistance to community services, public sector entities, and small- to medium-sized commercial enterprises. He was a partner of the chartered accountancy firm Pannell Kerr Forster in Darwin from 1982–92, and the General Manager of Corporate Services for the Northern Territory Tourist Commission from 1993–94. From 1995 to 2002 he was the Northern Territory Auditor-General. He is a company director of commercial and community sector entities and a member of audit committees for private and public sector entities.

Warwick Wilkinson AO, RFD ED (Hons) M Pharm FPS (nominated by the Commonwealth)

Warwick Wilkinson is an Officer of the Order of Australia. He has been an Associate Commissioner of the Australian Competition and Consumer Commission and Director of the Australian Institute of Political Science. He was a Director at Merck Sharp and Dohme for 11 years. He is a past President of both the Australian Council of Professions and the NSW Council of Professions, and past National President of the Pharmaceutical Society of Australia. He is also an Independent Expert on the Commonwealth Professional Programs and Services Advisory Committee and a lay member of the disciplinary committee of CPA Australia.

PROFESSIONAL STANDARDS COUNCILS' OPERATIONS

RESEARCH AND DEVELOPMENT

Annual Reporting Guidelines

The Professional Standards Councils are continuing a major review of the associations' annual reporting requirements. The review implements the recommendations of the 2006 NSW Attorney General's Department Internal Audit Plan, conducted by Deloitte Touche Tohmatsu. The guidelines are expected to be completed in the coming year and will ensure compliance with Risk Management Standard AS/NZS 4360:2004.

Review of the Policy Statement on Professional Indemnity Insurance

The Policy Statement on Professional Indemnity Insurance is a guide for occupational associations regarding the insurance standards applicable to members of their associated *Cover of Excellence*® Schemes. The Policy Statement was reviewed on 14 September 2007. The Councils incorporated submissions from stakeholders to create a less prescriptive policy statement that will allow occupational associations greater flexibility in determining the insurance standards of their Scheme participants in the existing insurance market. The Policy Statement on Professional Indemnity Insurance is available at the Councils' website (www.professionalstandardscouncil.gov.au).

Star Initiative Grants Program: Providing associations with assistance

The Professional Standards Councils offer grants to association members, who enjoy the benefit of a Scheme to undertake activities and research that contribute to the improvement of professional standards and consumer protection. The grants are awarded on a merits basis for risk management strategies, research, seminars or other initiatives that support the principles of professional standards legislation.

Star Initiative Grants were not offered in the 2007–08 financial year. The Councils are considering a re-evaluation of the objectives of the Star Initiative Grants Program in order that approved grants assist the achievement of such objectives of the program.

EXCHANGING KNOWLEDGE

The Professional Standards Councils' website

www.professionalstandardscouncil.gov.au

Information about the Professional Standards Councils is disseminated through its website, which publishes all current Schemes and information about the Councils' policies, as well as links to current and historical copies of publications, including annual reports and consultative papers.

The new Website Strategy, which was developed in 2006–07, has been successfully implemented during the 2007–08 financial year. The website was redesigned in order to reflect the close co-operation between the State and Territory Professional Standards Councils as well as to increase the accessibility of information to stakeholders, especially consumers, in all jurisdictions.

Meeting with stakeholders

The Secretariat meets regularly with members of its stakeholder associations. In addition, information seminars about the work of the Professional Standards Councils and *Cover of Excellence*® Schemes were held in Canberra and Melbourne during the financial year.

Promoting professional standards and *Cover of Excellence*® Schemes to consumers

The *Cover of Excellence*® slogan, the seven-point-star logo, and their composite are registered trademarks of the Professional Standards Council of New South Wales. This trademark is registered Australia wide and all the State and Territory Professional Standard Councils use this trademark with the permission of the Professional Standards Council of New South Wales. The trademark clearly identifies the Councils and members of Schemes approved by it to consumers. The Councils have revised the licence to use the trademark to ensure that professionals use it in an appropriate manner.

CORPORATE GOVERNANCE

The Councils are committed to implementing sound principles of corporate governance. These are outlined in the Councils' *Corporate Governance Principles: A Guide for Occupational Associations* (April 2005).

Terms of office and remuneration

The Professional Standards Councils' members are appointed for a term of up to three years, and Council members are eligible for re-appointment at the expiration of their term. In the 2007–08 financial year, Mr Justin Harper, nominated by the Queensland Attorney General, was appointed to the Councils.

All State and Territory Council members whose term of office expired on 30 June 2008 have accepted nominations for a further term, and it is expected the accumulated expertise will enable the Councils to further fulfil the professional standards legislative mandate.

An allowance/sitting fee for Council members is paid for attendance at Council, Working Party and Committee meetings. This sitting fee is based on the Premier's Department Guidelines for NSW Board and Committee Members.

The remuneration of Council members consists of the following:

Table 1: Remuneration of Council members

Council member	Meetings up to 4 hours	Each hour thereafter
Chairman	\$593.00	\$125.00
Members	\$361.00	\$75.00

The Chairman is also paid a retainer of \$2,575.00 per annum for out-of-session work and Council related expenses.

The average sitting time of Council meetings during the period was approximately 3 hours and 19 minutes.

Procedures

Procedures for Council meetings are guided by provisions in professional standards legislation in each jurisdiction. Policies developed since the Councils were established provide additional guidance for the operation of meetings.

A *Members' Handbook* has been developed to further assist Council members. It contains



information about the procedures and policies of the Councils, copies of current Schemes, a comparative table of professional standards legislation and the terms and conditions of members' appointments. The *Members' Handbook* is currently being updated; when completed, it will refer to relevant legislation and policies and procedures across the eight jurisdictions.

Meetings of the Councils

The number of meetings held and attendance information can be found under the jurisdiction-specific pages in this annual report.

Committees

The Professional Standards Councils can establish committees to assist the Councils in their work. During the 2007–08 financial year, the Audit and Risk Management Committee (ARMC), which was established during 2006–07, continued to meet in order to discuss the operations and risk management issues facing the Professional Standards Councils. Specifically, the ARMC considers the Professional Standards Councils' financial position, budget management, internal controls, risk management strategies and business plan.

Like the Professional Standards Councils, the ARMC has common membership across all State and Territory jurisdictions. The members of the ARMC during the 2007–08 financial year were:

- Steven Cole (Chairman)
- Esther Alter
- Iain Summers, and
- Ronald Farrell.

The Executive Officer of the Secretariat, Ms Philippa Seagrave attends these meetings as a visitor.

Appointment to the ARMC is on an annual basis. Members may also be re-appointed. It is anticipated that the above members will have their membership renewed.

Risk Management Program

The Professional Standards Councils have implemented an Internal Risk Management Program (IRMP) based on the Risk Management Standard AS/NZS 4360:2004. The IRMP assists the Professional Standards Councils to identify and resolve diverse risks, including external risks such as commercial and legal risks, and internal risks such as those associated with corporate knowledge management and financial administration. The ARMC, through a series of workshops with the Secretariat, has developed a comprehensive Risk Register and associated Risk Treatment plans for the 2007–08 period. The Professional Standards Councils and the ARMC have continued to be briefed quarterly on progress to mitigate key risks.

FINANCIAL PERFORMANCE OF THE COUNCILS

All Professional Standards Councils operate with the assistance of Secretariat support provided by the NSW Attorney General's Department. The financial performance report of each Council can be found in the Financial Reports section, which identifies the revenue received for each Council and their proportion of the expenditure. If audited financial information is available this is identified in this section.

CO-OPERATION BETWEEN JURISDICTIONS

CO-OPERATION AMONG PROFESSIONAL STANDARDS COUNCILS

Inter-governmental Agreement

The Professional Standards Agreement 2005 was endorsed and executed by the SCAG, and signed by all State and Territory Attorneys General and the Commonwealth Minister for Revenue and Assistant Treasurer of the Commonwealth in the same year. The Agreement provides for common membership of State and Territory Professional Standards Councils, and the use by each Professional Standards Council of a common Secretariat, operating in the NSW Attorney General's Department. During the 2007–08 financial year, there was continued support for the Professional Standards Agreement.

Inter-departmental service agreements

The Secretariat, Councils and their associated Departments have undertaken major work in negotiating service agreements between the Councils and the departments and the NSW Attorney General's Department. During the 2007–08 financial year, the majority of States and Territories became signatories to this Service Agreement. The service agreements enable further co-operation between the State and Territories by ensuring that the expenditure incurred pertaining to operating the Secretariat and the Councils is allotted and borne by the jurisdictions in an equitable manner.

LEGISLATIVE CHANGE

The Professional Standards Councils are responsible for giving advice to the Attorneys General on the operation of professional standards legislation. The Councils have taken an active role in this regard during the period. Some key areas that the

Councils have considered are, costs-inclusive insurance policies, mutual recognition of inter-state Schemes and the consistency of Schemes across jurisdictions.

Costs-inclusive insurance amendment

The Attorneys General were informed by the Councils of the advice they had received that professional standards legislation may not allow a person to whom a Scheme applies to rely on a costs-inclusive policy. Many professionals who had the benefit of a Scheme typically held the more readily available costs-inclusive cover.

An amendment was requested to clarify the fact that both costs-inclusive and costs-in-addition insurance policies could be used for the purposes of limiting liability under professional standards legislation. The SCAG gave in-principle support to the amendment in April 2006. Amendments to the legislation were adopted in Victoria on 11 October 2006, in New South Wales on 27 October 2006, in Tasmania on 18 December 2006, in South Australia on 18 January 2007, in the Northern Territory on 4 April 2007, and in the Australian Capital Territory on 6 May 2008.

Mutual recognition of Schemes

The Councils also identified the need for an amendment to professional standards legislation to allow mutual recognition of Schemes across State and Territory jurisdictions. Such an amendment would enable professional standards legislation to work more efficiently in all jurisdictions. The implementation of mutual recognition benefits professionals, associations and the Councils due to decreased compliance and other costs, and consumers would benefit from greater clarity and certainty. Amendments commenced in New South Wales on 15 June 2007, in the Northern Territory on



1 April 2008, and in the Australian Capital Territory on 18 May 2008. Similar amendments are expected to be made in other jurisdictions in the coming financial year.

Regulations

The Councils responded to associations' concerns about the timing of quarterly annual fee payments by requesting an amendment to the Regulations to allow fees to be paid at the end of a calendar quarter, rather than quarterly, based on the anniversary of the commencement of a Scheme.

Regulations incorporating the Councils' proposals commenced in South Australia on 1 October 2006, in New South Wales on 8 December 2006, in Western Australia on 29 December 2006, in Victoria on 7 November 2007, in Queensland on 9 February 2007, in the Northern Territory on 1 January 2008, and in the Australian Capital Territory on 1 July 2008.

COMMONWEALTH CO-OPERATION

The Secretariat has had regular correspondence and conferences with Commonwealth Treasury representatives. A Commonwealth Treasury representative has also been present at Council meetings during 2007–08. The Chairman and Executive Officer briefed the new Commonwealth Assistant Treasurer and Minister for Competition Policy and Consumer Affairs, the Honourable Chris Bowen, MP on the multi-jurisdictional arrangements of professional standards legislation to protect consumers and facilitate improvements in professional standards.

This co-operation has paved the way for a number of Schemes to be prescribed, for the five year life of the Scheme, including:

- AVI New South Wales Scheme
- ICAA New South Wales and Western Australia Schemes
- CPA Australia New South Wales Scheme
- CIRCEA New South Wales Scheme, and
- LSNSW Scheme.

In addition, a number of other Schemes have been prescribed for a period of 12 months from 12 June 2008, including:

- ICAA Schemes in the Australia Capital Territory, the Northern Territory, Queensland, South Australia and Victoria
- CPA Australia Schemes in the Australian Capital Territory, the Northern Territory, Queensland, South Australia, Victoria and Western Australia,
- PSOA New South Wales Scheme, and
- The Victorian Bar Inc Scheme.

COVER OF EXCELLENCE® SCHEMES

CURRENT SCHEMES IN THE AUSTRALIAN CAPITAL TERRITORY

During the reporting period two *Cover of Excellence*® Schemes were approved for operation in the Australian Capital Territory: the CPA Australia *Cover of Excellence*® Scheme and the ICAA *Cover of Excellence*® Scheme. These Schemes are the first to be approved by the Professional Standards Council of the Australian Capital Territory.

The following table sets out the persons to whom the Scheme applies, the limitation of liability, the start and expiry date of each Scheme.

Table 2: *Cover of Excellence*® Schemes in the Australian Capital Territory

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
Certified Practising Accountants in Australia	All members of CPA Australia ordinarily resident in the Australian Capital Territory who hold a current Public Practice Certificate and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	1 Feb 2008	31 Jan 2013
Institute of Chartered Accountants Australia (ICAA)	All members of ICAA ordinarily resident in the Australian Capital Territory who hold a current Certificate of Public Practice and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	1 Feb 2008	31 Jan 2013

The Professional Standards Council of the Australian Capital Territory has approved Schemes under the *Civil Law (Wrongs) Act 2002* (ACT). As the first annual risk management reports for these new Schemes are not due until 31 March 2009, information regarding the risk management strategies under these Schemes is not included in this annual report. Details regarding such new Schemes will be provided in the 2008–09 annual report.

CURRENT SCHEMES IN NEW SOUTH WALES

There are currently nine *Cover of Excellence*[®] Schemes in operation in New South Wales, covering nine occupational associations and six occupations.

The following table sets out the persons to whom the Scheme applies, the limitation of liability, and the start and expiry date of each Scheme.

Table 3: *Cover of Excellence*[®] Schemes in New South Wales

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
Australian Valuers Institute (AVI)	All members of the AVI ordinarily resident in New South Wales and who hold a current Public Practice Certificate issued by AVI	\$1million for commercial and \$500,000 for work relating to residential property	26 Jul 2007	25 Jul 2012
The New South Wales Bar Association (NSW Bar)	All members of the NSW Bar who hold a current NSW Barrister's Practising Certificate	\$1million for all members	19 Jan 2005	18 Jan 2010
College of Investigative and Remedial Consulting Engineers of Australia (CIRCEA)	All ordinary and retired members of CIRCEA	\$1million for ordinary members, \$5million for members who provide advice predominantly on geotechnical engineering, \$10million on application of member	5 Dec 2006	4 Dec 2011
Institute of Chartered Accountants Australia CPA Australia (NSW Scheme)	All members of CPA Australia ordinarily resident in New South Wales who hold a current Public Practice Certificate and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	8 Oct 2007	7 Oct 2012
ICAA (NSW Scheme)	All members of ICAA ordinarily resident in New South Wales who hold a current Certificate of Public Practice and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	8 Oct 2007	7 Oct 2012
Institution of Engineers Australia (NSW) Scheme (EA)	Members of Engineers Australia who are also members of the Engineering Science and Technology Professional Standards Society	\$1million, \$2.4million or \$4million depending on total annual fee income of partnership, corporation or sole trader. Up to \$8million on application to Engineers Australia by a member of the Scheme	24 Feb 2007	23 Feb 2012
Law Society of New South Wales (LSNSW)	All solicitor and life members of the LSNSW who hold a current Public Practice Certificate and have not been exempted	\$1.5million to \$20million depending on the number of principals; up to \$200million, as determined by the LSNSW, on application by a member	22 Nov 2006	21 Nov 2011
National Institute of Accountants (NIA)	All members of NIA ordinarily resident in New South Wales who hold a current Public Practice Certificate issued by the NIA unless exempted	\$500,000 to \$20million. Reasonable charge of services x 10	30 Jan 2007	29 Jan 2012
Professional Surveyors Occupational Association (PSOA)	All members of the PSOA	\$1 million, \$2 million, \$5 million depending on the firms' total annual gross fee income. Higher amount if selected	12 Nov 2007	11 Nov 2012

The Professional Standards Council of New South Wales has approved Schemes under the *Professional Standards Act 1994* (NSW). All associations with Schemes under this Act have submitted *Annual Risk Management Reports* in which they reported on the implementation and monitoring of their risk management strategies, claims, and insurance data, members' compliance with the use of *Cover of Excellence*[®] logo and disclosure of limited liability. The PSOA did not submit a plan for the 2006 reporting year as their Scheme expired in May 2006, and a new Scheme was approved on 12 November 2007. Refer to the section 'The Current *Cover of Excellence*[®] Schemes required to report in New South Wales for details of these Schemes.

CURRENT SCHEMES IN THE NORTHERN TERRITORY

During the reporting period two *Cover of Excellence*® Schemes were approved for operation in the Northern Territory: the CPA Australia *Cover of Excellence*® Scheme and the ICAA *Cover of Excellence*® Scheme. These Schemes are the first to be approved by the Professional Standards Council of the Northern Territory.

The following table sets out the persons to whom the Scheme applies, the limitation of liability, the start and expiry date of each Scheme.

Table 4: *Cover of Excellence*® Schemes in the Northern Territory

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
CPA Australia	All members of CPA Australia ordinarily resident in the Northern Territory who hold a current Public Practice Certificate and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	26 May 2008	25 May 2013
ICAA	All members of ICAA ordinarily resident in the Northern Territory who hold a current Certificate of Public Practice and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	7 Jan 2008	6 Jan 2013

The Professional Standards Council of the Northern Territory has approved Schemes under the *Professional Standards Act 2004* (NT). As the first annual risk management reports for these new Schemes are not due until 31 March 2009, information regarding the risk management strategies under these Schemes is not included in this annual report. Details regarding such new Schemes will be provided in the 2008–09 annual report.

CURRENT SCHEMES IN QUEENSLAND

During the reporting period two *Cover of Excellence*® Schemes were approved for operation in Queensland: the CPA Australia *Cover of Excellence*® Scheme and the ICAA *Cover of Excellence*® Scheme. These Schemes are the first to be approved by the Professional Standards Council of Queensland.

The following table sets out the persons to whom the Scheme applies, the limitation of liability, the start and expiry date of each Scheme.

Table 5: *Cover of Excellence*® Schemes in Queensland

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
CPA Australia	All members of CPA Australia ordinarily resident in Queensland who hold a current Public Practice Certificate and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	25 Mar 2008	24 Mar 2013
ICAA	All members of ICAA ordinarily resident in Queensland who hold a current Certificate of Public Practice and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	1 Feb 2008	31 Jan 2013

The Professional Standards Council of Queensland has approved Schemes under the *Professional Standards Act 2004* (QLD). As the first annual risk management reports for these new Schemes are not due until 31 March 2009, information regarding the risk management strategies under these Schemes is not included in this annual report. Details regarding such new Schemes will be provided in the 2008–09 annual report.

CURRENT SCHEMES IN SOUTH AUSTRALIA

During the reporting period two *Cover of Excellence*[®] Schemes were approved for operation in South Australia: the CPA Australia *Cover of Excellence*[®] Scheme and the ICAA *Cover of Excellence*[®] Scheme. These Schemes are the first to be approved by the Professional Standards Council of South Australia.

The following table sets out the persons to whom the Scheme applies, the limitation of liability, the start and expiry date of each Scheme.

Table 6: *Cover of Excellence*[®] Schemes in South Australia

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
CPA Australia	All members of CPA Australia ordinarily resident in South Australia who hold a current Public Practice Certificate and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	14 Apr 2008	13 Apr 2013
ICAA	All members of ICAA ordinarily resident in South Australia who hold a current Certificate of Public Practice and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	20 Feb 2008	19 Feb 2013

The Professional Standards Council of South Australia has approved Schemes under the *Professional Standards Act 2004 (SA)*. As the first annual risk management reports for these new Schemes are not due until 31 March 2009, information regarding the risk management strategies under these Schemes is not included in this annual report. Details regarding such new Schemes will be provided in the 2008–09 annual report.

CURRENT SCHEMES IN TASMANIA

No Schemes have been approved in the reporting period in the Tasmanian jurisdiction.

CURRENT SCHEMES IN VICTORIA

During the reporting period two *Cover of Excellence*® Schemes were approved for operation in Victoria: the CPA Australia *Cover of Excellence*® Scheme and the ICAA *Cover of Excellence*® Scheme. These Schemes are the first to be approved by the Professional Standards Council of Victoria.

The following table sets out the persons to whom the Scheme applies, the limitation of liability, the start and expiry date of each Scheme.

Table 7: *Cover of Excellence*® Schemes in Victoria

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
CPA Australia	All members of CPA Australia ordinarily resident in Victoria who hold a current Public Practice Certificate and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	21 Apr 2008	20 Apr 2013
ICAA	All members of ICAA ordinarily resident in Victoria who hold a current Certificate of Public Practice and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	3 Mar 2008	2 Mar 2013

The Professional Standards Council of Victoria has approved Schemes under the *Professional Standards Act 2003* (VIC). As the first annual risk management reports for these new Schemes are not due until 31 March 2009, information regarding the risk management strategies under these Schemes is not included in this annual report. Details regarding such new Schemes will be provided in the 2008–09 annual report.

CURRENT SCHEMES IN WESTERN AUSTRALIA

During the 2007–08 reporting period, two *Cover of Excellence*® Schemes were approved by the Professional Standards Council of Western Australia: the ICAA *Cover of Excellence*® Scheme, and the CPA Australia *Cover of Excellence*® Scheme. These Schemes are the first to be approved by the Professional Standards Council of Western Australia.

The following table sets out the persons to whom the Scheme applies, the limitation of liability, and the start and expiry date of each Scheme.

Table 8: *Cover of Excellence*® Schemes in Western Australia

Association	To whom Scheme applies	Limitation of liability	Start date	Expiry date
CPA Australia	All members of CPA Australia ordinarily resident in Western Australia who hold a current Public Practice Certificate and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	1 Apr 2008	31 Mar 2013
ICAA	All members of ICAA ordinarily resident in Western Australia who hold a current Certificate of Public Practice and who have not been exempted	\$500,000 to \$75million. Reasonable charge of services x 10	8 Oct 2007	7 Oct 2012

The Professional Standards Council of Western Australia has approved Schemes under the *Professional Standards Act 1997* (WA). As the first annual risk management reports for these new Schemes are not due until 31 March 2009, information regarding the risk management strategies under these Schemes is not included in this annual report. Details regarding such new Schemes will be provided in the 2008–09 annual report.

SUMMARY OF COVER OF EXCELLENCE® SCHEMES

This year marks the commencement of Schemes in all States and Territories, with the exception of Tasmania. The following table sets out the occupational associations and the jurisdictions under which there are Schemes.

Table 9: *Cover of Excellence*® Schemes by jurisdiction

Occupational Association	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
AVI		✓						
CIRCEA		✓						
CPA Australia	✓	✓	✓	✓	✓		✓	✓
EA		✓						
ICAA	✓	✓	✓	✓	✓		✓	✓
LSNSW		✓						
NIA		✓						
NSW Bar		✓						
PSOA		✓						

The following table sets out the number of members of associations to whom a *Cover of Excellence*® Scheme applied in all jurisdictions for the 2007–08 financial year.

Table 10: *Cover of Excellence*® Scheme participation by jurisdiction

Scheme	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
AVI		33						
CIRCEA		25						
CPA Australia	77	1332	24	997	237		1,930	725
EA		0						
ICAA	390	7,461	74	2,485	1,116		4,416	1,708
LSNSW		7,962						
NIA		975						
NSW Bar		1,968						
PSOA		18						

The following table sets out the number of members of participating associations to whom a *Cover of Excellence*® Scheme applied for 2007–08 and previous years. From 2001–07, *Cover of Excellence*® Schemes did not operate in States or Territories other than New South Wales. The 2007–08 figures are inclusive of all mainland states and territories.

Table 11: *Cover of Excellence*® Scheme participation by occupational/professional association and year

Scheme	Administrator	2007–08	2006–07	2005–06	2004–05	2003–04	2002–03	2001–02
Accountants Scheme	CPA Australia	5322	1,350	1,337	1,278	1,262	1,135	1,114
	ICAA	17,650	7,370	7,326	7,320	6,830	6,715	6,752
Barristers Cover of Excellence Schemes	NSW Bar	1,968	1,982	1,978	2,000	n/a	n/a	n/a
Engineers Australia (NSW) Scheme	EA	0	0	n/a	n/a	n/a	n/a	n/a
Institute of Consulting Valuers Scheme	AVI	33	45	48	85	85	64	57
Investigative and Remedial Engineers (NSW) Scheme	CIRCEA	25	25	13	13	13	14	14
Law Society of New South Wales Scheme Cover of Excellence Schemes	LSNSW	7,962	8,097	7,309	7,505	8,618	9,079	8,547
National Institute of Accountants Scheme	NIA	975	961	874	773	710	633	n/a
Professional Surveyors Scheme	PSOA	18	67	67	89	102	101	94
Total		33,953	19,897	18,952	19,063	17,620	17,741	16,578

SCHEMES IN FOCUS 2008

Occupational associations covered by *Cover of Excellence*® Schemes are required to report annually to their State-based Council on the implementation of risk management strategies within their association and the effect of the strategies in mitigating risks, improving standards and enhancing consumer protection. The reporting period for *Cover of Excellence*® Schemes is 1 January to 31 December (calendar year) with the report required to be submitted to Council by 31 March the following year. Each state-based Council reports on the performance of the participating professional associations in relation to such risks each year in the Councils' annual report.

The reporting requirement ensures that a professional association makes constant and timely improvements to their practices to the benefit of consumers in order to enable it to keep the limited liability cap granted by the Councils.

Examining the strategies and risks of professional associations allows the Councils to further consider whether a limited liability cap requires variation, due to changes in risks faced or undertaken by a professional association. The obligation to report is fundamental to the 'monitoring' aspect of the responsibility of the Professional Standards Councils in all jurisdictions.

The 2007–08 financial year represents the first year in which Schemes have been approved outside New South Wales. New Schemes have been approved in the Australian Capital Territory, the Northern Territory, Queensland, South Australia, Victoria and Western Australia as well as New South Wales. As the first annual risk management reports for these new Schemes are not due until 31 March 2009, information regarding the risk management strategies under these Schemes in the Australian Capital Territory, the Northern Territory, Queensland, South Australia, Victoria and Western Australia are not included in this annual report. Details regarding such new Schemes will be provided in the 2008–09 annual report.

Currently all the Professional Standards Councils are developing improved Guidelines for Annual Risk Management Reporting (the Guidelines) for participating associations, particularly relating to those that have Schemes in multiple jurisdictions. The Guidelines will reflect the AS/NZS 4360:2004 Risk Management, and will build stronger links with the initial Five-year Risk Management Plan that each occupational association is required to submit as part of the application process for a *Cover of Excellence*® Scheme. This will assist the Councils and the participating associations to measure performance in an objective and meaningful manner, as well as in adhering to best practice risk management.

CURRENT COVER OF EXCELLENCE® SCHEMES REQUIRED TO REPORT IN NEW SOUTH WALES

There are currently nine *Cover of Excellence*® Schemes in operation in New South Wales, covering nine occupational associations and six different occupations under the *Professional Standards Act (1994)* (NSW).

The Schemes are:

- ICAA Australia (NSW Scheme)
- NIA
- CPA Australia (NSW Scheme)
- AVI
- NSW Bar
- EA*
- LSNSW
- PSOA*, and
- CIRCEA

* The EA does not currently have members and therefore cannot provide a Risk Management Report at this stage. The PSOA's renewed Scheme commenced on 12 November 2007 and is not registered to report in the 2007-08 reporting year.

The *Professional Standards Act 1994* (NSW) requires participating occupational associations to provide an annual Risk Management Report to the Professional Standards Council of New South Wales about implementation and monitoring of their risk management strategies, the effect of those strategies, and any changes made, or proposed to be made to them, as stated in section 37 of the *Professional Standards Act 1994* (NSW). The annual reporting program is designed to help associations manage their occupational risks and protect consumers by fostering an adaptive approach to risk management and improvements in professional standards.

The participating associations reported on the following nine key strategic areas in their 2007 reports:

1. advisory and support services
2. codes of ethics
3. complaints and discipline systems
4. continuing occupational education
5. membership entry requirements
6. technical standards and guidance
7. quality control programs and quality assurance systems
8. claims and insurance monitoring, and
9. compliance with disclosure and *Cover of Excellence*® requirements

Who reports on what?

The following table identifies the categories each occupational association reports under — since not all associations report on each category as only three categories are compulsory, and the other categories reported reflect the individual risk profiles of each occupational association.

The ICAA report covers the period 1 January 2007 to 31 October 2007, when the Scheme expired. The ICAA have since had more Schemes established and will be reporting on these Schemes in the 2008 calendar reporting period (31 March 2009).

The AVI Scheme began half-way through the Risk Management reporting year (July 2007); hence, the AVI report covers the period from commencement of the Scheme to the end of the calendar year.

Table 12: Categories occupational/professional associations reported on

Association	Risk category							
	Entry qualifications	CPD*	Code of ethical conduct	Advisory and support services	Technical standards & guidance	Quality assurance standards	Complaints and discipline*	Claims*
AVI	♦	♦	♦	♦	n/a	n/a	♦	♦
NSW Bar	♦	♦	♦	♦	♦	n/a	♦	♦
ICAA		♦	♦		♦	♦	♦	♦
LSNSW	♦	♦	♦	♦	♦	♦	♦	♦
CPA Australia		♦	♦	♦	♦	♦	♦	♦
CIRCEA	♦	♦	♦	♦	♦	♦	♦	♦
NIA	♦	♦	♦	n/a	n/a	♦	♦	♦

*Statutorily required reporting

ANNUAL RISK MANAGEMENT REPORT

Table 13 to 21 below highlight strategies, actions and progress made by individual occupational associations in dealing with specific and statutory requirements, based on the initial Five-year Risk Management Plans submitted as part of the application process and annual implementation reports.

1. Advisory and support services

Associations are expected to provide members with encouragement and support in their professional fields through advisory services covering workplace issues as well as promoting work-life balance. Increasingly, occupational related support services (such as counselling) are delivered electronically, customised, and confidentially in pro-active ways, with lessons learned available through newsletters, mentoring and other communication pathways.

Table 13: Advisory and support services

Association	Strategy	Actions and/or outcomes
AVI	<p>Promote informal use of Board members and Institute Secretary for advisory services</p> <p>Regular information updates provided to members</p>	<p>Action: Advisory service usage discussed at monthly Board meetings</p> <p>Outcome: Effective practical tool for responding to small but constant inquiries</p> <p>Action: Distribution mechanism changed to reflect member preferences from website forum to regular newsletter/email contact</p>
CPA Australia (NSW Scheme)	<p>Provide access to timely updates and information for members</p> <p>Increase technical support for members through delivery of tailored tools and resources</p> <p>Development of new education pathway for membership via the development of a 4–6 unit conversion program</p>	<p>Action: Regular publication of CPA Australia Update, CPA Tax News and In The Black newsletters</p> <p>Action: Development of Independence Guide on Interpretation in conjunction with ICAA</p> <p>Action: A range of initiatives have been continued such as:</p> <ul style="list-style-type: none"> • commissioning research into skills shortages • recruitment activities in universities and schools, and • project to retain mature-aged members in the workforce
LSNSW	Availability and support for lawyers through LawCare	<p>Outcome: More than 80 practitioners sought advice from LawCare (slightly up from last year)</p> <p>Outcome: 132 practitioners sought advice from the Lawyers Assistance Program in the 2006–07 financial year</p>
NSW Bar	Ongoing financial support for BarCare (covering costs of initial costs of assessment, counselling and referral)	<p>Outcome: Significant increase in usage from previous year (from 15 in 2004–05 to 13 in 2005–06 to 30 in 2006–07) for barristers and/or family members</p> <p>Outcome: Decrease in the number of complaints that have resulted from stress or emotional issues</p>

2. Codes of Ethics

It is a mandatory requirement for participating associations to have in place a Code of Ethics. Members of occupational associations are required to abide by the code and occupational associations are required to report on compliance (and efforts to ensure compliance) with their respective Code of Ethics.

Most associations focus on enhancing existing standards of ethical conduct of members by ensuring compliance with legal obligations and regular training opportunities for members in ethics. For some occupational associations such as the LSNSW, ongoing training in ethics related issues is a mandatory component of their ongoing training requirements.

As noted last year, the three occupational associations with Schemes covering the accounting profession financially support and implement a national occupational code of ethics through the Accounting Professional and Ethical Standards Board (APESB) — the ICAA, the CPA Australia and the NIA. Different implementation programs for each of the occupational associations continue to reflect the different risk profiles and emphasis of each of the occupational associations. All three accounting profession associations have independent assessment of their compliance with the APESB ethical standards, which provides independent assessment as to the rigorous compliance with ethical standards.

Table 14: Codes of ethics

Association	Strategy	Actions and/or outcomes
AVI	Include in membership applications and renewals a declaration that the member will be bound by the AVI's Code of Ethics	Outcome: 100% compliance — applications are not processed without affirmation of declaration
CPA Australia (NSW Scheme)	Review and update study materials relating to ethics and professionalism in the CPA Australia Program, Public Practice Program and Risk Management Program	Outcome: Material in the CPA Australia Program and the Public Practice Program updated in Semester 2, 2007, to reflect new standards issued by APESB
ICAA (NSW Scheme)	Ongoing compliance with Statement of Membership Obligations (SMO4): International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants	Action: Ongoing compliance assessed bi-annually and are due for review in 2009
NIA	Communicate and educate practitioners on NIA's Code of Ethics	Outcome: New members educated on Code of Ethics obligations as part of orientation NIA Code of Ethics guidelines cover areas where APESB does not have standards
NSW Bar	Ensure knowledge of ethical issues as part of entry requirements Ongoing education in ethical matters	Outcome: New barristers are required to pass an ethics exam (with a pass mark of 75% or more) Outcome: All barristers are required to obtain at least 1 CPD point in the Ethics and Regulation of the Profession strand per CPD cycle (3 years)
LSNSW	Code/statements are implemented and reviewed by Ethics Committee and Ethics Officers	Action: LSNSW officers are involved in ongoing development and review of Solicitors Rules Outcome: In February 2007, the Council resolved that ethics education be a mandatory component of ongoing training

3. Complaints and discipline systems

A key requirement for maintaining a *Cover of Excellence*® Scheme is consumer protection. Associations must deal with complaints against members from consumers regarding their members' services. Complaints systems must allow consumers and association members to access complaints mechanisms that are fair and transparent. The system must allow for timely resolution, and consumers must be made aware of the nature, scope and steps of a complaints procedure that is available to them.

The Financial Reporting Council, which oversees the strategic direction of Australian Accounting Standards Board and the Auditing and Assurance Standards Board, reported on all accountancy bodies' professional conduct processes, and found for the second year in a row that the processes were effective and appropriate to meet the bodies' roles and responsibilities.

All associations with approved Schemes have procedures in place for dealing with complaints.

Table 15: Complaints and discipline

Association	Strategies	Actions and/or outcomes
AVI	All members required to adhere to AVI's complaints procedure	Outcome: During the reporting period no complaints were received about current members (6 months)
CPA Australia (NSW Scheme)	Continual improvement in the investigation and disciplinary process	Outcome: Slight increase in complaints from 145 externally initiated complaints to 169, Australia wide in 2007 Outcome: 67 members appeared before a disciplinary tribunal with outcomes reported on CPA Australia website
ICAA Australia (NSW Scheme)	Ongoing compliance with Statement of Membership Obligations (SMO) 6: Investigation and Discipline	Outcome: During the 2006–07 financial year the Professional Conduct team initiated investigations into 317 formal complaints Action: Significant amendments were made to the Member Complaints and Discipline section of the website, including: <ul style="list-style-type: none"> • information on complaints process • online complaints processes, and • improved access to reports of professional conduct tribunals (updated monthly)
LSNSW	Decrease in negligence claims and complaints over the long term	Outcome: 596 negligence notifications were lodged with LawCover Outcome: The Professional Standards Department (of the LSNSW) opened 540 complaints (19% less than the previous period) Outcome: During the same period the Office of the Legal Services Commissioner received 2,487 written complaints (33 less than the previous year) Outcome: 16 solicitors were reprimanded, 26 referred to the Administrative Decisions Tribunal, 16 had their practicing certificate cancelled or suspended, 6 had names removed from the Supreme Court Roll
NIA	Maintain a complaints and disciplinary system that is open, accessible, responsive and independent	Action: Additional independent (non-NIA) members added to the Complaints Tribunal and improved streamlining processes Outcome: Investigation process is subject to annual external review to comply with ISO 9001/2000 accreditation process Outcome: 12 new complaints against members
NSW Bar	Meet statutory obligations with respect to complaints and notification and other disclosures under the <i>Legal Professions Act 2004</i> (NSW) and associated regulations	Outcome: In the 12 months to 30 June 2007: <ul style="list-style-type: none"> ▪ 45 conduct complaints were referred by the Legal Services Commissioner, and ▪ 15 new conduct complaints were reported to the Bar Council by the Professional Conduct Committee Outcome: After a review, new procedures for the Professional Conduct Committee have been developed and implemented

4. Continuing occupational education

A key component in mitigating risks facing occupational associations is the provision of Continuing Occupational Education (COE), sometimes called Continuing Professional Development (CPD), Training and Development (T&D) or Continuing Professional Education (CPE) by occupational associations. Outcomes of complaints, insurance claims, and innovation and precedence in the profession should form the basis of regular review of COE or CPD courses. This ensures that the skills and knowledge of members increases in order to reduce risks associated with out-of-date information affecting services provided by members and, hence, the standards and reputation of the occupational association and its members.

Continuing occupational education requirements also ensure that the knowledge of risks facing members of occupational associations is widespread and methods to manage such risks are available to practitioners, allowing risks to be minimised.

Many of the occupational associations provide regular communications regarding training opportunities through electronic and hard-copy publications to promote upcoming courses, and keep members abreast of latest professional news, guidance and analysis.

Table 16: Continuing occupational education

Association	Strategies	Actions and/or outcomes
AVI	Mandatory 40 hours continuing occupational education each year	<p>Outcome: 100% compliance with continuing professional development requirements</p> <p>Action: Random audit conducted of members of training attendance revealed 100% compliance</p>
CPA Australia (NSW Scheme)	<p>Development of mandatory CPD competency requirements for auditors of self-managed superannuation funds (in conjunction with the ICAA and the NIA)</p> <p>Provide easily accessible relevant continuing occupational education</p>	<p>Outcome: Identification of key knowledge and skills required for undertaking audit and development of competency-based standard based on these skills</p> <p>Outcome: New standards launched in February 2008</p> <p>Action: Strategic investment in course management software to improve content delivery across multiple delivery modes</p> <p>Outcome: <i>My Online Learning</i> was launched in September 2007 to provide members with more choice and flexibility in undertaking and tracking their development</p>
ICAA (NSW Scheme)	<p>Monitor compliance of members to meet COE statutory requirements (e.g. company auditors, company liquidators, tax agents, licensed municipal auditors, etc.)</p> <p>Implementation of training toolkits and guidance notes</p>	<p>Action: Focused training on core technical skills</p> <p>Outcome: Rapid increase in-house training clients (from 66 to 130) over 1,850 hours, which was a 48% increase over the previous year</p> <p>Action: New guidance notes include a fully updated <i>Quality Control Guide</i> and revised <i>Members Handbook</i></p>
LSNSW	Annual audit of members to monitor compliance with mandatory continuing professional education requirements Course attendance statistics	<p>Action: 550 members randomly audited each year</p> <p>Outcome: Continued high level of compliance with less than 2% (11 practitioners) with compliance issues — addressed through extension of time</p> <p>Outcome: Compliance rates (approx 98%) have remained stable since at least 2004</p> <p>Outcome: 100 solicitors accredited during the reporting year in specialist fields such as advocacy, commercial litigation, mediation, and taxation law</p> <p>Outcome: During 2006–07, 147 programs were delivered to 3,584 participants. More than 35 regional and other seminars were also held</p> <p>Action: Introduction of the Rhetoric Series — a series of 7 seminars focusing on oratory and rhetoric skills. It is envisaged that a similar series will be undertaken in 2008</p>
NSW Bar	Mandatory continuing professional education (10 CPD points) prior to issuing annual practising certificate	<p>Action: Renewal process identified practitioners with insufficient CPD who were given conditional practising certificates subject to undertaking CPD within specified timeframe</p> <p>Action: Implementation of Rhetoric Series to create a professional dialogue on the role of rhetoric and persuasion in the legal profession</p>
NIA	Secure members' compliance with COE requirements	<p>Action: Random audit of members and self-evaluation of compliance</p> <p>Action: Non-complying members may have membership downgraded if fail to take required remedial action</p> <p>Outcome: 1 member was sent for disciplinary review, suspended and fined for defiance in failing to document training undertaken adequately</p>

5. Membership entry requirements

Membership entry requirements are one of the simplest and most effective ways of ensuring the ongoing integrity of an occupational/professional association. Membership entry requirements control the quality and competency of members according to specified criteria.

Associations that have *Cover of Excellence*[®] Schemes in operation must maintain entry requirements that ensure members have the skills and knowledge to practise at the high standards required for the professional work they perform. Associations must monitor the implementation of these requirements closely to ensure existing and new members continue to meet the entry requirements. Maintaining and enforcing rigorous entry requirements reduces risks of admitting non-qualified members to the occupational/professional association.

The exact composition of membership entry requirements includes carefully considered criteria specific to each association. There is a mix of competency-based assessments, requirements to obtain practice certificates (or registration with an independent licensing authority), academic qualifications, and experience that make up the entry requirements for such associations with Schemes under professional standards legislation.

Having adequate levels of professional indemnity insurance is also a key component of Schemes under the professional standards legislation. All associations have processes in place to check and/or audit compliance, with insurance requirements at both the initial application phase and annual renewal phase of membership to these associations.

Table 17: Membership entry requirements

Association	Strategies	Actions and/or outcomes
AVI	Applications examined by the AVI Secretary. Board reviews all applications to ensure compliance with entry requirements	<p>Outcome: All new applicants met entry requirements</p> <p>Outcome: 3 new practicing members were admitted to AVI and 10 new students were also admitted</p> <p>Outcome: All new members were issued with a practising certificate</p>
CIRCEA	Applicants must demonstrate membership of Engineers Australia and document compliance with practice requirements	<p>Outcome: All members of CIRCEA are members of Engineers Australia</p> <p>Outcome: All members have meet minimum investigative consulting practice requirements (500 hours pa or 25% of practice hours)</p>
NSW Bar	Completion of Bar Practice Course (required before practising certificate is issued)	<p>Action: A pass grade of 75% must be achieved before a issuing a practising certificate</p>
LSNSW	<p>Members must provide evidence of admission to Supreme Court of New South Wales</p> <p>Evidence of Professional Indemnity Insurance Cover as part of application/renewal supplied</p> <p>Lodgement of External Examiner's Report by due date (30 June)</p>	<p>Action: Prompt (within 2 days) entering of member data into database upon notification by Supreme Court</p> <p>Outcome: All applicants provided sufficient evidence of approved policy cover or equivalent held</p> <p>Outcome: Of the 2,831 External Examiner's Reports received by due date (up from 2,691 from previous year), only 6 were adverse. Appropriate investigations were scheduled</p> <p>Outcome: Nil practising certificates cancelled as a result of non-lodgement of External Examiner's Report by due date. This continues the positive trend from previous year</p>
NIA	<p>Issue practitioner certificates only to those applicants who meet full membership criteria</p> <p>Compliance with minimum Professional Indemnity Insurance Cover for each NSW practitioner</p>	<p>Action: All applications for Public Practice Certificates are only issued to full qualifying members</p> <p>Outcome: Compliance for completion of Public Practice Orientation Program (PPOP) reviewed after 6 months. All members (100%) have complied with requirements in the reporting period</p> <p>Outcome: 99% compliance with remedial action taken for non-compliance</p> <p>Outcome: Almost 50% of members had insurance cover in excess of minimum standards</p>

6. Technical standards and guidance

Associations are encouraged to assist members to keep up-to-date with recent technical advances in their field.

Keeping abreast of technical advances reduces risks of errors and facilitates improvement of professional standards. Technical standards provide useful tools to facilitate adoption of best practice and document expected standards of performance.

Table 18: Technical standards and guidance

Association	Strategies	Actions and/or outcomes
NSW Bar	Increased use of library resources	Action: Implementation of new catalogue system in 2008 to improve search capabilities
	Decreased number of complaints related to failure to keep up-to-date with changes of law	Action: Regular training sessions offered throughout the year to help members keep abreast of electronic research methods
ICAA (New South Wales Scheme)	Ongoing compliance with IFAC Code of Ethics for Accountants	Action: Compliance assessed bi-annually and is due for review in 2009 Action: Published a free, updated and interactive <i>Quality Control Guide</i> for ICAA members
CPA Australia (NSW Scheme)	Ongoing compliance with IFAC Code of Ethics for Accountants	Action: Compliance with technical standards assessed at every quality review Action: Refer any identified breaches of standards (as part of quality assurance processes) to the Professional Conduct Officer of CPA Australia or IFAC
NIA	Improve timely access to information updates	Action: Regular weekly updates of newsletters
LSNSW	Provide a range of regulatory information such as legislation, case law, guidelines and practice notes available through the internet	Outcome: The number of visitors/enquiries to the regulatory section of the website was estimated to be more than 3,177,320 during the period

7. Quality control programs and quality assurance systems

Risk management depends largely on the implementation of appropriate and rigorous quality management systems, particularly when associations with Schemes cover occupations providing intellectual advice and services. Associations have a responsibility to ensure implementation of, and compliance with, suitable quality control management systems.

Table 19: Quality control programs and quality assurance systems

Association	Strategies	Actions and/or outcomes
CPA Australia (NSW Scheme)	Monitor Accounting Professional and Ethical Standards 320, which addresses risk management in accounting practices	<p>Outcome: Member compliance within review cycle</p> <p>Outcome: Development of a new e-learning program based on new IFAC guide</p> <p>Outcome: Publication of case studies and statistics on common areas of member breaches</p>
ICAA (New South Wales Scheme)	<p>Practices undertaking audits which require Registered Company Auditor (RCA) will be audited every 3 years</p> <p>Each practice reviewed every 5 years</p> <p>Commencing 1 July 2007 each practice undertaking audits which require a RCA are to be reviewed every 3 years</p>	<p>Outcome: Over 89% of members surveyed believe the review processes enhance quality control systems</p> <p>Outcome: 478 practices reviewed to 30 June 2007</p>
LSNSW	Practice management course participation for members seeking to move from an employed solicitor to practice on their own account	<p>Outcome: 38 solicitors audited, 4 had completed course but failed to update records, 17 completed course with an extension of time and 17 had extenuating circumstances such as being overseas, inter-state or returning to employed practice</p>

8. Claims and insurance monitoring

One of the key aims of professional standards legislation is to facilitate the ability of members of occupational/professional associations to access and afford professional indemnity insurance over the full insurance cycles.

The majority of associations have noted that professional indemnity insurance is readily available, continuing a trend of the last few years. Associations have taken this opportunity to negotiate better outcomes for members in the coverage and price of professional indemnity insurance.

The Professional Standards Councils are aware that many associations continue to have difficulty in obtaining claims information from the insurance industry and other sources about their own claims history and the insurance market conditions generally. Information about claims allow an association to understand why claims occur, so that an association can equip members with the knowledge and skills to avoid mistakes that gave rise to the claim in the first place.

Table 20: Claims and insurance monitoring

Association	Claims and insurance monitoring (Perceptions on costs and availability of Professional Indemnity Insurance)
AVI	<p>A renewing member reported 1 claim for AVI. This is AVI's third claim since its inception of its Scheme, which initially commenced in 2001, and was renewed on 26 July 2007 for a further 5 years.</p> <p>Based on the results of an annual survey of its members, AVI noted that the average cost of insurance is 5% of gross fees, and due to the affordability of insurance this leads to the inference that professional indemnity insurance is readily available for AVI members.</p>
CIRCEA	<p>CIRCEA continued the long-term trend of low claims as there have been no known claims above the limitation of liability specified in the Scheme since inception in the 2002–03 financial year. There were no insurance claims against their members reported this year.</p> <p>CIRCEA also noted that insurance cover for their members has been more readily available in 2006–07 than in the previous 2 years, and that premiums appear to have stabilised.</p>
CPA Australia (NSW Scheme)	<p>CPA Australia reported 2 insurance claims in the reporting period for NSW members covered by their Scheme. This is slightly lower than last reporting year (5 claims), but continues a long-term trend where the number of claims and the severity of claims are low by historical standards.</p> <p>There are in excess of 23 underwriters willing to provide professional indemnity insurance for CPA Australia members, with the majority of members having cover from overseas providers.</p>
ICAA (New South Wales Scheme)	<p>The ICAA reported one insurance claim for the 2007 reporting year, identified as part of the ICAA audit program.</p>
LSNSW	<p>The LSNSW reported a drop in insurance claims from 701 in the last reporting period to 596 claims this period. The major areas of claims continue to be conveyancing, commercial, out-of-time personal injury, and other litigation.</p> <p>The LSNSW also noted that the availability of professional indemnity insurance is satisfactory up to the compulsory level of \$ 1.5million.</p>
NIA	<p>The NIA reports that professional indemnity insurance is readily available to its members, with more than 50% of members reporting insurance premiums that are less than 1% of gross fees. The preferred insurance provider reports that the average cost is 2% of gross fees. Additionally, 99% of members are complying with business asset requirements, with the 1% outstanding being followed up.</p>
NSW Bar	<p>The NSW Bar is in a unique situation for an occupational association with a Scheme, where the type of policy, and the level of cover provided by the policy, is prescribed by the NSW Attorney General pursuant to section 403(2) of the <i>Legal Profession Act 2004</i> (NSW).</p> <p>The NSW Bar reported that claims do not appear to be increasing against its members, continuing a trend of the past few years. Additionally, the number of claims relative to the number of barristers is quite low. A significant improvement in insurance coverage has been successfully negotiated for barristers with 1 insurer commencing to offer a 7-year run-off cover for those barristers who retire whilst insured with them.</p> <p>The major areas of claims or notifications reported were in professional conduct, commercial, personal injuries, and family law. The total number of insurance claims in the 2006–07 financial year was 23. Notifications have increased significantly in this reporting period, from 34 last year to 97 in 2006–07.</p>

9. Compliance with disclosure and *Cover of Excellence*® requirements

The *Cover of Excellence*® is a trademark owned by the Professional Standards Councils of New South Wales used with its permission by all councils. It is used to identify Schemes approved by the Councils under professional standards legislation. Occupational associations apply for a Scheme on behalf of their members, and only members covered by the Scheme are eligible to display the *Cover of Excellence*® logo. Only Schemes that satisfy legislative requirements to improve professional standards and protect consumers are approved, giving participating association members limited civil liability.

The Councils promote the proper use of the *Cover of Excellence*® logo by the license and Style Guide. Use of the trademark is not mandatory. Occupational associations must monitor compliance with the trademark requirements and report non-compliance to the Councils. Councils may choose to prosecute any non-compliance with trademark requirements.

The use of the *Cover of Excellence*® logo does not replace the requirement that disclosure be provided to clients.

Five associations reported on compliance with disclosures and voluntary use of the logo for the 1 January to 31 December 2007.

Table 21: *Cover of Excellence*® Scheme monitoring

Association	Compliance with disclosure requirements
AVI	<p>AVI members undertook compulsory self-assessment as part of the renewals process, as in previous reporting periods. A 100% compliance rate with the disclosure and <i>Cover of Excellence</i>® logo and insurance policy requirements was again achieved by the AVI.</p> <p>A random audit of members found 100% of those audited could document compliance to the satisfaction of the AVI Board.</p>
CPA Australia (NSW Scheme)	<p>CPA Australia provided a quality review framework that underlies their compliance program. This quality review framework includes a 5-year review cycle, i.e. 20% annually.</p>
ICAA (New South Wales Scheme)	<p>The ICAA surveyed 50 practices as part of its compliance monitoring program, which represents approximately 12% of its members covered by the <i>Cover of Excellence</i>® Scheme in New South Wales. The survey found that there were high levels of compliance.</p> <p>In addition, 94% of firms selected in the random audit completed self-assessment forms within the reporting period. This represented a decrease of 4% in comparison to the previous reporting period.</p> <p>100% of respondents' documents carried a statement that liability is limited under the <i>Professional Standards Act 1994</i> (NSW) and included a copy of the <i>Professional Standards Council's Disclosure Policy</i>. ICAA members that were identified as not using the prescribed form have been followed up by the ICAA and matters satisfactorily resolved.</p>
NIA	<p>As in the 2006–07 reporting period, the NIA surveyed 25% of its NSW members to gauge compliance with <i>Cover of Excellence</i>® disclosure requirements. The survey found that there was a 94% compliance rate, with non-compliance being followed up by the NIA.</p>
NSW Bar	<p>The NSW Bar notifies, in writing, new members of their obligations under the <i>Cover of Excellence</i>® Scheme, including disclosure requirements and the Professional Standards Council's <i>Policy Statement on Disclosure of Limited Liability</i>.</p> <p>A 'Declaration of Compliance of Disclosure' is required by NSW Bar members as part of the renewal of practising certificates. Of the 40 members that were randomly audited, 100% provided documentary evidence supporting the correct use of disclosure according the <i>Cover of Excellence</i>® Scheme.</p>

FINANCIAL REPORTS

CONSOLIDATED FINANCIAL PERFORMANCE EXTRACT 2007-2008 (note 1)

	CONS	NSW	QLD	VIC	SA	WA	ACT	NT	TAS
REVENUE									
Application Fees	132,000	17,000	20,000	20,000	15,000	15,000	15,000	15,000	15,000
Annual Fees ²	1,001,274	744,079	59,997	91,177	22,738	71,707	9,667	1,910	0
TOTAL REVENUE	1,133,274	761,079	79,997	111,177	37,738	86,707	24,667	16,910	15,000
EMPLOYEE RELATED PAYMENTS									
Salaries and Wages	386,593	259,626	27,289	37,926	12,874	29,578	8,415	5,768	5,117
Leave Entitlements	38,705	25,993	2,732	3,797	1,289	2,961	842	578	512
Workers' Compensation	3,054	2,051	216	300	102	234	66	46	40
Payroll Tax	29,959	20,120	2,115	2,939	998	2,292	652	447	397
Overtime	0	0	0	0	0	0	0	0	0
Superannuation	35,552	23,876	2,510	3,488	1,184	2,720	774	530	471
Crown Liabilities	13,488	9,058	952	1,323	449	1,032	294	201	179
TOTAL EMPLOYEE RELATED	507,351	340,725	35,813	49,772	16,895	38,818	11,043	7,570	6,715
OTHER OPERATING EXPENSES									
Advertising and Publicity	55,068	36,982	3,887	5,402	1,834	4,213	1,199	822	729
Consultancies ³	53,636	36,021	3,786	5,262	1,786	4,104	1,167	800	710
Contractors	5,320	3,573	376	522	177	407	116	79	70
Depreciation	4,707	3,161	332	462	157	360	102	70	62
Electricity and Gas	2,838	1,906	200	278	95	217	62	42	38
- Board Fees ⁴	32,966	22,139	2,327	3,234	1,098	2,522	718	492	436
- Other Fees	9,602	6,448	678	942	320	735	209	143	127
Freight & Cartage	0	0	0	0	0	0	0	0	0
General Expenses (including bank charges)	25	17	2	2	1	2	1	0	0
Insurance	176	118	12	17	6	13	4	3	2
Lease of Equipment	3,589	2,410	253	352	120	275	78	54	48
Motor vehicles	72	48	5	7	2	6	2	1	1
Postal Expenses	282	189	20	28	9	22	6	4	4
Printing	11,880	7,978	839	1,165	396	909	259	177	157
Publications	2308	1,550	163	226	77	177	50	34	31
Rates and Outgoings	1,109	745	78	109	37	85	24	17	15
Rent	47,869	32,148	3,379	4,696	1,594	3,662	1,042	714	634
Staff Expenses	2735	1,836	193	268	91	209	60	41	36
Stores and Stationery	4247	2,852	300	417	141	325	92	63	56
Telephone	725	487	51	71	24	55	16	11	10
Travel	44,595	29,949	3,148	4,375	1,485	3,412	971	665	590
Maintenance	1,679	1,128	119	165	56	128	37	25	22
Bad debt recovered	-92,942	-62,418	-6,561	-9,118	-3,095	-7,111	-2,023	-1,387	-1,230
TOTAL OTHER OPERATING EXPENSES	192,486	129,269	13,587	18,883	6,410	14,727	4,190	2,872	2,548
Net Book Value - Disposed assets	417	280	29	41	14	32	9	6	6
TOTAL EXPENDITURE	700,254	470,273	49,430	68,697	23,318	53,577	15,242	10,449	9,269
Less Crown Liabilities	13,488	9,058	952	1,323	449	1,032	294	201	179
Less Depreciation	4,707	3,161	332	462	157	360	102	70	62
NET TOTAL EXPENDITURE⁵	682,059	458,054	48,146	66,911	22,713	52,184	14,846	10,177	9,028
NET FUNDS	451,216	303,026	31,851	44,265	15,025	34,523	9,821	6,733	5,972
Less surplus paid into NSW AGD ⁶	-104,586	-104,586							
FINAL NET POSITION	346,630	198,439	31,851	44,265	15,025	34,523	9,821	6,733	5,972

Notes:

1. This unaudited financial extract is derived from information provided by the NSW Attorney General's Department (AGD) and records kept by the Secretariat. The AGD provides financial services to the NSW Council and the Council's financial information forms part of the Financial Statement published in the AGD Annual Report, which is subject to audit by the Audit Office of NSW. Figures are exclusive of Goods and Services Tax.
2. Revenue figures are prepared on an accruals basis of accounting.
3. Consultancy fees were for the provision of independent actuarial advice for the schemes.
4. Allowances paid to Council Members at rates determined by the Attorney General in accordance with Clause 4, Schedule 2, *Professional Standards Act 1994* (NSW). These allowances are the same for all members, with the exception of the Chair. The figures under each Council are derived from the application of a formula specified in the Professional Standards Interdepartmental Service Agreement 2008 which allocates expenses to each Council based on their proportion of the total revenue.
5. Final Total expenditure information derived from NSW Attorney General's Department (AGD).

Under the Professional Standards Interdepartmental Service Agreement 2008 signed by all the States and Territories with the NSW AGD each Council bears a proportion of the total expenditure based on their share of the total revenues for all the Councils. Each Council is invoiced by the NSW AGD for their portion of the expenditure.

Invoiced services provided by NSW Secretariat, in accordance with Service Agreement, were based on estimated expenditure at 30 June 2008. These amounts do not include Goods and Services Tax. The ACT amount invoiced was incorrect and ACT was overcharged by \$5. The amount of service charges to the various PSCs totalling \$260,066 is shown below (inclusive of the \$5 overcharge):

	CONS	QLD	VIC	SA	WA	ACT	NT	TAS
<i>Service charge paid to NSW AGD</i>	260,066	53,083	78,456	28,321	49,912	20,041	15,579	14,674

There is a variation between the service charge invoiced to each Council on 30 June 2008 and final service charge to be applied for 2007-2008. The total variation is \$36,062. Therefore the total amount invoiced should have been \$224,004.

The variations for each Council will be settled during the year ended 30 June 2009, and are as shown below:

	CONS	QLD	VIC	SA	WA	ACT	NT	TAS
<i>Variation to be payable to NSW AGD Q1 2008-09</i>	-36,061	-4,937	-11,545	-5,608	2,272	-5,195	-5,402	-5,646

Therefore the service charge for each Council after these adjustments are:

	CONS	QLD	VIC	SA	WA	ACT	NT	TAS
<i>Service charge payable to NSW AGD</i>	224,005	48,146	66,911	22,713	52,184	14,846	10,177	9,028

6. NSW AGD surplus of \$104,586 is the difference between NSW revenue as calculated on a preliminary basis \$526,579 + \$260,066 service charge from other Councils less expenses \$682,059. This was repaid into NSW consolidated revenue, and was a one-off.

THE PROFESSIONAL STANDARDS COUNCIL OF THE AUSTRALIAN CAPITAL TERRITORY

Background

The Professional Standards Council of the Australian Capital Territory was enacted under the *Civil Law (Wrongs) Act 2002 (ACT)* as amended by the *Civil Wrongs (Proportionate Liability and Professional Standards Act) 2004* (commencing in March 2005).

Constitution of the Council

The Professional Standards Council of the Australian Capital Territory was constituted during this reporting period. The members of the Professional Standards

Council of the Australian Capital Territory are as follows: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper, Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson.

Major legislative changes

During the period the *Civil Law (Wrongs) Act 2002 (ACT)* was amended by the *Justice and Community Safety Legislation Amendment Act 2008 (ACT) No. 7*.

Table 22: Meetings of the Professional Standards Council of the Australian Capital Territory

Members	Council meetings entitled to attend	Council meetings attended	ARMC meetings entitled to attend	ARMC meetings attended
Esther Alter	7	4	4	3
Robert Beaton	7	5	n/a	n/a
Steven Cole	7	7	4	4
Terry Evans	7	6	n/a	n/a
Ronald Farrell	7	7	4	4
Justin Harper	7	4	n/a	n/a
Joanne Metcalfe	7	5	n/a	n/a
Madeleine Ogilvie	7	3	n/a	n/a
Brian Rayment	7	7	n/a	n/a
Iain Summers	7	7	4	4
Warwick Wilkinson	7	5	n/a	n/a

Financial performance

The Professional Standards Council of the Australian Capital Territory is not responsible for compiling financial records, but the Secretariat is responsible for ensuring the collection of revenue and operating within the budget. During the reporting period, the Secretariat undertook these tasks.

Refer to the Consolidated Financial Performance Extract of the Professional Standards Councils at the beginning of this section, for the revenue of the Professional Standards Council of the Australian Capital Territory and the proportion of expenses for this Council.

THE PROFESSIONAL STANDARDS COUNCIL OF NEW SOUTH WALES

Constitution of the Council

Council members of the Professional Standards Council of New South Wales are as follows: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper, Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson.

Major legislative changes

During the period, the *Professional Standards Act 1994 (NSW)* was amended by the *Miscellaneous Acts (Local Court) Amendment Act 2007 No. 94* (not commenced yet).

Table 23: Meetings of the Professional Standards Council of New South Wales

Members	Council meetings entitled to attend	Council meetings attended	ARMC meetings entitled to attend	ARMC meetings attended
Esther Alter	7	4	4	3
Robert Beaton	7	5	n/a	n/a
Steven Cole	7	7	4	4
Terry Evans	7	6	n/a	n/a
Ronald Farrell	7	7	4	4
Justin Harper	7	4	n/a	n/a
Joanne Metcalfe	7	5	n/a	n/a
Madeleine Ogilvie	7	3	n/a	n/a
Brian Rayment	7	7	n/a	n/a
Iain Summers	7	7	4	4
Warwick Wilkinson	7	5	n/a	n/a

Freedom of Information reporting

There were no outstanding or new requests for information under the *Freedom of Information Act 1989 (NSW)* during the period.

Financial performance

The Professional Standards Council of New South Wales is not responsible for compiling financial records, but the Secretariat is responsible for ensuring the collection of revenue and operating within the budget allocated to it. During the reporting period, the Secretariat undertook these tasks. Refer to the Consolidated Financial Performance Extract of the Professional Standards Councils at the beginning of this section, for the revenue of the Professional Standards Council of New South Wales and the proportion of expenses for this Council.

THE PROFESSIONAL STANDARDS COUNCIL OF THE NORTHERN TERRITORY

Constitution of the Council

Council members of the Professional Standards Council of the Northern Territory are as follows: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper, Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson.

Major legislative changes

During the period, the *Professional Standards Act 2004 (NT)* was amended by the *Professional Standards Amendment (Mutual Recognition) Act 2008 (NT) No. 5*.

Table 24: Meetings of the Professional Standards Council of the Northern Territory

Members	Council meetings entitled to attend	Council meetings attended	ARMC meetings entitled to attend	ARMC meetings attended
Esther Alter	7	4	4	3
Robert Beaton	7	5	n/a	n/a
Steven Cole	7	7	4	4
Terry Evans	7	6	n/a	n/a
Ronald Farrell	7	7	4	4
Justin Harper	7	4	n/a	n/a
Joanne Metcalfe	7	5	n/a	n/a
Madeleine Ogilvie	7	3	n/a	n/a
Brian Rayment	7	7	n/a	n/a
Iain Summers	7	7	4	4
Warwick Wilkinson	7	5	n/a	n/a

Financial performance

The Professional Standards Council of the Northern Territory is not responsible for compiling financial records, but the Secretariat is responsible for ensuring the collection of revenue and operating within the budget. During the reporting period, the Secretariat undertook these tasks. Refer to the Consolidated Financial Performance Extract of the Professional Standards Councils at the beginning of this section, for the revenue of the Professional Standards Council of the Northern Territory and the proportion of expenses for this Council.

THE PROFESSIONAL STANDARDS COUNCIL OF QUEENSLAND

Constitution of the Council

Council members of the Professional Standards Council of Queensland are as follows: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper, Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson.

Major legislative changes

There are no legislative changes to report in the Queensland jurisdiction.

Table 25: Meetings of the Professional Standards Council of Queensland

Members	Council meetings entitled to attend	Council meetings attended	ARMC meetings entitled to attend	ARMC meetings attended
Esther Alter	7	4	4	3
Robert Beaton	7	5	n/a	n/a
Steven Cole	7	7	4	4
Terry Evans	7	6	n/a	n/a
Ronald Farrell	7	7	4	4
Justin Harper	7	4	n/a	n/a
Joanne Metcalfe	7	5	n/a	n/a
Madeleine Ogilvie	7	3	n/a	n/a
Brian Rayment	7	7	n/a	n/a
Iain Summers	7	7	4	4
Warwick Wilkinson	7	5	n/a	n/a

Freedom of Information reporting

The *Freedom of Information Act 1992* (QLD) requires:

- that information concerning documents held by government are to be made available to members of the community;
- that members of the community are able to obtain access to documents held by government; and
- that members of the community are able to ensure that documents held by the government concerning their personal affairs are accurate, complete, up-to-date and not misleading.

‘Government’ includes a department, local council or public authority (such as a body established by an enactment or by government under an enactment for a public purpose).

The Professional Standards Council of Queensland received no requests under the *Freedom of Information Act 1992* (QLD) in the reporting period.

Whistleblowers Protection

The *Whistleblowers Protection Act 1994* (QLD) aims to protect the public interest by protecting persons who disclose:

- unlawful, negligent or improper conduct affecting the public sector;
- danger to public health or safety; or
- danger to the environment.

The Professional Standards Council of Queensland received no disclosures covered by the *Whistleblowers Protection Act 1994* (QLD).

Public Records Act 2002 (QLD)

Sound record keeping practices underpin good corporate governance. The Council has a system in place which ensures the accurate storage, capture and retrieval of documents as required by the *Public Records Act 2002* (QLD) and Information Standard 40: Recordkeeping.

Privacy Principles

The Queensland government's Information Standard No. 42 and supporting guidelines establish a framework for the responsible collection and handling of personal information in the Queensland government public sector. Information Standards are issued under the authority of section 22(2) and section 56(1) of the *Financial Management Standard 1997* (QLD) and apply to all government agencies and statutory bodies as defined under the *Financial Administration and Audit Act 1997* (QLD). Information Standard No. 42 requires personal information to be managed in accordance with a set of information privacy principles adapted from the Commonwealth government public sector information privacy principles contained in the *Privacy Act 1988* (Cth). The requirement for agencies to comply with the Information Standard and guidelines is administratively based.

Financial performance

The audited financial records of the Professional Standards Council of Queensland will be made available as an addendum to this report at a later date. For an unaudited statement of the revenue and expenditure of this Council refer to the Consolidated Financial Performance Extract of the Professional Standards Councils at the beginning of this section.

THE PROFESSIONAL STANDARDS COUNCIL OF SOUTH AUSTRALIA

Constitution of the Council

Council members of the Professional Standards Council of South Australia are as follows: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper, Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson.

Major legislative changes

There are no legislative changes to report in the South Australian jurisdiction.

Table 26: Meetings of the Professional Standards Council of South Australia

Members	Council meetings entitled to attend	Council meetings attended	ARMC meetings entitled to attend	ARMC meetings attended
Esther Alter	7	4	4	3
Robert Beaton	7	5	n/a	n/a
Steven Cole	7	7	4	4
Terry Evans	7	6	n/a	n/a
Ronald Farrell	7	7	4	4
Justin Harper	7	4	n/a	n/a
Joanne Metcalfe	7	5	n/a	n/a
Madeleine Ogilvie	7	3	n/a	n/a
Brian Rayment	7	7	n/a	n/a
Iain Summers	7	7	4	4
Warwick Wilkinson	7	5	n/a	n/a

Fraud

There were no instances of fraud during the reporting period.

Freedom of Information reporting

The Professional Standards Council of South Australia has details of its policies on its website.

Policy documents

The following policy documents can be accessed on the website of the Professional Standards Councils

- Policy Statement on Professional Indemnity Insurance
- Policy Statement on Complaints and Discipline Systems
- Policy Statement on Disclosure of Limited Liability
- Policy Statement on Payment of Annual Fees
- Policy Statement on Pricing of PSC Publications
- Policy Statement on Privacy, and
- Policy on Business Entity Associations

Other documents

The Professional Standards Council of South Australia has a computerised records management system and databases that record certain details of applications, submissions, and correspondence. Arrangements can be made to inspect documents available under the *Freedom of Information Act 1991 (SA)* by contacting the Professional Standards Council Secretariat between 9.00 am and 5.00 pm on ordinary working days.

There were no requests made under the *Freedom of Information Act 1991 (SA)* during the reporting period.

Financial performance

The audited financial records of the Professional Standards Council of South Australia will be made available as an addendum to this report at a later date. For an unaudited statement of the revenue and expenditure of this Council refer to The Consolidated Financial Performance Extract of the Professional Standards Councils at the beginning of this section.

THE PROFESSIONAL STANDARDS COUNCIL OF TASMANIA

Constitution of the Council

Council members of the Professional Standards Council of Tasmania are as follows: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper, Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson.

Major legislative changes

There are no legislative changes to report in the Tasmanian jurisdiction.

Table 27: Meetings of the Professional Standards Council of Tasmania

Members	Council meetings entitled to attend	Council meetings attended	ARMC meetings entitled to attend	ARMC meetings attended
Esther Alter	7	4	4	3
Robert Beaton	7	5	n/a	n/a
Steven Cole	7	7	4	4
Terry Evans	7	6	n/a	n/a
Ronald Farrell	7	7	4	4
Justin Harper	7	4	n/a	n/a
Joanne Metcalfe	7	5	n/a	n/a
Madeleine Ogilvie	7	3	n/a	n/a
Brian Rayment	7	7	n/a	n/a
Iain Summers	7	7	4	4
Warwick Wilkinson	7	5	n/a	n/a

Financial performance

The Professional Standards Council of Tasmania is not responsible for compiling financial records, but the Secretariat is responsible for operating within the budget. During the reporting period, The Secretariat undertook these tasks.

Refer to the Consolidated Financial Performance Extract of the Professional Standards Councils at the beginning of this section, for the revenue of the Professional Standards Council of Tasmania and the proportion of expenses for this Council.

THE PROFESSIONAL STANDARDS COUNCIL OF VICTORIA

Constitution of the Council

Council members of the Professional Standards Council of Victoria are as follows: Esther Alter, Robert Beaton, Steven Cole, Terry Evans, Ronald Farrell, Justin Harper, Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson.

Major legislative changes

There are no legislative changes to report in the Victorian jurisdiction.

Table 28: Meetings of the Professional Standards Council of Victoria

Members	Council meetings entitled to attend	Council meetings attended	ARMC meetings entitled to attend	ARMC meetings attended
Esther Alter	7	4	4	3
Robert Beaton	7	5	n/a	n/a
Steven Cole	7	7	4	4
Terry Evans	7	6	n/a	n/a
Ronald Farrell	7	7	4	4
Justin Harper	7	4	n/a	n/a
Joanne Metcalfe	7	5	n/a	n/a
Madeleine Ogilvie	7	3	n/a	n/a
Brian Rayment	7	7	n/a	n/a
Iain Summers	7	7	4	4
Warwick Wilkinson	7	5	n/a	n/a

Manner of establishment and relevant minister

The Professional Standards Council of Victoria is established by the *Professional Standards Act 2003* (VIC) as a body corporate. The Council reported throughout the year to the Attorney General the Honourable Rob Hulls.

National Competition Policy

The Professional Standards Council of Victoria, to the extent applicable, complies with the requirements of the National Competition Policy.

Reporting of office-based environmental impacts

The Financial Reporting Directions issued by the Minister for Finance require all entities defined as a 'Department' under section 3 of the *Financial Management Act 1994* (VIC) and environmental agencies to report on office-based environmental impacts. The Council does not fall within this definition. The NSW Attorney General's Department,

which provides Secretariat support to the Professional Standards Council of Victoria, has developed policies on energy use, waste production, and green purchasing.

Victorian Industry Participation Policy (VIPP)

The Professional Standards Council of Victoria did not enter into or complete any contracts over \$3million in metropolitan Melbourne or \$1million in regional Victoria, therefore VIPP reporting is not required.

Freedom of Information reporting

Victoria's *Freedom of Information Act 1982* (VIC) gives members of the public the right to apply for access to information held by Ministers, State government departments, local councils, public hospitals, most semi-government agencies and statutory authorities.

The Professional Standards Council of Victoria received no requests under the *Freedom of Information Act 1982* (VIC) in the reporting period.

Compliance with *Building Act 1993* (VIC)

The Professional Standards Council of Victoria does not lease or own property in Victoria.

Whistleblower's Protection Act 2001

The *Whistleblowers Protection Act 2001* (VIC)

encourages and facilitates disclosures of improper conduct by public officers and public bodies. For the 12 months ending 30 June 2008, the Professional Standards Council of Victoria did not receive any disclosures covered by the *Whistleblowers Protection Act 2001* (Vic).

Table 29: Whistleblower's reporting 2007–08

Whistleblower's reporting 2007–08	Volume
Disclosures made to the Council during the year	Nil
Disclosures referred to the Council by the Ombudsman for investigation	Nil
Disclosures referred by the Council to the Ombudsman for investigation	Nil
Investigations taken over from the Council by the Ombudsman	Nil
Disclosed matters that the Council has declined to investigate	Nil
Matters that were substantiated upon investigation	Nil
Requests made by whistleblowers to the Ombudsman to take over an investigation by the Council	Nil
Disclosures referred by the Council to the Ombudsman for determination as to whether they were public interest disclosures	Nil

Financial performance

There is a separate Professional Standards Council of Victoria 2007–08 annual report with detailed financial statements. For an unaudited statement of revenue and expenditure of this council refer to the Consolidated Financial Performance Extract of the Professional Standards Councils at the beginning of this section.

THE PROFESSIONAL STANDARDS COUNCIL OF WESTERN AUSTRALIA

Background

The Professional Standards Council of Western Australia was formed in 1997 under section 8 of the *Professional Standards Act 1997 (WA)*.

Ronald Farrell, Justin Harper, Joanne Metcalfe, Madeleine Ogilvie, Brian Rayment, Iain Summers and Warwick Wilkinson.

Constitution of Council

Council members of the Professional Standards Council of Western Australia are as follows: Esther Alter, Robert Beaton, Steven Cole, Terry Evans,

Major legislative changes

There are no legislative changes to report for the Western Australian jurisdiction.

Table 30: Meetings of the Professional Standards Council of Western Australia

Members	Council meetings entitled to attend	Council meetings attended	ARMC meetings entitled to attend	ARMC meetings attended
Esther Alter	7	4	4	3
Robert Beaton	7	5	n/a	n/a
Steven Cole	7	7	4	4
Terry Evans	7	6	n/a	n/a
Ronald Farrell	7	7	4	4
Justin Harper	7	4	n/a	n/a
Joanne Metcalfe	7	5	n/a	n/a
Madeleine Ogilvie	7	3	n/a	n/a
Brian Rayment	7	7	n/a	n/a
Iain Summers	7	7	4	4
Warwick Wilkinson	7	5	n/a	n/a

Financial Performance

There is a separate Professional Standards Council of Western Australia 2007–08 annual report with detailed financial statements. For an unaudited statement of revenue and expenditure of this Council refer to the Consolidated Financial Performance Extract of the Professional Standards Councils at the beginning of this section.

APPENDIX

Cost of Annual Report

The Professional Standards Councils' Annual Report was produced in-house in conjunction with an external graphic designer and printer. A downloadable version can be found on the Councils' website at www.professionalstandardscouncil.gov.au

500 copies of the report were produced on CD ROM. 250 hard copies were initially produced to meet Parliamentary tabling requirements. An additional print run may be undertaken once financial audits are completed. The estimated cost of production is \$7,000.00.

Overseas travel

Nil.

Professional standards legislation

- New South Wales — *Professional Standards Act 1994* (NSW) (commenced 1 May 1995; amended in 1998, 2000, 2004, 2006, 2007)
- Western Australia — *Professional Standards Act 1997* (WA) (commenced 18 April 1998; amended in 2003, 2004, 2006)
- Victoria — *Professional Standards Act 2003* (VIC) (commenced 8 June 2004; amended in 2007)
- Queensland — *Professional Standards Act 2004* (QLD) (commenced 1 July 2005)
- South Australia — *Professional Standards Act 2004* (SA) (commenced 1 October 2006)

- Northern Territory — *Professional Standards Act 2004* (NT) (commenced 1 January 2006; amended in 2007)
- Australian Capital Territory — *Civil Law (Wrongs) Act 2002* (ACT) as amended by the *Civil Wrongs (Proportionate Liability and Professional Standards Act) 2004* (commenced 9 March 2005)
- Tasmania — *Professional Standards Act 2005* (TAS) (commenced 1 August 2005)
- Commonwealth — *Treasury Legislation Amendment (Professional Standards) Act 2004* (Cth) (commenced 13 July 2004).

Publications and promotion

The Professional Standards Councils produce a variety of publications to facilitate improvements in the professions and to support consumer protection. Publications produced this year include:

- Professional Standards Council: Combined Annual Report 2006–07
- Professional Standards Council: Victoria Annual Report 2006–07

Staffing

Secretariat staff are employed by the NSW Attorney General's Department, which is an equal opportunity employer and encourages flexible working practices, including part-time work. It values social and cultural diversity and is committed to providing a safe and harassment free workplace for all employees. It encourages staff to undertake training that will contribute to the work of the Councils, and actively supports staff by providing study leave for these purposes.

Table 31: Staffing

Position grade	Number of positions	Male employees	Female employees
Clerk Grade 1–4	2	0	2
Clerk Grade 5–8	3	2	1
Clerk Grade 10–12	1	0	1

GLOSSARY

ARMC

Audit and Risk Management Committee

APESB

Accounting Professional and Ethical Standards Board

APRA

Australian Prudential Regulation Authority

AVI

Australian Valuers Institute (formerly Institute of Consulting Valuers)

CIRCEA

College of Investigative and Remedial Consulting Engineers of Australia

COE

Continuing Occupational Education

CPA AUSTRALIA

Certified Practising Accountants Australia

CPD

Continuing Professional Development

EA

The Institution of Engineers Australia

ICAA

Institute of Chartered Accountants in Australia

IFAC

International Federation of Accountants

IRMP

Internal Risk Management Plan

LSNSW

The Law Society of New South Wales

NIA

National Institute of Accountants

NSW Bar

New South Wales Bar Association

PSOA

Professional Surveyors Occupational Association

Professional Association

The terms professional association and occupation association are used interchangeable in this document

RMP

Risk Management Plan

Schemes

Cover of Excellence® Schemes approved and gazetted under professional standards legislation

SCAG

Standing Committee of Attorneys General

Secretariat

The staff of the Professional Standards Councils, located in the office of the professional Standards Councils in the NSW Attorney General's Department

The Councils

The Professional Standards Councils of the Australian Capital Territory, New South Wales, the Northern Territory, Queensland, South Australia, Tasmania, Victoria and Western Australia

VIC Bar

The Victorian Bar Incorporated

LIST OF TABLES

Timeline: The Evolution of the Professional Standards Councils	2
Table 1: Remuneration of Council members	15
Table 2: <i>Cover of Excellence</i> [®] Schemes in the Australian Capital Territory	19
Table 3: <i>Cover of Excellence</i> [®] Schemes in New South Wales	20
Table 4: <i>Cover of Excellence</i> [®] Schemes in the Northern Territory	21
Table 5: <i>Cover of Excellence</i> [®] Schemes in Queensland	21
Table 6: <i>Cover of Excellence</i> [®] Schemes in South Australia	22
Table 7: <i>Cover of Excellence</i> [®] Schemes in Victoria	23
Table 8: <i>Cover of Excellence</i> [®] Schemes in Western Australia	23
Table 9: <i>Cover of Excellence</i> [®] Schemes by jurisdiction	24
Table 10: <i>Cover of Excellence</i> [®] Scheme participation by Jurisdiction	24
Table 11: <i>Cover of Excellence</i> [®] Scheme participation by occupational/ professional association and year in New South Wales	25
Table 12: Reporting categories for occupational/professional associations	28
Table 13: Advisory and support service	29
Table 14: Codes of ethics	30
Table 15: Complaints and discipline	31
Table 16: Continuing occupational education	33
Table 17: Membership entry requirements	34
Table 18: Technical standards and guidance	35
Table 19: Quality control programs and quality assistance systems	36
Table 20: Claims and insurance monitoring	37
Table 21: <i>Cover of Excellence</i> [®] Scheme monitoring	38
Consolidated Financial Performance Extract	39
Table 22: Meetings of the Professional Standards Council of the Australian Capital Territory	41
Table 23: Meetings of the Professional Standards Council of New South Wales	42
Table 24: Meetings of the Professional Standards Council of the Northern Territory	43
Table 25: Meetings of the Professional Standards Council of Queensland	44
Table 26: Meetings of the Professional Standards Council of South Australia	46
Table 27: Meetings of the Professional Standards Council of Tasmania	47
Table 28: Meetings of the Professional Standards Council of Victoria	48
Table 29: Whistleblower's reporting 2007-08	49
Table 30: Meetings of the Professional Standards Council of Western Australia	50
Table 31: Staffing	51

DIRECTORY

CHAIRMAN

Brian Rayment QC

DEPUTY CHAIR

Steven Cole

SECRETARIAT

Philippa Seagrave (Acting Executive Officer)

Rob Lawson (Policy Officer)

Mary McCrudden (Policy Officer)

Hau Wong (Assistant Analyst)

Mary Abi-Younes (Administrative Officer)

Elizabeth Rysiok (Graduate Officer)

CONTACT THE PROFESSIONAL STANDARDS COUNCIL

By Mail:

Locked Bag 5111
PARRAMATTA NSW 2124

By Phone:

(02) 8688 8060
1300 555 772 Free call Australia wide

By Facsimile:

(02) 8688 9675

By Email:

psc_excellence@agd.nsw.gov.au

In Person:

Parramatta Justice Precinct Building
160 Marsden Street, PARRAMATTA NSW

On the Net:

www.professionalstandardscouncil.gov.au





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GPO Box 6 Sydney NSW 2001 Phone: (02) 8688 8060 Fax: (02) 8688 9675 Email: psc_excellence@agd.nsw.gov.au.

This information can be provided in alternative formats such as Braille, audiotape, large print or computer disk. Please contact the Diversity Services business centre of the NSW Attorney General's Department on (02) 8688 7507 (voice), (02) 8688 7733 (TTY — for people who are deaf or have a speech impairment) or diversity_services@agd.nsw.gov.au.





What is the **Cover of Excellence**®?

The *Cover of Excellence*® is a trademark of the Professional Standards Councils. Occupational associations and professional associations with a *Cover of Excellence*® Scheme encourage professionals to adopt practical risk management strategies to achieve quality of service and to create a culture of excellence and responsibility. That culture supports qualified, proficient practitioners to serve the best interests of clients and provide a proper cover of protection.

The *Cover of Excellence*® logo is easily recognisable, and may be used by members of occupational associations and professional associations who enjoy the benefit of a *Cover of Excellence*® Scheme. Participants adopting the logo convey to consumers that they are committed to protecting and caring for consumers, improving standards, and reducing risk.